

OFFICE OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA
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(For exclusive use in IA&AD)

Circular No.16/2025
No.115–FMD/DFPR/29-2024
Dated: 01st May 2025

To

1. All Dy. CAGs/Addl. Dy. CAGs
 2. All the Heads of Department in IA&AD
 3. Director General (IFA)
 4. Director General (Hqrs)
- (Except Overseas Audit offices)

Subject:- Delegation of Financial Powers in IA&AD - regarding.

Sir/Madam,

The Comptroller & Auditor General of India has approved the revised Delegation of Financial Powers in IA&AD, 2025 which is enclosed herewith for compliance.

This revised Delegation of Financial Powers in IA&AD is issued after making necessary amendments after detailed examination of the impact of existing delegation at the field level and based on analysis of budget and expenditure data. The objective of the amendments is to fully align the Delegation of Financial Powers in IA&AD with the new DFPR 2024 (Government of India) and by imbibing its spirit of balancing the need for efficiency with the need for adequate control.

Controlling Officers are requested to exercise these delegated financial powers with due care and diligence.

Yours faithfully,



(K. Subramaniam)
Director General (Staff)

Encl: As above

Delegation of Financial powers in IA&AD

1. Preamble

- a. The objective of Delegation of Financial Powers is to facilitate agile decision making and allow greater autonomy to various levels of authority and reduce bottlenecks. The aim of delegation is to empower functional wings and field offices, fostering a sense of ownership and accountability for financial decisions. These rules of delegation for IAAD are based on Govt. of India DFPR, 2024, which focuses on simplicity and ease of understanding to enable decision makers at all levels to exercise their powers with clarity. Most importantly these are designed to balance the need for efficiency with the need for adequate control.
- b. Financial and administrative powers to sanction routine expenditure on salary and allowances, travel, medical etc, are regulated by the provisions of GFR 2017/DFPR/FRSR. The provisions of GFR 2017 primarily deal with all types of procurement of goods, services and civil works, whether acquired through Indent, (work order) or various methods of procurement as stipulated in the GFR 2017 and Procurement Manuals of Ministry of Finance.
- c. This delegation of Financial Powers in IA&AD covers all types of procurement of goods and services executed through indents/(supply orders/work orders) or contract agreements. It includes Indent, Contracts and Purchases of revenue as well as capital nature. Goods and Services pertaining to ICT (Revenue and Capital) have been covered separately under Para 3.
- d. Procurement of goods would include all materials, from procurement of food, stationery to furniture and vehicles. Civil works would include so called minor as well as major works. Separate provision for operation, maintenance and repair works (minor civil, electrical and mechanical works) is made under Para 5.
- e. Procurement of Services shall include consultancy services as well as outsourcing contracts e.g. housekeeping, security, hiring of vehicles, hiring of staff, AMC etc.
- f. Indents denote placing of work/supply orders on designated agencies like placing work orders on CPWD to be funded by IA&AD or MOHUA grant.
- g. Projects are non-routine activities undertaken to achieve an objective and have a start and end date, specific budget and scope of work. Organising of large events could also be reckoned as a project and implemented accordingly. If the project is awarded to a contractor as a lumpsum /turnkey/ EPC contract, then the financial limits for delegation of projects mentioned in the table below would apply. If items/ subcomponents of the project are procured separately, then the financial limits delegated for procurement of goods, services or works would apply.
- h. There are procurement cases of mix nature, which include components of goods and civil work or goods and as service component. In such cases the component which has more than 50% cost will determine the nature of procurement. For example, in a procurement having civil work as well as goods component, if the estimated cost of the works component is more than 50%, it will be considered a works procurement.

- i. The exercise of these delegated powers is to be guided by GFR 2017, Procurement Manual for goods, services and works (Ministry of Finance) CVC guidelines and other applicable regulations.
- j. Financial powers have been delegated according to the different methods of procurement involved because non-competitive procurement cases are exceptional and require due care and control.

2. Competent Authority for administrative and financial sanction of various types of expenditure through Indents, Contracts and Purchases

Designation of Competent Authority along with their administration and financial powers are as given in the table below.

Competent Authorities for administrative and financial sanction

Type of Procurement	Competent Financial Authority			
	C&AG	Dy. CAG (HR)/CTO- for ICT only	HoDs of Field Offices/ DG (HQ)	Group Officer Admn./ Director (P) at Hqrs
Goods and services (a) Open or Limited Competitive tendering	Above ₹ 100 crore to ₹ 500 crore	Above ₹ 1 crore to ₹ 100 crore	Above ₹ 25 lakh to ₹ 1 crore	Upto ₹ 25 lakh
(b) Negotiated, single source, or proprietary item procurement	Above ₹ 25 crore to ₹ 100 crore	Above ₹ 50 lakh to ₹ 25 crore	Above ₹ 5 lakh to ₹ 50 lakh	Upto ₹ 5 lakh
Projects	Above ₹ 100 crore and upto ₹ 500 crore	Above ₹ 1 crore to ₹ 100 crore	Upto ₹ 1 crore	Nil

- i. Expenditure above ₹ 10 crore and upto ₹ 100 crore is to be approved by the Dy. CAG (HR)/CTO based on the appraisal by a three-member Financial Advisory Committee (FAC), including the DG/PD(IFA), to be constituted by the CAG.
- ii. Expenditure above ₹ 100 crore and upto ₹ 500 crore is to be approved by the C&AG on the recommendation of Standing Finance Committee (SFC) (refer para 4).
- iii. Expenditure above ₹ 500 crore will need the sanction of Department of Expenditure, Ministry of Finance.

3. Delegation of Administrative & Financial Power for ICT related procurements (Capital and Revenue)

Competent Financial Authority for administrative and financial sanction for procurement of ICT related goods and services (both revenue and capital) upto ₹ 100 crore is CTO. CTO may further delegate the administrative and financial powers to DG (IS) and Director (IS). The ICT related procurement framework is given below.

- (i) For all ICT related procurement, IS Wing at Headquarters shall circulate a list of goods and services every year, preferably during the month of February/March, which shall exclusively be procured by the IS Wing centrally.

- (ii) All other ICT related goods and services which have not been mentioned in the list of IS wing, shall be procured under the delegated powers as per table under Para 2 above.

4. Constitution of

I. Financial Advisory Committee

Projects/expenditure above ₹ 10 crore and upto ₹ 100 crore for open or limited competitive tendering and expenditure above ₹ 50 lakh and upto ₹ 25 crore for negotiated, single source, or proprietary item procurement is to be approved by the Dy. CAG (HR)/CTO based on the appraisal by the FAC. The proposals for projects/expenditure corresponding to FAC shall be submitted by the DG/PD of the Sponsoring Wing¹. The IFA shall be the member secretary for FAC.

Note: In case of all IT Projects involving ICT, the DG (IS) will also be a member of the FAC.

II. Standing Finance Committee

Projects/expenditure above ₹ 100 crore and upto ₹ 500 crore for open or limited competitive tendering and expenditure above ₹ 25 crore and upto ₹ 100 crore for negotiated, single source, or proprietary item procurement is to be approved by the C&AG based on the appraisal by the Standing Finance Committee (SFC). Projects above ₹ 500 crore are to be recommended by SFC and with the approval of C&AG are to be submitted to Ministry of Finance for sanction. The Standing Finance Committee will be a four member standing committee composed of:

- DAI (HR) – Chairperson
- DAI/ADAI of concerned wing – Member
- DG/PD (Staff) – Member
- IFA – Member (Secretary)

Note: In case of all IT Projects involving ICT, the CTO will also be a member of the SFC.

5. Delegation of Administrative & Financial Power to the Estate Managers in IA&AD – Minor Civil & Electrical Works (Voted and Charged)

Delegation of powers for Minor Works

Type of work services	Estate Managers at Field offices / DG (HQ)	DAI (HR)
Operation and Maintenance (ROM) of Electrical and Mechanical equipment	Upto ₹ 25 lakh	Above ₹ 25 lakh
Maintenance and Repair of Non-Residential buildings	Upto ₹ 10 lakh	Above ₹ 10 lakh
Maintenance and Repair of Residential buildings	Upto ₹ 2 lakh	Above ₹ 2 lakh

Minor Works: Standard Operating Procedure to be followed for processing and according approvals of Competent Financial Authority for Minor Works shall be as per the instructions issued by the Headquarters Wing of the Office of the Comptroller and Auditor General of India.

¹ Sponsoring Wings:

- (i) Headquarters – Works/Estate matters
- (ii) IS Wing – IT related items
- (iii) Staff – Other than Works/Estate & IT

Major Works: All the major works, including renovation/upgradation of capital nature and proposals for new constructions under MoHUA grant shall be processed for approval of Competent Financial Authority by the Headquarters Wing of the Office of the Comptroller and Auditor General of India.

6. Constitution of Purchase/tender Committee

The role of the Purchase Committee for purchase of goods costing above ₹ 50,000 and upto ₹ 5,00,000/- on each occasion will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the committee will jointly record a certificate.

The role of Tender Committee is to ensure that the bidding process is conducted in a fair and transparent manner in adherence to procurement regulations and guidelines. Committee will open the bids (Technical and Financial) and conduct the technical and financial evaluation of the bids and submit the evaluation report recommending the selection of source. Irrespective of single or two bid tendering, the committee shall assess the quality of the product or services by evaluating the specification offered by the bidders against those prescribed in the NIT/RFP/EOI.

During financial evaluations, besides the estimated cost the market price also needs to be considered while assessing the reasonability of price. The committee must be guided by provisions of GFR, DFPR Procurement Manual, CVC guidelines and other statutes like Contract Act, Labour and Minimum Wages Act. The Constitution of Purchase Committee and the CFA to accept and approve the recommendation of purchase committee are as follows.

Composition of Purchase/Tender Committee

Value of purchase	Purchase committee	Competent Financial Authority
Upto ₹ 50,000/-	Without quotation/off the shelf purchase	
Above ₹ 50,000/- to ₹ 5,00,000/-	Three members – 2 SAO and 1 Group officer	As per Table under Para 2
Tender Committee		
Above ₹ 5 lakh to ₹ 50 lakh	1 SAO and 2 Group officers	As per Table under Para 2
Above ₹ 50 lakh to ₹ 1 crore	Three Group Officers with SAO (Admin) as member secretary	As per Table under Para 2
Above ₹ 1 crore to ₹ 10 crore	Two Group Officers and PAG/AG/DG/PD will be the Chairperson.	As per Table under Para 2
Above ₹ 10 crore	Field offices Three Group Officers and PAG/AG/DG/PD will be the Chairperson Headquarters Office Three Group Officers and one DG/PD level Officers	As per Table under Para 2

The Purchase Committee should be reconstituted every year, possibly with rotation of members. Where the Group Officers are not available for the Purchase committee in the office/station concerned, Group Officers of other offices in the IA&AD may be nominated.

7. Important controls to be exercised by Controlling Officers

- a. By the tenth of every month, the Group Officer in-charge of Administration in a field office will submit a statement to the Head of the Field Office containing details of all individual expenditure transactions incurred in excess of ₹ 50,000 during the previous month.
- b. The Head of Field Office, will get carried out a thorough review (covering compliance with extant Rules, Regulations, policies, instructions, orders governing such transaction) of at least 10% of such transactions (both in terms of money value and number of transactions) before the end of the month.
- c. A record of such carried out every month must be documented and maintained by the Field Office. The Inspection team from Headquarters during the inspection of Field Offices examine whether such a review has been properly carried out.
- d. Similarly, in respect of Headquarters, the Director (Personnel) will submit a similar statement to the DG/PD (Headquarters) and the DG/PD (Headquarters) will carry out a similar review as required to be done by the Head of the Field Office.
- e. Drawing of AC Bills - Notwithstanding any stated earlier, only the Head of the Field Office or the DG/PD (Headquarters) will be authorised to approve drawing of Advanced Contingency Bills (AC Bills) in Field Offices and Headquarters respectively.
- f. Grants in Aid - Notwithstanding anything stated earlier, only Head of Field Office/ DG/PD (Headquarters) can give financial sanction for expenditure to be booked under the Head of Account "Grant-in-aid".

8. Role of IFA in IA&AD

IFA shall discharge the following duties and responsibilities for IA&AD expenditure:

- a. All expenditure on indents, contracts, purchases and projects more than ₹ 50 lakh, both Voted and Charged, shall require the concurrence of IFA before it is submitted to the CFA. DDO shall provide a copy of concurrence of IFA to the PAO and PAO shall not pass such bills without concurrence of IFA. However, after concurrence by IFA, proposals costing more than ₹ 1 crore and upto ₹ 10 crore shall be processed by the following DG/PD for approval of respective CFAs.
 - (i) Proposals relating to Works/Estate matters - DG/PD (Hqrs)
 - (ii) Proposals relating to IT related items - DG/PD (IS)
 - (iii) Proposals other than Works/Estate/IT - DG/PD (Staff)
- b. IFA is to be the Member Secretary of both, Financial Advisory Committee (refer Para 2) and Standing Finance Committee.
- c. Scrutinising reimbursement of the medical claim of CGHS beneficiary exceeding ₹ 5 lakh and reimbursement of medical claim of CSMA beneficiary exceeding ₹ 5 lakh

vide Ministry of Health & family Welfare, Deptt of Health & Family Welfare, OM No.S.11011/20/2014-CGHS (P) dated 23 November 2016, and OM No. 14025/24/2023-EHS dated 15 January, 2024 respectively.

- d. Scrutinising proposals for granting incentive in the form of one-time lump-sum amount ranging from ₹ 10,000 to ₹ 30,000 on acquiring fresh higher qualifications after coming into service in terms of Ministry of Personnel, Public Grievances & Pension (DoPT) vide OM No.1/5/2017-Estt (Pay-I) dated 15 March, 2019.
- e. Scrutinising proposals of time barred claims received for concurrence of IFA in terms of Rule 296(2) of GFR 2017.
- f. Scrutinising the proposals received for extension of time limit of one year for transporting the personal effects by a Government servant after his retirement in terms of Government of India's order No 2 (iii) below SR 147.
- g. Scrutinising the proposals received from Headquarters wing for hiring of residential and non-residential buildings in terms of Government of India's Directorate of Estates, Ministry of Housing & Urban Affairs OM dated 18.02.2016.
- h. Scrutinising the proposals received from IR/PDP wing for clearance of IFA in respect of visits abroad of the officers/ officials of the IA&AD as approved by the C&AG of India.
- i. Review the progress of expenditure received from Staff wing with respect to Detailed Demand for Grants (DDG) as well as the total funds allotted under the respective head/sub-head of account to field offices and scrutinise the proposals for re-appropriation of funds under Revenue Section (Voted/Charged) from one object head to another object head and under Capital section.
- j. Any other work assigned with respect to the order /guidelines issued by Govt. of India from time to time or by competent authority with respect to financial management in IA&AD.
- k. Any other expenditure of exceptional nature not covered above and is of unique nature e.g. fees for study/training abroad etc. will be routed through IFA.

9. Competent Authority to write off loss

Nature of loss	Competent Authority	Monetary limit up to which the loss may be written off in each case
Irrecoverable losses of stores or of public money	Dy. CAG (HR)/ CTO for ICT related Items	₹ 5,00,000/- for losses of stores due to theft, fraud or negligence and ₹ 50,00,000/- for other cases.
Loss of revenue or irrecoverable loans and advances		₹ 5,00,000/-
Condemnation of motor vehicles		Full power for mature condemnation of vehicles meeting the criteria as given below: Light Commercial Motor Vehicles (LCVs) – 1,50,000/- kilometers and 6.5 years whichever is reached later

Important Points

- a HoDs have powers to write off up to ₹ 5,000/- in each case of loss of revenue.
- b In case of irrecoverable loss of stores and public money, HoDs have powers to write off upto ₹ 50,000/-
- c For the purpose of deciding the value of the stores, it shall be the “book value” where priced accounts are maintained and “replacement value” in other cases.
- d Value in “each case” is to be reckoned with reference to the total value of stores to be written off on one occasion.

10. Important points to be considered while exercising of these delegated financial powers:

- a. During implementation of a work or project (except civil and electrical works), if there is substantial change in scope of work or specification, which results in more than 50% cost overrun, revised financial sanction of the CFA needs to be obtained. In case of change of more than 10% in scope of work or specification in civil and electrical works done through CPWD, revised financial sanction of the CFA needs to be obtained.
- b. According to Rule 12 (6) of DFPR 2024 of Government of India, the power delegated under these rules can also be exercised for a validation of an action already taken or expenditure or liability already incurred even when the authority validating the action or expenditure or liability, as the case may be, had no competence to do so at the time the action was taken or expenditure or liability was incurred.
- c. This delegation of financial powers shall supersede all prevailing delegation of financial powers in IA&AD.
- d. In case of any conflict between the provisions in MSO or this circular, this circular will apply.
- e. The revised delegated powers will be effective from the date of issue of these orders. These powers shall also be applicable to the proposals which are under consideration/in process.
- f. In future, any issues / clarifications with respect to delegation of powers, financial implications of procurement activities, etc would be dealt with by the Headquarters.
- g. Any “circular” having financial implication would have to be issued in consultation with Staff Wing.
- h. No Indent, Content or Purchase should be taken up without allotment of funds. This will, however, not apply if approval for works is given where the responsibility of arranging funds vests with other departments (CPWD etc.).
- i. Guidelines on Expenditure Management issued from time to time will equally apply to both, Voted and Charged expenditure.



(K. Subramaniam)
Director General (Staff)