MOST IMMEDIATE
Supplementary Demands

F. No. 4(11)-B(SD)/2026
Government of India
Ministry of Finance
Department of Economic Affairs
(Budget Division)
*****

Dated 21st October, 2026

OFFICE MEMORANDUM

Subject: Proposals for First batch of Supplementary Demands for Grants 2026-2027.

The First batch of Supplementary Demands for Grants for 2026-2027 is proposed to be placed during the ensuing Winter Session of Parliament in November-December, 2026. Proposals from Ministries/Departments are invited for inclusion in the First Batch of Supplementary Demands for Grants 2026-27.

2. The pre-budget meetings to finalise the RE 2026-27 and BE 2027-28 are currently underway. **Those Ministries/ Departments whose pre-budget meetings are concluded are required to submit their supplementary proposals within one week of completion of their pre-budget meeting.**

3. **It may be noted that the Supplementary Module in UBIS has been upgraded to capture data upto 15-digit level, and hence, Ministries / Departments are to fill in the Supplementary proposals upto 15-digit level, i.e., Object Head level.**

4. **Ministries/Departments are advised to propose only following types of cases:**

a. Cases where advance from the Contingency Fund have been granted;

b. Payments against Court decrees which cannot be postponed;

c. Additional funds immediately required which can be met by re-appropriation of savings in the grant but require prior approval of Parliament under the New Service/New Instrument of Service Rules. In all cases where the savings are available within the same section (Revenue/Capital and Charged/Voted) of the grant, only token supplementary would be required. In cases where the savings are available in the Revenue/Capital section or charged/voted section and the expenditure is to be incurred in another section, full requirement would be proposed as a technical supplementary and the savings, against which the full amount is proposed in a different section, will be committed for surrender and will not be available for re-appropriation;

d. Cases that are to be reported to the Parliament as per revised guidelines on financial limits in cases relating to New Service/New Instrument of Service Rules vide this Ministry's O.M. No. No. F. 1(22)-B(AC)/2022 dated 23rd February, 2024;

e. Cases where Ministry of Finance has specifically advised to propose Supplementary Demand in the Winter Session.

5. The proposal for Supplementary Demand for Grants may be projected after a thorough and objective assessment of additional requirement of funds. While processing proposals for Supplementary Demands for Grants, the Grant controlling authority must invariably identify savings available within the Grant so that the infructuous or inflated Supplementary Demands are weeded out and the eventuality of surrender after obtaining Supplementary Grant is avoided. In cases where re-appropriations can be made without the requirement of Supplementary as per the extant provisions, no Supplementary proposal should be proposed. Such requirement may be met by re-appropriation of savings after obtaining approval of competent authority.

6. Attention is drawn to the Department of Expenditure's O.M. No. 12/21/E.Coord/ 2015 dated 17th July, 2015 regarding Excess Expenditure over Voted Grants, wherein, displeasure expressed by the Public Accounts Committee (PAC) over the tepid approach of the Ministries/Departments, particularly concerning bad planning, lack of foresight and ineffective monitoring on the part of budget controlling authorities while preparing both budget estimates as well as Supplementary Demands for Grants, was brought to the notice of all Ministries/ Departments. The Committee, therefore, reiterated the need for scrupulous scrutiny of the budget proposal both at the time of preparation of Demands for Grants and Supplementary Demands for Grants, rigorous monitoring of the pace of expenditure and strict compliance of General Financial Rules to eliminate the possibility of excess expenditure, under spending, wrongful appropriation, etc.

7. Further, in 88th report (16th Lok Sabha) of PAC on Excess expenditure, the PAC has further observed that the Ministries/Departments have been obtaining Supplementary Grants without conducting a proper scrutiny of the expenditure incurred or likely to be incurred by them during the financial year. The Committee has further recommended that the Ministries /Departments should find effective ways and means to make the mechanism of estimating Supplementary Grants more realistic and fix responsibility on the Budget Controlling Officers and Financial Advisers. The Committee has further recommended to restrict the use of Supplementary Grant only to rare and emergent cases. In the light of the observations of PAC, it is reiterated that all the Ministries/Departments may avoid pitfalls in expenditure, take all requisite measures, including use of electronic systems, to ensure proper planning and monitoring of expenditure vis-à-vis voted grants.

8. The Ministries/Departments are advised to fill data and notes related to their supplementary Demands in the Supplementary Module in Union Budget Information System (UBIS). Proposals in hard copies will not be accepted unless data entry has been completed in UBIS. If there is no proposal for Supplementary Demands for Grants in this batch, **a Nil supplementary option** in UBIS may be opted/ entered.

9. Cases which are required to be reported to Parliament in terms of the revised guidelines circulated vide this Ministry's O.M. No. No. F. 1(22)-B(AC)/2022 dated 23rd February, 2024 may also be furnished to Budget Division, which are attached to the Supplementary Demand Booklet as Annexure.

10. Accordingly, proposals in complete form (one hard copy only) may be furnished **to Under Secretary (Supplementary Demand) [Shri Paras Kain], Ministry of Finance, Department of Economic Affairs, Budget Division, Work Hall No 15022 (D Wing) Lobby 1, Fifth Floor, Kartvaya Bhavan- I, New Delhi 110001.** The proposals must be forwarded in Union Budget Information System (UBIS) using the Supplementary

Module (including Hindi translation). After the due date, the UBIS link shall stand disabled. Proposals not entered in UBIS shall not be considered and shall be treated as 'NIL'.

21/10/26

(S. R. Raja)
Deputy Secretary to the Government of India
Phone: 011-24013081
Email: raja.sr@nic.in

To

The Financial Advisers of All Ministries/Departments.

Copy to NIC, DEA for uploading the Circular on website of DEA.