

DIRECTORATE OF LOCAL FUND AUDIT, ODISHA

TREASURY AND ACCOUNTS BHAWAN, UNIT-III,
KHARAVEL NAGAR, BHUBANESWAR,
Phone-0674-2391704, e-mail:dir1faodisha@gmail.com

Memo No. 2809 /DLFA

Date 21.05.25

DLFA-HE-I-131/2022

Copy along with copy of Govt. in Finance Department letter No.15164/F dated 17.05.2025 forwarded to the all District Audit Officer, Local Fund Audit and Audit Officer, Local Fund Audit, Bhubaneswar for information and necessary action.


21.5.25
Administrative Officer

Memo No. 2810 /DLFA

Dt. 21.05.25

Copy along with Copy of Govt. in Finance Department letter No.15164/F dated 17.05.2025 forwarded to all Officer/all staff of this Directorate for information and necessary action.


21.5.25
Administrative Officer

OSWAS NO- 4241/19-05-25

DY No- 4453
19.5.25

153



GOVERNMENT OF ODISHA
FINANCE DEPARTMENT

No. 15164 /F.,
FIN-COD-RULE-0002-2018

Date 17.05.2025

From

Saswata Mishra, IAS
Principal Secretary to Government

To

DC-cum-ACS to Government/
Additional Chief Secretary to Government/
Principal Secretary to Government/
Commissioner-cum-Secretary to Government/
Secretary to Government
(All Departments)

Sub: Clarification on Delegation of Financial Power Rule, 1978 – regarding

Ref: FD OM No. 7460/F dated 04.03.2025

Madam/Sir,

In order to remove doubts and confusion pertaining to certain provisions of DFPR' 1978, following clarifications are hereby issued.

(A) Procurement made on single source / nomination basis

As per Rules 225, 251 and 265 of OGFR' 2023, for procurement of goods, consultancy services and outsourcing of services on single source / nomination basis, approval of next higher authority is required.

Therefore, irrespective of the value, for procurement made on single source / nomination basis, prior approval of next higher authority of the competent authority, as given below, is mandatory.

Competent Authority	Next Higher Authority
Head of Department	Secretary of Administrative Department
Secretary of Administrative Department	Hon'ble Minister of Administrative Department
Hon'ble Minister of Administrative Department	Hon'ble Chief Minister
Hon'ble Chief Minister	Cabinet
Cabinet	Cabinet

Please
circulate copy
all.

S. U. Senapati (CASO)
M. J. S.

P-15065
Somali
2048
@5-3-25

152

(B) Composite Procurement

Where procurement of goods and services is done as a single composite procurement, it will be treated as "Procurement of Goods" if value of goods is the predominant component of the composite procurement contract; and as "Procurement of Services" if value of services is the predominant component of the composite procurement contract.

(C) Procurement of IT Projects / Services

Procurement of IT / ITES Projects / Services shall be treated as "Procurement of Consultancy services" if the predominant component is service. In case goods is the predominant component, the procurement will be treated as procurement of goods.

Yours faithfully,



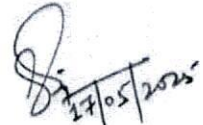
17.05.2025
Principal Secretary to Government

168

Memo No. 15165 /F.,

Date 17.05.2025

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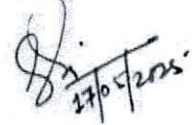


Under Secretary to Government

Memo No. 15166 /F.,

Date 17.05.2025

Copy forwarded to Commissionerate of CT & GST, Odisha / Directorate of Treasuries & Inspection, Odisha / Odisha Sales Tax Tribunal/ Directorate of Local Fund Audit, Odisha/ Controller of Accounts, Odisha / Madhusudan Das Regional Academy of Financial Management, Odisha for kind information and necessary action.

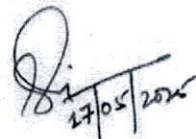


Under Secretary to Government

Memo No. 15167 /F.,

Date 17.05.2025

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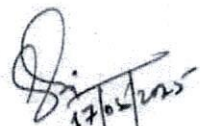
Under Secretary to Government

Memo No. 15168 /F.,

Date 17.05.2025

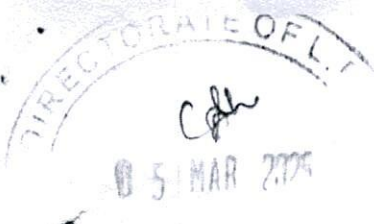
Copy forwarded to Shri Tapan Kumar Pattanaik, Sub-Nodal Officer (E-Gazette), FID, Finance Department for kind information and necessary action.

It is requested to upload this letter in the official website of Finance Department.



Under Secretary to Government

1508



GOVERNMENT OF ODISHA
FINANCE DEPARTMENT

No. 7460 / F
FIN-COD-RULE-0002-2018

Date 04.03.2025

OFFICE MEMORANDUM

*C. Sampat, ASO
C. Sahoo, Jr. Asst.*

Sub.: Amendment of Delegation of Financial Power Rule, 1978

In order to ensure greater efficiency and transparency, the State Government have been pleased to make following amendments to Delegation of Financial Power Rules, 1978 with immediate effect.

(A) Sub rule (1) of Rule 12 shall be substituted by the following provision.

"Subject to sub-rules (2), (3) and (4) and the provisions of Odisha General Financial Rules governing procurement of goods, procurement of consultancy services and outsourcing of services; the power of approval and sanction of expenditure of Administrative Departments and Heads of Departments shall be as follows.

Authority	Goods	Consultancy services	Outsourcing of services
Head of Department	Upto ₹ 10 Cr.	Upto ₹ 1 Cr.	Upto ₹ 1 Cr.
Secretary of Administrative Department	Upto ₹ 20 Cr.	Upto ₹ 3 Cr.	Upto ₹ 3 Cr.
Hon'ble Minister of Administrative Department	Upto ₹ 50 Cr.	Upto ₹ 10 Cr.	Upto ₹ 10 Cr.
Hon'ble Chief Minister	Upto ₹ 100 Cr.	Upto ₹ 100 Cr.	Upto ₹ 100 Cr.
Cabinet	Above ₹ 100 Cr.	Above ₹ 100 Cr.	Above ₹ 100 Cr."

PI

150 (e)

(B) Sub rule (3) of Rule 12 is substituted by the following provision.

"For exercise of powers under sub-rule (1), procurement committees shall be constituted and functioning at Administrative Department and Head of Department levels as given below.

	Procurement of Goods	Procurement of Consultancy Services	Outsourcing of Services
Head of Department Level Procurement Committee	<p>1. A senior officer of that office as Chairperson, FA- cum- CAO or Accounts Officer of that office, a representative of Directorate of Export Promotion and Marketing and a representative of concerned Administrative Department concerned not below the rank of Deputy Secretary.</p> <p>2. The Committee shall scrutinize procurement proposals of value exceeding ₹ 25 Lakh and make necessary recommendations through signed minutes.</p> <p>3. Where procurement value is upto Rs. 10 Cr., Head of Department will take suitable decision regarding its approval.</p> <p>4. Where procurement value exceeds Rs. 10 Cr., Head of Department shall forward the case with his</p>	<p>1. A senior officer of that office as Chairperson, FA- cum- CAO or Accounts Officer of that office, a representative of Administrative Department concerned not below the rank of Deputy Secretary and a Domain Expert (optional).</p> <p>2. The Committee shall scrutinize procurement proposals of value exceeding ₹ 5 Lakh and make necessary recommendations through signed minutes.</p> <p>3. Where procurement value is upto Rs. 1 Cr., Head of Department will take suitable decision regarding its approval.</p> <p>4. Where procurement value exceeds Rs. 1 Cr., Head of Department shall forward the case with his</p>	<p>1. A senior officer of that office as Chairperson, FA- cum- CAO or Accounts Officer of that office, a representative of Administrative Department concerned not below the rank of Deputy Secretary and a Domain Expert (optional).</p> <p>2. The Committee shall scrutinize procurement proposals of value exceeding ₹ 5 Lakh and make necessary recommendations through signed minutes.</p> <p>3. Where procurement value is upto Rs. 1 Cr., Head of Department will take suitable decision regarding its approval.</p> <p>4. Where procurement value exceeds Rs. 1 Cr., Head of Department shall forward the case with his</p>

150(9)

	comments to the Administrative Department for suitable decision regarding its approval.	comments to the Administrative Department for suitable decision regarding its approval.	comments to the Administrative Department for suitable decision regarding its approval.
Administrative Department Level Procurement Committee	<p>1. Secretary or Special Secretary of the Administrative Department as Chairperson, a representative each of Finance Department, Law Department and Directorate of Export Promotion & Marketing, concerned Head of Department and Financial Advisor of the Administrative Department concerned as Member- Secretary.</p> <p>2. The Committee shall consider procurement proposals exceeding ₹ 10 Cr. forwarded by the concerned Head of Department and recommend the case, if found acceptable, to Competent Authority, as per Rule 12 (1), to take a suitable decision regarding its approval.</p>	<p>1. Secretary or Special Secretary of the Administrative Department as Chairperson, a representative each of Finance Department and Law Department, concerned Head of Department, a Domain Expert (optional) and Financial Advisor of the Administrative Department concerned as Member- Secretary.</p> <p>2. The Committee shall consider procurement proposals exceeding ₹ 1 Cr. forwarded by the concerned Head of Department and recommend the case, if found acceptable, to Competent Authority, as per Rule 12 (1), to take a suitable decision regarding its approval.</p>	<p>1. Secretary or Special Secretary of the Administrative Department as Chairperson, a representative each of Finance Department and Law Department, concerned Head of Department, a Domain Expert (optional) and Financial Advisor of the Administrative Department concerned as Member- Secretary.</p> <p>2. The Committee shall consider procurement proposals exceeding ₹ 10 Cr. forwarded by the concerned Head of Department and recommend the case, if found acceptable, to Competent Authority, as per Rule 12 (1), to take a suitable decision regarding its approval.</p>



150 (c)

Explanation: If any Administrative Department goes for procurement of goods (above ₹ 25 Lakh and below ₹ 10 Cr.), procurement of consultancy services (above ₹ 5 Lakh and below ₹ 1 Cr.) and outsourcing of services (above ₹ 5 Lakh and below ₹ 1 Cr.) at the Department level, recommendation of Department Level Procurement Committee shall be required."

(C) Note-3 to sub-rule (3) of Rule-12 shall be substituted by the following provision.

"**Note-3:** Preferences, relaxations, concessions and special dispensations in purchase of goods from local Micro and Small Enterprises are to be regulated as per guidelines issued by MSME Department from time to time".

(D) Following new Note after Note-3 to sub-rule (3) of Rule-12, shall be added.

"**Note-4:** For procurement of goods upto ₹ 25 Lakh, procurement of consultancy services upto ₹ 5 Lakh and outsourcing of services upto ₹ 5 Lakh at Administrative Department level or Head of Department (HoD) level, recommendation of Department Level / HoD Level Procurement Committee is not required. In such cases, procurement can be done with approval of Secretary of the Department or Head of Department or of any other competent authority, as the case may be."

(E) Clause (4) of Sl. No. 7 pertaining to "Law Charges" under Annexure-C (Decretal dues) to Rule 10 is substituted by the following.

"Subject to budget provision, Administrative Department shall have full powers to sanction funds in the following cases without requiring prior approval of Finance Department.

- i. Decree issued by competent civil court in land acquisition matters
- ii. Arbitral awards pertaining to works contract"

By order of the Governor



(Saswata Mishra) 04.03.2025


Principal Secretary to Government

Memo No. 7461 / F

Date 04.03.2025

150(b)

Copy forwarded to P.S. to Hon'ble Chief Minister for kind information of Hon'ble Chief Minister.



04/03/2025

Under Secretary to Government

Memo No. 7462 / F

Date 04.03.2025

Copy forwarded to OSD to Chief Secretary / OSD to DC-cum-ACS to Government / P.S. to Principal Secretary, Finance Department for kind information of Chief Secretary / DC-cum-ACS / Principal Secretary, Finance Department.



04/03/2025

Under Secretary to Government

Memo No. 7463 / F

Date 04.03.2025

Copy forwarded to P.S. to Additional Chief Secretary to Government/ P.S. to Principal Secretary to Government/ P.S. to Commissioner-cum-Secretary to Government/ P.S. to Secretary to Government (All Departments) for kind information of Additional Chief Secretary to Government/ Principal Secretary to Government/ Commissioner-cum-Secretary to Government/ Secretary to Government (All Departments).



04/03/2025

Under Secretary to Government

Memo No. 7464 / F

Date 04.03.2025

Copy forwarded to Secretary, OLA / Accountant General (A & E), Odisha, Bhubaneswar / Accountant General (G & SSA), Odisha, Bhubaneswar / Accountant, General (E & RSA), Odisha, Bhubaneswar / Deputy Accountant General (Works), Odisha, Puri / Advocate General, Odisha, Cuttack / All Financial Advisors / All Assistant Financial Advisors / Director, Gopabandhu Academy of Administration, Bhubaneswar / Principal, Short Hand and Type Writing Institute, Bhubaneswar for information and necessary action.


04/03/2025

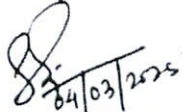
Under Secretary to Government

150(a)

Memo No. 7465 / F

Date 04.03.2025

Copy forwarded to All Heads of Departments / All Revenue Divisional Commissioners / All Collectors / All SPs / All Financial Advisors / All Assistant Financial Advisors / All Treasury Officers / All Special Treasury Officers / All Sub-Treasury Officers for information and necessary action.


04/03/2025
Under Secretary to Government

Memo No. 7466 / F

Date 04.03.2025

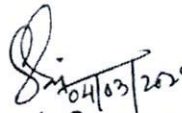
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04/03/2025
Under Secretary to Government

Memo No. 7467 / F

Date 04.03.2025

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04/03/2025
Under Secretary to Government

Memo No. 7468 / F

Date 04.03.2025

Copy forwarded to Shri Tapan Kumar Pattanaik, Sub-Nodal Officer (E-Gazette), FID, Finance Department for information and necessary action.

It is requested to hoist this Office Memorandum in the website of Finance Department (<https://finance.odisha.gov.in/>).


04/03/2025
Under Secretary to Government