
IFA SARANSH

A Quarterly Newsletter of Integrated Financial Advisors in Defence

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Foreword


It is a pleasure to learn that the seventh volume of quarterly E-Newsletter IFA SARANSH is ready for publication.

I find the contents of the newsletter are very informative and its presentation is also interesting as a result it has been able to catch the attention of not only DAD officers but also service officers in a very short time.

IFA SARANSH provides a platform to IFAs in Defence to share their experiences and information about developments taking place in their organisations. I am confident that this Newsletter will reach new heights with your active participation in the coming year.

On the occasion of New Year, I wish all members of DAD fraternity a **Very Happy and Prosperous New Year.**

New Delhi
Dated : 01-01-2013


(Vandana Srivastava)
Additional Controller General of Defence Accounts

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Ensure Public Money is Utilised with Propriety for the Intended Purpose : **A K Antony , Raksha Mantri**

The 265th Annual Day of Defence Accounts Department was celebrated on 01st October, 2012 at CENTRAD, Delhi Cantt.



Speaking on the occasion, Hon'ble Raksha Mantri said that "in a democracy like ours, we owe an explanation to the people that the public money is utilized with propriety for the intended purpose. The task of utilizing the funds allotted optimally and with all the honesty, transparency and fairness has to be a collective endeavour. However, effective resource management requires speedier decision making by authorities vested with financial powers. At the same time, speedier decision making must not lead to bypassing of laid down rules and procedures. The principles and procedures governing such powers are strictly adhered to, particularly in a democracy like ours, where an elaborate system of checks and balances exists. We are all responsible to the Parliament and in turn, to the citizen of this country to ensure that public money is utilised with propriety for the intended purpose," he added."

Sh. Antony said, to ensure faster decision making, enhanced powers have been delegated to the Services Headquarters, as well as to the field formations, along with provision of Integrated Financial Advisers at various levels. "We have also introduced

a collegiate system of decision making as against the earlier system of considering a decision on expenditure by circulating files to various stakeholders involved in making procurement and spending decisions in the MoD, Service Headquarters and in the lower formations," he said. The successful formation of the system demands a positive role from the finance member in getting the best value for money. During this process, competent financial authorities and other budget-holders need to be supported with a Management Information System on budgetary and expenditure monitoring in real time.

The Defence Minister also launched two IT projects developed in-house by the Department, namely 'Pension Sanction Project' and 'Project SUGAM'. On this occasion Raksha Mantri awards for excellence were also presented by Mr Antony to selected employees for their outstanding contribution during 2011-12.



Raksha Mantri Award Winners with Hon'ble RM

Additional CGDA visits HQ ANC, Port Blair

Sh. Arunava Dutt, Additional CGDA met Rear Adm Sudhir Pillai, NM, COS, HQr ANC on 11th Oct 2012. The issues concerning IFA system in Andman and Nicobar Command were discussed during the meeting.

Sh Dutt also visited RHQs of Coast Guard (ANC) and met IG VSR Murthy, PTM, TM. The RHQ authorities mentioned about the problems being faced by them due to non availability of dedicated IFA for Coast Guard establishments in ANC area.

The Addl. CGDA reviewed the functioning of IFA (ANC) office on 12th Oct 2012.

SHQ to Issue Broad Guidelines regarding Outsourcing

The third meeting of Apex Level Committee on IFA System was held at Delhi Cantt on 29-11-2012. Addressing the participants, Air Marshal M Matheswaran, AVSM, VM, DCIDS (PP&FD), HQrs IDS stressed on the importance of IFA system and urged upon the members to utilize the opportunity to thrash out policy issues at macro level so that things could be carried forward.



Air Marshal M Matheswaran, AVSM, VM, DCIDS (PP&FD) addressing the meeting

The issues concerning implementation of MoD instructions regarding outsourcing of goods and services in Defence Sector were discussed and it was decided that broad guidelines regarding outsourcing could be issued by Service HQrs in consultation with CGDA.

During the meeting rep of DGAFMS mentioned about the difficulties being faced by them in implementation of instructions regarding conclusion of price agreement/rate contract by hospitals/ medical units. It was agreed that DGAFMS will collect data from field and take up the matter with Ministry

for enhancement of delegated financial powers to medical authorities. The rep of DGAFMS also informed that they are examining the issue of outsourcing of Medical Specialists services and will issue guidelines shortly.

Rear Admiral S. Y. Shrikhande, ACIDS(FP), Maj Gen R.V. Kanitkar, AGFP, HQrs IDS, Maj Gen Ranjan Choudhry, VSM, Addl DGAFMS (E&S), Rear Admiral A. K. Chawla, NM, ACNS(P&P), NHQ, AVM H. B. Rajaram, VSM, ACAS (Works), AVM Mathew George, AVSM, VSM, ACAS(Fin P) and AVM J. V. Singh, ACAS(Proc.), Air HQrs were present on the occasion.

Dr Vinay Sahni, PIFA(M), A. N. Saxena, PIFA(AF), Sh N Neihisial, PIFA (NHQ), R. K. Nayak, PIFA(CIDS&SFC), Dr G D Pungle, IFA(SC), Arvind Kadyan, JT. CGDA (IFA), Santosh Kumar, IFA(Q), Smt Nirupma, IFA(WNC), R. K. Singh, IFA (CG) and P. K. Singh, IFA(DGAFMS) also took part in the meeting.



Apex Level Committee Meeting on IFA System in Progress

“There is nothing in your destiny, nothing in your future that you cannot accomplish.”

~ Larry King

IFAs shall play pro-active role in Implementation of Modified Cash Management System: Vice Chief of Army Staff

First Quarterly meeting of senior officers of Army HQrs and PIFA/ IFAs was held on 27th Nov 2012 at South Block, New Delhi to discuss the issues concerning processing of procurement proposals.



Speaking on the occasion VCOAS, Lt. Gen S. K. Singh, UYSM, AVSM, PVSM, ADC, emphasized that resources allocated for Army shall be optimally utilized and value for money shall be achieved. He impressed on PIFAs/ IFAs they shall ensure compliance of Govt instructions, rules and regulations but at the same time operational requirement must be given priority.

Lt Gen S. K. Singh impressed on PIFA/ IFAs that they need to play pro-active role to facilitate faster decision making and optimal utilization of resources. The Joint CGDA (IFA) suggested that PIFA/IFAs could submit monthly report to the CFAs about the progress of procurement proposals processed in consultation with their office. The VCOAS also advised service officers to ensure that all relevant facts and records are submitted along with the procurement proposals to facilitate proper and timely decision.

The DCOAS (P&S), DCOAS (IS&T), MGO, Dr Vinay Sahani, Pr.IFA (M), Sh Santosh Kumar, IFA (Q) were present on the occasion amongst others.

MGO Review the Progress of Expenditure under ACSFP

The annual meeting to review the progress of expenditure under Army Commander Special Financial Powers was held at Army HQrs on 15th Nov 2012. Lt Gen Rajender Singh, PVSM, UYSM, SM, MGO chaired the meeting. All command IFAs (Army) were present on the occasion. The ADG (Proc.), MGGS (SD & WE), HQrs NC and CC, MG EME, HQrs EC, MGGS (OPS), HQrs WC took part in the meeting. The MGO, while mentioning the importance of funds made available under ACSFP, stressed the need for timely utilisation of allotted budget in a judicious and pragmatic manner.

He advised the command authorities to plan the expenditure in such a manner that allotted budget doesn't go underutilised.

He re-iterated that flexibility in the procedures and correct interpretations of rules should be done for the benefit of the organization.

The Chairman also opined that officers dealing with ACSFP should make full use of the services of the IFA at Command HQrs and seek their valuable advice for early finalization of all procurement cases and ensure optimum utilisation of funds.

“Life has taught us that love does not consist in gazing at each other, but in looking outward together in the same direction.”

~ Antoine de Saint-Exupery

Defence Financial Management Course at Leh

A Defence Financial Management Course for Army Officers and PBORs of Northern Command was conducted by Regional Training Centre, Meerut at Leh from 29th Oct 2012 to 2nd Nov 2012.

Brig S. Birdi, CSO, HQrs 14 Corps and Brig R. K. Kushwaha, OS HQrs 14 Corps addressed the participants. The lectures were delivered by the officers chosen from the Services, DAD, Bank, Customs & Excise, Income Tax and C&AG.



Participants of DFMC at Leh

Training & Development Week-2012

The Training & Development week was celebrated by HQrs office at CENTRAD, Brar Square Delhi Cantt from 03rd to 07th December, 2012. Debate, Essay and Quiz Competitions were conducted during the celebrations. Six teams representing offices of PCDA (SC), PCDA New Delhi, CDA (Army) Meerut, CFA (Fys) Ishapore, CFA (Fys) Jabalpur & CDA (PD) Meerut participated in the quiz competition. The team C of A (Fys) Kirkee won the quiz competition.

RTC Meerut organised DFMC at HQrs WAC

A three - day Defence Financial Management Course (DFMC) was organised by RTC, Meerut at the HQrs of Western Air Command for Air Force officers from 10th Sep to 12th Sept. 2012.

Air Vice Marshal B.B.P. Sinha, Senior Officer in - Charge Administration, HQrs WAC delivered the inaugural address. 38 Air Force officers attended the training programme.



Participants of Training Programme at HQrs WAC

Shri Vimalendra Patwardhan, IA&AS, Principal Director of Audit (Defence), Delhi
Shri DCS Negi, IDAS, A.K. Kadyan, IDAS, Dr Jayaraj Naik, IDAS, JCDA, Dr Bharatendu Kumar Singh, IDAS, DCDA (AF), Gp. Capt. Sanjay Seth, VSM, Director, Financial Planning, Air HQrs & delivered the lectures.

*We wish the readers of
IITA SARANSH
a very happy and prosperous
New Year - 2013*

Wishing Happy Birthday to:

P.K.Singh, IFA MAP/DGAFMS	1 st Jan
Biswajit Das, Dy.IFA (EC)	1 st Jan
Narinder Mahajan, Dy.IFA (SWC)	1 st Jan
B.K.Singhal, IFA Dehradun	1 st Jan
E.R. Raghunathan, Dy.IFA (TC)	1 st Jan
Smt Anita Lakhanpal, Dy.IFA (BR)	1 st Jan
V.K.Tiwary, IFA (COD) D/Cantt	2 nd Jan
Vijay Kumar, IDAS, IFA (CC)	2 nd Jan
C.D Shivgotra, DY.IFA (NC)	10 th Jan
A.K. Nayar, Dy IFA (Army/Q)	11 th Jan
Dinesh Singh, IFA (P-75)	13 th Jan
Dr. Gurjot K Sondhe, IFA (BR)	22 nd Jan
Ms Mugdha Kaur Jagg, Dy IFA (SWAC)	24 th Jan
K.V.R Murthy, IFA (R&D)	26 th Jan
Ambarish Burman, Dy.IFA (Air HQrs)	3 rd Feb
N.P Kapoor, Dy.IFA (CIDS/SFC)	5 th Feb
A.C Shekharan, IFA (CAFVD)	16 th Feb
H.S Solanki, Dy.IFA (WNC)	24 th Feb
T.K. Hangzo, IDAS, IFA (EAC)	1 st Mar
N. Neishsial, IDAS, PIFA (N HQrs)	1 st Mar
Nabarun Dhar, DY.IFA (SWAC)	10 th Mar
Arvind Puri, IFA (HQrs 9 Corps)	15 th Mar
R.G.Padre, Dy.IFA (WNC)	15 th Mar
Jacob David, IDAS, IFA (SNC)	17 th Mar

TRANSITION

IDAS Officers joined IFA organization on Promotion / Posting

R.K. Nayak,	PIFA (CIDS& SFC)
S.P.N.Singh,	IFA (SWC)
Dinesh Singh,	IFA (P-75)
Rajiv Ranjan,	IFA (SWAC)
Kamlesh Sareen,	Dy.IFA (ARTRAC)
H.S Solanki,	Dy.IFA (WNC)
Smt Komala Ramdas,	IFA COD (Dehu Road)

IDAS Officers Superannuated

A.K.Tikku	Dy.IFA (Army/M)i
N.C Gupta	IFA HQrs D/Area

DAD Motivation Award – 2012

CGDA Motivation Awards for the year 2012 for IFA work have been awarded to Lalit Paliwal, AAO, Pr.IFA (Air HQrs) & Anantha Sivaguru, AAO, IFA (HQrs SC).

DAD Day Celebrations

Defence Accounts Department Day was celebrated on 1st October 2012 with lot of entertainment and flavour in all the offices of the department. On this occasion IFA (EC) S K Singh organized a get-together in which GOC-in-C (EC) Sh Dalbir Singh and senior officers of Eastern Command were present.



IFA (EC) Presenting a memento to Lt General Dalbir Singh, AVSM, VSM, GOC-IN-C Eastern Command



Party Time : IFA (EC) and Officers of HQrs Eastern Command on the occasion of DAD Day

"Focus on a few key objectives ... I only have three things to do.

I have to choose the right people, allocate the right number of dollars, and transmit ideas from one division to another with the speed of light.

So I'm really in the business of being the gatekeeper and the transmitter of ideas."

— Jack Welch

IMPORTANT CASE STUDIES

AON Concurrence : Procurement of Multimedia Projectors Case

HQrs (TC) proposed for procurement of 78 Nos. Multimedia projectors for various training establishments at a cost of Rs 52.93 lakh through DGS & D Rate Contract. IFA observed that VPUs for classrooms/briefing halls procured previously from ATG were of 3000 lumens. However, in the current proposal the authorities proposed for higher capacity projectors with 4000 lumens. The cost of a projector with 4000 lumens was Rs 29,850.50/- higher than projector with 3000 lumens as per DGS&D RC. The IFA advised that 3000 lumens projectors (which can meet the requirement) may be procured instead of 4000 lumens projectors. The unit agreed for procurement of 78 Nos of Multimedia projectors of 3000 lumens instead of 4000 lumens at a total cost of Rs 29.65 lakh. It resulted in a saving of Rs 23.28 lakh. .

(Contributed by IFA TC)

Provisioning of Air Stores – Material Organization

Material Organization carried out the Annual Review of Demand (ARD) for Major, BDS Major, Minor & BDS Minor spares for Aircrafts for the year 2012-13. The Procurement Quantity (PQ) was determined as per System generated RPQ & Depot RPQ. System RPQ is as per Formulae prescribed by the Govt taking into account various procurement parameters whereas a Depot RPQ is based on assessment of Board.

IFA was requested for vetting of PQ against Depot RPQ which was less than the System RPQ. IFA observed that:

a) PQ were calculated without strictly applying Formulae prescribed by the Govt.

b) Merging of substitutes in System resulted in RPQ/ Depot RPQ being calculated without

taking into account of Substitute stock.

c) Though sufficient stock existed and there were no Dues in, procurement was sought to be done against BER quantity.

Material Organization reviewed the proposal and submitted a revised ARD for 2012-13 with huge reduction of Quantity of Major/ Minor Spares. As a result, a saving to the tune of Rs 3.95 crore was achieved.

(Contributed by IFA SNC)

Tendering on PAC Basis

A proposal for procurement of security/ communication equipments consisting of 04 different items at an estimated cost of Rs 18.02 lakh under schedule XX(i) of FR Part I Vol I was initiated by HQ MC for concurrence of IFA. The list of 09 firms to whom TE was to be floated was also attached with the proposal. IFA accorded the AON concurrence on LTE basis keeping in view the purported security aspects and security threats.

Subsequently, the unit re-submitted the proposal with a request to change the mode of tendering from LTE to PAC to expedite procurement. A duly countersigned PAC for a 'private firm' was also issued by HQ MC.

The proposal to change the mode of tendering from LTE to PAC was not agreed to by the IFA on the ground that the said 'private firm' cannot be the sole provider/ seller for the item. It was advised to include more vendors in the list to widen the competition in order to obtain best value for money. IFA also suggested that appropriate directions may be issued to all concerned that PAC cannot be resorted to for convenience. Finally, LTE was issued for procurement of Communication/ Security Equipments.

(Contributed by IFA HQrs MC)

INTERACTION WITH THE EXECUTIVES



IFA (ICG) R.K.Singh, IDAS with Chief of Naval Staff Admiral D K Joshi, PVSM, AVSM, YSM, NM, VSM, ADC.



IFA (ICG) R.K.Singh, IDAS and Coast Guard officials discussing the progress of Refit of ICG Ship at Vishakhapatnam

Indian chief's signal

An Indian chief is driving his Cadillac somewhere at Nevada. Suddenly his car gets broken. He examines it, and reveals that a technician must be called. But the chief has only \$4, and no credit card (unfortunately). So he gathers some wood, makes a fire and signals his tribe with its smoke: "Hey, send somebody to my location with \$500!" The tribe accepts this signal, but to make sure in its meaning, signals back - once again, with the smoke:

*"OK, chief, but why so much?"
At this moment a ground test of nuclear bomb was being held on the test field nearby. A huge mushroom-like cloud of smoke rises into the sky...
The tribe signals:
"Ok, Ok, chief, we just wondered, why to be so angry?"*

INSTRUCTIONS/ ORDERS

Outsourcing of Goods and Services in Defence Sector

MoD (Fin) vide their ID No 11 (43).Bud.1/2012 dt 20-11-2012 has advised to ensure that there is no hold up in processing of outsourcing cases where separate code heads already exist and outsourcing is being done routinely as in the past.

Other stipulations mentioned in the Govt. letter like reference to CFAs at Service HQrs in the first year are also relevant only for new items of outsourcing as mentioned in Para 8 of Govt letter dated 13-04-2012 which would also require new code heads and not for items which are already being outsourced and have been allotted separate code heads.

Services have also been advised to review the provisions for hiring of labour and booking of expenditure to pay head (Minor Head 104) for civilian employees, as this defies the basic rationale for outsourcing where services are outsourced and not staff/posts.

IFAs have been advised that while processing the proposal for outsourcing it may be ensured that:

(a) Funds for the proposal are available under relevant code head and in no case the expdr on outsourcing is booked to **pay heads**.

(b) In case of proposals for outsourcing of goods and services, which are regular in nature, the authorisation and no. of posts sanctioned for the activity may be kept in view.

(Instruction order No 07 of 2012 dt 26.11.2012)

Record Retention Period - IFA offices

The shadow files (Capital cases & Capital cases following revenue route) are to be retained by IFA office for 10 years whereas shadow files for Revenue cases will be retained for five years. For weeding out of old records the time limit for different types of records have prescribed in the circular mentioned below.

(IFA Circular No 15 of 2012 dt. 16-11-2012)

READERS' COMMENT:

I happened to come across the newsletter "IFA Saransh" during my interaction with IFA posted here and found it quite informative. May I, therefore, request you to incl us in the mailing list of your quarterly publication.

Brig. V.K.Srivastava, Brig. Med, HQrs 15 Corps.