



Annexure I: Template for Request to Exceed Prescribed Expenditure Threshold

To:

The Chairperson

Dzongkhag Finance Committee (DFC)

..... Dzongkhag

Through:

The Dzongkhag Administration

Subject: Request for Approval to Exceed the Prescribed Expenditure Threshold under Section 5 (b) of the Annual Grant Guidelines (AGG), 2026

1. Background

In accordance with Section 5 (b) of the Annual Grant Guidelines (AGG), 2026, Gewogs shall adhere to the prescribed expenditure ceilings. In exceptional and unavoidable circumstances, the Dzongkhag Finance Committee (DFC) may approve requests to exceed the prescribed thresholds on a case-by-case basis.

Accordingly, Gewog seeks approval to exceed the prescribed expenditure threshold for the activity described below.

2. Details of the Proposed Expenditure

Financial Year:

Budget Head (OBC):

Detailed Activity name:

Prescribed Ceiling: Nu.

Proposed Expenditure: Nu.

Amount Exceeding Ceiling: Nu.

Percentage Above Ceiling: _____%

3. Justification

(Provide detailed justification explaining why the expenditure is exceptional, unavoidable, cannot be accommodated within the prescribed ceiling, cannot be deferred, and how it serves the public interest.)

4. Grounds for Seeking Exception

- ☐ Monsoon restoration
- ☐ Urgent public service requirement



- ☐ Essential health infrastructure/equipment
- ☐ Essential education infrastructure/equipment
- ☐ Replacement of critical ICT equipment
- ☐ Public safety requirement
- ☐ Other (specify):

5. Assessment of Alternatives

(Describe alternatives considered and reasons they were not feasible.)

6. Compliance Statement

The Gewog Administration certifies that the request is exceptional and unavoidable; alternatives have been considered; the expenditure represents value for money; procurement rules will be followed; all other AGG provisions remain applicable; and supporting documents are attached.

8. Supporting Documents

- ☐ Cost Estimate
- ☐ Technical Assessment
- ☐ Engineer's Estimate
- ☐ Site Photographs
- ☐ Gewog Tshogde Resolution
- ☐ Other Supporting Documents

9. Approval Request

The Gewog Administration accordingly request and seeks the Dzongkhag Finance Committee's review and approval.

Submitted by:

Gup

Signature: _____

Dated:



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Assessment Criteria:

- ☐ Exceptional circumstance established
- ☐ Public interest demonstrated
- ☐ Adequate justification
- ☐ Budget availability confirmed
- ☐ Value for money
- ☐ Supporting documents complete

Decision: ☐ Approved ☐ Approved with Conditions ☐ Not Approved

Conditions/Remarks:

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DFC Meeting No.: Date:.....

Chairperson, Dzongkhag Finance Committee

Signature

Date:



Annexure II: Template for Request for Approval to Undertake Activities Listed under Section 5: Prohibited Expenditure of the Annual Grant Guidelines (AGG), 2026

To:

Head

Department of Planning, Budget and Performance (DPBP)

Ministry of Finance

Through:

The Dzongkhag Administration for Gewogs

Subject: Request for Prior Approval to Undertake an Activity Listed under Section 5 (Prohibited Expenditure) of the Annual Grant Guidelines (AGG), 2026

1. Background

Section 5 of the Annual Grant Guidelines (AGG), 2026 specifies activities that are not eligible for financing from Annual Grants. However, the Guidelines provide that the Ministry of Finance may, in exceptional and duly justified circumstances, grant prior approval where the proposed expenditure is necessary to safeguard public interest, maintain continuity of essential public services, or address other compelling circumstances.

Accordingly, Punakha Dzongkhag hereby submits this request for prior approval to undertake the activity described below.

2. Details of the Proposed Activity

Particulars	Details
Dzongkhag/Thromde	
Gewog	
Financial Year	
Activity Proposed	
Estimated Cost (Nu.)	
Funding Source	
Relevant Prohibited Item under Section 5	

3. Description of the Proposed Activity



Provide a brief description of:

- the activity proposed;
- the problem statement;
- purpose of the activity;
- the beneficiaries;
- expected outputs; and
- implementation timeline and workplan.

4. Justification for Seeking Exception

Provide detailed justification addressing the following:

- Why is the activity necessary?
- Why is the activity in the public interest?
- Why is implementation unavoidable?
- What are the consequences if approval is not granted?

5. Alternatives Considered

Describe alternative options considered and explain why they are not feasible.

Alternative	Reason Not Feasible

6. Cost Estimates

Detail the cost estimates on a quarterly basis, aligned with the planned activities and implementation schedule

Sl. No	Activity	Total Estimated Cost (Nu. in million)	FY1 Q1	FY1 Q2	FY1 Q3	FY1 Q4	FY2 Q1	FY2 Q2	FY2 Q3	FY2 Q4

7. Compliance Statement

The Dzongkhag/Thromde Administration certifies that:

- the proposed activity represents an exceptional circumstance requiring prior approval;
- all reasonable alternatives have been explored;
- detailed feasibility study has been completed;
- the proposed expenditure is in the public interest and represents value for money;
- procurement shall comply with all applicable Government procurement rules;
- implementation shall comply with all other provisions of the Annual Grant Guidelines; and



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vii. the information provided is true and complete.

8. Supporting Documents

Attach the following, where applicable.

- ☐ Technical justification (Drawing and Design)
- ☐ clearances (Land, environment, etc.)
- ☐ Engineering Cost estimate
- ☐ Post Completion recurring cost
- ☐ Dzongkhag/Thromde Finance Committee recommendation
- ☐ Gewog Tshogde Resolution (where applicable)
- ☐ Policy/Technical clearance from relevant central agency (where applicable)
- ☐ Any other supporting document

9. Recommendation of the Dzongkhag/Thromde Administration

The Dzongkhag/Thromde Finance Committee recommends that the Department of Planning, Budget and Performance approve the proposed activity under the exceptional circumstances explained above.

Submitted by:

Name:

Designation:

Signature:

Date:



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Assessment Checklist

Assessment Criteria	Yes	No	Remarks
Activity falls under Section 5	☐	☐	
Exceptional circumstance established	☐	☐	
Public interest demonstrated	☐	☐	
Adequate justification provided	☐	☐	
Value for money demonstrated	☐	☐	
Supporting documents complete	☐	☐	

Recommendation

- ☐ Recommended for Approval
- ☐ Recommended with Conditions
- ☐ Not Recommended

Remarks:

Prepared by:

Name:

Designation:

Signature

Date:



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