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ROYAL GOVERNMENT OF BHUTAN
MINISTRY OF FINANCE
TASHICHHO DZONG

MoF/R-Notification/2010/ 11183
21st April 2010

NOTIFICATION

Subject: Amendment to Financial Rules and Regulations 2001

In exercise of the power vested with the Ministry of Finance under the Public Finance Act 2007, the Ministry of Finance hereby makes the following amendments/corrections to the Financial Rules & Regulations 2002.

Sub-clause # 8.2.3, para # 8.2 on Re-appropriation, Chapter VIII of the Budget Manual is hereby amended to read as:

No re-appropriation shall be made:

- a. From Capital to Current;
- b. To new object heads

Accordingly, the **Appendix 1 – Schedule of Delegation of Powers of the Financial Management Manual**, revised as per the Ministry of Finance Circular No.MoF/R.4/136 dated 4th July, 2007 is also hereby amended and replaced by the attached table. The above amendments shall come into effect from May 1, 2010.

Lam Dorji
Secretary

Copy to:

1. Hon'ble Auditor General, Royal Audit Authority, Thimphu.
2. Hon'ble Secretary, Cabinet Secretariat, Tashichho Dzong, Thimphu

Distribution to:

All Ministries/Agencies/Autonomous Bodies/Dzongkhags

REVISED SCHEDULE OF DELEGATION OF POWERS

Sl. No	Types of Power	Nature of Power	Head of Ministry/ Chief Justice of Bhutan	Head of Secretariat / Constitutional bodies/ Autonomous Agency	Head of Department	Drangpon	DT	Dzongdag	GT	Gup	Remarks
PERSONNEL & OTHER											
1 PERSONNEL EMOLUMENTS											
	a. Payment of emoluments	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
	b. Payment of emoluments before the last working day of the month	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
	c. Sanction of cash handling allowance	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
	d. Encashment of leave	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
	e. Sanction of arrears emoluments	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
	f. Payment of salary advance	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
2	SANCTION OF HONORARIUM	E.O	Upto ceiling prescribed for discretionary grants	Nil	Nil	Nil	N/A	Upto ceiling prescribed for discretionary grants	N/A	Nil	MoF
3 MEDICAL BENEFITS											
	Travel & medical expenses										
	i. Within Bhutan	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	Nil	
	ii. Within India	E.O	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	As per clearance of the Medical Referral Committee
4 TRAVEL											
	a. Official Tours										
	i. Within Bhutan & India	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
	ii. Other countries	E.O	F.P	F.P	Nil	Nil	N/A	Nil	N/A	Nil	
	b. Seminars/Conferences										
	i. Within Bhutan & India	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
	ii. Other countries	E.O	F.P	F.P	Nil	Nil	N/A	Nil	N/A	Nil	
	c. Leave travel concession	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
	d. Transfer benefits (TG/Transport)	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
	e. Travel by ineligible modes	E.O	F.P	F.P	Nil	Nil	N/A	Nil	N/A	Nil	
5	UTILITIES	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	

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6	RENTAL OF PROPERTIES										
	a. Hiring of buildings	E.O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	Nil	
	b. Hiring machinery/equipment	O	F.P	F.P	F.P	Nil	N/A	F.P	F.P	Nil	
7	SUPPLIES & MATERIALS	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
8	MAINTENANCE OF PROPERTY										
	Insurance & Repairs	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
9	MAINTENANCE OF VEHICLES										
	a. POL for vehicles	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	N/A	
	b. Repair of vehicles										
	i. Within Bhutan	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	N/A	
	ii. Outside Bhutan	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	N/A	
	c. Purchase of spare parts	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	N/A	
10	OPERATING EXPENSES	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
11	HOSPITALITY & ENTERTAINMENT										
	Entertainment of official guest including gifts	E.O	F.P*	Upto Nu. 0.200m per year **	Upto Nu.0.100m per year **	Upto Nu. 0.030m per year **	N/A	Upto Nu. 0.100m per year **	N/A	Nil	1)* to be drawn from the central pool of MoF, 2)** With no supplementary budget
12	WRITE-OFF										
	a Write off of losses										
	i. Due to theft/natural calamity	E.O	Upto Nu. 100,000	Upto Nu. 50,000	Upto Nu. 20,000	Upto Nu. 20,000	Upto Nu. 50,000	Upto Nu. 20,000	Nil	Nil	Per incidence
	ii. In transit, handling and storage	E.O	Upto Nu. 100,000	Upto Nu. 50,000	Upto Nu. 20,000	Upto Nu. 20,000	Nil	Upto Nu. 20,000	Nil	Nil	Per incidence
	b. Unserviceable and obsolete stores	E.O	F.P	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
	c. Irrecoverable advances	E.O	F.P	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Per occasion

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13	RETIREMENT BENEFITS										
	a. Sanction of post service benefits	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
	b. Recovery of dues from retirements	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
14	PURCHASES										
	a(i). Land & buildings within Bhutan-Rural area	E.O	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	With the prior approval of Lhengye Zhungtshog, processed through National Land Commission
	a(ii). Land & buildings within Bhutan-Urban area	E.O	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	With the prior approval of Lhengye Zhungtshog, processed through Department of Urban Dev. & Engineering Services
	b. Tools/plants/equipment	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
	c. Vehicles	O	F.P	F.P	F.P	F.P	N/A	F.P	Nil	Nil	Based on clearance of MoF
	d. Furniture/office equipment	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
15	LEASES										
	a. Private land	E.O	F.P	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
	b. Government land and property	E.O	F.P	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
16	ADVANCES/LOANS										
	a. Advances for approved purposes	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
17	CONSTRUCTIONS										
	a. Administrative approval & Financial sanction	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	Technical sanctions shall be issued by a competent technical authority.
	b. Award of work	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
18	HIRING OF VEHICLE	O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	
19	TIME BARRED CLAIMS/ADJUSTMENTS	O	F.P	2 year	1 year	1 year	N/A	1 year	N/A	1 year	
20	REAPPRORIATION										

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	a. From one object code to another existing budgeted object code under same activity	E.O	F.P	F.P	F.P	F.P	N/A	F.P	N/A	F.P	Permitted from current to capital expenditure and not vice versa.
	b. From one activity to another existing activity in the same programme/subprogramme	E.O	F.P	F.P	F.P	F.P	N/A	F.P	F.P	Upto Nu. 0.100m	Permitted from current to capital expenditure and not vice versa.
	c. From one sub-programme to another existing sub-programme in the same programme	E.O	F.P	F.P	F.P	N/A	N/A	F.P	F.P	Upto Nu. 0.100m	Permitted from current to capital expenditure and not vice versa.
	d. From one programme to another existing programme	E.O	F.P	Upto Nu. 3.000m	N/A	N/A	F.P	Nil	F.P	Upto Nu. 0.100m	Permitted from current to capital expenditure and not vice versa.
	e. From one Sub-AU to another Sub-AU in the same Dzongkhag	E.O	N/A	N/A	N/A	N/A	F.P	Nil	Nil	Nil	Based on the concurrence of other Gewog
21 TECHNICAL ADJUSTMENTS											
	a. Incorporation of unbudgeted Activity/code	E.O	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	MoF
	b. Incorporation of external projects	E.O	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	MoF
	c. Transfer from reserves	E.O	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	MoF
Abbreviations: O: Ordinary, i.e. which can be further delegated, E.O: Extra Ordinary, i.e. which can not be further delegated, N/A: Not Applicable, F.P: Full Power Note : 1. Powers beyond the specified level will be referred to the Ministry of Finance 2. Royal University of Bhutan will continue to exercise the power delegated separately 3. Chief of Police will exercise the power delegated to that of head of the Autonomous Agency. 4. All the powers delegated above are to be exercised within their budget allocation. 5. Only heads of Autonomous agencies at EX-1 level shall receive hospitality and entertainment budget of Nu. 0.200 million annually											