



कार्यालय, रक्षा लेखा महानियंत्रक

OFFICE OF CONTROLLER GENERAL OF DEFENCE ACCOUNTS

उलान बटार मार्ग, दिल्ली छावनी, पालम- 110010

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TO

The PCDA/CDA/P C of A (Fys)

(through CGDA website)

Subject : Monitoring of Budgeted expenditure in respect of DAD Works/  
Services- BE 2016-17.

During previous years, PCsDA/CsDA have been requested by this Headquarters for monitoring the expenditure against funds released during a financial year relating to DAD Works/Services. PCDA/CDA are aware that as per the norms/guidelines issued by Ministry of Finance that 50% of allotted fund should be utilized up to September and 70% by December. The expenditure should not exceed 33% in the last quarter. It has, however, been observed from the Printed Compilation for the month 6/2016, that the progressive expenditure against each sanctioned work/services including maintenance of office and residential accommodation is very low against the fund released to each work/services. The trend of expenditure during the first quarter (ie) upto June 2016 in respect of DAD works/Services is only 33% under Capital Heads and 14% under Maintenance Heads.

2. If is often emphasized to project the requirement of funds in Revised Estimates/Budget estimates based on realistic assessment made on ground taking into consideration the progress of construction, stores already procured/proposed to be procured and detailed discussion with the engineering authorities. But it observed that even in the works sanctioned under the delegated powers of CGDA/PCDA/CDA were not completed well in time as specified in the sanction leading to surrender of funds. The trend of uneven expenditure and bunching/ postponing of expenditure till the last quarter may not get the desired result in the maintenance of buildings. The unrealistic projection and surrender/savings at a later stage is a cause of concern as it invites adverse comments from Ministry of Defence (Fin).

3. During 2015-16, at RE stage, there was 22% cut on the BE allotment, compelling us to reduce the allotment in RE especially under MH 4216 Capital outlay on Housing. Therefore, while releasing the BE 2016-17, it was requested to clear the last year liabilities as per funds released in BE 16-17 and to ensure booking by June 2016 to enable us to demand additional funds. However, it is constraint to notice that only 40% of funds have been utilized till 6/2016 under MH 4216 Capital Outlay on Housing.

4. It is reiterated that even pace of expenditure is the basis for allocation of funds under Revised Estimates of current year and Budget Estimate of next years. The unrealistic budget assessment and surrender at the fag end of financial year may have impact on allocation of funds under Capital and Maintenance Heads.

5. It is therefore once again requested to adhere to the norms fixed for utilization of funds by keeping close liaison with engineering authorities to accelerate the pace of expenditure vis-a-vis physical progress. While monitoring the booking of expenditure, the guidelines issued vide HQrs letter No.AN/XVIII/18008/Circular dated 27.8.2015 may be kept in view. It may also be ensured that the financial progress matches the physical progress of work to avoid accumulation of liabilities.

(Mustaq Ahmad)

Dy Controller General of Defence Accounts (Admin)

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