



कर्मचारी राज्य बीमा निगम
(श्रम एवं रोजगार मंत्रालय, भारत सरकार)
EMPLOYEES' STATE INSURANCE CORPORATION
(Ministry of Labour & Employment, Govt. of India)



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F-16/14/5/Accounting Treatment/2025-FA-VII

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CIRCULAR

Subject: Implementation of Integrated Budget and Expenditure module-regrading

In continuation of ongoing efforts towards strengthening financial governance and transitioning to a fully ERP-based budget control system, it has been decided to implement the integrated budget and expenditure module in ERP across all Field Offices/Accounting Units and Divisions at Headquarters with effect from 01 April 2026.

In this regard, a Standard Operating Procedure (SOP) on reconciliation of Budget Allocation, Expenditure and Available Balance between Manual Records and ERP system is enclosed for strict compliance. This arrangement shall continue till the full operationalization of ERP Budget Module, and discontinuation of manual system through formal orders.

It is further added that soon budgetary control shall be applied at fund request and expenditure level i.e. in respect of all accounting units, all fund request will be tied up to budgetary control at major budget head level and further these available funds will be tied up to corresponding minor budget head level. In this connection detailed guideline will be issued in due course.

All Field Offices and Divisions are directed to ensure strict adherence to the SOP and timelines. Any deviation will be treated as a lapse in financial discipline.

भक्तदीय,
— परीक्षित सिंह —
(परीक्षित सिंह)
निदेशक (वित्त)

सेवा में,

1. सभी बीमा आयुक्त / चिकित्सा आयुक्त, /सीटीओ, , मुख्यालय - नई दिल्ली

2. सभी बीमा आयुक्त (क्षेत्रीय) / चिकित्सा आयुक्त (क्षेत्रीय)
3. सभी क्षेत्रीय निदेशक / निदेशक (प्रभारी) / संयुक्त निदेशक (प्रभारी), क्षेत्रीय कार्यालय / उप-क्षेत्रीय कार्यालय
4. सभी चिकित्सा अधीक्षक / डीन, ईएसआईसी अस्पताल / मेडिकल / डेंटल कॉलेज
5. चिकित्सा निदेशक (दिल्ली) / चिकित्सा निदेशक (नोएडा)

Standard Operating Procedure (SOP) Integration of Budget, Funds and Expenditure

1. Objective

1.1 The objective of this SOP is to establish a structured, robust, and accountable mechanism to ensure accuracy, consistency, and completeness of financial data during the transitional phase wherein budget control continues through manual records while parallel accounting is undertaken in the ERP system.

1.2 The SOP places special emphasis on achieving seamless integration of budget, funds, and expenditure in ERP.

2. Applicability

2.1 This SOP shall apply to all Field Offices and Accounting Units, all Divisions at Headquarters, and all concerned wings including Finance, Accounts, Budget, and IT/ERP Divisions.

2.2 It shall be effective from 01 April 2026 and shall remain in force until full operationalization of ERP-based budget and fund management processes and discontinuation of manual systems.

3. Scope of Integration and Reconciliation

3.1 The reconciliation exercise shall cover all financial dimensions required for effective budgetary control, including head-wise verification of budget allocation, cumulative expenditure incurred, and the resulting available balance.

3.2 The process shall ensure that budget provisioning, fund allocation, and actual expenditure are fully aligned across manual and ERP systems, enabling accurate financial tracking and preventing mismatches.

3.3 The scope and coverage of reconciliation shall adhere to codal provisions requiring strict classification under appropriate Major and Minor Heads to ensure accuracy in financial reporting and facilitate audit control.

4. Roles and Responsibilities

4.1 All Accounting Units shall maintain manual budget control registers, ensure accuracy of ERP data, prepare monthly reconciliation statements, identify discrepancies, initiate corrective action(if any) in a timely manner and shall submit a monthly statement in the prescribed format to the respective Divisions at Headquarters.

4.2 Divisional Heads at Headquarters shall review and monitor the monthly statements. A consolidated report in the prescribed format shall be submitted to FA 7-Budget branch, Hqrs.

4.3 FA7 - Budget branch shall review the consolidated monthly statement received from the divisions and shall act as the nodal authority for ensuring the reliability of financial data.

4.4 The ICT Division shall ensure system availability, data integrity, generation of accurate reports, maintenance of audit trails, and provision of technical support for smooth ERP operations.

4.5 These responsibilities are aligned with the ESIC Manual of Audit and Accounts Volume I, which mandates correctness of accounts, reconciliation of figures, and prompt rectification of discrepancies.

5. Reconciliation Process

5.1 Financial data shall be extracted from both manual records and ERP reports

5.2 A comprehensive head-wise monthly statement shall be prepared by all the accounting units as per Annexure-A and submitted to respective divisions by the 15th of the following month.

5.3 Differences between the manual records and ERP shall be identified and analyzed, with discrepancies (if any) due to recording errors, misclassification, or omissions.

5.4 All discrepancies shall be rectified promptly through authorized corrections, ensuring proper audit trails in ERP and authenticated corrections in manual records.

5.5 Divisional Heads at Headquarters shall review and monitor the monthly statements. A consolidated report as per Annexure 'B' shall be submitted to FA 7-Budget branch, Hqrs by 21st of the following month.

This SOP shall remain in force until ERP-based systems are fully implemented and stabilized and manual systems are formally discontinued.