

## **CHAPTER V**

### **POWERS OF SANCTION**

#### **I. POWERS OF VARIOUS AUTHORITIES IN THE MATTER OF SANCTIONING EXPENDITURE**

**52. Powers of subordinate authorities** - The financial powers of Government which have not been delegated to a subordinate authority, shall vest in the Finance Department.

**53.** Unless otherwise provided by any special rule or order, it shall be within the competence of an authority to exercise the financial powers delegated to another authority subordinate to it.

**54.** Government may by order from time to time delegate to the heads of departments and other officers such financial powers as it may deem fit.

**55.** Subject to these rules, the various subordinate authorities shall have the power specified in Appendix 3 Part I & II and Appendix 3A for incurring contingent expenditure including expenditure on the purchase of stores. Specific delegation made to certain heads of departments and others is contained in Appendix 4. All these powers shall be exercised subject to budget provision.

**56.** All sanctions to expenditure shall indicate the details of the provisions in the relevant grant or appropriation wherefrom the expenditure is to be met.

**57.** Heads of departments of the Government shall have powers to declare with the concurrence of the Finance Department, any gazetted officer subordinate to them as head of an office for the purpose of these rules.

**58.** The delegations contained in these rules are subject to the rules contained in the Sikkim Government Rules of Business made under clause (3) of Article 166 of the Constitution.

**59. Redlegation of Powers** - Save with the concurrence of the Finance Department no powers delegated under these rules shall be redelegated to any other subordinate authority.

**60.** Every proposal for expenditure outside the delegated financial powers will, after due processing by the respective departments, be referred to the Finance Department with the recommendation of the head of the initiating department, who should invariably furnish, along with his recommendations, a statement showing the following information:-

- (i) Budget provision on account of the expenditure so far proposed.
- (ii) Expenditure so far incurred
- (iii) Expenditure involved in the present proposal.
- (iv) Balance of funds provided for in the budget.

**61.** On receipt of the proposal, the Finance Department will, after proper scrutiny, submit its observations and recommendations to Government for approval.

**62.** The following general conditions shall be observed in the exercise of powers to sanction expenditure:-

- (i) It is primary condition of the exercise of all financial powers that public revenue should be spent only on legitimate public expenditure.
- (ii) A subordinate authority may sanction expenditure or advances of public money in those cases only in which it is authorised to do so.
- (iii) No authority to which powers are delegated shall sanction without previous consent of the Finance Department any expenditure which involves the introduction of a new principal or practice likely to lead to increased or recurring expenditure in future.

**63. Sanction of new schemes** - All specific schemes started after the coming into force of these rules and extension of schemes which are already in operation, whether within the Plan or Non-plan require the sanction of the Finance Department. For this purpose, full details as shown in Appendix 5 should be furnished to the Finance Department in respect of schemes costing Rs.5 lakhs and above. In respect of other schemes, the proposal should contain sufficient details to enable the Finance Department to exercise proper scrutiny.

## **II. POWERS IN REGARD TO CERTAIN SPECIAL MATTERS**

**64.** Except in pursuance of the general delegation made by, or with the approval of the Governor a subordinate authority shall not, without the previous consent of the Finance Department, issue an order which-

- (i) involves any grant of land or assignment of revenue, concession, grant, lease or license of mineral or forest rights, or right to water power or any easement or privilege in respect of such concessions; or
- (ii) Involves relinquishment of revenue in any way; or
- (iii) Involves remission of disallowances by Audit and writing off of overpayments made to Government servants.

### III. COMMUNICATIONS OF SANCTION

**65.** (1) Every sanctioning authority shall see that all sanctions and orders relating to expenditure, revision of scales, creation or abolition of appointment etc. against which audit is to be conducted are communicated to the Accountant General and the Director, Treasury, Pay and Accounts Office in accordance with the following procedure:

- (i) If the order is issued by an authority subordinate to the Government to whom the power to sanction has been delegated, by that authority direct.
- (ii) If the order is issued by an administrative department of the Government and to which the assent of the Finance Department is given, the orders will be conveyed by the Secretary to the Government in the administrative department concerned, who will also send a copy to the Finance Department.
- (iii) In other cases the order issued with the concurrence of the Finance Department will be communicated by the Secretary to the Government in the administrative department concerned direct indicating therein the number and date of the U.O./O.M/letter of the Finance Department conveying their concurrence.

**Note 1.-** The term "Secretary" used in clauses (ii) and (iii) includes Additional Secretary, Joint Secretary, Deputy Secretary and Under Secretary or any responsible Officer, nominated by the Head of Department but does not include the drawing and disbursing officer of the department concerned.

**Note 2.-** (1) In the case of plan schemes, a copy shall be endorsed to the Planning and Development Department also.

(2) All financial sanctions and orders involving payment from Government funds should be signed by the officer concerned in ink and should not be conveyed to the Accountant General/Chief Pay and Accounts Officer over cyclostyled signature. There is, however, no objection to the making out of extra copies of sanctions including signatures by cyclostyled process.

(3) All orders conveying sanctions to expenditure of a definite amount or upto specific limit, should express the amount of expenditure sanctioned both

in words and figures.

(4) All orders conveying sanctions to the grant of additions of pay, such as special pay and compensatory allowance, should contain a brief but clear summary of the reasons for the grant of the addition as to enable the Accountant General / Chief Pay and Accounts Officer to see that it is correctly classified as special pay or compensatory allowance as the case may be.

(5) If it is essential to issue a sanction to expenditure before funds are communicated, the sanction should specify that such expenditure is subject to funds being communicated in the budget of the year.

**66.** As audit of expenditure on works is conducted against technical sanctions, order conveying such sanctions must be communicated to the Accountant General by the Sikkim Public Works, Irrigation, Power, Rural Development and Forest Departments. In order to facilitate audit scrutiny, the authorities concerned should invariably quote the reference to administrative approval when they communicate technical sanction to the Accountant General.

#### **IV DATE OF EFFECT OF SANCTION**

**67.** (1) All rules, sanctions or orders shall come into force from the date of issue unless any other date from which they shall come into force is specified therein.

(2) No expenditure shall be incurred against a sanction unless funds are made available to meet the expenditure by valid appropriation or reappropriation.

(3) Orders sanctioning the creation of a temporary post should specify the duration of the post and the date from which it is created, whether it be the date of entertainment or otherwise.

#### **V. RETROSPECTIVE SANCTION**

**68.** (1) Retrospective effect shall not be given by competent authorities to sanctions relating to revision of pay or grant of concessions to Government servants, except in very special circumstances, without previous consent of the Finance Department.

(2) No posts shall be created from a retrospective date without the prior consent of the Finance Department and the appointing authorities should avoid making appointments against posts in anticipation of their creation.

#### **VI. LAPSE OF SANCTIONS**

**69.** A sanction for any fresh charges shall, unless it is specifically renewed, lapse if no payment in whole or in part has been made during a period of twelve months from the date of issue of the sanction:

Provided that:-

i. when the period of currency of the sanction is prescribed in the departmental regulations or is specified in the sanction itself, it shall lapse on the expiry of such period: or

ii. when there is a specific provision in a sanction that the expenditure would be met from the budget provision of a specified financial year, it shall lapse at the close of that financial year.

*Explanation* - The provisions in this rule are of general nature and apply to all sanctions in respect of any expenditure.