



वैज्ञानिक तथा औद्योगिक अनुसंधान परिषद्
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सो/No. SP-13025/5/2022-S and P-CSIR HQ (E 7182)

दिनांक/Date: 10/04/2023

सेवा में / To,

सी.एस.आई.आर. की सभी राष्ट्रीय प्रयोगशालाओं/संस्थानों/मुख्यालय/एकको के निदेशक/प्रमुख

The Directors of all Laboratories/Instts. and Heads of Units of CSIR

विषय/Sub: **Losses and Their Write-off - Action, Procedure and Delegation of Powers**

महोदया/ महोदय/Madam/ Sir,

As an Autonomous Body (AB) of the Govt of India, CSIR is within the ambit of General Financial Rules (GFR) and Delegation of Financial Powers Rules (DFPR). The cases of losses of stores/other council property and their write-off are, therefore, required to be dealt with in accordance with the procedure laid down in the GFR in exercise of powers delegated in Schedule-VII to Rule 13 of DFPR.

2. The Competent Authority has, accordingly, decided to withdraw the CSIR Circular No. 154 Dated 25th September 2002 on the subject forthwith. This has been done after due intimation to the Governing Body in its 200th meeting held on 17th December 2022.

3. With the above withdrawal, CSIR completely shifts to the procedure and delegation of powers stipulated in GFR and DFPR respectively. As regards Scientific Departments, enhanced powers for write-off have been granted vide OM F.No. 1(10)/E.IIA/2015 dated 31st July 2017 (copy enclosed). Therefore, on a joint reading of Rule 13(2) of the DFPR and the aforesaid OM, the following scheme of delegation emerges:

Nature of Irrecoverable losses of Stores or council property	Value of Loss (in each case*)	Powers delegated to (by MoF)
(i) <u>Not due to</u> theft, fraud, or negligence	(i) Rs. 5 (Five) Crore	Scientific Departments of the Central Government
(ii) <u>Due to</u> theft, fraud, or negligence	(ii) Rs. 2 (Two) Lakhs	<i>(Powers to be exercised by the Secretary of the Department. In case of CSIR, by DG, CSIR**)</i>

* 'each case' is as defined in GOI decision # (1) below Schedule VII to Rule 13 of DFPR

** In terms of CSIR letter N.2(1)/81 -Finance dated 03.03.1982 as mentioned in Clause A (k) (iii) of the Handbook of Delegation of Powers in CSIR

4. DG, CSIR, in exercise of the powers under DFPR 13 (2) has further delegated these powers to the Directors of the Labs./Insttts, Heads of independent Units of CSIR and Joint Secretary (Admn.) for Hqtrs. and the Management Councils (MCs), wherever exist, as under:

Sl No	Nature of Irrecoverable losses of Stores or council property	Value of Loss (in each case*)	Powers Delegated by the DG, CSIR to
a.	All Cases of loss with regard to Stores or council property <u>not due to</u> theft, fraud or negligence	(i) Up to Rs. 2 (Two) Lakhs (ii) Up to Rs. 10 (Ten) Lakhs	Director/Head of Units/ JS (A) for Hqtrs. Management Council (MC), wherever exists

b.	All Cases of loss with regard to Stores or council property <u>due to</u> theft, fraud or negligence	(i) Up to Rs. 50,000/- (Rs. Fifty Thousand)	Director/Head of Units/ JS (A) for Hqtrs.
		(ii) Up to Rs. 1 (One) Lakhs	Management Council (MC), wherever exists

It is important to note that these powers cannot be further delegated down the line by the Directors/Heads/JS (A)/MCs.

5. Rule 33 to Rule 38 of GFR 2017 deals with losses and mentions various authorities under different rules. In order to operationalize these provisions of GFR in CSIR, DG, CSIR has approved the equivalence of these authorities with the corresponding authorities in CSIR as under:

Authorities as per GFR	Equivalent Authority in CSIR
Sub-ordinate authority	User/Custodian/Indentor
Next higher authority	(i) Director (ii) Sr Most Officer of Administration (iii) Sr Most Officer of Stores & Purchase (To all three simultaneously)
Sr Audit Officer Statutory Audit Officer Principal Account Officer	Sr Most Officer of Finance and Accounts
Government	DG CSIR

6. All cases beyond the powers of the Director/ Heads of Units/ JS (Admin.)/MCs shall be referred to CSIR Hqrs. for placing before the appropriate Competent Authority for consideration. As per Rule 5 of DFPR all financial powers not specifically delegated to any authority shall vest in the Finance Ministry, Govt of India.

7. A Standard Operating Procedure (SOP) has also been prepared and enclosed for ease of operation by the dealing officers. However, in case of any conflict between the SOP and the GFR & DFPR, the latter, as amended from time to time, shall prevail.

8. These Guidelines (Actions/Procedures and Delegations) are issued with the approval of DG, CSIR upon concurrence of FA, CSIR, and shall come into force with immediate effect.

भवदीय/ **Yours faithfully,**

(श्रीदेव नंदा/ **Srideb Nanda**)

नियंत्रक (भंडार एवं क्रय)

Controller of Stores & Purchase

Encls: As above

सूचनार्थ/ Copy for information to :

1. Director General, CSIR.
2. Financial Advisor, CSIR
3. Joint Secretary (Admin.), CSIR
4. Chief Vigilance Officer, CSIR
5. Head IT - With the request to publish this communication on CSIR Website in the category Stores-Purchase under Notifications

Delhi, the 31st July, 2017

OFFICE MEMORANDUM

Subject : Financial and administrative reforms for efficient functioning and delivery of Science & Technology in India – relaxation from provisions of write off of losses in DFPR.

A meeting of Committee of Secretaries (CoS) was held on 26.5.2017 to discuss the note circulated by Min of Science & Technology relating to financial and administrative reforms for efficient functioning of S&T Departments.

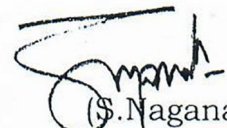
2. Consequent to decision taken in the meeting of CoS relating to enhanced power for write off of losses for Scientific Departments, it has been decided that in relaxation of the existing limits in Schedule VII under Rule 13 of DFPR, 1978, the write off limits for the Scientific Departments are enhanced to Rs. 5 crore, as a special measure. The enhanced limit of Rs.5 crores is restricted to the following categories :-

(a) Irrecoverable losses of stores or of public money not due to theft, fraud or negligence.

(b) Deficiencies and depreciation in the value of stores (other than a motor vehicle or motor vehicle or motor cycle) included in the stock and other accounts.

3. Other conditions relating to write off of losses remain the same.

4. This issues with the approval of Finance Minister.


(S. Naganathan)

Under Secretary to Government of India

Secretaries/FAs

Department of Science & Technology
Department of Biotechnology
Department of Scientific & Industrial Research
Department of Space
Department of Atomic Energy
Ministry of Earth Science
Department of Defence Research & Development

s/c

Council of Scientific and Industrial Research

Standard Operating Procedure

Losses and Write off of Stores and Council Property

Applicability	For loss or shortage of Stores and Council property held by or on behalf of the Council irrespective of the cause of loss and manner of detection even when such loss has been made good by the party responsible for it.			Rule 33(1) of GFR 2017	
Step – 0:	Occurrence of Incidence/Detection of Loss				
Step – 1:	Initial Report				
A. Basic Reporting (in All Normal Cases of Loss)					
SI No	Situation	Value of Loss	By Whom	To Whom	Remarks
a.	All Cases	Irrespective of Value	User/Custodian/Indentor	(i) Director (ii) Sr Most Officer of Administration (iii) Sr Most Officer of Stores & Purchase	Rule 33(1) of GFR 2017

				(iv) Sr Most Officer of Finance & Accounts	
B. Special Reporting (In Addition to Basic Reporting as Above)					
a.	Serious irregularity*	Any value	Sr Most officer of Administration	FA, CSIR	* Whether there is a serious irregularity or not, will be decided by the Director/Head/JS (A), as the case may be (Rule 33(2) of GFR 2017)
			FA, CSIR	CGA	
b.	Loss due to fire, theft, fraud	Above Rs. 50,000	Sr Most officer of Administration	Police	A formal investigation report should be obtained in each such case from Police authorities (Rule 34 of GFR 2017)

STEP – 2		Constitution of Fact Finding Committee (FFC)/Preliminary Enquiry (PE)			
SI No	Situation	Action	By whom	Competent Authority	Remarks
a.	All normal cases (other than Fire, Theft etc) of Loss with regard to Stores (Any value)	Constitution of FFC for PE	Sr Most Officer of Stores & Purchase	Director/Head/JS (A)	The FFC shall be given a clear Term of Reference (TOR) and time-frame to furnish its report
b.	All Cases loss due to Fire, Theft etc (Any value)	Constitution of FFC for PE	Sr Most Officer of Administration	Director/Head/JS (A)	
Step - 3		Conduct of Enquiry, Preparation and Submission of Report			
By	Contents of Report				To be Submitted to
FFC/PE	Report must include the following <ol style="list-style-type: none"> i. Narration of Facts & Circumstances. ii. Details of Loss with Book Value iii. Whether the Loss is <u>Due to</u> Theft, Fraud or negligence or <u>Not due to</u> Theft, Fraud or negligence iv. If it is due to theft fraud negligence it has to fix responsibility of the individuals concerned v. Remedial action that could be taken by the Lab to stop recurrence of such events in future vi. Whether the loss discloses a defect in rules or procedure vii. Any other general or specific aspect the committee may like to place on record 				Director/Head/JS (A)

STEP - 4		Action on Report			
SI No	Situation	Action	By Whom	To be Submitted to	Decision by CA
a.	All normal Cases (other than Fire, Theft etc.) of Loss with regard to Stores or Council Property (Any value)	Processing of Report	Sr. Most S & P Officer	Director/Head/JS (A) or MC (CA)	The Director/Head/JS(A) shall take a decision with regard to the following: i. Whether the Loss is due to negligence (warranting Departmental Inquiry) or not due to negligence

b.	All Cases of loss due to Fire, Theft etc of Stores or Council Property (Any value)	Processing of Report	Sr. Most officer of Administration	Director/Head/JS (A) or MC (CA)	<ul style="list-style-type: none"> ii. Preventive actions to be taken iii. Whether the incident discloses any systemic defect/deficiency necessitating the amendment of existing rules and procedure iv. If so whether such an amendment requires decision by an authority higher than Director/Head/JS (A) e.g DG CSIR or GB CSIR or DSIR or MoF
STEP – 5		Action on the Decision of CA			
SI No	Situation	Action	By Whom	To Whom	Remarks
a.	If Loss is due to Fraud, Negligence etc (Any value)	Processing for submission to Disciplinary Authority (DA)	Sr Most Officer of Administration	Disciplinary Authority (Through proper channel)	Disciplinary Authority (DA) will decide whether the case warrants initiation of Departmental Inquiry against the personnel responsible for Loss as per CCS (CCA Rules) and Appendix 1 of GFR

b.	If the DA decides to initiate Departmental Inquiry (DI)	Initiate DI	Sr Most Officer of Administration	--	It may be referred to the concerned unit in Admin to follow up with the DI process up to its logical conclusion.
c.	If preventive measures have been approved by CA	Action Taken Report (ATR)	Sr Most Officer of Administration	(i) Director/Head/JS (A) (ii) Sr Most officer of S&P	Required to be submitted along with the proposal for write off.
d.	If the loss discloses a defect in Rules or Procedure	Amendment of relevant rules and procedure and ATR thereof	By the Concerned Officers. To be coordinated by Sr Most Officer of Administration	Director/Head/JS (A)	The amendment of such rules and procedure may be carried out by following due procedure with the approval of the Authority competent for doing so.

e.	If the loss is Not due to Theft, Fraud, Negligence or in a case where a DI has been initiated and completed	To forward the Report of FFC /PE report along with the decision of the Director/Head/ JS (A) or the orders of DA to Sr Most Officer of S & P	Sr Most Officer of Administration	Sr Most Officer of S & P	To enable the Sr Most Officer of S & P to initiate write-off process
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STEP – 6		Write off of Losses of Stores			
Sl No	Situation	Value of Loss	Processing by Whom	CA for write-off	Remarks
a.	All Cases of Loss with regard to Stores or Council property Not due to Theft, Fraud, Negligence	(i) Up to Rs. 2 Lakhs	Sr Most Officer of Stores & Purchase	(i) Director/Head/JS (A)	The powers delegated may be exercised by a Subordinate Authority provided that - (i) the loss does not disclose a defect in Rules or Procedure, the amendment of which requires the orders of higher authority or Finance Ministry; (ii) there has not been any serious negligence on the part of any Council servant which may call for Disciplinary action by a higher authority. * All proposals requiring the approval of DG CSIR must be submitted with a recommendation of MC, wherever exists
		(ii) Up to Rs. 10 Lakhs		(ii) Management Council (MC) (wherever exists)	
		(iii) Up to Rs. 5 Cr		(iii) DG CSIR *	
b.	All Cases of Loss with regard to Stores or Council property due to Theft, Fraud, Negligence	(i) Up to Rs. 50,000/-	Sr Most Officer of Stores & Purchase	(i) Director/Head/JS (A)	The powers delegated may be exercised by a Subordinate Authority provided that - (i) the loss does not disclose a defect in Rules or Procedure, the amendment of which requires the orders of higher authority or Finance Ministry; (ii) there has not been any serious negligence on the part of any Council servant which may call for Disciplinary action by a higher authority. * All proposals requiring the approval of DG CSIR must be submitted with a recommendation of MC, wherever exists
		(ii) Up to 1 Lakhs		(ii) Management Council (MC) (wherever exists)	
		(iii) Up to Rs. 2 Lakhs		(iii) DG CSIR *	
c.	Cases either due to or not due to theft, fraud and	More than Rs.	Sr Most Officer of Stores & Purchase	Ministry of Finance (Through CSIR Hqrs.)	All cases in this category must be referred to CSIR Hqrs. only with the

	negligence as at (a) and (b) above	5 Cr in case of (a) above and more than Rs. 2 Lakhs in case of (b) above			recommendations of the Management Council (MC) of the Lab/Instt. However, Units and CSIR Hqrs are exempted from this requirement as they do not have any MC
d.	All other cases where (i) the loss discloses a defect in Rules or Procedure, the amendment of which requires the orders of higher authority or Finance Ministry; (ii) there has been serious negligence on the part of any Government servant which may call for disciplinary action by a higher authority.	Irrespective of value	Sr Most Officer of Stores & Purchase	To the appropriate authority (through CSIR Hqrs.)	Such proposals must be accompanied with, amongst others, a copy of the amended rule or procedure.

STEP – 7**Notification**

Office Memorandum of the approved write-off proposal is to be communicated to Finance & Accounts wing of the Laboratory/Institute/Unit for accounting purposes with a copy to the Stores Section and inventory holder for charging off the items from the Stock ledgers/Asset Register.

Value of Loss

- For the purpose of writing off, the value of the stores shall be, the “Book value”
- Book Value means the original purchases value as per Books of Accounts calculated after allowing depreciation thereon
- Meaning of value in “each case” shall be as given in Govt. of India Decision (GID) No. 1 under Schedule VII of Rule 13 of DFPR

Conditions for exercising powers of Write-off

- As given in GID No. 2 under Schedule VII of Rule 13 of DFPR

Documents Required for Write-off By CA**(i) FFC/PE Report****(ii) Decision of the CA [Director/Head/JS(A)] on the FFC/PE Report****(iii) Orders of the Disciplinary Authority where Deptt. Inquiry had been initiated****(iv) Copy of Police Report/FIR (Where applies)****(v) Copy of Police Investigation Report (Where reported to police)****(vi) Action Taken Report (ATR) on preventive measures taken on the recommendation of FFC/PE/approval of CA****(vii) Copy of recommendations of Management Council (in Case of Labs/Instts. only) when the case is referred to CSIR Hqrs. for write-off by higher authority**

(viii) Amendment of Rules and Procedures, if so recommended by FFC/PE and approved by CA

(ix) List of Stores and Council property with Book Value to be written-off

NOTE

This SoP is only an attempt to summarize and present the write-off procedure in a user-friendly manner as given in applicable provisions of GFR, DFPR, Delegation of Powers in CSIR and equivalent authorities for this purpose issued by CSIR. the purpose of authenticity, the stipulations in the aforesaid Rules, Procedures and CSIR OMs shall prevail.