

**F.No. DIT(Inf)/U-I /Misc.-1/2020-21/148**  
**भारत सरकार/ GOVERNMENT OF INDIA**  
**वित्त मंत्रालय/ MINISTRY OF FINANCE**  
**राजस्व विभाग/ DEPARTMENT OF REVENUE**  
**केन्द्रीय प्रत्यक्ष कर बोर्ड/ CENTRAL BOARD OF DIRECT TAXES**  
**आयकर निदेशालय (आधारिक संरचना) / DIRECTORATE OF INCOME TAX (INFRA.)**

**Dated: 30.06.2020**

To

All HoDs (Pr. CCsIT/Pr. DGsIT/CCsIT/DGsIT/Pr. CsIT/Pr. DsIT/CsIT/ADGs)

Madam/Sir,

**Sub:- Adherence of delegated Financial Powers and Time-lines by Head Of Departments (HoDs)— Instructions - Reg.**

Kind attention is invited to the O.M. issued by IFU vide F. No. 15/6/2008-IFU-III (EC) dated 15.09.2011 (Copy enclosed as Annexure-I) regarding delegated Financial Powers to the Head of Departments (HoDs). The partial modification of the OM F. No. 15/6/2008-IFU.III dtd.15.09.2011 was made vide OM under F. No. 14/11/2017-IFU (B&A) DT dated 16.08.2017 (Copy enclosed as Annexure-II).

2. As per the said OM, the financial powers upto Rs.60/90 lakhs per annum have been delegated to the Head of Departments of CBDT for ‘Outsourcing of Services’ and all HoDs have to follow above OMs. However, several instances have come to the notice of CBDT wherein it has been noted that these OMs are not being followed and HODs are sanctioning expenditure on outsourcing of services beyond their delegated financial powers either by way of entering into fresh contracts or by extending the existing contracts. Subsequently when the ZAOs refuse to clear the bills for want of sanction of the competent authority, proposals are sent to the DIT(Infra) for seeking ex-post facto approval of the competent authority.

Further, in matter of sanctioning of works also, it has come to notice of CBDT that many times field authorities alter/add to the scope of originally sanctioned works beyond their delegated financial powers without prior approval of the competent authority. This has, at times, led to litigation between the contractor and the Department due to delayed payments for want of sanction of the competent authority resulting in levy of interest and cost by the courts.

Therefore, it is hereby reiterated that field authorities should not sanction expenditure pertaining to 'Outsourcing of Services' or should not sanction works or add to the sanctioned works beyond their delegated financial powers without taking prior approval of the competent authority.

3. Moreover, it has been observed that proposals seeking *ex-post facto* approval of the competent authority in cases of renewal/revision of rent agreements, execution of works and outsourcing of services are being sent to this Directorate in a routine manner without any detailed reasons and valid justification for the delay in submitting such proposals. Such *ex-post facto* approval cases are viewed very adversely by the higher authorities and the IFU.

4. Therefore, I am directed to hereby reiterate that field authorities should not award contracts for outsourcing of services or sanction works beyond the delegated financial powers and also submit the proposals well in time.

5. This is issued with the prior approval of Pr. DGIT(Admin. & TPS).

Encl: As above.

24.F.  
30.06.2020

उप आयकर निदेशक (आ. सं.), यूनिट- 1

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24.F.  
30.06.2020

उप आयकर निदेशक (आ. सं.), यूनिट- 1

**ANNEXURE- I**

F.No. 15/6/2008-IFU.III  
Ministry of Finance Department of Revenue  
Integrated Finance Unit

New Delhi, dated 15<sup>th</sup> September, 2011

**OFFICE MEMORANDUM**

**Subject: Delegation of Financial Powers to Heads of Departments of Department of Revenue, CBDT and CBEC-reg**

The delegation of financial powers to Heads of Departments (HoDs) of CBDT and CBEC has been reviewed by the Integrated Finance Unit (IFU) of Department of Revenue. Based on, *inter-alia*, proposals received from CBDT & CBEC, the revised delegation, duly approved by the competent authority under Rule-13 of the Delegation of Financial Powers Rules, 1978, has been compiled as per Annexure.

2 For exercising the delegated financial powers, as mentioned in the enclosed Annexure, there is no necessity to refer the proposals to the Department/IFU except where proposals are not in consonance with the existing instructions. **The provisions of GFRs and instructions issued by the Department of Expenditure and other competent authorities i.e. CVC and DGS&D etc. shall be followed.** The expenditure against these delegations is subject to availability of the Funds with the HoDs.

3. The revised delegation, which is applicable with immediate effect, may be circulated to all HoDs.

-sd-

(H.Pradeep Rao)  
Joint Secretary & Financial Adviser (Finance)

TO:

- (1) Chairman, CBDT
- (2) Chairman, CBEC
- (3) Joint Secretary (Revenue)
- (4) Joint Secretary (Admn.), CBDT
- (5) Joint Secretary (Admn.), CBEC

Copy to:

- (1) Pr.CCA, CBDT
- (2) Pr.CCA, CBEC
- (3) CCA (Finance), D/o Revenue

**DELEGATION OF FINANCIAL POWERS TO HEADS OF DEPARTMENTS  
(HoDs) OF CBDT, CBEC AND DEPARTMENT OF REVENUE  
(Ref: O.M. No. F.15/6/2008-IFU dated 15.09.2011)**

**Note1:** The instructions issued by Department of Expenditure vide their O.M. No 7(1)/E. Coord/2011 dated 11<sup>th</sup> July, 2011 and other item-wise or general instructions, as issued from time to time by Department of Expenditure, Budget Division, Department of Revenue, CBDT, CBEC and other competent authorities, shall apply while exercising the delegation in respective items.

**Note 2:** The General Financial Rules, 2005 (effective from 01.07.2005) and the Delegation of Financial Powers Rules, 1978, as amended up to the date of issue of this compilation, shall apply in respect of each of these stated items.

**Note3:** Regarding the position on the available delegation of HODs on various items, after issue of Department of Expenditure's Notification No.1(11)/E.II.A/2003 dated 16.9.2003, it is clarified that with the issue of this Notification, the Departments have been authorized to decide the extent of financial powers which they can delegate to their HoDs in the matter of contingent expenditure and miscellaneous expenditure, subject to fiscal codes and procedures and limits being within budgetary allocations. Accordingly, the HoDs of CBDT, CBEC and Department of Revenue will continue to have the same delegation as prevailing before the issue of above notification dated 16.9.2003 unless powers are specifically enhanced under the items in the enclosed compilation.

**Note4:** For exercising delegated financial powers as mentioned in the enclosed compilation there is no necessity to refer the proposals to Department/IFU, except where the proposals are not in consonance with the existing instructions.

**Note5:** All proposals beyond delegated powers of HoDs are to be invariably referred to the Ministry/ Department for consideration/ approval.

**DELEGATION OF FINANCIAL POWERS TO THE HEADS OF THE  
DEPARTMENTS OF DEPARTMENT OF REVENUE, CBDT & CBEC**

(Ref: O.M. F. No. 15/6/2008-IFU-III (EC) dated 15.09.2011)

S. No.	Item of Expenditure	Rules applicable and delegation of financial powers to HODs of CBDT, CBEC and D/O Revenue
(A)	(B)	(C)
1.	<b>Write-off losses</b> i. Loss of revenue or irrecoverable loans and advances. ii. Deficiencies and depreciation in the value of stores (other than motor vehicle) included in the stock and other accounts. iii. Irrecoverable loss of stores or of public money.	The details of powers available to Chief Commissioners/ Director Generals and Commissioners/ Directors in all these three sub-heads may be seen in Schedule-VII of DFPRs.
2.	<b>Contingent expenditure</b>	Full Powers.
2.1	Bicycle	
2.2	Conveyance hire charges	Powers delegated under DFPRs will be applicable. The position of allocation of financial powers to HODs from the powers available with the Department, as prevailing before the issue of Department of Expenditure Notification No. 1 (11)/E.II(A)/2003 dated 16.09.2003 will continue.
2.3	Electric, gas and water charges	Full Powers.
2.4	Fixtures, Furniture (Purchase and Repair)	Full Powers.
2.5	Freight and demurrage/ wharfage charges	Full Powers.
2.6	Hire of office furniture, fans, heaters, coolers, clocks, call bells etc.	Full Powers
2.7	Legal charges	Powers delegated under DFPRs will be applicable. The position of allocation of financial powers to HoDs (along with restrictions, conditions etc.) from the powers available with the

		Department, as prevailing before the issue of Department of Expenditure Notification No. 1(11)/E.II(A)/2003 dated 16.09.2003 will continue.
<b>2.8</b>	<p>Motor vehicles</p> <p>i) Additional purchase of additional hiring of vehicles (on regular basis)</p> <p>ii) Replacement hiring in lieu of regularly (mature) condemned vehicle.</p> <p>iii) Replacement hiring in lieu of pre- maturely condemned vehicle.</p> <p>iv) Replacement purchase in lieu of mature or premature condemned vehicle</p> <p>v) Maintenance, upkeep and repairs of vehicles.</p> <p>vi) Mature and pre-mature condemnation of vehicles.</p> <p>vii) Hiring of vehicles in connection with search and seizure operations.</p>	<p>i) No Powers.</p> <p>ii) Full Powers subject to GFRs 2005 and instructions issued from time to time</p> <p>No Powers.</p> <p>iv) There is general ban imposed by Department of Expenditure vide O.M. No 7(1)E-Coord/2011 dated 11.07.2011 on purchase of vehicle and, therefore, proposals for purchase are to be referred to the Department.</p> <p>Full Power.</p> <p>vi) Full Powers for mature condemnation. The Department has to be approached for pre-mature condemnation.</p> <p>vii) The offices headed by ITO/AC/DC can hire vehicles for survey, search and seizure operations as and when required subject to availability of budget and monitoring by the concerned HOD. In case of Survey, the concerned Joint CIT/ Addl.CIT would be competent to hire subject to ex-post-facto approval by the HOD.</p>
<b>2.9</b>	Municipal rates and taxes	Full Powers.
<b>2.10</b>	Repair and maintenance work in buildings owned by the Department (Minor Works)	Rs. 30 lakh. Provision of GFR 2005 will apply.
<b>2.11</b>	Provision of DG set	Rs. 15 lakh per annum per building for each HOD for purchase of DG (Diesel Generating) set, subject to GFRs 2005, Works Manual and guidelines for essential and non-essential loads for DG Sets.
<b>2.12</b>	Repair and alterations to	A total of Rs. 50,000/- in a year, non-

	hired and requisitioned buildings.	recurring. Provision of GFRs 2005 will apply.
2.13	Original works (through CPWD) on Department land and buildings. (Only in cases where funds are provided by MOUD). The power will not be used for purchase of land/building. Original works (through CPWD) on Department land and buildings. (Only in cases where funds are provided by MOUD). The power will not be used for purchase of land/ building.	Rs. 10 lakh in each case. Provisions of GFRs 2005 will apply. Government of India decision below Rule 10 of DFPRs on New Service/ New Instrument of Service shall apply. All original works beyond Rs. 10 lakh required reporting to Parliament and beyond Rs. 50 lakhs requires prior approval of Parliament. Budget provision should be available under the grant provided by MoUD.
2.14	Computers	<p>i) Site preparation of computers/ installation – Rs. 5 lakh/year.</p> <p>Maintenance of site for Computers – Rs. 5 lakh/ year.</p> <p>iii) AMC of Computers (Hardware) excluding sites-Rs. 10 lakh/year (non PSU) &amp; full powers in case of PSU.</p> <p>iv) Training in computers in India Rs. 5 lakh/ year in consultation with respective Systems Wing of CBDT &amp; CBEC.</p> <p>v) Purchase/procurement of PCs/ Hardware – Rs. 15 lakh/year.</p> <p>(vi) Software development and website related expenditure-Rs. 2 lakh per year for Systems wing and Training Institutes of CBEC &amp; CBDT. For Training Institutes, the software should be developed in consultation with the respective Systems wing.</p> <p><b>Note:</b> The above powers are subject to relevant instructions on these items issued from time to time.</p>
2.15	Hiring of office accommodation	Rs. 3 lakh per month for 13 major Cities (A-1 and A) & Rs. 1.5 lakh per month for other cities. <b>Note:</b> These powers are subject to non- availability certificate from Directorate of Estates and/ or CPWD.

		Fair Rent Certificate from CPWD, observance of GFRs, 2005, admissibility of space norm as prescribed and also subject to relevant instructions on this item issued from time to time.
		<b>Any deviation from norms including acceptance of single offer, should be referred to the Ministry. Hiring should be recommended by a Hiring Committee duly constituted by the HoD.</b>
2.16	Postal & Telegraph charges	Full Powers to incur expenditure on this item subject to following the existing government instructions. Through e-governance activities, electronic mode to be increasingly adopted.
2.17	Printing and binding	i) Full Powers to HODs. in case of printing is done in Government Press or through Directorate of Printing. ii) Rs. 1 lakh per annum through private party including cost of paper and binding following GFRs 2005 provisions and Govt. instructions on the subjects.
2.18	Publications	Full Powers.
2.19	Repairs to and removal of machinery (where expenditure is not of capital nature)	Full Powers.
2.20	Rewards, fees, bonus etc. (Other than those granted under service rules )	The position of allocation of financial powers of HODs from the powers available with the Department, as prevailing before the issue of Department of Expenditure Notification No. 1(11)/E.II(A)/2003 dated 16.09.2003 will continue.
2.21	Staff paid form contingencies	Full Powers (Only for casual engagement for short duration).



2.22	Purchase of stationery	Upto Rs. 10 lakh per annum. Govt's economy instructions & GFRs 2005 provisions are to be followed in procurement and inventory management. HODs have to ensure that there is no wasteful expenditure.
2.23	Stores	Full Powers.
2.24	Supply of uniforms etc.	Full Powers.
2.25	Telephone charges	Full Powers.
2.26	Tents and camp furniture	The position of allocation of financial power to HODs from the powers available with the Department, as prevailing before the issue of Department of Expenditure Notification No.1(11)/E.II(A)/2003 dated 16.09.2003 will continue.
2.27	All office equipments including typewriters, electronic typewriters, dedicated word processors, intercom equipments, calculators, electronic stencil cutter, Dictaphones, tape recorders, photo copiers, copying machine, franking machine, filing and indexing systems etc.	Full Powers.
2.28	Departmental and inter-departmental meetings, conferences, seminars, receptions and workshops	The position of allocation of financial power to HODs from the powers available with the Department, as prevailing before the issue of Department of Expenditure Notification No.1(11)/E.II(A)/2003 dated 16.09.2003 will continue. O.M. No. 7(2)/E.Coord/03 dated 25.03.2004 of Department of Expenditure shall apply. Limit of Rs. 150/- per head for serving refreshments/ working lunch which start in the forenoon and continue beyond lunch time. The holding of meetings, conference, seminars,

		workshops, etc. in hotels should be avoided. However, the limit for serving refreshments/ working lunch meeting in 5 Star Hotel etc., which is allowed in case of bi-lateral/multi-lateral official engagements which are held at the level of Minister-in-charge or Administrative Secretary with Foreign Governments or International Bodies of which India is a Member is revised in Office Memorandum dated 06.05.2015.
2.29	Medical advance to eligible employees under CS(MA) Rules	Upto Rs. 2 lakh, subject to instructions of Ministry of Health issued from time to time.
2.30	Expenditure on visit of Parliament Committee	The guidelines of Ministry of Parliamentary Affairs (Circulated by D/O Revenue (Parliament Cell) vide Dy. No.906/2005 - Parl. Dated 13.7.2005) provides for the manner of incurring of such expenditure and also that such expenses will be borne from the grants of Secretariat of Lok Sabha / Rajya Sabha.
3.	Other items of contingent expenditure	Recurring - Rs. 1,00,000/- per annum in each case. Non-recurring- Rs. 1,00,000/- in each case.
4.	Miscellaneous Expenditure	Recurring - Rs. 10,000/- per annum in each case Non-recurring- Rs. 20,000/- in each case.
5.	Advertising & Publicity by CBDT & CBEC	(i) For approved Publicity Plan. Both the Boards will prepare their quarterly publicity plan and obtain the approval of Finance Minister. The Director (PR PP & OL) in CBDT and Commissioner (DP & PR) in CBEC are delegated full powers to incur expenditure in connection with such approved publicity plan within the budgetary allocations, subject to the

		<p>condition that expenditure would be incurred through DAVP/Prasar Bharati (for Doordarshan and AIR)/NFDC (for web- based publicity and TVC) at the approved rates, fulfillment of economy instructions and following the provisions of GFRs. Wherever DAVP/PB/NFDC rates are not available, the respective HODs would follow the provisions of GFRs 2005 and other instructions issued from time to time.</p> <p><b>ii) For isolated advertising other Publicity requirements not Covered under Quarterly Plan:</b> The DIT (PR, PP &amp; OL) in CBDT and Commissioner (DP&amp; PR) in CBEC are delegated financial powers up-to Rs. 50 lakh per annum for incurring expenditure on isolated advertising and a publicity to be undertaken. Proposal beyond this limit should be sent to Financial Adviser for concurrence.</p> <p><b>iii. Delegation to HODs:</b> All other HODs of CBEC/CBDT are delegated powers upto Rs. 1 lakh per annum, subject to the condition that the expenditure will be incurred by following the relevant instructions and guidelines on the subject.</p>
6.	Incurring expenditure on implementation of court orders	Heads of Departments (HODs) are delegated financial powers upto Rs. 20,000/- in each case (Non - recurring) on implementation of judicial orders.

7.	Outsourcing of Services	Partial modification of the OM F. No. 15/6/2008-IFU.III dtd.15.09.2011 was made vide OM dated 17.08.2017 on the subject "Delegation of Financial Powers to Heads of Departments of CBDT and CBEC" issued under F. No. 14/11/2017-IFU (B&A) DT dated 16.08.2017. As per the said OM, the financial powers upto Rs.60/90 lakhs per annum have been delegated to the Head of Departments of CBEC and CBDT for 'Outsourcing of Services'.
		No outsourcing should be resorted: (i) to augment manpower against the abolished posts, (ii) to augment manpower against the abolished posts, meet the services like security and cleaning while the sanctioned strength in these cadres are already on roll and drawing regular salaries and allowances to augment posts at Gr. 'C' and above level.
8.	AMC payment of X-ray baggage inspection systems in CBEC	Once the rates and terms and conditions are approved by Department, release of advance and balance payments may be made by Commissioner (Logistics) CBEC subject to the observance of terms and conditions.

Sd/-

**(Praveen M. Khanooja)**  
Director (Finance)  
Department of Revenue  
15.09.2011



GOVERNMENT OF INDIA

Office of the  
Additional Director of Income Tax (Expenditure Budget)  
Ground Floor, ARA Centre, Jhandewalan Extension  
New Delhi

Phone no 011-23684412, Fax 011-23547285

F.No. Addl.DIT(EB)/DelFinPow/2017-18/942-

Date: 17/08/2017

To,  
All Budget Controlling Authorities

Sir/Madam,

**Sub: Enhancing of Delegation of Financial Powers to Heads of Departments of Department of Revenue, CBDT and CBEC for the item of expenditure 'Outsourcing of Services'- Regarding**

Kindly find enclosed herewith the OM issued by Department of Revenue vide F.No. 14/11/2017IFU (B&A) DI dated 16 August, 2017 enhancing the delegated financial powers for 'Outsourcing of Services' in the following manner:

"The enhanced delegated financial powers for outsourcing of services to the HoDs of CBDT, CBEC & Department of Revenue (Hqrs) shall be Rs. 90 lakh per annum in respect of HoDs situated at four metro cities viz. Delhi, Mumbai, Chennai and Kolkata. For other HoDs apart from those situated at aforesaid four cities, the same shall be Rs 60 lakh per annum."

The above enhanced powers are subject to certain stipulations mentioned in aforesaid CM.

Yours faithfully,

(B.L.Sharma)  
Additional Director of Income Tax (EB) New Delhi

End: as above

Copy to: The Web Manager, Data Base Cell, New Delhi with the request for uploading on [,rsoffscersonline.com](http://rsoffscersonline.com).

(B.L.Sharma)  
Additional Director of Income Tax (EB) New Delhi

F.No.14/11/2017-IFU (B&A)DT  
Government of India  
Ministry of Finance  
Department of Revenue  
IFU (B&A)DT  
New Delhi, Dated 16th August, 2017.

**OFFICE MEMORANDUM**

**Subject: Delegation of Financial Powers to Head of Departments of Department of Revenue, CBDT and CBEC for the item of expenditure 'Outsourcing of Services'-reg.**

The delegated financial power to Heads of Department (HoDs) of Department of Revenue (Hqrs ), CBDT and CBEC issued by IFU vide *M No 15/6/2008-IFU.JII* dated 15.09.2011 has been reviewed in respect of a single item of expenditure 'Outsourcing of Services' Considering the enhanced requirement of 'Outsourcing of Services' and the inflationary trend, it has been decided to enhance the delegated power under this head.

2 The enhanced delegated financial powers for 'Outsourcing of Services' shall be as follows.

"The enhanced delegated financial powers for 'Outsourcing of services' to HoDs of CBDT, CBEC & Department of Revenue (Hqrs.) shall be Rs. 90 lakh per annum in respect of HoDs situated at four metro cites viz. Delhi, Mumbai, Chennai and Kolkata. For other HoDs apart from those situated at aforesaid four cities, the same shall be Rs. 60 lakh per annum".


3. The above enhanced delegation of power under the head 'Outsourcing of Services' is subject to following stipulations:

- (i) Provisions of GFR 2017 and instructions issued by the Department of Expenditure and other competent authorities i.e. CVC etc. shall apply,
- (ii) It is to be ensured that there is no liability on Govt. towards permanent employment to the personnel engaged by the service providers,
- (iii) No outsourcing should be resorted to
  - a) Augment manpower against the abolished posts,
  - b) Meet the services like security and cleaning while the sanctioned strength in these cadres are already on roll and drawing regular salaries and allowances;
  - c) Augment posts at Cr. 'C' and above level.

4. For exercising the above mentioned delegated financial powers, there is no necessity to refer the proposals to the Department! IFU except proposals are not in consonance with the existing instructions. The expenditure

against these delegations is subject to availability of the funds with the HoDs.

5. The revised delegation which is applicable with immediate effect may be circulated to all HoDs.

  
(Lokesh Kumar Sharma)  
Director (Finance)/DT  
Tele No.: 23093269

To

- (1) Chairman, CBDT
- (2) Chairman, CBFC
- (3) Joint Secretary (Revenue)
- (4) Joint Secretary (Admit), CBDT
- (5) Joint Secretary (Admit), CBEC

Copy to

- (1) Pr.CCA, CBDT
- (2) PF.CCA, CREC
- (3) CCA (Finance), D/o Revenue