



FINANCE (BUDGET GENERAL-I) DEPARTMENT

G.O. No.249, dated 21st May 2020

(Saarvari, Vaigasi-8, Thiruvalluvar Aandu 2051)

COVID-19 – Economy in expenditure during 2020-2021 - Introduction of certain measures to control expenditure – Orders - Issued.

READ:

1. G.O.Ms.No.224, Finance (BG.I) Department, Dated 31.03.2020
2. G.O.Ms.No.226, Finance (B.Coord) Department, Dated 13.04.2020
3. G.O.Ms.No.232, Finance (Allowances) Department, Dated 27.04.2020
4. G.O.Ms.No.48, Personnel and Administrative Reforms (FR-III) Department, Dated 27.04.2020
5. G.O.Ms.No.51, Personnel and Administrative Reforms (S) Department, Dated 07.05.2020

ORDER:

The Revenue Receipts and the Revenue Expenditure assumed in the Budget Estimates 2020-21 have been drastically affected by the unprecedented COVID-19 outbreak since March 2020. The Government is facing a huge shortfall in the receipts due to the COVID-19 pandemic and the consequent measures to contain the pandemic. There are mounting additional expenditure commitments towards containment, prevention, relief and mitigation activities. The Government have made a detailed study of the current situation and are taking necessary action to minimize fiscal stress so that expenditure on welfare schemes and capital works are ensured to revive the economy.

2. As part of the economy measures and resource mobilization efforts, the Government have decided to curtail certain avoidable items of expenditure during the current financial year. Accordingly, the Government hereby direct that the allocation made in the Budget Estimates 2020-21, under all the Demands for Grants, shall be reduced as per the cuts imposed against each object head indicated below:

305 Office Expenses - 02 Other Contingencies: A flat 20% cut in the overall budgeted amount is imposed on this item of routine expenditure.

305 Office Expenses - 05 Furniture: This expenditure should be restricted to very exceptional cases like creation of new offices and upkeep of the existing infrastructure in the offices. A 50% cut in the overall budgeted amount is imposed on this item of expenditure.

308 Advertising and Publicity – 02 Exhibition: The precautions in public gathering and social distancing to be maintained in the coming months warrant reduction in requirements. A 25% cut in the overall budgeted amount is imposed on this item of expenditure.

313 01 Hospitality / Entertainment Expenditure: All official lunches, dinners and other forms of entertainment are banned until further orders whether on Government account or funded by Public Sector Undertakings or Autonomous Boards. A 50% cut in the overall budgeted amount is imposed on this item of expenditure.

319 Machinery and Equipments – 01 Purchase: Except for essential services providers like Health & Family Welfare and Fire & Rescue Services departments and schemes coming under Externally Aided Projects, the procurement of machinery & equipment by the other departments shall be postponed for a year. An overall cut of 25% of the Budget provisions of this item of expenditure shall be imposed during 2020-21.

321 Motor Vehicles – 01 Purchase: A total ban on purchase of new vehicles is imposed, except for emergency services like Medical / Ambulatory Services, Police and Fire Services, VVIP security, etc. An overall cut of 50% of the Budget Estimates 2020-21 for this item of expenditure is imposed during 2020-21.

372 01 Training: Considering the restricted movements in the coming months due to the COVID-19 pandemic, except for the fundamental / foundation training programmes as part of the probation / promotion and COVID-19 related training requirements, all other trainings including training abroad should be strictly avoided. A flat 50% cut in the overall Budget provisions shall be imposed on this item of expenditure.

371 01 Printing Charges: A 25% reduction in the Budget provisions is imposed on this item of expenditure.

376 Computer and Accessories – 01 Purchase: Purchase of new computers and accessories will not be allowed, except for replacement of very old and dysfunctional systems. A 25% cut in the overall budgeted amount is imposed on this item of expenditure.

304 01 and 02 Travelling Allowance and Daily Allowance: The following measures shall take effect from the date of issue of orders, until further orders:

- a) The permission for official travel should be given judiciously and restricted only to absolutely essential official requirements. Regular review meetings can be organized through video conferencing and tele-conferencing in a secure environment.
- b) Foreign travel at Government cost is not permitted.
- c) Air travel within the State is not permitted for officials unless the cost of air fare is less than or equal to the cost of eligible train fare.
- d) Journey by air outside the State is also restricted and the Resident Commissioners of Tamil Nadu House in New Delhi shall be deputed to attend Government of India meetings in New Delhi as far as possible.
- e) Travel by air in Executive Class is not permitted for officers of any pay grade.
- f) The permissible rates of Daily Allowance shall be reduced by 25%. Only 75% of eligible amount shall be allowed to be drawn subject to rounding off to next 10 rupees for all categories of officials / non-officials. This will

come into effect for the journeys performed after the date of issue of this order.

- g) General transfers shall be kept on hold for 2020-21 to minimize expenditure on transfer travel expenses. Only transfers on administrative grounds by an authority higher than the authority normally empowered to transfer and mutual request transfers will alone be allowed.

301 Salaries - 07 Travel Concession: As the travel needs to be minimized and reduced in view of the COVID-19 pandemic, leave travel concession is deferred for all categories of employees and teachers from the date of order, until further orders.

3. In addition to the economy measures ordered in the preceding paragraph, directly affecting the Government finances, the Government direct further that the following restrictions should also adhered to by all concerned. Expenditure from the Government account and on the accounts of PSUs, Local Bodies, Universities, Autonomous Boards and other Public entities will be banned for the following items until further orders:-

- i. Presentation of gifts, bouquets, shawls, mementoes, garlands and similar articles.
- ii. Official functions, gatherings including conferences, seminars, workshops and cultural programmes of more than 20 persons, except for official review meetings.
- iii. A ban on all official lunches and dinners and entertainment.

4. The expenditure control measures ordered in the paragraphs 2 and 3 above shall be enforced strictly and scrupulously by the Departments of Secretariat, Heads of Departments and CEO of PSU, Autonomous Boards, Local Bodies, Universities, etc. The Secretaries to Government and Heads of Departments shall be personally responsible for enforcing the economy measures and shall give suitable instructions to the subordinate officers. They shall re-allot the budget provisions whenever required, to control and restrict the expenditure within the limit set in this Government orders and ensure that no deviation from the economy measures cited occurs. The Finance Department shall give effect to the reductions at the time of fixing the Revised Estimates for 2020-21.

5. A copy of this Government Order shall be uploaded on the IFHRMS site and other Government websites for easy dissemination.

(BY ORDER OF THE GOVERNOR)

**K. SHANMUGAM
CHIEF SECRETARY**

To

The Additional Chief Secretaries / Principal Secretaries /
Secretaries to Government, Departments of Secretariat, Chennai - 9.
All Departments of Secretariat (Bills) (2 copies).
The Legislative Assembly Secretariat, Chennai - 9.

The Secretary to the Governor, Governor Estate, Chennai - 22.
All Heads of Department.
The Registrar General, High Court, Chennai -104.
The Secretary, Tamil Nadu Public Service Commission, Chennai-3
The Commissioner of Treasuries and Accounts, Chennai-35.
The Commissioner, Government Data Centre, Chennai-25.
All Pay and Accounts Officers / Treasury Officers / Sub-Treasury Officers.
The Accountant General (A&E / E&RA), Chennai-18.
The Principal Accountant General (G&SSA), Chennai-18.

Copy to
All Officers in Finance Department, Chennai-9.
All Sections in Finance Department, Chennai-9.
Stock File / Spare Copies.

// Forwarded / By Order //


SECTION OFFICER