

No. DPE/3(4)/2008-Fin.
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises

Public Enterprises Bhavan
Block No. 14, CGO Complex
Lodhi Road New Delhi

Dated 12th August, 2011

OFFICE MEMORANDUM

Subject: Expenditure Management – Economy measures and Rationalization of Expenditure.

In consonance with economy instructions issued by Department of Expenditure vide O.M. No. 7(1)E.Coord./2011 dated 11th July, 2011(copy enclosed), appropriate economic measures need also be put in place to rationalize the expenditure of CPSEs . A mandatory cut of 10% as indicated in para 2.1 of the OM referred above in respect of seminar and conferences would be affected mutadis mutandis on the expenditure of CPSEs.

2. Economy measures as outlined in para 2.2 , para 2.3 and para 2.4 of the OM referred above in respect of purchase of vehicles, foreign travels and creation of post will also be applicable to CPSEs.

3. All Administrative Ministries/Departments shall ensure the compliance relating to observance of discipline in fiscal transfers to CPSEs as contained in para 3 of the OM referred above.

4. Chief Executive Officers of the CPSEs will be responsible for ensuring the compliance of measures outlined in this OM. A report on the compliance of the above measures shall be placed on a quarterly basis before the Board of Directors. The Compliance Report would also be submitted to the administrative Ministry/Department concerned.

5. These instructions are in addition to the instructions already issued vide DPE OM of even No. dated 08.10.2009 and other instructions on expenditure management, issued from time to time unless specifically relaxed/withdrawn.


(A.K. Pal)

Deputy Director

Encl: as above

To

1. All Secretaries of Administrative Ministries/Departments concerned with CPSEs
2. Chief Executive of all CPSEs.
3. All Financial Advisors of the Administrative Ministries/Departments.
4. C&AG of India, 10, Bahadur Shah Zafar Marg, New Delhi.
5. Department of Expenditure in compliance to O.M. No. 7(1)/E.Coord/2011 dated 11th July, 2011.

