

रक्षा लेखा महानियंत्रक

उलन बटार मार्ग, पालम, दिल्ली छावनी-110010

(आई.एफ.ए. विंग)

ई-मेल आई.डी.- cgdaifa@gmail.com, टेली - 011-25665569-572, फ़ैक्स/ FAX - 011-25674779

संख्या आई.एफ.ए./ 65

दिनांक :- 30.05.2017

सेवा में

All PIFAs/IFAs Office's
(Through CGDA Web Site)

विषय - वित्तीय सलाह मामले।

Sub - Financial Advice Cases

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वित्तीय सलाह संबंधी परिपत्र सं.-01 – वर्ष 2017-18 का दिनांक 30.05.2017 सूचना एवं मार्गदर्शन हेतु प्रेषित किया जाता

Financial Advice Circular No.-01 of 2017-18 dated 30.05.2017 is forwarded herewith for information and guidance please.

This issues with the approval of Addl.CGDA



व.ले.अ. (आई.एफ.ए. विंग)

प्रतिलिपि

1. संयुक्त सचिव एवं अपर वित्तीय सलाहकार(एस.),रक्षा मंत्रालय(वित्त), नई दिल्ली
2. संयुक्त सचिव एवं अपर वित्तीय सलाहकार(वी.पी.),रक्षा मंत्रालय(वित्त), नई दिल्ली
3. रक्षा लेखा संयुक्त महानियंत्रक (ले.प.-I)
4. रक्षा लेखा संयुक्त महानियंत्रक (ले.प.-II)
5. रक्षा लेखा संयुक्त महानियंत्रक (प्रशिक्षण)
6. रक्षा लेखा संयुक्त महानियंत्रक (ले.प. समन्वय)
7. रक्षा लेखा व. उप महानियंत्रक (ईडीपी)-कृपया परिपत्र IFA Home Page वेबसाइट पर डलवाने का कष्ट करें।

व.ले.अ. (आई.एफ.ए. विंग)

Financial Advice Circular No. 01 of 2017-18

 <p>सत्यमेव जयते</p>	<p>Controller General of Defence Accounts Ulan Batar Road, Palam, Delhi Cantt - 110010 Ph No. 011 - 25665571, 25665572 , FAX No. 011- 25674779. (IFA WING) E-Mail : cgdanewdelhi@nic.in & cgdaifa@gmail.com</p>	 <p>DEFENCE DEPARTMENT</p>
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Dated: 30.05.2017

Subject:- Financial Advice Case.

The financial advice case as submitted by IFA (BR), Delhi Cantt (01 case study), Pr.IFA (Army-O), New Delhi (02 case study) are circulated herewith for information and guidance.

Case Study 1 : Savings on account of conducting of basic IT courses at GREF Centre, Pune as against outsourcing through C-DAC.

Amount Proposed : Rs. 14,34,113/-

Amount Concurred: Rs. 9,33,800/-

Savings: Rs. 5,00,313/- (in addition to created assets)

2. **Detail of the case:** IFA received the earlier, HQ DGBR (EDP Section) vide file no. 24732/GC-TRG/DGBR/2016-17/EDP submitted a proposal for concurrence of draft Memorandum of Understanding with C-DAC, Noida, for providing training in the field of Information Technology to selected candidates of Boarder Roads Organisaation. The total expenditure in this regard was projected as Rs. 14,34,113/- including 14.5% service tax. The details of course fee was as under:-

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Name of course	No. of Vacancy	Cost per vacancy	Course Fee (Rs)	Tax (14.5%) Rs	Total(Rs)
Auto CAD	10	30,000/-	3,00,000/-	43,500/-	3,43,500/-
System and Network Security	10	30,000/-	3,00,000/-	43,500/-	3,43,500/-
Hardware & Networking	10	45,000/-	4,50,000/-	65,250/-	5,15,250/-
Basic EDP	15	13,500/-	2,02,500/-	29,363/-	2,31,863/-
Total			Rs. 12,52,500/-	Rs. 1,81,613/-	Rs. 14,34,113/-

3. Cost - Benefit analysis:-

A cost benefit analysis was carried out by the office of IFA (BR) and the following suggestions were made:

- i) It would be beneficial to have the training conducted in-house, particularly since the training was very basic. A saving of about 2 to 3 lakh could be made by organizing training in house while taking the faculty/equipment on hire.
 - ii) The estimates of saving were rough only and could increase if we included TA/DA and other contingent expenditure.
 - iii) These courses should be included as part of the "Induction Training Program" for future.
 - iv) The pros & cons of conducting such courses in establishment like GRDF Centre, Pune should be explored to minimize set up cost.
4. HQ DGBR (EG1 section), submitted fresh cases, stating that conducting EDP courses at GREF centre has been analysed and found that conduct of courses at GREF centre would result in considerable savings to the Govt. exchequer and thus it was proposed that IT equipment required for initial establishment would be

procured by GREF centre after budget is allotted to GREF centre for procurement of IT equipment & hiring of faculty to conduct course.

5. The details of the proposed expenditure were as following:-

(a) Procurement of IT equipment, furniture and software.

S/no	Items	Qty Required	Approx Cost (Rs)
(i)	LCD Projector	01	35,000
(ii)	Computer with all accessories	15	5,25,000
(iii)	UPS	15	45,000
(iv)	Software(Licensed Version) (Auto CAD)	01	25,000
(v)	Computer Table & Chair	15	1,20,000
(vi)	Printer	01	11,000
Total			7,61,000

(b) Hiring of faculty for conducting IT courses.

S/no	Items	Hrs Required	Approx. Cost (in Rs)	Remarks
(i)	Hired faculties for advance EDP (02 Course/year) (04 hrs/day)	96 hrs/course	48,000.00 (2x24000)	@ Rs. 250/hrs
(ii)	Hired faculties for Hardware/Networking course/year) (04 hrs/day)	192 hrs/course	48,000.00	@ Rs. 250/hrs
(iii)	Hired faculties for Auto CAD courses (02 Course/year) (04 hrs/day)	96 hrs/course	76,800.00 (2x38400)	@ Rs. 400/hrs
Total			1,72,800/-	

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6. The proposal for conducting IT Courses at GREF Centre at total estimated cost of Rs. 9,33,800 (Rupees Nine lakh thirty three thousand eight hundred only) including all taxes, (Cost of Procurement of IT equipment, furniture and software = Rs. 7,61,000/- & Cost of Hiring of faculty for conducting IT courses = Rs. 1,72,800/- was concurred in.

7. **Saving on account of advice of IFA (BR):**

The proposal was amended on the basis of the advice given as above by IFA (BR) and accordingly, the proposal was redrawn and concurred for Rs. 9,33,800/- against initial amounting Rs. 14,34,113/-. Total saving thus effected in this case was Rs. 5,00,313/- in addition to creation of assets, which could be used in future courses also, as result of the advice.

Case Study 2: Procurement of item Cat Part No. Z3/5960-001281, "Valve Electronic KA Band Magnetron"

Details of the Case: IFA received a proposal for procurement of 29 (Cat Part NO. Z3/5960-001281), "Valve Electronic KA Band Magnetron" @ Rs. 12,50,000.00 (excl taxes) each at a total cost of Rs. 4,66,94,531.00 (Incl ED @ 12.5% & VAT @ 14.5%) Ex-M/s BEL Bangalore against APR carried out as on 25.06.2016 was received their.

Observation raised on the proposal: IFA carefully scrutinized and observed that AON concurrence for Qty 41 Nos of ibid item against APR 2015-16 was accorded by their office vide Note-3 dated 13.05.2016 (OS Dte file No. A/15730/FS/150083/OS-17B), whereas the same has not been taken in assets as dues-in.

Further, it seems that the proposal has been submitted to their office without linking with the last APR/procurement proposal. In view it is requested that the proposal may be linked with the last APR/procurement proposal to avoid over provisioning.

Action taken by the Dte on the above observation: The requirement of subject item was then recalculated by OS-17B Dte and net deficiency reduced from 29 Nos to Qty 18 Nos.

Savings Achieved: As a result of above mentioned observations, proposed quantity reduced to 18 from qty 29 and qty vetting done @ Rs. 12,50,000.00 (excl taxes) (on LPP of Dec 2014) each resulting in total cost of Rs. 2,89,82,813/-. Thus savings amounting to Rs. 1,77,11,718/- was achieved in this proposal at AON stage.

In view of above, careful examination of provisioning documents at Qty vetting stage has avoided infructuous expenditure of Rs. 1.77 Crs.

Case Study 3: Procurement of item Cat Part No. Z9/6140-00047, "Bty Secy Lead Acid Port 12V, 75 Ah No. 2"

Details of the Case: A proposal for procurement of quantity 41882 Nos {i.e qty 27279 against APR 2012-13, qty 8563 against APR 2015-16 & qty 6040 against APR 2015-16 & qty 6040 against APR 2015-16 (Spl provision review)} of item Cat Part No. Z9/6140-00047, "Bty Secy Lead Acid Port 12V, 75 Ah No. 2" @ Rs. 5,050.00 (excl taxes) each at a total cost of Rs. 26,71,15,931.00 (Incl all taxes) Ex-Trade (OTE) has been received their.

Observation raised on the proposal: The Dte proposed total qty 41882{i.e qty 27279 against APR 2012-13, qty 8563 against APR 2015-16 & qty 6040 against APR

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2015-16 (Spl provision review)}. However, it is observed that during working out deficiency against APR 2015-16 (Spl provision review) qty 27279 & 8563 has not taken in assets as dues-in.

As per Para 6(c) of DGOS TI 040, special review are carried out whenever additional liabilities are intimated after normal periodic review has been completed liabilities are intimated after normal periodic review has been completed or due to any other special commitments or circumstances. However in the instant case special review has been carried out after considering the maintenance liability (MP+I) for which annual review has already been carried out against APR 18.06.2015.

Further, as the next APR is already fell due for year 2016-17, therefore, in view of the above, it is advisable to carry out fresh annual review to work out authenticated and realistic net deficiency to avoid over provisioning.

Action taken by the Dte on the above observation: The requirement of subject item was then recalculated by OS-17B Dte based on APR 2016-17 and net deficiency worked to Qty 31381 Nos.

Savings achieved: As a result of above mentioned observations, proposed quantity reduced to 31381 from qty 41882 and qty vetting done @ Rs. 5,050.00 (exc taxes) (on LPP of Jun 2015) each resulting in total cost of Rs. 20,41,34,386/-. Thus savings amounting to Rs. 6,29,81,545/- was achieved in this proposal at AON stage.

In view of above, careful examination of provisioning documents at Qty vetting stage has avoided infructuous expenditure of Rs. 6.29 Crs.