F. No. 01(14)/2016-E.II(A) (Part-III)
Government of India
Ministry of Finance
Department of Expenditure
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North Block, New Delhi
Dated 01st April 2024

OFFICE MEMORANDUM

Subject: Powers of Subordinate Authorities to write off loss under Delegation of Financial Power Rules, 2024.

The undersigned is directed to say that under Rule 13 of Delegation of Financial Power Rules (DFPRs), 2024, the power of Subordinate Authorities to write of losses shall be as per the conditions and limits as may be specified by the Finance Ministry from time to time. This power may be exercised by a Subordinate Authority in accordance with the provisions of the General Financial Rules, wherever applicable and provided that:-

(a) the loss does not disclose a defect in rules or procedure, the amendment of which requires the orders of higher authority or the Finance Ministry;

(b) there has not been any serious negligence on the part of any Government servant which may call for disciplinary action by a higher authority;

(c) before the decision is taken to write-off a loss, the Administrative Ministry/ Department etc, should make a thorough and searching investigation of the cases. The lessons learnt there from should be applied to prevent the recurrence of such cases in future;

(d) a quarterly statement of write-off of losses should be submitted to the Integrated Finance Division indicating the reasons for the loss, nature of the loss and the remedial measures taken to prevent the recurrence of such type of loss.

2. Department of Revenue may further re-delegate the powers relating to write off of losses of revenue to officials in accordance with procedures/ instructions issued by that Department.

3. Ministries/Departments other than Department of Revenue may re-delegate powers of write off upto Rs.5000 in each case of loss of revenue to HoDs.

4. In case of irrecoverable loss of stores and public money, the power to write off may be delegated to HoD through a written order by the original authority having such power, subject to such delegation not exceeding 10% of the power of the Department.

5. In case of Deficiencies and depreciation in the value of stores (other than motor vehicles or motor cycle) included in the stock and other accounts, the power to write off may be delegated

to HoD through a written order by the original authority having such power, subject to such delegation not exceeding 10% of the power of the Department.

6. For the purpose of deciding the value of the stores, it shall be the "book value" where priced accounts are maintained and "replacement value" in other cases.

7. Value in "each case" to be reckoned with reference to the total value of stores to be written off on one occasion.

8. The term "each case" used in this Schedule 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.

Nature of loss	Authority	Monetary limit up to which the loss may be written off in each case
(1)	(2)	(3)
Irrecoverable losses of stores or of public money.	Department of the Government of India.	**Rs. 5,00,000** for losses of stores due to theft, fraud or negligence.
		Rs. 50,00,000 for other cases.
	Administrators of the Union Territories.	(a) **Rs. 2,00,000** for losses of stores due to theft, frauds or negligence.
		(b) **Rs. 5,00,000** for other cases.
Loss of revenue or irrecoverable loans	Department of Revenue.	(a) Full powers to write-off losses of irrecoverable revenue.

and advances		(b) **Rs. 5,00,000** for other cases.
	Other Department of the Government of India	**Rs. 5,00,000**
	Administrators of the Union Territories.	**Rs. 2,00,000**
Deficiencies and depreciation in the value of stores (other than motor vehicles or motor cycle) included in the stock and other accounts including losses on food grains, sugar, etc	Department of the Government of India Administrators.	**Rs. 5,00,000** **Rs.2,00,000**
Condemnation of motor vehicles and motor cycles.	Department of the Government of India	Full power for mature condemnation of vehicles meeting the criteria as given below: —

(a) the lives of various types of vehicles, in terms of distance run (in kilometers) and length of use (in years) whichever is reached later, have been fixed as under —

Type of Vehicles	Kilometers	Years
(1)	(2)	(3)
(i) Heavy Commercial Motor Vehicles (HCVs)	4,00,000	10
(ii) Light Commercial Motor Vehicles (LCVs)	1,50,000	6 ½
(iii) Motor cycles.	1,20,000	7

(b) a vehicle should be condemned only after a certificate has been obtained from one of the following authorities to the effect that the vehicle is not fit for any further economical use —

(i) an Electrical and Mechanical Workshop of the National Airport Authority;

(ii) the Workshop of a State Road Transport Corporation;

(iii) at location where workshop mentioned at (i) and (ii) are not available, Transport Workshop under the Central or State Government Departments.

(2) Ministry/Department will have full power to scrap the Vehicles which have reached 15 years of age through Registered Vehicle Scrapping Facility (RVSF) only, established in accordance with guidelines issued by Ministry of Road Transport and Highways (MoRTH).

Note.-Condemned vehicles to be disposed of within three months from the date of placing of fresh order.— Ministries/ Departments of Government of India should ensure that condemned vehicles are disposed of as per the procedure within a period of three months from the date of placing of an order with the manufacturer for replacement of vehicles.

Note.-The lives of various types of vehicles, in terms of distance run (in kilometers) and length of use (in years) for condemnation of vehicles of Central Armed Paramilitary Forces are governed by separate orders issued for this purpose.

9. This issues with the approval of Finance Secretary & Secretary (Expenditure)

(C.P. Kushwaha)
Under Secretary to the Government of India

To

All Ministries/Departments of Government of India, C&AG (with spare copies) UPSC etc. as per standard endorsement list.

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Financial Advisors of all Ministries/Department of Government of India