

GOVERNMENT OF ODISHA
FINANCE DEPARTMENT

NOTIFICATION

No. 28648 /F., Date 06/08/2012
FIN-COD-RULE-2/2012

Amendment of Rule-IS of Delegation of Financial Powers Rules

Amendment to Rule-15 of Delegation of Financial Powers Rules was last made in the year 1992. The Delegation of Financial Powers made in the year 1992 to the Administrative Departments and other Authorities is not sufficient to meet the present day requirements, as a result of which, many write off proposals are being referred to the Finance Department.

With a view to ensuring expeditious disposal of write off cases, it is felt necessary to amend Rule 15 of Delegation of Financial Powers Rules, read with Rule 42 of Orissa General Financial Rules.

After careful consideration, Government have been pleased to amend Rule-15 by further delegating financial powers to different authorities to sanction write off of losses as per the amended provisions mentioned below :

15. Power to write OFF of losses: -

1) Powers specified herein relating to write off of losses may be exercised by the appropriate authority provided that:

The loss does not disclose a defect in rules or procedure, the amendment of which requires orders of higher authority or concurrence of Finance Department; and

There has not been any serious negligence on the part of any Government servant which may call for disciplinary action by a higher authority.

2) Write off of losses of cash in Treasury whether in course of remittance or out of Treasury balance and of over - payment made to Government servants are governed by rules as mentioned in Rule 43 and 44 of Orissa General Financial Rules.

3) For the purpose of assessment of the value of stores, the book value should be taken where price accounts are maintained and replacement value in other cases.

4) Subject to the above conditions, the general powers of different authorities to sanction write-off of losses will be as follows:

	Authority	Existing extent of delegated powers	Extent of enhanced delegated powers
a)	Administrative Department	Rs.15,000/- in each case	Rs.2,00,000/- in each case
b)	Member, Board of Revenue	Rs.10,000/- in each case	Rs.1,50,000/- in each case
c)	Heads of Department	Rs.7,500/- in each case	Rs.1,00,000/- in each case
d)	Collectors	Rs.3,000/- in each case	Rs.50,000/- in each case
e)	Heads of other Sub-ordinate Officers	Rs.1,500/- in each case	Rs.25,000/- in each case

Note :

Value in "each case" to be reckoned with reference to the total value of stores to be written off on one occasion. The term "each case" used in this case in regard to write-off of irrecoverable losses of stores, deficiencies and depreciation in the value of stores included in stock and other accounts, should be interpreted with reference to a given point of time. If, on a particular occasion, a number of items of stores are to be written off, the powers of the sanctioning authority should be reckoned with reference to the total value of stores intended to be written off on that occasion and not with reference to individual articles constituting the lot. In this context, losses arising out of one incident should not be split up and written off separately on different dates in order to avoid sanction of the higher authority. Losses due to one specific cause like fire, theft, flood, etc., should be written off at one time only. There is, however, no objection to losses arising out of more than one cause being written off at one time. The competence of the officer writing off the loss will depend on the amount written off each time.

2) **Book Value** - The term "gross book value" refers to the historical cost of a fixed asset or item of stores or other amount substituted for historical cost in the books of account or financial statements. When this amount is shown net of accumulated depreciation, it is termed as "net book value".

3) **Replacement Value** - The term "replacement value" refers to the value of an asset or item of stores as determined by the current estimated cost of replacing it.

By order of the Governor

Sd/-
(J.K. Mohapatra)
Principal Secretary to Government