

**Government of Jammu and Kashmir
Finance Department, Civil Secretariat**

...
No: FD-VII-Gen. (18)/2014-15

Dated: 20 -09-2017

**Subject: Preparation of Budget Estimates of 2018-19
and Revised Estimates of 2017-18.**

The State budget is likely to be presented in the State Legislature in the first week of January, 2018 and accordingly the Finance Department contemplates to accomplish the process of budget preparation 2018-19 by 2nd week of December, 2017. All the Administrative Departments / HoDs are, therefore, requested to start Budget preparation exercise for the year 2018-19 in the right earnest to enable examination, compilation and consolidation of these estimates in the Administrative Departments for onward submission of the same to the Finance Department. The Administrative Departments shall further carry out due scrutiny of estimates and forward their recommendations to the Finance Department not later than **10th October, 2017**. The budget preparation of Form B-2 will be made by all the field offices as well as the Administrative Departments online through 'Budget Estimation, Allocation and Management System' (BEAMS) only. Hard copies of Form B-2 shall not be entertained in the Finance Department. The technical assistance in this regard shall be had from the Resource Persons available in each District Treasury. A copy of the list of Resource Persons is enclosed herewith.

2. A detailed set of instructions for preparation of Budget proposals by the Departments are contained in the enclosed **Annexure 'A'**. For extant instructions on the subject reference can be made to the Budget Manual.

3. A check list indicating details of information to be provided to Finance Department is also enclosed as **Annexure 'B'** for guidance.



4. All the Administrative Secretaries are requested to send Budget Proposals in respect of each HoD to the Finance Department by the appointed date. The calendar for discussion of Budget proposals of the departments will be issued separately.

5. The NIC shall put in place all the required arrangements for data entry in BEAMS by the field formations and the Administrative Departments.

Sd/-

(Navin K. Choudhary) IAS
Principal Secretary to Government,
Finance Department

Principal Secretary to Government/
Commissioner Secretary to Government/
Secretary to Government,
_____ Department

Encl: 12 lvs

Copy to the:

1. Ld. Advocate General, J&K, Srinagar.
2. Accountant General (A&E) J&K, Srinagar/ Jammu.
3. Principal Resident Commissioner, J&K Government, 5-Prithivi Raj Road, New Delhi.
4. Divisional Commissioner Kashmir/Jammu.
5. Registrar General, J&K High Court, Srinagar.
6. Director and Ex-Officio Secretary to Government, SKIMS, Soura, Srinagar.
7. Commissioner Commercial Taxes.
8. Excise Commissioner.
9. Director General, Funds Organization.
10. Director General, Accounts & Treasuries.
11. Director, Audit & Inspections.
12. All Heads of Departments.
13. All Directors Finance / Financial Advisors & CAOs.
14. Additional Secretary to Government, Finance Department.
15. Joint Director, Resources, Finance Department.



16. Consultant to Hon'ble Minister for Finance, Labour & Employment and Culture.
17. Pvt. Secretary to Principal Secretary to Government, Finance Department.
18. All Sectional Heads of Finance Department.
19. P.A. to Director Budget, Finance Department
20. Stock file.



(I.A. Wani)
Director Budget
Finance Department

Annexure 'A'

1. **Receipt Budget:** All revenue earning departments, big or small, shall furnish the information strictly as per the prescribed format, FORM B-1, along with covering note for details. The estimates of Revenue Receipts (tax / non-tax) arrears with their age profile will be prepared as per the new form 'FORM-B-1 (a)' introduced in the Budget Manual (2011 Edition). It shall also be ensured that targets fixed for revenue shall be achieved in full.
2. **Previous year Expenditure:** The Finance Department has been noticing huge variations in the actual expenditure of the preceding year as shown by the Departments and the numbers as shown by the Accountant General (A&E) J&K in the Annual Finance Account of that year. This has been viewed seriously. Care should, therefore, be taken to reflect the correct and duly reconciled expenditure in the Form B-2 and form B-10.
3. **Standardization of Detailed Heads:** The Budget Estimates shall be prepared strictly in accordance with the standardized 'detailed heads' as per Government Order No. 52-F of 2015 dated 16-04-2015 and no other detailed head shall be put to use and in case any of the department puts it to use the same shall be summarily disallowed.
4. **Salaries:**
 - a. Revised Estimates and the Budget Estimates shall be prepared for sanctioned posts only in Forms B-4 (i) and B-4 (ii). A categoric certificate shall be furnished by all Administrative Departments to this effect, which should accompany the consolidated sheet for discussions in Finance Department. Administrative Departments should seek such certificates from each Head of the Department / other Controlling Officer, who shall, in turn, seek same from Heads of Offices. Comparative statements of change in sanctioned strength during 2018-19 as compared to 2017-18 should also be prepared under the Revenue Expenditure Account.
 - b. Forms B-2, B-3, B-4 (i) and B-4 (ii) shall be prepared separately for revenue expenditure, capital expenditure, Centrally Sponsored Schemes (CSS), Central Plan and Externally Aided Projects (EAP) budgets.
 - c. No creation of posts shall be anticipated and budgeted for either in Revised Estimates or in Estimates for ensuing financial year.



- d. A separate statement showing provision for vacant posts as kept in the Revised Estimates 2017-18 and in the Budget Estimates 2018-19 will also be appended with the Budget proposals. Such provisions will not be reduced at source by Administrative Departments.
- e. Actual expenditure for first six months of current financial year will include salary for the period from March 2017 drawn in April 2017 to the salary for the month of August 2017. Salaries for next six months under Revised Estimates will be estimated from September 2017 to February 2018.
- f. Actual expenditure for the last six months of the previous financial year also to be given as per the same pattern for the purpose of comparison. In addition, the following information also will be given:-
 - ✓ i. Details of migrant posts filled up and vacant, where relevant, both by HoDs of Kashmir Division and their counterpart HoDs in Jammu Division responsible for disbursement of migrant salary. ✓
 - j. Number of temporary posts created for regularization of pre-1994 daily wagers and the number out of such posts which cease to exist by way of retirement or adjustment of regularized workers against normal vacancies, as the case be. ✓
 - k. No. of vacant posts available during the year indicating separately the number of such posts filled on contractual/ consolidated / adhoc basis. ✓
 - l. Actual normal vacancies in all categories at the time of preparation of estimates under 'Salaries'. ✓
 - m. Administrative Departments are enjoined to append a separate statement on the pattern of 'FORM B-3', depicting in a consolidated form sanctioned as well as existing strength of posts. The requisite information in respect of autonomous bodies and PSUs getting Grant-in-Aid for payment of salaries also will be enclosed as a separate statement. ✓
- 5. **Establishment Budget:** As Finance Department intends to compile establishment budget of the State in final details, all the Departments shall, prepare details of Establishment in respect of **sanctioned posts** and incorporate Revised Scales of pay as per SRO 93/2009 indicating among other things the Grade pay relevant to the Pay Band & the Post. The staff strength as shown in budget proposals should strictly tally with the staff strength as shown in Establishment Budget. Variations, if any should be properly explained.



6. **Capital Budget:** Capex budget and expenditure including Centrally Sponsored Schemes / Central / Externally Aided Projects should be included in the Budget Estimates in a separate statement on the pattern of the Revenue Expenditure budget showing the object head-wise expenditure with details of individual schemes. *Schematic break-up will be given in REs in all such cases where these were projected in lump-sum in BEs. It also needs to be ensured that BEs 2018-19 do not contain any lump sum provisions and that the projections are made right upto the last tier of classification i.e. upto detailed head level. All the concerned officers are advised to specifically indicate the actual expenditure of 2016-17, RE of 2017-18 and BE of 2018-19 in respect of the Capex including CSS in their budget proposals. Resources Division in the Finance Department should work on these lines in respect of CSS and other major flagship schemes for which it is authorising funds to various administrative departments.*
7. **Classification of Budget:** Budget Estimates and Revised Estimates should be prepared strictly as per the system of classification having eight tier and sixteen digit / alpha numeric pattern as indicated in the Demand for Grants for current financial year. Directors Finance / FA&CAOs shall be personally responsible for ensuring the same.
8. **Leave Encashment:**
Funds requirement during the current financial year in respect of leave encashment for any arrear claims that are to be paid and other leave encashment claims in the ensuing financial year's estimates 2018-19 may be worked out under Major Head: 2071- Pension and Other Retirement Benefits after ensuring that not even a single name is missed out. The HoDs and Directors Finance / FA&CAOs of Adm. Departments shall personally verify their funds requirements on this account. Care should be taken to include all such employees who are presently on deputation outside their parent cadre and whose Leave Encashment dues are to be paid by their respective parent departments.
9. **National Pension System (NPS):**
As a sequel to the implementation of National Pension System w.e.f. 01.01.2010, the Departments are required to work out their requirements on 10% of basic pay in respect of each DDOs' establishment as Employer's contribution under detailed head '641- Pensionary Charges' below Major Head: 2071- Pensions and Other Retirement Benefits. The Departments are further advised to make



the projections under this head more realistically after taking into account the provision for vacant posts.

10. **Medical Reimbursement:** In case of medical reimbursement to regular or chronic patients, reasonable estimation should be made in Form B-3 under the Detailed Head "071-Medical Reimbursement" under Revenue Expenditure Account. While determining the requirement of funds on account of 'Medical Reimbursement' the 'Group Medclaim Insurance Policy' may be kept in view, in case this is implemented.
11. **Wages:** Provision under the object head "Wages" for pre-1994 DRWs, not regularized as yet, will not be enhanced either under the REs 2017-18 or BEs 2018-19, save to the extent of revision in the minimum wage rate. It can, however, be reduce for reasons of regularization of existing DRWs or on account of their demise / quitting engagement.
12. Wages payable to DRWs engaged prior to 31.01.1994 shall in no case be booked under object head 'Salaries' or 'Maintenance' or 'Office Expenses' or any other object head except 'Wages'. *For any camouflaging of classification on this account, DDOs and the Controlling Officers shall be held personally accountable.*
13. Administrative Departments shall furnish details of number of regularized daily wagers (Helpers) who have been adjusted against normal vacancies so far along with details regarding further regularization of DRWs approved during current financial year.
14. **Rent, Rates and Taxes:** Requirements under 'Rent, Rates and Taxes' should be supported by details of number of rented offices indicating sanctioned rate of monthly rent in each case. Arrears on account of rentals, if any, should be shown separately with full details as to the justification for the same.
15. **Purchase of Motor vehicles:** Proposals for "Purchase of Motor Vehicles" should be supported by the number of vehicles available with the department indicating detailed status of these vehicles and their deployment. Information about condemned and condemnable vehicles shall also be supplied. Requirement of (i) cost of replacement of condemned vehicles, if any (ii) POL which will include requirement of funds for maintenance of vehicles also shall be worked out. Failure to provide supporting details will render the department liable for adhoc cut in provisions available under "Purchase of Motor Vehicles" "POL". Moreover, departments are well advised to come up with



proposals for hiring of vehicles instead of making purchases, if such a measure can mean economy of expenditure.

16. **Telephones:** Provision under "Telephones" should be supported by information about the number of sanctioned residential / office telephones and mobile phones with and without STD facility and projections made accordingly, keeping in view the monetary ceilings for residential / mobile telephone bills prescribed by the Government.
17. **Loans and Advances:** Disbursements under loans / advances and recovery of loans and advances shall be estimated separately for each Scheme. The default in recovery of loans / advances as on 31.03.2016 shall also be shown separately along with measures taken by the Department to effect the recovery of arrears.
18. **Security Related Expenditure:** Departments authorized to incur SR Expenditure shall prepare separate statements indicating object head-wise provisions for normal (non-reimbursable) and SRE (reimbursable) items e.g. Materials and Supplies, Carriage of Constabulary etc. as according to latest SRE guidelines. No item of expenditure not covered under these guidelines shall be adopted by the Finance Department. Estimates for air lifting charges are required to be consolidated by Civil Aviation Department separately for each category namely SRE, normal (Non-SRE), Tourism etc strictly in accordance with the new format devised by the MHA. The concerned Administrative Departments shall estimate the requirement pertaining to their sector and show the same in their own budget proposals as well strictly as per SRE guidelines. Estimates in respect of "SRE" shall be prepared only for such items / heads as have been approved for reimbursement by MHA, GoI. *Instructions at Para 9 regarding 10% Employer's share under 'New Pension scheme' may also be kept in view.* Projections of SRE, both in respect of revised estimates for current financial year and estimates for ensuing financial year, should become available to Finance Department ahead of Budget proposals and not later than 10th October, 2017 so that the same are consolidated and forwarded to MHA in time for incorporation in the Union Budget.
19. **Relief Operations:** Expenditure against authorization of funds by Finance Department under SDRF against each item of expenditure shall be reflected in a properly tabulated form by the concerned Departments, supported by notes giving all relevant details. The information shall also be sent to Revenue Department being the Nodal Department for compilation.



20. **Cost Sharing Schemes:** Complete details shall be supplied in respect of all Schemes in which cost is shared by the centre including 100% Central Schemes giving details of utilization of funds received in the previous years / received in the current year, those expected in current year and the next year along with status of claims lodged for reimbursement against the expenditure already incurred so far.
21. **Urban / Rural Local Bodies:** The formats for preparation of 'Supplement to the Budget Documents for Urban Local Bodies and Rural Local Bodies' have been already provided to Housing & Urban Development Department and Rural Development Department vide OM No. FD-VII-19 (67) 2010 dated 08.09.2010. Both the Departments shall ensure that all requisite details for 2017-18 are obtained from the concerned subordinate agencies as per the formats and then compiled before passing on the same to the Finance Department in a consolidated form for the years 2016-17, 2017-18 & 2018-19. The departments are requested to provide full details of revenue and capital expenditure made out of these grants in the prescribed formats plus details of establishment of each office.
22. **Gender Responsive Budgeting:** New areas as identified by Departments and requiring further follow up action during 2018-19 are needed to be enclosed with the Budget proposals.
23. **Budgetary Liabilities or Debt:** Under Fiscal Responsibility and Budget Management (FRBM) Act, 2006 the information on the State Government liabilities is required to be published alongwith Budget documents as per the following Statements. These may be provided to Director Resources, Finance Department. Directors Finance/ FA&CAOs shall be held personally accountable for any delay or incompleteness:-
- I. Budgetary Liabilities (outstanding at end-March) and their break-up.
 - II. Details of Guarantees given by the Administrative Department.
 - III. Assessed Fiscal Risk of such State Govt. guarantees.
 - IV. off-Budget Borrowings of by the Department.
 - V. Liabilities of Public Sector Undertakings.
 - VI. Other implicit Liabilities of (Including Pension liabilities).
 - VII. Subsidies provided by Department.
- Various statements to be brought into use are as under:-
- a. a statement of select indicators of fiscal situation in Form D-1.



- b. a statement on components of State Government liabilities and interest, cost of borrowings / mobilization of deposits in Form D-2.
- c. a statement of Consolidated Sinking Fund in Form D-3.
- d. a statement on guarantees given by the Government in Form D-4.
- e. a statement on outstanding risk-weighted guarantees in Form-D-5.
- f. a statement on the Guarantee Redemption Fund in Form D-6.
- g. a statement of Assets in Form D-7.
- h. a statement on claims and commitments made by the State Government on revenue demands raised, but not realized in Form D-8.
- i. a statement on liabilities in respect of major works and contractors, committed liabilities in respect of land acquisition charges and claims on the State Government in respect of unpaid bills on works and supplies in Form D-9; and
- j. a statement giving details of number of employee in Government, Public Sector and Aided Institutions and the related salary expenditure, in Form D-10.

Since these Statements are going to form an essential and important part of Budget documents under the provisions of FRBM Act, the Adm. Departments / HoDs and other Controlling Officers are enjoined to fill in the Statements with utmost care and caution so as to reflect true and exact position of data covered by these Statements. The concerned Departments shall make a detailed exercise to ascertain outstanding guarantees as already requested for so that the current position is reflected in Budget Documents.

- 24. **Government Guarantees:** All the concerned Departments shall make a detailed exercise to ascertain outstanding guarantees so that the obtaining position is reflected correctly in Budget documents.
- 25. **Grants-in-Aid:** Finance Department vide OM No. FD-VII-Gen. (72) 2007-08 dated 26.07.2011 has forwarded to all Departments copy of Notification No. S.O.1113 (E) dated 19.05.2011 issued by Government of India, Ministry of Finance, Department of Economic Affairs (Budget Division). Through this notification, principles have been laid down as part of 'Indian Government Accounting Standards (IGAS) 2-Accounting and Classification of Grants-in-Aid' for implementation of accounting and classification of Grants-in-Aid and



preparation of disclosure (financial) statements as per prescribed formats covering periods beginning from 01.04.2012. These guidelines underline the need to follow the principles in the preparation of financial statements of Government both as 'Grantor' and 'Grantee'. *Departments will provide these disclosure (financial) statements alongwith budget proposals.*

26. **Extraction of wages from head 'Maintenance and Repairs':**

Those departments which have engaged casual labour and who are continually working, by debit to 'M&R' or any other head other than 'wages' and 'outsourcing of upkeep' should work out their number and amount for necessary provision under object head 'wages' or 'outsourcing of upkeep'.



Annexure 'B'

Check list:

1. Forms B-2, B-3, B-4-i, B-4-ii, B-10.
2. Receipt Budget in FORM B-1.
3. Estimates of recovery of Revenue Receipts (tax/non-tax) arrears with their age profile as per 'FORM B-1(a)'.
4. Leave Encashment – details of retirees/arrears.
5. Establishment Budget.
6. No. of vehicles in the Department indicating type of vehicles and year of purchase including off the road, condemned and roadworthy vehicles.
7. No. of telephones / mobile phones indicating the names of officers using them.
8. No. of photocopiers indicating the year of purchase of each machine.
9. No. of computers indicating year of purchase of each machine.
10. No. of Government residential / non-residential / Guest Houses/ Rest Houses/ Boarding Houses location wise under the administrative control of the department.
11. Off- Treasury transactions as per proforma already circulated.
12. Vacant posts provision as per following proforma:

OB 1.4.2017	New creations 2017-18	Total	Recruitment made	Net vacant posts	Provision included in REs 2017- 18	Provision included in BE 2018- 19
1.	2.	3.	4.	5.	6.	7.

Note: Vacant posts provision will not be reduced at source by the Departments.

13. Gender Responsive Budgeting.
14. Details required as per FRBM Act.
15. Salaries are to be worked out as under:
 - a. HRA @ 20/10% (as the case may be).
 - b. DA at the prevalent rate.
 - c. 10% Employer's share for employees joining Government service on or after 01.01.2010. In respect of appointments of Kashmiri migrant youths made under PM's Package, the provision to be projected under SRE.
 - d. 10% of consolidated basic pay in each office should be projected as token amount for Employer's share, keeping in view the transfer of people governed under NPS rules



to the posts so far occupied by employees covered under defined pension scheme. This will enable sufficient provisioning of funds under this head.

16. Disclosure (financial) statements in respect of Grants-in-Aid.
17. Statement showing outstanding Government Guarantees.
18. Estimates in respect of SRE to be submitted ahead of Budget proposals and should reach Finance Department not later than 10th October, 2017.
19. Statement on the pattern of FORM B-3, depicting in a consolidated form sanctioned as well as existing strength of posts both under the normal revenue expenditure, CSS, Central Plan and EAP Budgets (to be prepared by Administrative Departments).



List of Master Trainers for BEAMS

No.	District Treasury	Name	Designation	Contact Number	Email Address
1	Jammu (Addnl Treasury Gandhi Nagar)	Suresh Kumar	Accountant	9796287300	sureshkumar7044@gmail.com
		Sandeep Bakshi	Accountant	9796486001	sandeepbakshi@yahoo.co.in
		Deepak Sharma	DMA	8803564146	sharmadeepak0810@gmail.com
2	Doda	Abdul Quaddous	Accounts Assistant	9018252558	abdulquaddous13@gmail.com
		Tufail Ahmad	DMA	9018115716	tufailkhateeb60@gmail.com
3	Udhampur	Karan Singh	Accountant	9469050162	karan25.1974@gmail.com
		Dinesh Gupta	DMA	9018074142	dineshgupta98828@gmail.com
4	Samba	Pardeep Chouhan	Accounts Assistant	8803990186	pa-p1india@gmail.com
		Hitesh Jasrotia	DMA	9906048049	hiteshsamba@gmail.com
5	Kathua	Amit Sharma	Accountant	9419220118	amitsharmaacc3@gmail.com
		Sanjeet Singh	DMA	9018686444	sanjeetsinghandotra@gmail.com
6	Poonch	Gagandeep Singh	Accounts Assistant	9419177175	gaganbytheway@gmail.com
		Tej Paul Singh	DMA	9596951007	tejapaul007@gmail.com
7	Ramban	Yogesh Bhagat	Accounts Assistant	9596873524	yogeshbhagat490@gmail.com
		Prakash Singh	DMA	9086119928	robbyraj.16@gmail.com
8	Reasi	Jivtesh Singh	DTO	9419237717	reasldto@gmail.com
		Sunny Kumar	DMA	9797606996	sunnydogra888@gmail.com
9	Rajouri	Pawan Kumar Sharma	DTO	9419167127	treasuryrajouri@gmail.com
		Mohd Sajid	DMA	9622162761	sajidmohd505@gmail.com
10	Kishtwar	Ashwani Sharma	Accounts Assistant	9596830263	dtoktr@gmail.com
		Amit Gupta	DMA	9419151717	amitmhn89@gmail.com
11	Srinagar (Sadder Treasury)	Zia Nazir	Accounts Assistant	7006120145	zia.nazir@gmail.com
		Syed Ahmed Arshid	DMA	9697660747	simnanlarshid@gmail.com
12	Budgam	Tanveer Ahmad Beieh	Accountant	9596535455	
		Ashraf Lone	DMA	9796899034	mohdashraflone007@gmail.com
13	Ganderbal	Asif Manzoor	Accounts Assistant	9596208000	ltzaasifmanzoor@gmail.com
		Mohammad Yaqoob	DMA	9797185319	yaqoob540@gmail.com
14	Baramulla	Zeshan Khan	Accounts Assistant	9906666054	zeeshanquiet@gmail.com
		Saleem Wani	DMA	9697379993	saleemwani005@gmail.com
15	Anantnag	Fareed Ahmad Mantoo	Data Entry Operator	9906595355	fareedmantoo@gmail.com
		Abid Hussan Mir	DMA	9797790377	abidmir26@gmail.com
16	Shopian	Alaz Ahmad Dar	Accounts Assistant	7006432171	daraljazphy@gmail.com
		Danish Malik	DMA	9419430147	danishmalik912@gmail.com
17	Kupwara	Shah Faisal	Accounts Assistant	9596233145	shahfaisal091@gmail.com
		Javeed Ahmed Pir	DMA	9596306264	rehaab211@gmail.com

18	Kulgam	Mehraj Ahmad Dar	Accounts Assistant	9797203320	mehraj.dar153@gmail.com
		Murtaza Ali Ganle	DMA	9622797101	mcamurtaza@gmail.com
19	Pulwama	Tariq Ahmad Hafiz	Accounts Assistant	8803987376	hafiztariq@gmail.com
		Mohd Rezwan	DMA	9697500187	rizwanwani680@gmail.com
20	Bandipora	Imtiyaz Ahmad Lone	Accounts Assistant	9797189496	lonelmtiyaz09@gmail.com
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		Mohd. Khan	DMA		
22	Leh	Iss Ali	Accounts Assistant	9797061186	iss92issaali@gmail.com
		Syed Mukhtar	DMA	9419927505	gmmy.padma@gmail.com

[Signature]

Govt. of Jammu & Kashmir
Directorate of Rural Development Kashmir,

Copy to The:-

1. Project officer Self Employment/DRDA _____ (ALL).
2. Project officer wage Employment/AED _____ (ALL).
3. District Panchayat office _____ (ALL).
4. Executive Engineer R&W _____ (ALL).
5. Block Development officer _____ (ALL).

..... for information and necessary action.

No. DRO/Kashmir/17448-600
Dated:- 25-9-17

[Signature]
Accounts officer
Rural Development Kashmir