

**Office of the Comptroller & Auditor General of India,  
9-DDU Marg, New Delhi – 110 124**

*(For exclusive use in IA&AD)*

Circular No.31/2023

No.350-FMD/DFPR/01-2018

Dated: 16<sup>th</sup> October 2023

To

1. All the Heads of Department in IA&AD
2. Director General (Hqrs),

**Subject: - Delegation of Financial and Administrative powers in IA&AD.**

Sir/Madam,

The Comptroller & Auditor General of India has approved the following revised delegation of financial and administrative cum expenditure sanction powers and revised procedure for procurement in IA&AD, in supercession of all previous extant orders and MSO provisions.

**1. Acceptance of Necessity**

All proposals with financial implication greater than Rs. 5 crore shall be examined by the Acceptance of Necessity (AoN) Committee, before obtaining *in principle* approval of the C&AG. The format for statement of case for Acceptance of Necessity, to be submitted by the functional wing, is at Appendix A. The AoN Committee has been constituted as under:

***(a) Non-IT projects***

DAI (HR), DAI (GA) and DAI/ADAI of concerned functional wing with DG/PD (Staff) as a Member (Secretary). DAI (HR) and DAI (GA) will be standing members. However, if DAI (HR) or DAI (GA) is submitting a proposal as functional wing, then next senior most DAI will be a member.

***(b) IT projects***

DAI (HR) and DAI (GA) will be standing members. In addition, CTO and next senior most DAI will also be member. DG/PD (Staff) will be Member (Secretary).

*This will ensure a three member committee for all non-IT proposals, and a four member committee for all IT related projects.*

In the event of any member other than the proposer (DAI of functional wing) having held the same functional charge to which the proposal relates in the preceding six months and thus having been associated with the proposal, the said member may be recused from the proceedings. In such cases, the next senior most DAI will be a member.

The possibility of facilitating the AoN Committee with the benefit of technical opinion, in case so desired may also be considered.

An essential part of establishing necessity is assessing the financial implications, the opportunity cost and prioritisation for the department. Hence, it is important that as part of the proposal, the financial requirements are projected year-wise. These should be presented to the AoN Committee along with a statement from the FMD regarding the operative budget, as well as other budgetary commitments of the Department across various heads of account for the time-period of the project under consideration. This would help determine whether the Department budget/IA&AD grant will be able to obtain the required funding and absorb the projected expenditures.

## 2. Administrative Approval – cum – expenditure sanction (Voted Portion)

### a) *Administrative approval cum expenditure sanction for Projects/Schemes*

The authorities to exercise the power for giving administrative approval cum expenditure sanction for projects/schemes in IA&AD are as under:

<b>Financial limits</b>	<b>Appraisal Forum</b>	<b>Competent authority to approve the Scheme/project</b>
(a) upto Rs. 10 crore (non-IT projects)	DAI/ADAI of Functional Wing with concurrence of IFA	DAI (HR)
(b) upto Rs. 10 crore (IT projects)	DAI/ADAI of Functional Wing and CTO with concurrence of IFA	DAI (HR)
(b) Beyond Rs. 10 crore but less than Rs. 1000 crore	<p>Expenditure Finance Committee (EFC) of three DAIs.</p> <p><b>(a) Non-IT projects</b> DAI (HR), DAI (GA) and DAI/ADAI of concerned functional wing with IFA as a Member (Secretary). DAI (HR) and DAI (GA) will be standing members. However, if DAI (HR) or DAI (GA) is submitting a proposal as functional wing, then next senior most DAI will be a member.</p> <p><b>(b) IT projects</b> DAI (HR) and DAI (GA) will be standing members. In addition, CTO and next senior most DAI will also be member. IFA will be Member (Secretary)</p> <p><i>This will ensure a three member committee for all non-IT proposals, and a four member committee for all IT related projects.</i></p> <p>In the event of any member other than the proposer (DAI of functional wing) having held the same functional charge to which the proposal relates in the preceding six months and thus having been associated with the proposal, the said member may be recused from the proceedings. In such cases, the next senior most DAI will be a member</p>	Comptroller & Auditor General of India
(c) Rs. 1000 crore and above	EFC	Cabinet/Cabinet Committee on Economic Affairs (CCEA)