

No. Fin-F-(A)-(11)-11/2004  
Government of Himachal Pradesh  
Finance Department  
(Expenditure Control-II)

From

The Principal Secretary (Finance) to the  
Government of Himachal Pradesh,  
Shimla-171002.

To

1. All the Administrative Secretaries to the Government of Himachal Pradesh
2. The Secretary to Governor, H.P. Shimla-2.
3. The Secretary, H.P. Vidhan Sabha, Shimla-4.
4. The Registrar General, H.P. High Court, Shimla-2.
5. All the Heads of Departments in H.P.
6. The Secretary, H.P. Subordinate Services Selection Board, Hamirpur.
7. The Secretary to Lokayukta, H.P., Shimla-2.
8. The Secretary, H.P. Public Service Commission, Shimla-2.
9. All the Deputy Commissioners in H.P.

Dated: Shimla-171002, the

3<sup>rd</sup> June, 2014

Subject: - Delegation of financial powers and revision of economy instructions.

Sir,

The Finance Department vide letter No. Fin.1-C-(14)1/83 Dated 6<sup>th</sup> September, 1995 had issued detailed instructions relating to delegation of the financial powers. Finance Department has also issued several amendments to these instructions, from time to time.

The earlier instructions/guidelines were issued long ago and several amendments have also been made. Therefore, there is a need to update and compile all the instructions/guidelines, issued from time to time. Further, there is a need to increase the financial delegations to the Administrative Departments and the Field Offices to facilitate speedy implementation of the Govt. programmes.

... 2/...

9/8/14  
15/7/14

प्र.पु.अ.स. वि.स.  
पत्र सं. 1177  
दिनांक 15/7/14

Accordingly, The State Govt. has decided to enhance the financial delegations under various SOEs, keeping in view the above objectives. The enhanced delegations and up-to-date revised instructions are enclosed at Annexure-A. These delegations/instructions subsume the instructions, issued vide letter No. Fin. 1-C-(14)-1/83 dated 6<sup>th</sup> September, 1995 and all other financial delegations/instructions issued from time to time. It may be noted that these financial guidelines are based on a clear definition of the expenditure to be booked in a particular SOE and ARE STRICTLY SUBJECT TO BUDGET PROVISION(S) IN THE CONCERNED SOE. The power to re-appropriate between SOEs shall continue to rest with the Finance Department.

The expenditure of PWD and IPH departments will continue to be regulated through the present LOC system. The economy and administrative instructions issued separately from time to time, in relation to travel and tours will continue to be in force and they may be read with these revised instructions.

Yours faithfully,

SKM  
Pr. Secretary (Finance) to the  
Government of Himachal Pradesh,  
Shimla-171002

3<sup>rd</sup> June 2014

Endst. No. - as above- dated: Shimla-2, the

Copy is forwarded to all the District Treasury Officers/Treasury Officers in Himachal Pradesh for information and necessary action.

SKM  
Pr. Secretary (Finance) to the  
Government of Himachal Pradesh,  
Shimla-171002



995

## ANNEXURE-A

S.O.E.	DEFINITION/ EXPLANATION	DELEGATION OF FINANCIAL POWERS SUBJECT TO BUDGTARY PROVISION
1. Salary	It includes pay, allowance in all forms to personnel but not travel expenses (other than leave travel concession)	<p>Full powers to DDO level for payment of salary and allowances of all staff in position against both permanent and contractual posts subject to the condition that:-</p> <p>i) No vacant post shall be filled by direct recruitment without concurrence of Finance Department and approval of the Council of Ministers.</p> <p>ii) No new post is to be created without prior approval of Council of Ministers.</p> <p>iii) No payment of any new allowances shall be permitted without prior approval of Council of Ministers and without the consultation with the Finance Department.</p>
2. Wages	It includes payments to daily waged staff or part time staff (other than those charged to SOE Maintenance, Minor and Major works).	<p>i) Full powers upto DDO level for payment to all daily waged/part time workers working on posts duly authorized by the State Government and in position as on 28<sup>th</sup> February, of the preceding financial year.</p> <p>Provided that this power shall not confer the right to fill up any vacancies in daily waged personnel resulting from any cause whatsoever, without concurrence of Finance Department.</p> <p>ii) No new posts on daily wage/part-time basis shall be filled up or created without prior concurrence of Finance Department and approval of the Council of Ministers.</p>

<p>3. Travel Expenses</p>	<p>It includes all expenses on account of travel on duty. This will also include TA/DA to non-official members.</p>	<p>i) Full powers to the designated Controlling Officers for tours within the State (for this purpose tours upto Chandigarh/ Pathankot/Dehradun will count as tours within the State).</p> <p>(ii) For tours outside the State performed by road or train, - Full powers to the HODs in relation to the tours performed by all directorate level officers other than HOD.</p> <p>For HODs and other senior officers working in the Secretariat, full powers to the Administrative Secretary .</p> <p>(iii) For travelling by official vehicle to Delhi or outside the State (to destinations other than Chandigarh, Dehradun or Pathankot), the permission will be obtained from the Chief Secretary</p> <p>iv) Secretaries to the Government will obtain approval the Chief Secretary about their tour programme.</p> <p>v) Touring by private vehicles/Taxi as per rates/entitlement got approved from Finance Department shall be governed by separate instructions issued from time to time and instructions already issued shall continue to apply till they are revised.</p> <p>vi) The Officer(s)/Official(s) can perform journey(s)/tour(s) <u>by air</u> as per their entitlement(s) subject to the condition that for all officers/officials upto the rank of Head of Department/ Special Secretary, permission may be given by the concerned Administrative Secretary and for officers above that rank.</p>
---------------------------	---	--



		<p>permission to be given by the Chief Secretary without distinction of purposes between tours undertaken for seminars/ workshops/trainings and others. In cases, where the entitlement is not there and it is necessary to undertake the journey by air, all permission(s) are required to be taken from the Chief Secretary.</p> <p>Other administrative instructions/ restrictions on travel/ tour etc. as issued from time to time shall continue to be in force.</p>
4. Liveries	It includes expenditure on liveries as approved by Government.	Full powers to the Controlling officers for purchase of livery articles on the rates and pattern approved by Government.
5. Office Expenses	It includes all contingent expenses for running an office such as furniture, postage, purchase and maintenance of office machines and equipment (e.g. Photocopiers, fax machines typewriters, computers, heaters, locks, clocks etc.) hot and cold weather charges, telephones, electricity and water charges, stationery other than that received directly from the Controller Printing and Stationery, expenditure on carriage of office record materials etc.,	<p>i)(a) Full powers for purchase of furniture for new institutions/ Offices will be exercised by the Administrative Departments on the basis of the norms notified by the Finance Department.</p> <p>(b) For replacement of furniture, powers upto Rs. 1.00 lacs to the District level officer, &amp; upto to Rs. 5.00 lacs to HOD and full powers to the A.D. strictly as per norms for purchase of furniture by way of replacement where the old furniture has been condemned after following due &amp; prescribed process.</p> <p>ii) Powers upto Rs. 5.00 lacs to the HODs for purchase of Computer/photocopier machines and their peripherals. Full powers to the Administrative Departments.</p> <p>iii) For purchase of office machines and equipments [Other than photocopiers &amp; computers], the financial delegation will be as under:</p>

purchase of books, journals and news papers for use in offices/libraries, printing other than through Controller, Printing and Stationery.

*The Departments may also incur expenditure on IT enabled services, house-keeping, typing-charges, cleaning, sweeping charges data-entry, watch and ward, surveys, gardening etc. under this SOE.*

- (a) HHOD - Upto Rs. 2.00 lakh
- (b) A.D. - Upto Rs. 10.00 lakhs.
- (c) F.D. - above Rs. 10.00 lakhs.

iv) Postage -Full powers upto DDO level.  
v) Maintenance of Office Machines & Annual Maintenance Charges- Full powers to HODs/Controlling Officers.

vi) Hot and Cold Weather Charges - Full powers to HODs/ Controlling Officers.

vii) Electricity and water charges - Full powers to DDOs/ Controlling Officers.

viii) Telephones/EPABX -

a) New connections/New EPABXs

i) Full powers to the A.D. for installation of new telephones in the new Offices only, strictly as per approved norm(s) without ISD facility.

ii) For installation of additional phones in already established Offices and in case of any deviation in norms(s), cases be put up to the Chief Secretary on case by case basis by the A.D. on their Department files.

iii) The installation of ISD facility on phone will be done only with prior concurrence of Finance department and approval of the Chief Minister.

For EPABX on existing phone number:  
Powers upto Rs. 1.00 lac to the District level Officer and Full powers to HODs.

b) Telephone bills -

(i) For payment of telephone bills installed at Offices- DDO /Controlling Officers.



		<p>ix) Carriage of office record - Full powers to HODs/ DDOs</p> <p>x) Books &amp; Journals -</p> <p>a) Powers upto Rs. 5,000/- per annum to the District level Officer</p> <p>b) Powers upto Rs. 50,000/- per annum to the Heads of State level Medical/ Training Institutions.</p> <p>c) Full Powers to HODs as per norms fixed by F.D.</p> <p>xi) Stationery other than that received from CP&amp;S</p> <p>(i) ADs - Full powers</p> <p>(ii) HODs - Upto Rs. 2,00,000/-</p> <p>xii) Printing other than that done through CP&amp;S- (i) ADs - Full powers</p> <p>(ii) HODs - Upto Rs. 2,00,000/-</p>
6. Medical Reimbursement	It includes expenditure on medical expenses of Government employees and others authorized by Government, as per procedure approved by Government.	Full powers to DDOs subject to instructions/norms fixed by the Government from time to time.
7. Rent Rate & Taxes	It includes payment of rent for hired buildings, Municipal rates and taxes etc. It will also include lease charges for land.	<p>i) Full powers to DDOs for payment of rent of buildings that have been hired by the concerned department with prior concurrence of A.D./F.D. /HOD.</p> <p>ii) For hiring of new office/ residential accommodation - Full powers to the HODs on the basis of instructions/ norms issued by Finance Department from time to time.</p> <p>iii) For renewal of agreement/contract for hiring of private accommodations - Full powers to the Heads of Office</p>

		subject to enhancement @ only 10% of the fair rent after completion of every five years interval and submission of a certificate by concerned Head of Office that the accommodation in question is still required for bonafide departmental purpose.
8. Publications	It includes expenditure on printing of office codes, manuals and other documents whether priced or un-priced, but will exclude expenditure on printing of publicity materials. This will also include discount to agents on sale of publications.	Delegation under this head shall be as under : - (i) ADs - Full powers (ii) HODs - Upto Rs. 2,00,000/-
9. Advertising & Publicity	It includes costs of printing of publicity material for all Government departments. This would also include expenditure on Organizing of stalls, giving prizes, etc. at exhibitions and fairs.	Full powers to the Administrative Departments on the rate and pattern approved by the Government with prior concurrence of F.D.
10. Hospitality & Entertainment Expenses	It includes expenditure on Hospitality /entertainment expenses.	(i) Full powers to the AD; (ii) Powers upto Rs. 30,000/- at a time subject to a maximum of Rs. 1,00,000/- per annum to HOD (iii) Powers upto Rs. 5,000/- at a time subject to a maximum of Rs. 25,000/- per annum to the District level Officer to host official lunches/dinners and provide refreshment at meetings etc., as per instructions issued by the State Government, from time to time.



11. Furnishings	It includes expenditure on furnishings of such residential and non residential buildings as are specifically approved by Government in concurrence with F.D.	(i) Full powers to A.D. (ii) Upto Rs. 50,000/-per annum to HOD (iii) Upto Rs. 10,000/-per annum to the District level Officer.
12. Professional & Special Services	It includes charges for legal services, consultancy fees, fees to artists, remuneration to examiners & invigilators for examinations.	Full powers to A.D./HODs as per approved norms/ instructions Where the services are available only from the market, departments may hire these services at competitive rates, after following transparent process of selecting the service provider. For engagement of private counsel(s), the provision(s) of Chapter 16.6.3 & 16.6.4 of the Office Manual of the Government of Himachal Pradesh, as amended from time to time, shall be strictly adhered to.
13. Fixed Travel Allowance	It includes expenditure on fixed travelling allowance to concerned Government employees.	Full powers to the Controlling Officers in accordance with the rates notified with concurrence of Finance Department.
14. Emoluments	It includes the emoluments of members of the Vidhan Sabha.	Full powers to the Secretary, Vidhan Sabha.
15. Secret Service Expenditure	It includes secret service expenditure	Full powers to the officers designated by the Government to operate this SOE.
16. Other Charges	It includes payment out of discretionary grants, expenditure on organizing as well as paying delegate fees for Conferences, Seminars, Works shops, Short term	i) Discretionary grants expenditure shall be regulated as per the rules/instructions on instructions issued on the subject from time to time. ii) For delegate fees for participation in conference/seminars/Workshops within the country, cases - Full

	<p>farmer's training/ youth/NCC and other camps, gratuitous relief and compensation for loss caused by wildlife. Any other expenditure which cannot be classified under any of the specified object heads will be debited to this head.</p>	<p>powers to the A.D.</p> <p>iii) For participation in Conference/ seminars/ workshops/ trainings outside the country, prior permission of the Cadre Controlling Authority and Finance Department shall be necessary.</p> <p>iv) For organizing seminars/ conference/ workshops by various departments within Himachal Pradesh - <b>Full powers to the HODs/ Distt. Level Officers.</b></p> <p>v) Short terms training/ camps such as farmers/ Youth/NCC camps etc. - <b>Full powers to the HOO.</b></p> <p>vi) For expenditure on gratuitous relief/ compensation, full powers to the Controlling Officers as per the rates/ norms notified/ approved.</p> <p>vii) For all other expenditure not classified under any of the SOEs, the expenditure sanction power will be as follows :-</p> <p>(a) Adm. Secy. - Full powers.</p> <p>(b) <b>HOD-Upto Rs. 2,00,000/-</b></p>
17. Maintenance	<p>It includes expenditure on repair and maintenance of all works including wages and materials.</p>	<p>Full powers to <u>Controlling Officers</u> subject to:-</p> <p>(a) The availability of LOC.</p> <p>(b) No Daily waged/ part-time workers will be hired by the departments/ controlling officers without prior permission of the Finance Department and Council of Ministers.</p> <p>(c) Provided that the AD shall be competent for the renewal of annual contract of persons who have been engaged on contract basis against a post, with prior concurrence of finance department subject to:</p> <p>(i) the work and conduct of the official has been found to be satisfactory, and</p>



		(ii) the extension of the contract is required for continuing the departmental activities in public interest.
18. Interest	It includes payment of interest on loans raised by Government.	All cases to be referred to the F.D.
19. Refunds	It includes expenditure specifically provided in budget.	Full powers to the Administrative Departments, in relation to the revenue credited to wrong Head of Account or credited inadvertently, if there is not financial irregularity. The cases are to be decided as per the provision of Rule-183(5) of HPFR, 2009.
20. Write off -Losses	It includes write off of loans and advances due to Government and waiver of interest.	Full powers to the Administrative Departments to write off the unrealizable loss to the State Government, as a result of fire, theft, robbery, extortion, fraud and Natural Calamities and in respect of losses in cases where persons or entities from whom recovery is to be effected, are untraceable or are declared insolvent by a Court. In cases where such losses to the State Government on account of the aforesaid reasons are included/ reported in PAC or other Committees of the Vidhan Sabha, the Administrative Departments will write off the losses after taking into account the recommendations of the said Vidhan Sabha Committees. All other cases excluding aforesaid instances will be referred to F.D. as usual.
21. Sumptuary Allowances	It includes expenditure as per the pattern approved by the Government for various functionaries.	Full powers to the DDOs.

22. Compensations	It includes expenditure specifically provided in budget.	Upto Rs. 1.00 lac to the HOD and full powers to A.D. provided that the cases involving negligence/ irregularities will be referred to F.D.
23. Motor Vehicles	It includes expenditure on purchase, repair and running (including POL) of light vehicles, buses, trucks, Ambulances, LCV, motor-cycles, scooters etc., hiring of taxis, other vehicles etc. Expenditure under this SOE will not include expenditure on earth moving and allied machinery such as dozers rollers, hoppers tippers, compressors and snow cutters etc.	(a) Purchase of new vehicles including those by way of replacement only with prior concurrence of the Council of Ministers through F.D. (b) For repairs/ spare parts/ consumables accessories etc. - Full powers to the Controlling officers.
24. Machinery & Equipment	It includes expenditure on all kinds of equipment and machinery of a non-consumable nature relating to the functional needs of a department and shall not include any other items admissible under any other SOE( e.g. OE,MV,OC,M&S etc)	The delegation under this SOEs is as under:- (i) District Level Officer - upto Rs. 1.00 lac (ii) HOD - upto Rs. 50 lacs (iii) A.D. - Full powers. However, it will be responsibility of the Purchase Committee to ensure that the proposed purchase is being made from standard/ approved source and, earlier quantum of items purchased must also be kept in view and recorded specifically in its recommendations for the said purchase. The purchase committee will comprise of the following members at different levels:



		<p>(a) At AD level the purchase Committee shall be such as is approved by the Administrative secretary but it must have one SAS officer, beside the nominee of the Administrative Secretary, and one technical member having knowledge in the field, if the purchase to be made is of technical nature.</p> <p>(b) At HOD level, the committee will comprise beside the HOD or his nominee, one senior-most SAS officer of that office or nearest office as second member. If the purchase to be made is of non-technical nature, the third member can be any gazette officer of the department but if it is to be of a technical nature, the third member shall be a technical member having knowledge in that field.</p> <p>(c) At the district level the purchase committee shall have besides the senior-most district level officer of the department, the AC(F&amp;A)/ Other SAS officer or the Credit Planning Officer as the second member. The third member will be one having knowledge in the field if the purchase to be made is of a technical nature but if otherwise, any gazetted officer in the district can be the third member of the Committee</p>
25. Materials, Supply Store &	It includes expenditure on material and supplies of a consumable nature pertaining to the functional needs of the department eg. Diet and medicine	<p>The delegation under this SOEs is as under:-</p> <p>(i) District Level Officer- upto Rs. 1.00 lac</p> <p>(ii) HOD - upto Rs. 50 lacs</p> <p>(iii) A.D. - Full powers.</p> <p>However, it will be the responsibility of the Purchase Committee to ensure</p>

expenses, hospital beds etc., raw material for trainees, seeds, fertilizer for farms, purchase of books/ periodicals for libraries in educational institutions like Medical Colleges/ Dental colleges/ Colleges/ Schools, purchase of furniture articles for class-rooms in schools/ colleges in Education, Technical Education & Medical Education Departments. (It shall not include any item covered under any other SOE, e.g. OE, M&E, M.V. etc) It shall not include expenditure on such supplies and materials as are chargeable to SOEs Maintenance/ Minor Works/ Major works.

that the proposed purchase is being made from standard/ approved source and, the earlier quantum of items purchased must also be kept in view and recorded specifically in its recommendations for the said purchase. The purchase committee will comprise of the following members at different levels:

- (a) At AD level the purchase Committee shall be such as is approved by the Administrative secretary but it must have one SAS officer, beside the nominee of the Administrative Secretary, and one technical member having knowledge in the field, if the purchase to be made is of technical nature.
- (b) At HOD level, the committee will comprise beside the HOD or his nominee, one senior-most SAS officer of that office or nearest office as second member. If the purchase to be made is of non-technical nature, the third member can be any gazette officer of the department but if it is to be of a technical nature, the third member shall be a technical member having knowledge in that field.
- (c) At the district level the purchase committee shall have besides the senior-most district level officer of the department, the AC(F&A)/ Other SAS officer or the Credit Planning Officer as the second member. The third member will be one having knowledge in the field if the purchase to be made is of a technical nature but if otherwise, any gazetted officer in the district can be the third member of the Committee



		<p>(d) Full powers to the HODs/ Controlling Officers for purchase of books/ periodicals etc. for libraries in Educational institutions like Medical Colleges/ Dental Colleges/ Colleges/Schools etc.</p> <p>(e) Full powers to the Head of Departments for purchase of furniture articles for schools/ colleges to be used in classrooms in respect of Education/Technical Education/Medical Education Departments.</p> <p>The constitution of purchase Committee will be the same as specified in column 24 related to machinery and equipment mentioned above.</p>
26. Minor Works	It includes expenditure on minor additions /alteration to existing works or new works classified as minor with reference to financial limits.	Full powers for granting administrative approval and expenditure sanction to the HODs. All purchases for minor works will be in accordance with the procedure explained against the SOE: M&S.
27. Major Works	It be classified with reference to financial limits as per classification of major works in PWD CODE. This will also include cost of acquisition of land and structure.	Full powers to A.D. to sanction/ incur expenditure as per Government orders on the subject from time to time. The A.D. may delegate appropriate powers to HODs. All purchases shall be in accordance with procedure laid down under Machinery and Equipments/M&S.
28. Pension	It includes donations to service funds and contributory provident funds in addition to payments of pensions and gratuity in all forms to Government servants and members of Vidhan Sabha.	Full powers to the Designated Officers.

29. Social Security Pensions	Freedom Fighters/ war widows /old age /widow /physically handicapped / patients of leprosy etc.	Full powers to the HODs/ Controlling Officers/ DDOs as per schemes, norms, rates and numbers approved from time to time, in concurrence with F.D.
30. Scholarships/ Stipends	It includes expenditure on Scholarship/Stipends to students/ trainees under approved Government schemes including one-time non-recurring expenditure. This will however, not include expenditure on short term camps (e.g. farmers training, Youth Camps, NCC etc.)	Full powers to the HODs /DDOs as per the schemes approved by the State Government from time to time with prior concurrence of Finance Department.
31. Grants-In-Aid	It includes all grants-in-aid contribution by Government to any person or body where it is not in the nature of a loan or subsidy.	Full powers to A.Ds subject to notification of rules/norms with concurrence of Finance Department. Wherever Utilization Certificates are required, next quarter release shall be subject to submission Utilization Certificates of previous quarter, having been received by A.D.
32. Subsidy	It records subsidies approved by Government under schemes of various Departments.	Full powers to A.Ds subject to notification of rates and patterns with concurrence of Finance Department.
33. Investment	It includes equity contribution by State Government in any incorporated body.	All cases to be referred to F.D.
34. Loans & Advance	It includes all loans and advances granted to other Government	All cases to be referred to F.D. Provided that sufficient budget provision should be there for writing off loans.



239

	bodies etc. but will exclude repayments of borrowings. This will also include loans and advances to Government servants and other categories.	
35. Repayment of Borrowings	It records repayments of borrowings undertaken by Government.	All cases to be referred to F.D.
36. Suspense	It records material and supplies purchased for issue to maintenance, minor and major works and which are not immediately charged to the works.	As per the details given against SOE, M&S/M&E. Provided that material & supplies purchased in a financial year in this SOE must be adjusted/booked against the concerned works latest by the next financial year. While going for next year's purchase, a certificate to that effect is to be appended by the concerned Controlling Officer.
37. Honorarium	It includes disbursements (not charged to Salaries or Wages SOEs) to categories like Home Guard Jawans etc., payments of honorarium for lectures, at training Institutions, setting and evaluation of examination papers, case studies, invigilation duties, honorarium for enumeration or supervision of census and other similar work to Government servants.	Full powers to HODs / DDO on the rates and patterns approved by the Government with prior concurrence of F.D.

38. Rewards	It records expenditure on any rewards given to Government servants.	Full powers to the HOD as per norms approved by F.D.
39. Training	It includes expenditure incurred on organizing trainings such as training materials, faculty honorarium etc. but excluding expenditure on TA/DA of trainees etc.	(i) Administrative Secretaries- Full powers. (ii) Head(s) of Department(s)- Upto Rs. 5.00 lacs only per training schedule. (iii) District level Officer - Upto Rs. 1.00 lac only per training schedule.

All the above delegated financial powers are subject to budget availability and strict adoption of procedure as laid down in H. P. Financial Rules applicable from time to time.

- The available budget should also be spent in a proportionate manner so that unnecessary demands for additionality in the budget allocation are not created.
- Completion of all codal formalities procedurally in advance before issuance of expenditure sanction in any case.
- Any other delegation/instruction issued by Finance Department subject-specific or Department-specific, not covered in the above mentioned delegation, would remain in existence and continue to be in force as such.
- District level Officer for the purpose of these instructions would mean & include the senior-most officer in the District e.g. for PWD, I & PH Department(s), the District level Officer would mean the Superintending Engineer and for Forest Department - Conservator of Forest for the district.
- Expanded form of Abbreviations used in the aforesaid delegation: SOE - Standard Object of Expenditure, A.D. - Administrative Department, HOD - Head of Department, DDO - Drawing & Disbursing Officer, HOO - Head of Office, HPFR, 2009 - Himachal Pradesh Financial Rules, 2009