

Delegation of Powers-

Purchase is one of the vital functions of the Controller of Stores as it affects the Capital and Cash flow of Railways it should be ensured that there should be no blockage of capital for which a definite rate of dividend is payable to General Revenues. In order to reduce the Capital-at -Charge thus saving ultimately the payment of dividend and also to ensure efficient quick and smooth working of Railways, the Railway board ,have delegated certain powers to the General Manager in the matter of purchases, sales etc. of stores. Subject to safeguard railways interest, the General Manager may re-delegate these powers (within specified limits) to COS/CMM and other officers subordinate to them. In consultation with the FA & CAO, excepting those where a level of delegation have been fixed by Railway board.

While exercising these powers the finance branch of the FA & CAO office shall be consulted and the vetting shall be obtained before commitments or incurring any expenditure. The need of such delegations is, to make every stores officer responsible for the job interested and the responsibility fixed for the limits of spending, to avoid wastage, unnecessary blocking of capital and smooth cash flow as per device of Exchequer control.

Standards /Canons of Financial Propriety :-

In regards to powers delegated to the controllers of the stores, he should pay strict regard to the standards /canons of financial propriety among which are the following-

1. The expenditure should not prima facie be more than the occasion demands, and that every government servant should exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of the expenditure of his own money.
2. No authority should exercise its powers of sanctioning expenditures to pass an order which will be directly or indirectly to its own advantages
3. Public money should not be utilized for the benefit of a particular person or section of the community, unless-
 - a) the amount of expenditure involved is insignificant, or
 - b) a claim for the amount could be enforced in court of law, or
 - c) the expenditure is in pursuance of a recognized policy or custom.
4. The amount of allowances, such as travelling allowances, granted to meet expenditures of a particular type, should be regulated that the allowances are not on the whole sources of profit to the recipients.

Note:

All proposals involving financial implications except those which have been specifically exempted for this purpose should be referred to finance branch for advice before these are sanctioned.