

Dhananjayrao Gadgil Library



GIPE-PUNE-034300

**BOOK**  
OF  
**FINANCIAL POWERS**  
(Reprint)



[ Corrected up to 1st August 1927. ]

CALCUTTA: GOVERNMENT OF INDIA  
CENTRAL PUBLICATION BRANCH  
1928

**Government of India Publications are obtainable from the Government of  
India Central Publication Branch, 3, Government Place, West,  
Calcutta, and from the following Agents :—**

**EUROPE.**

OFFICE OF THE HIGH COMMISSIONER FOR INDIA, 42, GROSVENOR GARDENS, LONDON, S. W. 1.  
And at all Booksellers.

**INDIA AND CEYLON : Provincial Book Depots.**

**MADRAS**:—Office of the Superintendent, Government Press, Mount Road, Madras.  
**BOMBAY**:—Superintendent, Government Book Depot, Town Hall, Bombay.  
**SIND**:—Library attached to the Office of the Commissioner in Sind, Karachi.  
**BENGAL**:—Office of the Bengal Secretariat Book Depot, Writers' Buildings, Room No. 1, Ground Floor, Calcutta.  
**UNITED PROVINCES OF AGRA AND OUDH**:—Office of the Superintendent of Government Press, United Provinces of Agra and Oudh, Allahabad.  
**PUNJAB**:—Office of the Superintendent, Government Printing, Punjab, Lahore.  
**BURMA**:—Office of the Superintendent, Government Printing, Burma, Rangoon.  
**CENTRAL PROVINCES AND BEHAR**:—Superintendent, Government Printing, Central Provinces, Nagpur.  
**ASSAM**:—Office of the Superintendent, Assam Secretariat Press, Shillong.  
**BIHAR AND ORISSA**:—Office of the Superintendent, Government Printing, Bihar and Orissa, P. O. Gulzarbagh, Patna.  
**COORG**:—Office of the Chief Commissioner of Coorg, Bangalore.  
**NORTH-WEST FRONTIER PROVINCE**:—Office of the Manager, Government Printing and Stationery, Peshawar.

Thacker Spink & Co., Calcutta and Simla.  
W. Newman & Co., Ltd., Calcutta.  
B. Cambay & Co., Calcutta.  
S. K. Lahiri & Co., Calcutta.  
The Indian School Supply Depot, 309, Bow Bazar Street, Calcutta, and 226, Nawabpur, Dacca.  
Butterworth & Co., (India), Ltd., Calcutta.  
Raj M. C. Sarcar Bahadur & Sons, 90-2A, Harrison Road, Calcutta.  
Standard Literature Company, Limited, Calcutta. Association Press, Calcutta.  
Chukervetty, Chatterjee & Co., Ltd., 13, College Square, Calcutta.  
The Book Company, Calcutta.  
James Murray & Co., 12, Government Place, Calcutta. (For Meteorological Publications only).  
Ray Chaudhury & Co., 68-5, Ashutosh Mukerji Road, Calcutta.  
The Oriental Publishing House, 34, Cornwallis Street, Calcutta.  
Scientific Publishing Co., 9, Taltolla Lane, Calcutta.  
B. C. Basak Esq., Proprietor, Albert Library, Dacca.  
Mitra Brothers, Rajshahi.  
Higginbothams, Madras.  
P. R. Rama Iyer & Co., Madras.  
Echoose and Sons, Madras.  
G. A. Mateon & Co., Publishers, George Town, Madras.  
Theosophical Publishing House, Adyar, Madras.  
Bright & Co., Trivandrum.  
The Booklover's Resort, Talkad, Trivandrum, South India.  
E. M. Gopalakrishna Kone, Pudukmandapam, Madura.  
Vijapur & Co., Vizagapatam.  
Thacker & Co., Ltd., Bombay.  
D. B. Taraporewala, Sons & Co., Bombay.  
Sunder Pandurang, Bombay.  
Ram Chandra Govind & Sons, Kalbadevi Road, Bombay.  
M. M. Tripathi & Co., Booksellers, Princess Street, Kalbadevi Road, Bombay.  
Proprietor, New Kitabkhana, Poona.  
The Manager, Oriental Book Supplying Agency, 15, Shukrawar, Poona City.  
R. S. Gondhalekar's Book Depot, Publisher and Bookseller, Budhwar Chawk, Poona City.  
Rama Krishna Bros., Opposite Viahrambag, Poona City.  
Mangaldas & Sons, Booksellers and Publishers, Bhaga Talao, Surat.  
Mrs. Radhabai Atmaram Bagoon, Kalbadevi Road, Bombay.  
Pustakalaya Sahayak Sahakari Mandal, Ltd., Baroda.  
A. H. Wheeler & Co., Allahabad, Calcutta and Bombay.

R. B. Umadikar & Co., The Bharat Book Depot, Dharwar.  
The Standard Bookstall, Karachi, Quetta, Delhi, Murree and Rawalpindi.  
The Karachi Book Depot, Elphinstone Street, Camp, Karachi.  
The English Bookstall, Karachi.  
The Standard Bookstall, Quetta.  
U. P. Malhotra & Co., Quetta.  
J. Ray & Sons, 43, K. & L., Edwardes Road, Rawalpindi and Murree.  
The Standard Book Depot, Lahore, Lucknow, Nainital, Mussoorie, Dalhousie, Ambala Cantonment and Delhi.  
N. B. Mathur, Supdt., Nazir Kanun Hind Press, Allahabad.  
The North India Christian Tract and Book Society, 18, Clive Road, Allahabad.  
Ram Dayal Agarwala, 184, Katra, Allahabad.  
Manager, Newal Kishore Press, Lucknow.  
The Upper India Publishing House, Ltd., 41, Aminabad Park, Lucknow.  
Raj Sahib M. Gulab Singh & Sons, Muff-i-Am Press, Lahore and Allahabad.  
Rama Krishna & Sons, Booksellers, Anarkali, Lahore.  
Puri Brothers, Booksellers and Publishers, Katerhi Road, Lahore.  
The Insurance Publicity Co., Ltd., Lahore.  
The Tilak School Bookshop, Lahore.  
The Standard Bookstall, Lahore.  
The Proprietors, Punjab Sanskrit Book Depot, Saidmitha Street, Lahore.  
The Punjab Religious Book Society, Lahore.  
Manager of the Imperial Book Depot, 63, Chandni Chowk Street, Delhi.  
The Indian Army Book Depot, Jubi, Cawnpore.  
Oxford Book and Stationery Company, Delhi.  
Supdt., American Baptist Mission Press, Rangoon.  
Proprietor, Rangoon Times Press, Rangoon.  
The Modern Publishing House, Ltd., 30, Phayre Street, Rangoon.  
Burma Book Club, Ltd., Rangoon.  
Manager, The "Hitavada," Nagpur.  
Bhisey Brothers, Booksellers and Stationers, Sitabaldi, Nagpur.  
S. C. Talukdar, Proprietor, Students & Co., Cooh Behar.  
The Manager, Ceylon Observer, Colombo.  
The Manager, The Indian Book Shop, Benares City.  
The Srivilliputtur Co-operative Trading Union, Ltd., Srivilliputtur (Satur, S. I. R.).  
The Students' Emporium, Patna.  
Raghunath Prasad & Sons, Patna City.  
K. L. Mathur & Bros., Guzri, Patna City.  
Dandekar Brothers, Indore City.  
The Myderabad Book Depot, Chaderghat, Hyderabad (Deccan).

X751.2:91

57

34300

## CONTENTS.

### PART I.

	PAGES.
1. Financial powers of the Governor General in Council . . . . .	1—5

### PART II.

2. Financial powers of authorities subordinate to the Governor General in Council:—	
Chapter I.—General—Definitions . . . . .	5—8
Chapter II.—Powers of Departments of the Government of India . . . . .	8—11
Chapter III.—Powers of the Public Works Department in relation to expenditure upon public works . . . . .	11—14
Chapter IV.—Powers of local Governments acting as agents of the Governor in Council in the administration of central subjects . . . . .	14—17
Chapter V.—Powers of minor local Governments . . . . .	17—20
Chapter VI.—Powers of the Auditor General . . . . .	21—22
Chapter VII.—Powers of the Director General of Posts and Telegraphs . . . . .	22—29
Chapter VIII.—Powers of the Central Board of Revenue . . . . .	29—31
Chapter IX.—Powers of the Controller of the Currency . . . . .	31—33

# Book of Financial Powers.

---

## Part I.—Financial powers of the Governor General in Council.

COPY OF FINANCE DEPARTMENT RESOLUTION NO. 1448-E.A., DATED THE 29TH SEPTEMBER 1922, AS MODIFIED BY RESOLUTION NO. 518-EX., DATED THE 2ND MARCH 1923.

His Majesty's Secretary of State for India in Council has been pleased to make the rules appended to this Resolution, defining the classes of expenditure from central revenues upon subjects\* other than provincial subjects which the Governor General in Council may not sanction without the previous consent of the Secretary of State in Council. These rules supersede all previous rules of a similar nature and, subject to their observance, orders regarding specific cases of expenditure passed by the Secretary of State in Council under regulations previously in force will no longer be binding.

2. If the sanction of the Secretary of State in Council is required by these rules to any expenditure, such sanction should ordinarily be obtained before the Legislative Assembly is asked to vote supply to meet the expenditure. The Governor General in Council may depart from this rule in cases of extreme urgency, where the time available is so short that sanction cannot be obtained by telegraph; but in such a case a statement showing all schemes for which supply has been asked before sanction has been obtained must be submitted to the Secretary of State as soon as possible after the presentation of the demands to the Assembly.

3. The Governor General in Council may sanction an excess over an estimate which has, prior to the introduction of these rules, received the sanction of the Secretary of State in Council if the total cost of the estimate, as increased by the excess, is within the powers of sanction conferred upon the Governor General in Council by these rules; and may sanction the extension of a temporary post which has received similar sanction if he would, under these rules, be competent to sanction the creation of such a post for the full term as extended.

---

\* NOTE.—Since the enactment of the Government of India Act, 1919, and of the Devolution Rules it is not permissible to incur expenditure from central revenues on provincial subjects or to make assignments from central to provincial revenues for expenditure on a provincial subject except in so far as such expenditure may be necessary in connection with matters covered by item 52 in Part II of Schedule I to the Devolution Rules or represents payment for services rendered by the local Government.

•

4. Subject to the observance of these rules and to the provisions of section 67-A of the Government of India Act, the Governor General in Council has full power to sanction expenditure from central revenues upon subjects other than provincial subjects and, with the previous consent of the Finance Department, to delegate such power upon such conditions as he may think fit either to any officer subordinate to him or to a local Government acting as his agent in relation to a central subject. Any sanction given under this rule will remain valid for the specified period for which it is given, subject in the case of voted expenditure to the voting of supply in each year. Orders of delegation passed under this rule may contain a provision for re-delegation by the authority to which the powers are delegated.

## APPENDIX.

*Rules relating to expenditure by the Government of India on subjects other than provincial.*

The previous sanction of the Secretary of State in Council is necessary—

- (1) To the creation of any new or the abolition of any existing permanent post, or to the increase or reduction of the pay drawn by the incumbent of any permanent post, if the post in either case is one which would ordinarily be held by a member of one of the services named in the schedule, or by an officer holding the King's commission; or to the increase or reduction of the cadre of any of those services, or of a service ordinarily filled by officers holding the King's commission.
- (2) To the creation of a permanent post on a maximum rate of pay exceeding Rs. 1,200 a month, or the increase of the maximum pay of a sanctioned permanent post to an amount exceeding Rs. 1,200 a month.
- (3) To the creation of a temporary post on pay exceeding Rs. 4,000 a month, or the extension beyond a period of two years (or, in the case of a post for settlement operations, of five years) of a temporary post or deputation on pay exceeding Rs. 1,200 a month.

**NOTE.**—If the holder of a temporary post created by the Governor General in Council, the rupee pay of which does not exceed Rs. 3,000, would have drawn overseas pay in sterling if he had not been appointed to this post, the Governor General in Council may permit the holder of that post to draw in addition to the rupee pay sanctioned for the post the overseas pay in sterling not exceeding the amount to which he would have been entitled had he not been appointed to the temporary post.

- (4) To the grant to any Government servant or to the family or other dependants of any deceased Government servant of an allowance, pension or gratuity which is not admissible under rules made under section 96-B of the

Government of India Act, or under Army Regulations, India, except in the following cases:—

- (a) Compassionate gratuities to the families of Government servants left in indigent circumstances, subject to such annual limit as the Secretary of State in Council may prescribe; and
  - (b) Pensions or gratuities to Government servants wounded or otherwise injured while employed in Government service, or to the families of Government servants dying as the result of wounds or injuries sustained while employed in such service, granted in accordance with such rules as have been or may be laid down by the Secretary of State in Council in this behalf.
  - (c) Regrant of an hereditary political pension, in whole or in part, to an heir who is in Government employ or in receipt of a service pension.
- (5) To any expenditure on a measure other than a Military Works project costing more than Rs. 5,00,000 (initial plus one year's recurring) and involving outlay chargeable to the Army or Marine estimates.
- (6) (a) To any expenditure on the inception of a Military Works project which is estimated to cost, or forms part of a scheme which is estimated to cost, more than Rs. 10,00,000.
- (b) To any expenditure on a Military Works project in excess of the original sanctioned estimate, if—
- (i) the excess is more than 10 per cent. of the original sanctioned estimate, and the estimated cost of the project thereby becomes more than Rs. 10,00,000;
  - (ii) the original estimate has been sanctioned by the Secretary of State, and the excess is more than 10 per cent. of that estimate, or more than Rs. 10,00,000.
- (c) To any expenditure on a Military Works project, in excess of a revised or completion estimate sanctioned by the Secretary of State.
- Provided that, for the purposes of clauses (b) (ii) and (c) of the rule, if any section accounting for 5 per cent. or more of the estimated cost of a project sanctioned by the Secretary of State is abandoned the estimated cost of the works in that section shall be excluded from the total sanctioned estimate of the project for the purpose of determining whether the Secretary of State's sanction is necessary.
- (7) To any expenditure on the purchase of imported military stores otherwise than in accordance with such rules as may be made in this behalf by the Secretary of State in Council.

(8) To any expenditure otherwise than in accordance with such rules as may have been laid down in this behalf by the Secretary of State in Council, upon—

- (a) the erection, alteration, furnishing or equipment of a church; or a grant-in-aid towards the erection, alteration, furnishing or equipment of a church not wholly constructed out of public funds; or
- (b) the provision of additions to the list of special saloon and inspection railway carriages reserved for the use of high officials; or
- (c) the staff, household and contract allowances, or the residences and furniture provided for the use of the Governor General; or
- (d) railways.

2. The foregoing rules do not apply to expenditure in time of war with a view to its prosecution. The Government of India have full powers with regard to such expenditure, subject only to the general control of war operations which is exercised by the Secretary of State for India in consultation with His Majesty's Government; to the necessity of obtaining the sanction of the Secretary of State in Council to really important special measures required to carry out those operations, where in the judgment of the Government of India time permits a previous reference to him; and to the obligation to keep him as fully informed as circumstances allow of their important actions.

---

*The Schedule.*

- (1) Indian Civil Service.
- (2) Indian Police Service.
- (3) Indian Forest Service.
- (4) Indian Educational Service.
- (5) Indian Agricultural Service.
- (6) Indian Service of Engineers.
- (7) The Indian Veterinary Service.
- (8) Indian Medical Service.
- (9) Imperial Customs Service.
- (10) Indian Audit and Accounts Service (civil and military).
- (11) Superintendents and Class I of the Survey of India Department.
- (12) The superior staff of the Geological Survey of India Department.
- (13) The superior telegraph branch of the Posts and Telegraphs Department.

- (14) The State Railway Engineering Service.
- (15) The superior staff of the Mint and Assay Department.
- (16) The Archæological Department.
- (17) Any other service declared by the Secretary of State in Council to be included in this schedule.

## Part II.—Financial powers of authorities subordinate to the Governor General in Council.

### CHAPTER I.—GENERAL.

#### *Definitions.*

#### 1. In this Part:—

- (a) *Appropriation* means the assignment, to meet specified expenditure, of funds at the disposal of the assigning authority.
- (b) *Class of Government servants* means—
  - (1) all Government servants, other than ministerial servants, holding posts bearing the same designation in the same department or service, and
  - (2) all Government servants holding posts which have been declared by the Governor General in Council to be in a single class.
- (c) *Finance Department* means the Finance Department of the Government of India.
- (d) *Grade of Government servants* means a sub-division, according to pay, of a class of Government servants.
- (e) *Major Work* means an original work, the outlay on which, exclusive of departmental charges, is estimated to exceed Rs. 20,000.
- (f) *Minor local Government* means any one of the following authorities:—
  - (i) The Chief Commissioner and Agent to the Governor General, North-West Frontier Province.
  - (ii) The Chief Commissioner and Agent to the Governor General, Baluchistan.
  - (iii) The Chief Commissioner of Coorg and Resident at Mysore.
  - (iv) The Chief Commissioner of Ajmer-Merwara and Agent to the Governor General in Rajputana.
  - (v) The Chief Commissioner of Delhi.
  - (vi) The Chief Commissioner of the Andaman and Nicobar Islands.



- (g) *Non-recurring expenditure* means expenditure sanctioned as a lump sum charge, whether the money be paid as a lump sum or by instalments.
- (h) *Primary unit of appropriation* means a lump sum of money placed by the Governor General in Council at the disposal of a subordinate authority by the method prescribed in rules 5 to 7 of this Part.
- (i) *Public Works* means civil works and irrigation, navigation, embankment and drainage works.
- (j) *Public Works Department* means the Public Works Branch of the Department of Industries and Labour of the Government of India.
- (k) *Re-appropriation* means the transfer of funds from one unit of appropriation to another such unit.
- (l) *Recurring expenditure* means all expenditure which is not non-recurring.
- (m) *Subordinate authority* means a department of the Government of India or any authority subordinate to the Governor General in Council.

*Sanction to expenditure.*

2. *General limitations of power to sanction expenditure.*—

(a) A subordinate authority may sanction expenditure or advances of public money in those cases only in which it is authorised to do so by—

- (i) the provisions of any legislative enactment for the time being in force or of rules made under such an enactment; or
- (ii) the Civil Account Code or any other code issued by, or with the approval of, the Governor General in Council; or
- (iii) any order of the Governor General in Council delegating to it powers with reference to the provisions of a legislative enactment or to rules approved or orders issued by the Secretary of State in Council; or
- (iv) any order of the Governor General in Council laying down a scale or maximum scale of expenditure; or
- (v) the rules in this Part.

(b) Nothing contained in clause (a) of this rule shall empower any subordinate authority to sanction, without the previous consent of the Finance Department, any expenditure which involves the introduction of a new principle or practice likely to lead to increase of expense.

3. *Effect of sanction.*—Sanction to any given expenditure becomes operative as soon as funds have been appropriated to meet the expenditure and does not become operative until funds have been so appropriated.

4. Sanction to recurring expenditure covering a specified term of years becomes operative when funds are appropriated to meet the expenditure of the first year, and remains in operation for each year of the specified term subject to appropriation in such year.

*Procedure by which funds are placed at the disposal of subordinate authorities.*

5. *Communication of funds allotted.*—When the budget estimates for a year have been passed, the amount of funds which the Governor General in Council places at the disposal of a subordinate authority will be communicated to that authority by the Finance Department in the shape of lump sum allotments under a number of heads.

6. *Primary units of appropriation.*—Each lump sum so allotted will constitute a primary unit of appropriation. A primary unit may include provision for both voted and non-voted expenditure, and in that case the total amount of each class of provision will be separately communicated by the Finance Department. A grant voted by the Legislative Assembly will be distributed over a number of primary units; but no primary unit will contain portions of more than one such grant. Any estimated recoveries which are not creditable to revenue and any other reductions from expenditure will be exhibited, not as separate units, but as deductions either from the amounts allotted in particular units, or from the total of a grant.

7. The primary units which will ordinarily be adopted in the case of each authority with which these rules deal are detailed in the following Chapters of this Part. It will, however, be open to the Finance Department to prescribe other units in communicating the amounts allotted for any particular purposes or to prescribe an entirely different set of units where such a course appears desirable.

*Appropriation.*

8. *General restrictions.*—All powers of appropriation conferred upon subordinate authorities by the following Chapters of this Part are subject to the condition that, without the previous consent of the Finance Department,—

- (a) except as provided in rule 37, funds may not be appropriated to meet any item of expenditure which has not been sanctioned by an authority empowered to sanction it; and
- (b) funds allotted for non-voted items of expenditure may not be appropriated to meet votable items, and funds allotted for voted items may not be appropriated to meet non-votable items.

*Re-appropriation.*

9. *General restrictions.*—All powers of re-appropriation conferred upon subordinate authorities by the following Chapters of

this Part are subject to the condition that, without the previous consent of the Finance Department,—

- (a) an authority may not meet by re-appropriation expenditure which it is not empowered to meet by appropriation;
- (b) no re-appropriation may be made from one grant voted by the Legislative Assembly to another such grant;
- (c) funds allotted for non-voted items of expenditure may not be re-appropriated to meet votable items, and funds allotted for voted items may not be re-appropriated to meet non-votable items;
- (d) no re-appropriation may be made to meet any expenditure, other than contingent expenditure, which is likely to involve further outlay in a future financial year; and
- (e) no re-appropriation may be made from a primary unit allotted under the head Pay of Officers to a primary unit allotted under any other head.

*Delegation and re-delegation of powers.*

10. *Secondary units of appropriation.*—Any authority which is empowered by or under the rules in this Part to delegate or re-delegate powers of appropriation or re-appropriation may, in the exercise of its power, sub-divide the primary units of appropriation into such secondary units as it thinks fit and may impose such restrictions as it thinks fit upon the use by the authority, to which it makes the delegation, of the delegated powers of appropriation or re-appropriation.

*Sanction or consent of a Department of the Government of India.*

11. Wherever the consent or sanction of the Finance Department or of another department of the Government of India is required by the rules in this Part, such consent or sanction must be expressed in writing and communicated to the audit officer or officers concerned. It will, however, be open to such department to prescribe, by general or special order, cases in which its consent may be presumed to have been given; but a copy of any such order must be communicated to the audit officer or officers concerned.

---

CHAPTER II.—POWERS OF DEPARTMENTS OF THE GOVERNMENT OF INDIA.

*Extent of application.*

12. The rules in this Chapter define the financial powers of all departments of the Government of India other than the Finance Department, but they do not affect any larger powers which the Army, Railway and Public Works Departments may be authorised by special rules to exercise in certain matters.

*Powers of sanctioning expenditure and of creating und abolishing posts.*

13. *Creation and abolition of posts and increase and reduction of pay.*—A department of the Government of India may sanction the creation or abolition of a permanent post, if the maximum pay of the post does not exceed Rs. 500.

14. A department of the Government of India may increase or reduce the pay of a permanent post or of a Government servant in permanent employ, if the maximum pay of the post or of the Government servant does not exceed Rs. 500 after the increase or before the reduction, as the case may be.

15. A department of the Government of India may sanction the creation of a temporary post on pay not exceeding Rs. 2,500—

(a) for any specified period, if the pay of the post does not exceed Rs. 800, and

(b) for not more than two years, if the pay exceeds Rs. 800.

NOTE.—If the holder of a temporary post created by a Department of the Government of India, the rupee pay of which does not exceed Rs. 2,500, would have drawn overseas pay in sterling if he had not been appointed to this post, the Department of the Government of India may permit the holder of that post to draw in addition to the rupee pay sanctioned for the post the overseas pay in sterling not exceeding the amount to which he would have been entitled had he not been appointed to the temporary post.

16. A department of the Government of India may reduce the pay of a temporary post, and may increase it within the limits imposed by rule 15.

17. *Revision of the pay of establishments.*—A department of the Government of India may sanction the revision of the pay of an establishment, if—

(1) the provisions of rule 14 are observed;

(2) the additional expenditure involved does not exceed Rs. 6,000 a year; and

(3) the revision does not affect a whole class or grade of Government servants.

18. *Contingent expenditure.*—A department of the Government of India may sanction expenditure on contingencies, supplies and services and the purchase of articles for the public service, subject to the provisions of the Civil Account Code and to any orders issued from time to time by the Governor General in Council.

19. *Miscellaneous expenditure.*—In any individual case, a department of the Government of India may sanction recurring expenditure not exceeding Rs. 200 a year or non-recurring expenditure not exceeding Rs. 1,000 on any object for which no scale or limit to its power of sanction is prescribed by any Act, rule, code or order covered by rule 2, if the following conditions are fulfilled, namely;—

(1) the sanction does not involve an express contravention of an existing rule or order of the Governor General in Council, and

(2) the expenditure is within the powers of sanction of the Governor General in Council.

20. *Special exceptions.*—Rules 13, 14, 15, 16, 17 and 19 do not apply to expenditure in the secretariat office of the department concerned. In respect of such expenditure, a department of the Government of India may exercise the powers conferred by rules 13, 14 and 17 in connection with menial establishments only; it may exercise the power conferred by rules 15 and 16 in those cases only in which the pay of the temporary post is less than the minimum pay of the upper division of its secretariat establishments; and it may not exercise the power conferred by rule 19 at all.

*Remission of disallowances by audit officers.*

21. A department of the Government of India may exercise the power of remitting disallowances made by audit officers which is conferred upon the Governor General in Council by proviso (ii) to rule 14 of the rules made under section 96D (1) of the Government of India Act, on condition that;—

- (1) the amount disallowed has been drawn by the Government servant concerned under a reasonable belief that he was entitled to it; and
- (2) in the case of disallowances made within six months of the date of payment,—
  - (i) the overdrawal has not the effect of raising the emoluments of the Government servant so as to increase his pay beyond Rs. 12,000 in any year, and
  - (ii) the overdrawal has not been occasioned by delay in notifying a promotion or reversion.

*Appropriation.*

22. *Primary units.*—The primary units of appropriation allotted to a department of the Government of India will ordinarily be allotted under some or all of the following heads:—

- (a) Pay of officers.
- (b) Pay of establishments.
- (c) Allowances, honoraria, etc.
- (d) Supplies and services.
- (e) Contingencies.
- (f) Grants-in-aid, contributions and donations.
- (g) Works.
- (h) Assignments and compensations.
- (i) Establishment charges payable to other Governments, departments, etc.
- (j) Refunds of revenue.

- (k) Reserve.
- (l) Suspense.
- (m) Expenditure in England.

23. *Powers of appropriation.*—Out of the funds allotted to it in each primary unit of appropriation, a department of the Government of India has full power, subject to the provisions of rule 8, to appropriate sums to meet expenditure falling under that unit.

*Re-appropriation.*

24. *Powers of re-appropriation.*—Subject to the provisions of rule 9 and to the condition that, without the previous consent of the Finance Department, no re-appropriation shall be made from or to a unit allotted under the head Expenditure in England, a department of the Government of India may re-appropriate funds from any primary unit of appropriation to any other such unit.

*Delegation of powers of sanction, appropriation and re-appropriation.*

25. *Powers of delegation.*—A department of the Government of India may, with the previous consent of the Finance Department delegate any part of the powers conferred upon it by rules 13 to 19, 23 and 24 to any authority subordinate to it.

CHAPTER III.—POWERS OF THE PUBLIC WORKS DEPARTMENT IN  
RELATION TO EXPENDITURE UPON PUBLIC WORKS.

*Extent of application.*

26. The rules in this Chapter govern expenditure from central revenues upon public works; whether such expenditure be incurred by the Public Works Department and officers under its administrative control, or by officers of minor local Governments, or by officers of a local Government of a Governor's province acting as the agent of the Governor-General in Council.

*Powers of sanctioning expenditure and of creating and abolishing posts.*

27. *General rule.*—The Public Works Department has full power to sanction expenditure upon public works, subject to the following exceptions, namely:—

- (1) Expenditure which, under the provisions of any legislative enactment for the time being in force or of rules made under such an enactment, or under the orders of the Secretary of State in Council, requires the sanction of any higher authority.
- (2) Expenditure upon the creation of a post or an increase of pay, cadre or establishment, in excess of the limits imposed by Chapter II of this Part.

(3) Expenditure of the following kinds, which requires the previous sanction of the Finance Department:—

- (i) Expenditure upon an original major work.
- (ii) Expenditure upon a residential building in excess of the limits imposed upon its powers by the Public Works Department Code.

28. *Powers of abolishing posts and reducing pay.*—The powers of the Public Works Department to abolish a permanent post or to reduce the pay of a permanent post or of a Government servant in permanent employ are governed by the provision of Chapter II of this Part.

29. *Procedure in cases requiring the sanction of the Finance Department.*—Every item of proposed expenditure which, under exception (3) to rule 27, requires the previous sanction of the Finance Department must be,—

- (a) referred to the Finance Department in sufficient time to permit of its examination before it is included in the budget estimates, and
- (b) thereafter separately exhibited in the budget estimates of the year in which expenditure upon the item is first to be incurred.

*Remission of disallowances by audit officers.*

30. The powers of the Public Works Department to remit disallowances made by audit officers are governed by the provisions of rule 21.

*Appropriation.*

31. *Communication of budget provision.*—In communicating to the Public Works Department the amount of funds allotted for public works expenditure, the Finance Department will intimate separately the provision made for each local Government or other subordinate authority which submits a separate budget of public works expenditure. Funds allotted under the head Reserve will, however, ordinarily be left at the disposal of the Public Works Department and will not be distributed among the authorities which submit separate budgets.

32. *Primary units.*—In the case of funds for expenditure upon civil works, the primary units of appropriation in each such provision will ordinarily be allotments made under some or all of the following heads:—

- (a) Original works.
- (b) Repairs.
- (c) Grants-in-aid, contributions and donations.
- (d) Pay of officers.
- (e) Pay of establishments.

- (f) Allowances, honoraria, etc.
- (g) Establishment charges payable to other Governments, departments, etc.
- (h) Tools and plant.
- (i) Supplies and services.
- (j) Contingencies.
- (k) Refunds of revenue.
- (l) Suspense.
- (m) Loss by exchange.
- (n) Reserve.
- (o) Expenditure in England.

33. In the case of funds for expenditure upon irrigation, navigation, embankment or drainage works, the primary units in each provision will ordinarily be allotments under some or all of the following heads:—

- (a) Works.
- (b) Extensions and improvements.
- (c) Maintenance and repairs.
- (d) to (o) as in rule 32.

34. *Powers of appropriation.*—Out of the funds allotted to it in each primary unit of appropriation, the Public Works Department has full power to appropriate sums to meet expenditure falling under that unit, subject to the provisions of rule 8 and to the condition that, without the previous consent of the Finance Department,—

- (1) funds shall not be appropriated to any work which has not received such administrative approval and technical sanction as are required by rules laid down by the Government of India from time to time.
- (2) the amount appropriated to any work shall not exceed the amount shown for that work in the estimate, if any, to which technical sanction has been accorded.

#### *Re-appropriation.*

35. *Powers of re-appropriation.*—Subject to the provisions of rule 9 the Public Works Department may re-appropriate funds from any primary unit of appropriation to any other such unit; but any re-appropriation between the Indian and the English portions of an allotment must be immediately reported by the Public Works Department to the Finance Department.

#### *Delegation of powers of appropriation and re-appropriation.*

36. *Powers of delegation.*—The Public Works Department may, with the previous consent of the Finance Department, delegate any



part of the powers conferred upon it by rules 34 and 35 to any officer subordinate to it or to any authority which submits a separate budget for expenditure from central revenues upon public works. In delegating such powers, it may provide for the re-delegation of the delegated powers by the authority concerned, with the previous consent of the Finance Department, to any officer subordinate to such authority.

*Effect of appropriation or re-appropriation.*

37. *Appropriation or re-appropriation to operate as sanction.*—

(a) Appropriation or re-appropriation, in accordance with the provisions of rules 34 and 35, by the Public Works Department will, if the Public Works Department is competent to sanction the expenditure concerned, operate as sanction to such expenditure.

(b) Appropriation or re-appropriation by any authority to which power has been delegated or re-delegated under rule 36 will, unless the delegating or re-delegating authority in any case otherwise direct, similarly operate as sanction to expenditure.

---

CHAPTER IV.—POWERS OF LOCAL GOVERNMENTS ACTING AS AGENTS OF THE GOVERNOR GENERAL IN COUNCIL IN THE ADMINISTRATION OF CENTRAL SUBJECTS.

*Extent of application.*

38. (a) The rules in this Chapter define the general financial powers of a Local Government, acting as an agent of the Governor General in Council in the administration of a central subject, in connection with expenditure from central revenues. They do not affect any larger powers which may be expressly conferred upon the Local Government by special rules regarding the administration of any particular subject.

(b) The powers of a Local Government in connection with expenditure from central revenues upon public works are governed not by this Chapter but by delegations made by the Public Works Department under rule 36. Rules 39 to 45 and 47 apply, however, to expenditure from an allotment for public works.

*Powers of sanctioning expenditure and creating and abolishing posts.*

39. *Creation and abolition of posts and increase and reduction of pay.*—A Local Government may sanction the creation or abolition of a permanent post, if the maximum pay of the post does not exceed Rs. 500.

40. A Local Government may increase or reduce the pay of a permanent post or of a Government servant in permanent employ, if the maximum pay of the post or of the Government servant does

not exceed Rs. 500 after the increase or before the reduction, as the case may be.

41. A Local Government may sanction the creation of a temporary post on pay not exceeding Rs. 1,500—

- (a) for any specified period, if the pay of the post does not exceed Rs. 500, and
- (b) for not more than six months, if the pay exceeds Rs. 500.

**NOTE.**—If the holder of a temporary post created by a Local Government, the rupee pay of which does not exceed Rs. 1,500, would have drawn overseas pay in sterling if he had not been appointed to this post, the Local Government may permit the holder of that post to draw in addition to the rupee pay sanctioned for the post the overseas pay in sterling not exceeding the amount to which he would have been entitled had he not been appointed to the temporary post.

42. A Local Government may reduce the pay of a temporary post, and may increase it within the limits imposed by rule 41.

43. *Revision of the pay of establishments.*—A Local Government may sanction the revision of the pay of an establishment if—

- (1) the provisions of rule 40 are observed,
- (2) the additional expenditure involved does not exceed Rs. 6,000 a year, and
- (3) the revision does not affect a whole class or grade of Government servants.

4. *Contingent expenditure.*—(a) A Local Government may sanction non-recurring expenditure on contingencies, supplies and services and the purchase of articles for the public service, subject to the provisions of the Civil Account Code and to any orders issued from time to time by the Governor General in Council. It may sanction expenditure on the renting of ordinary office accommodation and the payment of municipal and other taxes; and it may sanction other recurring contingent expenditure up to a limit in each case of Rs. 200 a year.

(b) A Local Government may sanction an increase not exceeding Rs. 6,000 a year in a contract grant for contingent expenditure. It may sanction the substitution of a contract grant for varying budget allotments in respect of heads of contingent expenditure for which countersignature has hitherto been required, on condition that the amount of the contract grant does not exceed by more than Rs. 6,000 the total sum provided under those heads in the budget estimates of the year in which the change is made.

45. *Grants-in-aid.*—A Local Government may sanction expenditure on—

- (a) grants-in-aid or contributions to educational and medical institutions and to local bodies, and
- (b) educational scholarships,

in accordance with such scales as may from time to time be prescribed or such orders as may from time to time be issued in this behalf by the Governor General in Council.

46. *Political pensions and gratuities.*—(a) A Local Government may sanction :—

- (i) Reduced political pensions to heirs or other representatives of deceased pensioners in cases in which it is already authorised to do so and in accordance with the practice explained in the Financial despatch of the Government of India to the Secretary of State, No. 222, dated the 9th September 1909.
- (ii) A new political life pension up to a limit of Rs. 200 a year.
- (iii) An increase in an existing political life pension, if the pension is not thereby raised above Rs. 200 a year.
- (iv) A political gratuity not exceeding Rs. 1,000, on condition that a gratuity and a pension are not granted to the same individual.
- (v) Non-recurring expenditure not exceeding, in any individual case, Rs. 1,000 on behalf of a political pensioner; such as a grant towards funeral expenses, the provision of dowry for a daughter or travelling allowance on a duly authorised journey.

(b) The powers of a Local Government to sanction expenditure on residences supplied at the cost of the State to political pensioners will be such as may be delegated to it by the Public Works Department, with the previous consent of the Finance Department, under rule 36.

47. *Miscellaneous expenditure.*—In any individual case, a Local Government may sanction recurring expenditure not exceeding Rs. 200 a year or non-recurring expenditure not exceeding Rs. 1,000 on any object for which no scale or limit to its power of sanction is prescribed by any Act, rule, code, or order, covered by rule 2, if the following conditions are fulfilled, namely;—

- (1) the sanction does not involve an express contravention of an existing rule, or order, of the Governor General in Council, and
- (2) the expenditure is within the powers of sanction of the Governor General in Council.

48. *Report to the Finance Department.*—All sanctions given under rules 39, 40 and 43 must be reported to the Finance Department in an annual statement which should be submitted as soon as possible after the close of the financial year.

#### *Appropriation.*

49. *Primary units.*—The primary units of appropriation allotted to a Local Government acting as the agent of the Governor General

in Council in the administration of a central subject will ordinarily be allotted under some or all of the following heads:—

- (a) Pay of officers.
- (b) Pay of establishments.
- (c) Allowances, honoraria, etc.
- (d) Supplies and services.
- (e) Contingencies.
- (f) Grants-in-aid, contributions and donations.
- (g) Works.
- (h) Assignments and compensations.
- (i) Establishment charges payable to other Governments, departments, etc.
- (j) Refunds of revenue.
- (k) Reserve.
- (l) Suspense.

50. *Powers of appropriation.*—Out of the funds allotted to it in each primary unit of appropriation, a Local Government has full power, subject to the provisions of rule 8, to appropriate sums to meet expenditure falling under that unit.

#### *Re-appropriation.*

51. *Powers of re-appropriation.*—Subject to the provisions of rule 9, a Local Government may re-appropriate funds from any primary unit of appropriation to any other such unit.

#### *Delegation of powers of sanction, appropriation and re-appropriation.*

52. *Powers of delegation.*—A Local Government may, with the previous consent of the Finance Department, delegate the powers conferred upon it by rules 39 to 45, 47, 50 and 51 to any officer subordinate to it.

#### *Application for the consent of the Finance Department.*

53. *To whom made.*—An application for the previous consent of the Finance Department must be made by the Local Government through that department of the Government of India which administers the central subject concerned.

54. *Accompaniments of application in certain cases.*—When a Local Government applies for the previous consent of the Finance Department to a re-appropriation to a unit allotted under the head Pay of officers or Pay of establishments, the application must be accompanied by a statement showing all sanctions to expenditure from such unit which have been given during the current financial year under rules 39 to 43.

## CHAPTER V.—POWERS OF MINOR LOCAL GOVERNMENTS.

*Extent of application.*

55. The rules in this Chapter define the financial powers of minor Local Governments in relation to expenditure generally. Their powers in connection with expenditure on public works are governed not by this Chapter but by delegations made by the Public Works Department, with the previous consent of the Finance Department under rule 36. Rules 56 to 62 and 64 apply, however, to expenditure from an allotment for public works.

*Powers of sanctioning expenditure and of creating and abolishing posts.*

56. *Creation and abolition of posts and increase and reduction of pay.*—A minor Local Government may sanction the creation or abolition of a permanent post, if the maximum pay of the post does not exceed Rs. 500.

57. A minor Local Government may increase or reduce the pay of a permanent post or of a Government servant in permanent employ, if the maximum pay of the post or of the Government servant does not exceed Rs. 500 after the increase or before the reduction, as the case may be.

58. A minor Local Government may sanction the creation of a temporary post on pay not exceeding Rs. 1,500—

(a) for any specified period, if the pay of the post does not exceed Rs. 500, and

(b) for not more than six months, if the pay exceeds Rs. 500.

NOTE.—If the holder of a temporary post created by a minor Local Government, the rupee pay of which does not exceed Rs. 1,500, would have drawn overseas pay in sterling if he had not been appointed to the post, the minor Local Government may permit the holder of that post to draw in addition to the rupee pay sanctioned for the post the overseas pay in sterling not exceeding the amount to which he would have been entitled had he not been appointed to the temporary post.

59. A minor Local Government may reduce the pay of a temporary post, and may increase it within the limits imposed by rule 58.

60. *Revision of the pay of establishments.*—A minor Local Government may sanction the revision of the pay of an establishment, if—

(1) the provisions of rule 57 are observed;

(2) the additional expenditure involved does not exceed Rs. 6,000 a year; and

(3) the revision does not affect a whole class or grade of Government servants.

61. *Contingent expenditure.*—A minor Local Government may sanction expenditure on contingencies, supplies and services and the purchase of articles for the public service, subject to

the provisions of the Civil Account Code and to any orders issued from time to time by the Governor General in Council.

62. *Grants-in-aid*.—A minor Local Government may sanction expenditure on—

(a) grants-in-aid or contributions to educational, medical and other institutions and to local bodies and co-operative societies; and

(b) educational scholarships, in accordance with such scales as may from time to time be prescribed or such orders as may from time to time be issued in this behalf by the Governor General in Council.

63. *Political pensions and gratuities*.—(a) A minor Local Government may sanction :—

(i) Reduced political pensions to heirs or other representatives of deceased pensioners in cases in which it is already authorised to do so and in accordance with the practice explained in the Financial despatch from the Government of India to the Secretary of State No. 222, dated the 9th September 1909.

(ii) A new political life pension up to a limit of Rs. 200 a year.

(iii) An increase in an existing political life pension, if the pension is not thereby raised above Rs. 200 a year.

(iv) A political gratuity not exceeding Rs. 1,000, on condition that a gratuity and a pension are not granted to the same individual.

(v) Non-recurring expenditure not exceeding, in any individual case, Rs. 1,000 on behalf of a political pensioner; such as a grant towards funeral expenses, the provision of a dowry for a daughter or travelling allowance on a duly authorised journey.

(b) The powers of a minor Local Government to sanction expenditure on residences supplied at the cost of the State to political pensioners shall be such as may be delegated to it by the Public Works Department, with the previous consent of the Finance Department, under rule 36.

64. *Miscellaneous expenditure*.—In any individual case, a minor Local Government may sanction recurring expenditure not exceeding Rs. 200 a year or non-recurring expenditure not exceeding Rs. 1,000 on any object for which no scale or limit to its power of sanction is prescribed by any Act, rule, code or order covered by rule 2, if the following conditions are fulfilled, namely;

(1) the sanction does not involve an express contravention of an existing rule or order of the Governor General in Council, and

(2) the expenditure is within the powers of sanction of the Governor General in Council.

*Appropriation.*

65. *Primary units.*—The primary units of appropriation allotted to a minor Local Government, for expenditure other than that on public works, will ordinarily be allotments under some or all of the following heads:—

- (a) Pay of officers.
- (b) Pay of establishments.
- (c) Allowances, honoraria, etc.
- (d) Supplies and services.
- (e) Contingencies.
- (f) Grants-in-aid, contributions and donations.
- (g) Works.
- (h) Assignments and compensations.
- (i) Establishment charges payable to other Governments, departments, etc.
- (j) Refunds of revenue.
- (k) Reserve.
- (l) Suspense.

66. *Powers of appropriation.*—Out of the funds allotted to it in each primary unit of appropriation, a minor Local Government has full power, subject to the provisions of rule 8, to appropriate sums to meet expenditure falling under that unit.

*Re-appropriation.*

67. *Powers of re-appropriation.*—Subject to the provisions of rule 9, a minor Local Government may re-appropriate funds from any primary unit of appropriation to any other such unit.

*Delegation of powers of sanction, appropriation and re-appropriation.*

68. *Powers of delegation.*—A minor Local Government may, with the previous consent of the Finance Department, delegate any part of the powers conferred upon it by rules 56 to 59, 61, 62, 64, 66 and 67 to any authority subordinate to it.

*Applications for the consent of the Finance Department.*

69. *Accompaniments of applications in certain cases.*—When a minor Local Government applies for the consent of the Finance Department to a re-appropriation to a unit allotted under the head Pay of officers or Pay of establishments, the application must be accompanied by a statement showing all sanctions to expenditure from such unit which the minor Local Government has given during the current financial year under rules 56 to 60.

## CHAPTER VI.—POWERS OF THE AUDITOR GENERAL.

*Powers of sanctioning expenditure and of creating and abolishing posts.*

70. *Creation and abolition of posts and increase and reduction of pay.*—The Auditor General may sanction the creation or abolition of a permanent post if the maximum pay of the post does not exceed Rs. 850; but he may not sanction the creation or abolition of a whole class or grade of Government servants on maximum pay exceeding Rs. 100.

71. The Auditor General may increase or reduce the pay of a permanent post or of a Government servant in permanent employ, if the maximum pay of the post or of the Government servant does not exceed Rs. 850 after the increase or before the reduction, as the case may be.

72. The Auditor General may sanction the creation of a temporary post on pay not exceeding Rs. 2,500—

(a) for any specified period, if the pay of the post does not exceed Rs. 850, and

(b) for not more than two years, if the pay exceeds Rs. 850.

*NOTE.*—If the holder of a temporary post created by the Auditor General, the rupee pay of which does not exceed Rs. 2,500, would have drawn overseas pay in sterling if he had not been appointed to the post, the Auditor General may permit the holder of that post to draw in addition to the rupee pay sanctioned for the post the overseas pay in sterling not exceeding the amount to which he would have been entitled had he not been appointed to the temporary post.

73. The Auditor General may reduce the pay of a temporary post, and may increase it within the limits imposed by rule 72.

74. *Revision of the pay of establishments.*—The Auditor General may sanction the revision of the pay of an establishment, on condition that—

- (1) the provisions of rules 70 and 71 are observed, and
- (2) the additional expenditure involved does not exceed Rs. 25,000 a year.

75. *Contingent expenditure.*—The Auditor General may sanction expenditure on contingencies, supplies and services and the purchase of articles for the public service, subject to the provisions of the Civil Account Code and to any order issued from time to time by the Governor General in Council.

76. *Miscellaneous expenditure.*—In any individual case, the Auditor General may sanction recurring expenditure not exceeding Rs. 200 a year or non-recurring expenditure not exceeding Rs. 1,000 on any object for which no scale or limit to his power of sanction is prescribed by any Act, rule, code or order covered by rule 2, on condition that:—

- (1) the sanction does not involve an express contravention of an existing rule or order of the Governor General in Council, and



- (2) the expenditure is within the powers of sanction of the Governor General in Council.

*Power of writing-off losses of cash.*

77. The Auditor General may sanction the writing-off finally of irrecoverable advances, of irrecoverable value of stores lost by fraud or the negligence of individuals, or other causes, and of losses of cash due to robbery, accident, embezzlement and similar causes up to a limit of Rs. 5,000 in each case.

*Appropriation.*

78. *Primary units.*—The primary units of appropriation allotted to the Auditor General will ordinarily be allotments under the following heads:—

- (a) Pay of officers.
- (b) Pay of establishments.
- (c) Allowances, honoraria, etc.
- (d) Supplies and services.
- (e) Contingencies.

79. *Powers of appropriation.*—Out of the funds allotted to him in each primary unit of appropriation, the Auditor General has full power, subject to the provisions of rule 8, to appropriate sums to meet expenditure falling under that unit.

*Re-appropriation.*

80. *Powers of re-appropriation.*—Subject to the provisions of rule 9, the Auditor General may re-appropriate funds from any primary unit of appropriation to any other such unit.

*Delegation of powers of sanction, appropriation and re-appropriation.*

81. *Powers of delegation.*—The Auditor General may, with the previous consent of the Finance Department, delegate any part of the powers conferred upon him by rules 72, 73, 75, 76, 79, and 80 to any officer subordinate to him.

---

CHAPTER VII.—POWERS OF THE DIRECTOR GENERAL OF POSTS AND TELEGRAPHS.

*Extent of application.*

82. The rules in this Chapter define the financial powers of the Director General in connection with funds allotted for expenditure upon the Indian Posts and Telegraphs Department. The powers exercised by officers subordinate to the Director General will be

such as may be delegated to them by the Public Works Department, with the previous consent of the Finance Department, under rule 25.

*Powers of sanctioning expenditure and of creating and abolishing posts.*

83. *Creation and abolition of posts and increase and reduction of pay.*—The Director General may sanction the creation or abolition of a permanent post on condition that—

- (1) the maximum pay of the post does not exceed Rs. 350;
- (2) the post is not such as would ordinarily be held by a gazetted officer;
- (3) no addition is made to the sanctioned number of civil telegraphists employed in departmental telegraph offices, and no addition or reduction is made in the number of telegraph masters or deputy superintendents of traffic or in the corresponding grades of the engineering, telephone, wireless, or electrical branches; and
- (4) no class or grade of Government servants on maximum pay exceeding Rs. 100 is created or abolished.

84. The Director General may increase or reduce the pay of a permanent post or of a Government servant in permanent employ, on condition that—

- (1) the maximum pay of the post or of the Government servant does not exceed Rs. 350 after the increase or before the reduction, as the case may be;
- (2) the Government servant is not a gazetted officer and the post is not such as would ordinarily be held by a gazetted officer; and
- (3) the increase or reduction does not involve any alteration in a rate of pay prescribed by a higher authority for any class or grade of Government servant.

85. The Director General may sanction the creation of a temporary post on pay not exceeding Rs. 1,500—

- (a) for any specified period, if the maximum pay of the post does not exceed Rs. 350, and
- (b) for not more than six months, if the maximum pay exceeds Rs. 350;

provided that no temporary addition may be made to the number of superintendents of post offices.

**NOTE.**—If the holder of a temporary post created by the Director General, the rupee pay of which does not exceed Rs. 1,500, would have drawn overseas pay in sterling if he had not been appointed to the post, the Director General may permit the holder of that post to draw in addition to the rupee pay sanctioned for the post the overseas pay in sterling not exceeding the amount to which he would have been entitled had he not been appointed to the temporary post.

86. The Director General may reduce the pay of a temporary post, and may increase it within the limits imposed by rule 85.

87. *Revision of the pay of establishments.*—The Director General may sanction the revision of the pay of an establishment on condition that—

- (1) the provisions of rule 84 are observed;
- (2) the additional expenditure involved does not exceed Rs. 6,000 a year; and
- (3) the revision does not affect a whole class or grade of Government servants.

88. *Additions to pay.*—The Director General may sanction the grant of pie-money, overtime pay, food allowances and exposure allowances in accordance with such rules as may, with the consent of the Finance Department, be prescribed in this behalf in the Telegraph Manual.

89. *Donations for the benefit of subordinate establishments.*—The Director General may sanction the grant of donations for the benefit of members of the signalling, ministerial and other subordinate telegraph establishments up to a limit of Rs. 4,000 a year.

90. *Construction and maintenance of works.*—The Director General may sanction—

- (a) estimates for the construction of telegraph lines chargeable to capital up to Rs. 1,00,000 for each work;
- (b) estimates for the re-construction of telegraph lines chargeable wholly or partially to capital, on condition that the amount chargeable to capital does not exceed Rs. 1,00,000 for each work;
- (c) supplementary or revised estimates for the construction or re-construction of telegraph lines, the original estimates for which have been sanctioned by the Governor General in Council, up to a limit of ten *per cent.* in excess of the original estimate, if such excess is not greater than Rs. 1,00,000; and
- (d) estimates for repairs to existing telegraph lines and for reconstruction chargeable wholly to revenue.

91. The Director General may—

- (a) sanction expenditure on the renting of telegraph lines, wires and cables, up to a limit of Rs. 2,000 a year in each case, and
- (b) execute a contract or agreement with a private company or person for the maintenance of telegraph lines, the construction of which has been sanctioned by a competent authority, if such contract or agreement—
  - (i) is not intended to endure for a period exceeding five years; •

- (ii) is accompanied by an unconditional power of revocation by the Governor General in Council at any time on the expiry of six months' notice to that effect; and
- (iii) does not impose upon the revenues of India an annual liability exceeding Rs. 5,000.

92. The Director General may sanction the construction or purchase of buildings, the purchase or acquisition of land for a building and additions or alterations to buildings—including residential buildings or portions of buildings used as residences—belonging to the Posts and Telegraphs Department, up to a maximum limit of Rs. 20,000 in each case on condition that—

- (i) in respect of the construction or purchase of buildings the expenditure, if any, on the purchase or acquisition of the site or on the installation of sanitary, water supply and electric installations is taken into account for the purpose of determining whether the cost of the project falls within the prescribed maximum limit;
- (ii) in the case of additions or alterations to residential buildings the capital cost of any such building is not thereby increased beyond Rs. 10,000. He may also sanction the execution of repairs to all buildings belonging to the Posts and Telegraphs Department.

NOTE.—The powers of the Director General as defined in this rule also apply in respect of sanitary, water supply, and electric installations in buildings including residential buildings. New installations will be treated for this purpose as “additions” and maintenance of installations as “repairs.”

93. The Director General may accept in a lump sum any revenue expenditure incurred by a railway administration in altering quarters provided for the telegraph staff attached to the railway, in addition to the usual rent calculated at a percentage of the *net* capital cost of the quarters.

94. *Conveyance of mails.*—The Director General may sanction:—

- (a) the running of postal special trains;
- (b) the construction of new vans, and additions to or alterations in mail vans or other vehicles to meet the requirements of the Post Office;
- (c) contract payments for the carriage of mails up to a limit of Rs. 50,000 a year in each case; and
- (d) all other charges for the carriage of mails, except where any general or special orders of the Governor General in Council are infringed or where the matter is not free from doubt.

95. *Compensation for losses.*—The Director General may—

- (a) sanction compensation up to a limit of Rs. 25 in respect of the loss of an inland uninsured registered letter,

packet or parcel or of its contents, or of any damage caused to it in the course of transmission through the post;

- (b) sanction the refund of losses caused to the remitter of an ordinary or telegraphic money order in consequence of a deception having been practised upon such remitter;
- (c) sanction compensation to a Government servant for the loss of property, subject to the conditions stated in the resolution of the Government of India in the Finance Department, No. 39-E. B., dated the 7th January 1919, and to a limit of Rs. 1,000 in each case; and
- (d) award at his discretion, the whole or any part of compensation, paid by Indian States in connection with mail robberies, to the senders or addressees of postal articles which were neither insured nor of great intrinsic value, in order to make good to them loss caused by the theft of the articles.

96. *Contingent expenditure.*—The Director General may sanction expenditure on contingencies, supplies and services and the purchase of articles for the public service, subject to the provisions of the Civil Account Code and to any orders issued from time to time by the Governor General in Council.

97. *Miscellaneous expenditure.*—In any individual case, the Director General may sanction recurring expenditure not exceeding Rs. 200 a year or non-recurring expenditure not exceeding Rs. 1,000 on any object for which no scale or limit to his power of sanction is prescribed by any Act, rule, code or order covered by rule 2, on condition that—

- (1) the sanction does not involve an express contravention of an existing rule or order of the Governor General in Council, and
- (2) the expenditure is within the powers of sanction of the Governor General in Council.

98. *Special exceptions.*—Rules 83, 84, 85, 86, 87 and 97 do not apply to expenditure on the office establishment of the Director General. In respect of such expenditure the Director General may not exercise the power conferred by rule 97, and may exercise the powers conferred by rules 83, 84, 85, 86 and 87 in connection with menial establishments only.

99. The Director General has no power to sanction expenditure in connection with offices of account or audit.

#### *Power of sanctioning sale of stores.*

100. The Director General may sanction the sale of unserviceable and obsolete stores; but, if any such sale results in a loss exceeding Rs. 20,000, a report must be made to the Governor General in Council.

*Appropriation.*

101. *Communication of budget provision.*—In communicating to the Director General the amount of funds allotted to him for expenditure upon the Indian Posts and Telegraphs Department, the Finance Department will intimate separately the provision made for expenditure upon revenue and upon capital account.

102. *Primary units.*—The primary units for expenditure upon revenue account will ordinarily be allotments under some or all of the following heads:—

*I.—Expenditure in India.*

- (a) Pay of officers.
- (b) Pay of permanent establishment.
- (c) Pay of temporary establishment.
- (d) Allowances, honoraria, etc.
- (e) Audit charges.
- (f) Maintenance and repairs of buildings and telegraph lines.
- (g) Subsidies and payments to railways, companies, etc.
- (h) Stores.
- (i) Apparatus and plant.
- (j) Other supplies and services.
- (k) Compensation for losses.
- (l) Contingencies.
- (m) Portion of capital outlay financed from revenue account.

*II.—Expenditure in England.*

- (n) Leave-salaries.
- (o) Other working expenses.

103. The primary units for expenditure upon capital account will ordinarily be allotments under some or all of the following heads:—

*I.—Expenditure in India.*

- (a) Telegraph lines, Railway.
- (b) Telegraph lines, Canal.
- (c) Telegraph lines, Departmental.
- (d) Post office buildings.
- (e) Telegraph buildings.
- (f) Apparatus and plant.
- (g) Share of establishment, etc., transferred from the revenue account.
- (h) Cost and freight of stores paid in India.

- (i) Other supplies and services.
- (j) Loss by exchange on stores purchased in England.

*II.—Expenditure in England.*

- (k) Cost and freight of stores paid in England.

104. *Powers of appropriation.*—Out of the funds allotted to him in each primary unit of appropriation, the Director General has full power to appropriate sums to meet expenditure falling under that unit, subject to the provisions of rule 8 and to the condition that, without the previous consent of the Finance Department,—

- (1) funds shall not be appropriated to meet any increase of permanent establishment or any other recurring expenditure not sanctioned by higher authority, which will involve in the following year expenditure exceeding double the amount of such appropriation, and
- (2) funds shall not be appropriated to any work the outlay on which, exclusive of departmental charges, is estimated to exceed Rs. 1,00,000 unless such work has been separately exhibited in the budget estimates for that year or for any preceding year.
- (3) Funds shall not be appropriated to any work which has not received such administrative approval and technical sanction as are required by the rules in the Public Works Department Code; and the amount so appropriated shall not exceed the amount shown for that work in the estimate, if any, to which technical sanction has been accorded.

*Re-appropriation.*

105. *Powers of re-appropriation.*—The Director General may reappropriate funds from any primary unit of appropriation to any other such unit, subject to the provisions of rule 9 and to the following conditions, namely:—

- (1) Except with the previous consent of the Finance Department, no re-appropriation shall be made—
  - (i) between the allotments upon revenue and upon capital account;
  - (ii) between units allotted for expenditure in England and units allotted for expenditure in India;
  - (iii) to meet any expenditure which would involve an increase in the balance of stores estimated in the budget proposals; or
  - (iv) from or to the units allotted under the following heads:—
    - Pay of permanent establishments.
    - Pay of temporary establishments.

Allowances, honoraria, etc.

Audit charges.

Portion of capital outlay financed from revenue account.

Loss by exchange on stores purchased in England.

- (2) Except with the previous consent of the Railway or Public Works Department, as the case may be, no re-appropriation shall be made from a unit allotted under the head Railway or Canal lines of telegraph to a unit allotted under the head Departmental lines of telegraph.

105A. *Except of appropriations or re-appropriations.*—In the case of expenditure upon works, appropriation or re-appropriation by the Director General, in accordance with the provisions of rule 104 or rule 105, will if the Director General is competent to sanction the expenditure concerned, operate as sanction to such expenditure.

---

## CHAPTER VIII.—POWERS OF THE CENTRAL BOARD OF REVENUE.

### *Powers of sanctioning expenditure and of creating and abolishing posts.*

106. *Creation and abolition of posts and increase and reduction of pay.*—The Board may sanction the creation or abolition of a permanent post if the maximum pay of the post does not exceed Rs. 500.

107. The Board may increase or reduce the pay of a permanent post or of a Government servant in permanent employ, if the maximum pay of the post or of the Government servant does not exceed Rs. 500 after the increase or before the reduction, as the case may be.

108. The Board may sanction the creation of a temporary post on pay not exceeding Rs. 1,500—

- (a) for any specified period, if the pay of the post does not exceed Rs. 500, and  
 (b) for not more than six months, if the pay exceeds Rs. 500.

NOTE.—If the holder of a temporary post created by the Board, the rupee pay of which does not exceed Rs. 1,500, would have drawn overseas pay in sterling if he had not been appointed to the post, the Board may permit the holder of that post to draw in addition to the rupee pay sanctioned for the post the overseas pay in sterling not exceeding the amount to which he would have been entitled had he not been appointed to the temporary post.

109. The Board may reduce the pay of a temporary post, and may increase it within the limits imposed by rule 108.



110. *Revision of the pay of establishments.*—The Board may sanction the revision of the pay of an establishment, on condition that—

- (1) the provisions of rules 106 and 107 are observed;
- (2) the additional expenditure involved does not exceed Rs. 6,000 a year; and
- (3) the revision does not affect a whole class or grade of Government servants.

111. *Contingent expenditure.*—The Board may sanction expenditure on non-recurring contingencies, supplies and services and the purchase of articles for the public service, subject to the provisions of the Civil Account Code and to any orders issued from time to time by the Governor-General in Council. It may sanction expenditure on the renting of ordinary office accommodation and the payment of municipal and other taxes; and it may sanction other recurring contingent expenditure up to a limit in each case of Rs. 200 a year.

111A. The Board may sanction an increase not exceeding Rs. 6,000 a year in a contract grant for contingent expenditure. It may sanction the substitution of a contract grant for varying budget allotments in respect of heads of contingent expenditure for which countersignature has hitherto been required on condition that the amount of the contract does not exceed by more than Rs. 6,000 the total sum provided under those heads in the budget estimates of the year in which the change is made.

111B. *Miscellaneous Expenditure.*—In any individual case, the Board may sanction recurring expenditure not exceeding Rs. 200 a year or non-recurring expenditure not exceeding Rs. 1,000 on any object for which no scale or limit to its power of sanction is prescribed by any Act, rule, code or order covered by rule 2, if the following conditions are fulfilled, namely:—

- (1) the sanction does not involve an express contravention of an existing rule or order of the Governor-General in Council, and
- (2) the expenditure is within the powers of sanction of the Governor-General in Council.

112. *Special exceptions.*—Rules 106, 107, 108, 109 and 110 do not apply to expenditure on the office establishment of the Board. In respect of such expenditure, the Board may exercise the powers conferred by those rules in connection with menial establishments only.

#### *Appropriation.*

113. *Primary units.*—The primary units of appropriation allotted to the Board will ordinarily be allotments under the following heads:—

- (a) Pay of officers.

- (b) Pay of establishments.
- (c) Allowances, honoraria, etc.
- (d) Supplies and services.
- (e) Contingencies.
- (f) Establishment charges payable to other Governments, departments, etc.
- (g) Grants-in-aid, contributions and donations.
- (h) Works.
- (i) Assignments and Compensations.
- (j) Refunds of Revenue.

114. *Powers of appropriation.*—Out of the funds allotted to it in each primary unit of appropriation, the Board has full power, subject to the provisions of rule 8, to appropriate sums to meet expenditure falling under that unit.

#### *Re-appropriation.*

115. *Powers of re-appropriation.*—Subject to the provisions of rule 9, the Board may re-appropriate funds from any primary unit of appropriation to any other such unit.

#### *Delegation of powers of sanction, appropriation and re-appropriation.*

116. *Powers of delegation.*—The Board may, with the previous consent of the Finance Department, delegate any part of the powers conferred upon it by rules 111, 114 and 115 to any officer subordinate to it.

### CHAPTER IX.—POWERS OF THE CONTROLLER OF THE CURRENCY.

#### *Powers of sanctioning expenditure and of creating and abolishing posts.*

117. *Creation and abolition of posts and increase and reduction of pay.*—The Controller of the Currency may sanction the creation or abolition of a permanent post if the maximum pay of the post does not exceed Rs. 500; but he may not sanction the creation or abolition of a whole class or grade of Government servants on maximum pay exceeding Rs. 100.

118. The Controller of the Currency may increase or reduce the pay of a permanent post or of a Government servant in permanent employ, if the maximum pay of the post or of the Government servant does not exceed Rs. 500 after the increase or before the reduction, as the case may be.

119. The Controller of the Currency may sanction the creation of a temporary post on pay not exceeding Rs. 1,500:—

- (a) for any specified period, if the pay of the post does not exceed Rs. 500; and
- (b) for not more than six months, if the pay exceeds Rs. 500.

NOTE.—If the holder of a temporary post created by the Controller of the Currency, the rupee pay of which does not exceed Rs. 1,500 would have drawn overseas pay in sterling if he had not been appointed to this post, the Controller of the Currency may permit the holder of that post to draw in addition to the rupee pay sanctioned for the post the overseas pay in sterling not exceeding the amount to which he would have been entitled had he not been appointed to the temporary post.

120. The Controller of the Currency may reduce the pay of a temporary post, and may increase it within the limits imposed by rule 119.

121. *Revision of the pay of Establishments.*—The Controller of the Currency may sanction the revision of the pay of an establishment, on condition that—

- (1) the provisions of rules 117 and 118 are observed;
- (2) the additional expenditure involved does not exceed Rs. 6,000 a year; and
- (3) the revision does not affect a whole class or grade of Government servants.

122. *Over-time allowances.*—The Controller of the Currency may sanction the introduction of over-time work, when necessary, in any Section of a Currency Office and may grant a full day's pay for a full day's work, on a Sunday or holiday, and half a day's pay for half a day's extra work on an ordinary working day, to the supervising staff, clerks, shroffs and menials.

123. *Contingent expenditure.*—The Controller of the Currency may sanction expenditure on contingencies, supplies and services and the purchase of articles of public service, subject to the provisions of the Civil Account Code and to any orders issued from time to time by the Governor General in Council.

124. *Miscellaneous expenditure.*—In any individual case, the Controller of the Currency may sanction recurring expenditure not exceeding Rs. 200 a year or non-recurring expenditure not exceeding Rs. 1,000 on any object for which no scale or limit to his power is prescribed by any Act, rule, code or order covered by rule 2 on condition that—

- (1) the sanction does not involve an express contravention of an existing rule or order of the Governor General in Council; and
- (2) the expenditure is within the powers of sanction of the Governor General in Council.

125. *Special exceptions.*—Rules 117, 118, 119, 120, 121 and 124 do not apply to expenditure on the office establishment of the Con-

troller of the Currency. In respect of such expenditure, the Controller of the Currency may not exercise the power conferred by rule 124, and may exercise the powers conferred by rules 117, 118, 119, 120 and 121 in connection with menial establishments only.

*Power of writing-off losses of cash.*

126. The Controller of the Currency may sanction the write-off of losses of cash due to robbery, accident, embezzlement and similar causes up to a limit of Rs. 3,000 in each case.

*Appropriation.*

127. *Primary units.*—The primary units of appropriation allotted to the Controller of the Currency will ordinarily be allotted under the following heads:—

- (a) Pay of officers.
- (b) Pay of establishments.
- (c) Allowances, honoraria, etc.
- (d) Supplies and services.
- (e) Contingencies.

128. *Powers of appropriation.*—Out of the funds allotted to him in each primary unit of appropriation the Controller of the Currency has full power, subject to the provisions of Rule 8, to appropriate sums to meet expenditure falling under that unit.

*Re-appropriation.*

129. *Powers of re-appropriation.*—Subject to the provisions of rule 9, the Controller of the Currency may re-appropriate funds from any primary unit of appropriation to any other such unit.

*Delegation of powers of sanction, appropriation and re-appropriation.*

130. *Powers of delegation.*—The Controller of the Currency may, with the previous consent of the Finance Department, delegate any part of the powers conferred upon him by rules 119, 122, 123, 128 and 129 to any officer subordinate to him.

**CHECKED**  
2003-04

CHECKED  
2003-04