

Transparency and Accountability

Carved out to handle payment, audit and accounting in respect of most of the central procurements made by the Ministry of Defence and the three Service Headquarters, the office of the Principal Controller of Defence Accounts (PCDA) stands for transparency and accountability. The Controller General of Defence Accounts **Mr Arvind Kaushal** talks about challenges of the service delivery and initiatives to further boost the confidence of customers in an interview with **Hasibur Rahman**, Editor-in-Chief, Sainik Samachar. Excerpts:

Please give us an introduction of the Defence Accounts Department?

The Defence Accounts Department is one of the oldest departments under the Government of India, which was created pre-independence. We are one of the organizations with a large and diversified clientele like Army, Navy, Air Force, Ordnance Factories, DRDO, Border Roads, Coast Guards, Military Engineering Services, Canteen Stores Department (CSD), Defence Civilians and Defence Pensioners. The three important functions of the department are Audit, Accounting and Financial Advice.

After the introduction of the Integrated Financial Advice System in 1983, the department has been rendering financial advice to the Services at HQrs., Command and units/formations. During the year 2013-14, we concurred proposals amounting to Rs.13,000 crores approximately.

The Department is spread across the country with a network of 1100+ offices at 250 stations. The total budget which is handled by us is around Rs.2,98,00,000 crores (Rupees Two Lakh Ninety Eight Thousand crores).

It would be interesting to know that the Defence Pension Budget is more than 50% of the total Central Government budget on pension. The Department sanctions pension to approximately 70,000 (Seventy thousand) pensioners every year.

What are your priorities as the Controller General of Defence Accounts?

My top most priorities are to enhance customer satisfaction in all the functions that we perform and to improve speed and efficiency in all our work areas.

My effort is to improve the



pension grievance redressal system through IT interventions like Call center; to strengthen the internal audit mechanisms; increase transparency and efficiency in the functioning of Pay and Accounts Offices, which are mainly dealing with the Pay and Allowances of JCOs and ORs of the Indian Army.

The Defence Pension Adalats have proved to be popular mechanism in redressing the grievances of the pensioners. We have held 126 Pension Adalats across the country till date. We would try to reach the remotest areas where we have never gone before and maximize our interface with the pensioners.

With greater delegation of financial powers in the field, our IFAs would need to be better equipped. The Defence Financial Management Courses serve as platforms where exchange of ideas takes place between the executives and we as service providers. We would like to increase the frequencies of such interactions. We would like to increase the frequencies of such interactions. We would like to know better the expectations that the Defence Forces have from us, so that we may improve our services and live up to their expectations.

What is One Rank One Pension? Has the Government accepted this principle for Defence Forces? What are the reasons for delay and when the scheme is likely to be implemented?

One Rank One Pension means uniform pension to be paid to the personnel retiring in the same rank with the same length of service irrespective of their date of retirement and any future enhancements in the rates of pension to be automatically



passed on to the past pensioners. This implies bridging the gap between the rate of pension of the current pensioners and the past pensioners. As per announcement made by Finance Minister in his Interim budget speech 2014-15, the Government has accepted the principle of One Rank One Pension for the Defence Forces. The Government is finalizing the methodology for implementation of the scheme in consultation with all the stake holders.

The IFA system was introduced quite some time back what has this system achieved and what future do you see for it with reference to the all-round thrust on e-governance?

After progressive introduction of the IFA system the IFA coverage is being provided to the last CFA in the hierarchy and even in far off places through a network of IFAs. The IFAs are not a separate or alien entity nor are they another layer in the decision making process. The IFA system is an integral part of the entire decision making process that, inter alia, ensures check and balances required in the overall process. In fact, IFAs have empowered the CFAs to take informed and expeditious

decisions. Through their efficient and faster processing, IFAs concurred financial proposals amounting to Rs.14,880/- crore and achieved savings to the tune of Rs.204/- crore to the exchequer during the financial year 2013-14. The system has also benefited the Services through speedier decision-making at the formation level, thus ensuring enhanced defence preparedness. IFAs not only give coverage to the three Defence Services, they are also an integral part of the DRDO, DGBR and Coast Guard.

Though the system has grown manifold in the last two decades, still the Delegation of Financial Powers are out pacing it and there is an increasing demand for dedicated IFAs. To meet this demand and to ensure optimal utilization of our limited manpower, we have introduced a system of e-concurrence. The system entails movement of proposals for Acceptance of Necessity (AON) along with connected documents on-line on the Air Force Network from the AF unit/formation to IFA and from IFA to the CFA. The system has successfully been pilot tested in Air Force offices. We intend to extend it to other Services depending on the availability of the required automated system there. To consider measures to tackle corruption and improve transparency, wider participation and best realisation of value for money in Defence procurements, IFAs have been directed to work with the executives to implement e-procurement within their jurisdiction. This, in future, will ensure that financial and expenditure angle concurrence and sanction could also be processed on-line, resulting in an almost paperless provisioning and procurement system.



How do you think IT has brought about change in the way your department is rendering service to the Defence Forces?

IT is a great tool in delivery of service to Defence Forces. It brings efficiency and transparency in the functioning of the department. IT has ensured better and real time monitoring of each and every activity being undertaken. IT has enabled us to process claims and make payments in a faster mode leading to better customer satisfaction.

These days there is a big thrust on e-governance. What are the major areas where IT is playing a big role in your department?

The major role of this department is Payment, Accounting, Internal Audit and Financial Advice. In all these areas, we are using IT enabled platforms. Payment of pay & allowances and supplier bills, real time booking and monitoring of expenditure are areas where lot has been done. Online Audit and

e-Concurrence is at nascent stage but these areas will also be brought under IT Initiatives.

Can you elaborate more on two or three of the major e-initiatives your department has undertaken to improve the service delivery?

I would like to mention three projects:-

(i) Dolphin: It is a system developed for the PAOs to improve their functioning related to the ORs. The highlight of this system is payment of pay & allowances to ORs on a monthly basis. Entitlements pertaining to various causalities arising in course of their service is adjusted in their IRLAs and payment to that effect is given to them on a monthly basis.

(ii) E-ticketing: A Defence Travel Portal has been developed for online booking of Railway tickets replacing the warrant system. This has resulted in saving of man hours at all levels viz. my department, Defence Forces

and Railways. Also unnecessary paper work has been reduced. Efforts are being made to enable booking of air tickets also.

(iii) Compilation: A system has been developed for booking of expenditure on daily basis. The status of expenditure is made available to all concerned viz. Ministry, Service HQrs on daily basis, which earlier was available with a lag of one month.

The department has taken huge strides in developing most of the critical processes in-house. These have simplified the work processes and brought transparency into the system. The real time compilation of the Defence expenditure at the All India level is a pointer to the Department's in-house capabilities and capacity in providing result oriented MIS to higher management. We also take pride in 100% implementation of e-payments.

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