# DAD NEWS MAGAZINE



.... an in-house magazine of the Defence Accounts Department

### DAD DAY SPECIAL 2013

also available at http://cgda.nic.in



Raksha Rajya Mantri Shri Jitendra Singh presenting a souvenir to CGDA Ms. Vandana Srivastava on the occasion of Defence Accounts Department Day, 2013

# 🔀 Clippings from newspapers..... **हरिभूमि** बुधवार, 02 अक्तूबर 2013

# पूर्व सैन्यकर्मियों को पीर्टल पर पेंशन सूचना

नई दिल्ली। नियंत्रक एवं महालेखा परीक्षक शशिकांत शर्मा ने मंगलवार को भूतभूव सैनिकों को पेंशन संबंधी सचनाएं मुहैया कराने के लिए एक वेबसाइट की शुख्आत की। रक्षा मंत्रालय के अनुसार 'रक्षा पेंशनभोगी पोर्टल को रक्षा मेंशन वितरण कार्यालय द्वारा भुगतान कि, जाने वाले पेंशन के बारे में सूचना मुहैया कराने के लिए तैयार किया है।' पोर्टल की शुरूआत 267वें रक्षा विभाग लेखा दिवस मनाने के लिए आयोजित कार्यक्रम के इतर की गई। डब्ल्युडब्ल्युडब्ल्युडाटडीपीडीओपेंश नर्सडाटओआरजी पर लॉग इन करके पेंशनभोगियों द्वारा म्राप्त किए जाने वाले पेंशन के बारे में जानकारी प्राप्त की जा सकती है। 🚥 👘

#### मन-द्वार सजा हो तोरण से मन-आँगन सजे रंगोली से



# The Statesman Thursday, 03 October, 2013 Defence accounts dept hailed

New Delhi, 2 October: The De fence Accounts Department which today marked its 266th annual day was complimen ted by Minister of State for Defence Jitendra Singh for issuing revised Pension Pay ment Orders (PPOs) to 6.5 lakh pensioners. Speaking at a function, the Minister said the department had undertaken the gigantic task of issuing revised PPOs to pre-2006 pensioners on ac-count of the Sixth Pay Commission.

However, he said there is still a lot to be done and hoped the department would complete issue of the remaining 12 lakh corrigendum PPOs as quickly as possible by deploying all possible resources. Mr Singh commended the department for sustained improvement in service conditions, including timely delivery of pay and pension to the serving and retired defence personnel. He said, the department has utilised IT in a commendable manner for improved system of pay and provident funds.



Lead, Kindly Light.

#### दैनिक जागरण बंधवार, 02 अक्तूबर 2013

पिंशन संबंधी बेवसाइट शुरू नई दिल्ली : नियंत्रक व महालेखा परीक्षक (केग) शशिकांत शर्मा ने मंगलवार को सेवानिवत्त कर्मचारियों को पेंशन संबंधी सूचना देने वाली वेबसाइट का शुभारंभ किया। रक्षा मंत्रालय द्वारा जारी एक प्रेस विज्ञप्ति में बताया गया है कि 'द डिफेंस पेंशनर्स' नाम का यह पोर्टल पेशनधारियों को पेंशन से संबंधित सूचनाएं मुहेया कराएगा। इस पोर्टल का शुभारंभ 267वें डिफेंस अकाउंट डिपटिमेंट डे के मौके पर आयोजित एक समारोह में किया गया। इस मोके पर केंद्रीय रेक्षा राज्य मंत्री जितेंद्र सिंह भी मौजूद थे।

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Editorial Team : Shri Mohinder Singh, Jt. CGDA (AT-I), Shri A. N. Das, Jt. CGDA (AT-Coord.), Ms. Maushumi Rudra, Jt. CGDA (Internal Audit /Accounts and Budget) and Ms. Ruchita Sahay, Junior Translator

<u>Special Th</u>anks

- For concept and guidance : Shri S. L. Singla, Addl. CGDA
- For contributions : Shri S.N. Chattopadhyay, Shri D.K. Chetsingh, Ms. Somi Tandon, All PCsDA/CsDA/CsFA for DAD Day pictures, Ms. Anuradha Prasad, Ms. Vandana Kumar, Shri Avra Ghosh, Shri Dilip Kumar, Shri Tabish Shams, Shri Shambhu Kumar Sah, Shri Prashant Kumar

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The Defence Accounts Department has just celebrated its 266 years of existence. We have been rendering services to the Defence Forces and other allied organizations in the field of payment, accounting, financial advice and internal audit. Doing

so has demanded constant re-invention over the years.

During the last couple of years, our efforts have been channelized towards improving our delivery mechanisms especially in areas of payment to JCOs/ORs and ex-servicemen. Project "Dolphin" has enabled monthly credit of pay and allowances into the bank accounts of JCOs/ORs. We are also aiming at providing facilities for on-line data transfer from the units/formations to PAOs.

The pension sanction and disbursement system is being streamlined by massive digitalization of pensioners' records. In addition to this, Defence Pension Adalats are also being organized in various parts of the country. A pension portal for DPDO pensioners was launched by the Comptroller and Auditor General of India on this DAD Day to redress the grievances of the pensioners.

In fact, most of our payments are now been done in the e-mode. This would lead to transparency in sensitive transactions especially in payments made to contractors. We are working towards implementing Project "Sugam", which is an office automation system.

We have also laid emphasis on strengthening our internal audit functions. Not only have the Codes and Official Manuals been updated, but efforts are on to provide risk-based assessment of Armed Forces' accounts, so that corrective measures can be employed.

The Department's responsibilities have multiplied manifold, in the light of increased defence budget outlay and the delegation of financial powers to the HQrs and lower formations of the Defence Services. Delivering these services, is a daunting task; more so when the department is facing a human resource crunch. But, we are confident that automation and business process re-engineering can help us in addressing these issues.

And, none of this would have been possible without the dedicated and able support of each member of the Defence Accounts Department. I congratulate each of you and hope that together we will work towards setting higher benchmarks and take the department to newer heights.

(Vandana Srivastava)a

Date : 01-10-2013

October, 2013 1

# DAD Day Celebrations: A Fragrant Welcome









रक्षा लेखा विभाग दिवस Defence Accounts Department Day

> 1 अक्तूबर 2013 1 October 2013

रक्षा लेखा महानियंत्रक रक्षा मंत्रालय, दिल्ली कैन्ट Controller General of Defence Accounts Ministry of Defence, Delhi Cantt























# **DAD DAY CELEBRATIONS : A WORD SKETCH**

The Defence Accounts Department Day was observed with fervor on O1st October, 2013 across all DAD offices spread throughout the length and breadth of the country. The day commemorates the christening of the Department as DAD in 1951 and the re-designation of the Military Accountant General as Controller General of Defence Accounts.

Celebrations at the office of the CGDA were organized at Centre for Training and Development (CENTRAD), Brar Sqaure, Delhi Cantt. Shri Shashi Kant Sharma, the Comptroller and Auditor General of India was the chief guest and Shri Jitendra Singh, Raksha Rajya Mantri and Minister of State for Youth Affairs and Sports (Independent Charge) was the Guest of Honour. Air Chief Marshal N A K Browne, PVSM, AVSM, VM, ADC, Admiral D K Joshi, PVSM, AVSM, YSM, NM, VSM, ADC, Shri R K Mathur, Defence Secretary, and Shri Arunava Dutt, FA (DS) were the other senior dignitaries who graced the occasion. Ms Sangita Gairola, Secretary (ESW), Shri Avinash Chander, SA to RM, Shri G C Pati, Secretary (Defence Production), Shri Jawahar Thakur, CGA, Shri Ravi Kant Chopra, DGDE, Lt. General A. T. Parnaik, SM, VSM, DGBR and Vice Admiral Anurag G. Thapliyal, AVSM, DG (Coast Guard) and other senior serving as well as retired officers also lent their presence on this momentous occasion.

The programme commenced with a message by the Hon'ble Raksha Mantri Shri A K Antony, who could not be present on the occasion due to circumstantial exigencies. Ms Vandana Srivastava, CGDA welcomed and thanked the august gathering for their presence and spoke on the strides made by the Department in the year gone by.

A "Defence Pensioners' Portal" which has been developed in-house was launched on this occasion by the Comptroller and Auditor General of India. The portal has been designed to provide pension related information to DPDO pensioners. It can be accessed to know the details of pension received by the pensioner and the history of the individual's pensionary benefits. It is also equipped with facilities of online submission of feedback and grievances thereby leading to their speedy redressal.

The three "Raksha Mantri Awards for Excellence 2013" were also presented on this occasion by the Comptroller and Auditor General of India and Raksha Rajya Mantri and Minister of State for Youth Affairs and Sports (Independent Charge) jointly .The "Raksha Mantri Awards for Excellence" are presented as a recognition of exemplary performance and commendable efforts by DAD personnel during discharge of official duties. The awardees are selected on an All India basis from amongst officials upto Group "B" level.

The team of Controller General of Defence Accounts, Delhi Cantt and PCDA (Pensions), Allahabad headed by Shri G K Baranwal, ACDA was felicitated for issue of corrigendum PPOs to Pre-2006 pensioners as per 6th CPC and Committee of Secretaries-2012 recommendations. Revised Pension Payment Orders (PPOs) were generated in a record time frame of 3 months for 6 lakh pensioners.

The team of PCDA (Western Command), Chandigarh headed by Dr Upinderbir Singh, ACDA was awarded for streamlining the work related to post-audit of Ex-Servicemen Contributory Health Schemes (ECHS) payments. The ECHS was introduced on 1st April, 2003 and the responsibility of post audit of expenditure of ECHS rests with the Regional Controllers of Defence Accounts.

The team from Controller General of Defence Accounts, Delhi Cantt and CDA (Pension Disbursement), Meerut headed by Shri Vinod Kumar, IDAS was recognized for its efforts for accurate and speedy implementation of the recommendations of the Committee of Secretaries-2012. Necessary software for the same was developed in-house within a week's time and the work related to revision of pension of all pre-2006 DPDO pensioners and payment of arrears thereof was completed by the Defence Pension Disbursement Offices (DPDO) by 31st March, 2013, which was much ahead of other pension disbursement agencies.

The dignitaries while congratulating the DAD fraternity for the quality of services being rendered by the department also hoped that the department would excel further and better its' own record. The final vote of thanks was proposed by Shri S.L. Singla, Addl. CGDA.

The award ceremony was followed by a satirical play titled *"Kya Family Hai"* which was staged by a Delhibased theatre group-"Thespian Society". It focused on the fading filial feelings and erosion of moral values amidst the lure of lucre.

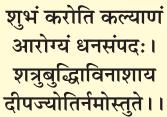
Various DAD offices marked the occasion by organizing blood donation camps and cultural programmes. Some also felicitated senior retired employees present at the station.

# तमसो मा ज्योतिर्गमय... रक्षा लेखा दिवस समारोह































रक्षा लेखा विभाग दिवस **Defence Accounts Department Day** 

1 अक्तूबर 2013 1 October 2013



#### **EVENTS**

# DAD Day Celebrations: A Montage

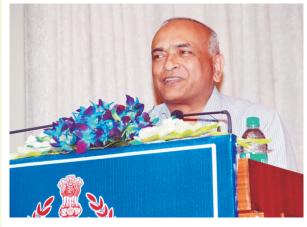
































# DAD Day Celebrations: A Melange



























# DAD Day Celebrations Across Various Offices







**Blood camp marks** foundation day of Defence **Accounts Control Deptt** 



Officers during blood donation camp on foundation day of Defence Accounts Control. employees of Defence Accounts Controller officer, VFJ, OFK and GCF were informed about the ben-efits of blood donation and their con-

#### Staff Reporter

Starn teporter ON THE occasion of 206th foun-dation day of Defence Accounts Control Depratment, a grand blood donation camp was organised at Officers' Mess of Vehicle Factory Jabalpar on Monday. The camp was successfull organ-ised under joint agis of VPJ Accounts Department, foun Carriage Factory and Carriage Factory and

ा विभाग दिवस UNTS DEPARTMENT VCE & ACCOUNTS (F

Society. The camp was inaugurated with first blood donation by Defence Accounts Controller, Harsh Vaidya. During the camp, officers and

efits of blood donation and their con-tribution to the society. In the camp, Netaji Subhash Chandra Bose Medical College, Jabalpur, Blood Bank Officer, Dr Shishir Chanpuria, Dr. Anand, Dr Roshan and their team rendered their services.

services. The camp was successfully organ-ised with valuable efforts of Deputy Accounts Controller, Priyanka Chandra, PK Meho, Sumi Bhadudi, Mohammed KGM Khan, DN Bhattacharya, Shailendra Kumar, Basant Adani and others.















# **DEFENCE FINANCIAL MANAGEMENT COURSE**



Air Vice Marshal Subbani, Directorate Financial Planning, Air HQ giving away certificates to participants

- A Defence Financial Management Course for 32 Army officers was organized by PCDA(WC), Chandigarh at Ambala Cantt from 22nd to 26th July, 2013. Lt. Gen Sandeep Singh, AVSM, SM, VSM inaugurated the course. Lectures were delivered on various topics by fifteen faculty members from different organisations like Income Tax & Excise, MES, Test Audit and SBI.
- Regional Training Centre, Bengaluru conducted a Defence Financial Management Course for Air Force officers at Air Force Technical College, Jalahalli under HQ Training Command (AF), Bengaluru from 12th to 14th August, 2013. A total of 23

officers of the rank from Flight Lieutanant to Group Captain attended the course. The course was inaugurated by Shri Alok Chaturvedi, IFA, HQTC (AF). The faculties nominated by the CGDA handled all the sessions allotted to

them. The session on "Customs, Excise and Service Tax in Defence Procurement" and "Test Audit, Audit of sanctions and Draft Para" were handled by the faculty from National Academy of Customs, Excise and Narcotics and Director of Audit (DS) respectively. Air Vice Marshal Subbani, Director, FP Directorate, Air HQ chaired the valediction along with Ms K Inderjeet Kumar, CDA (RTC), Bengaluru.

 Regional Training Centre, Kolkata conducted a Defence Financial Management Course for Army Officers of HQ, Eastern Command and HQ Bengal Area from 19th to 23rd August, 2013. Lt Gen A K Choudhary, AVSM\*\*, SM, VSM, GOC Bengal Area graced the inaugural session as Chief Guest. The valedictory address was delivered by Ms Sanhita Kar, Member (Finance) Ordnance Factory Board, Kolkata.

Alok Chaturvedi, IFA, HQTC (AF). The faculties nominated by the CGDA A DFMC for Army officers was conducted at HQ 1 Corps Mathura by PCDA (SWC), Jaipur from 2nd to 6th September, 2013.



DFMC for Army Officers at Mathura

# GASAB MEETING

The 29th Board Meeting of Government Accounting Standards Advisory Board (GASAB) was held on 25th September, 2013 in the Office of the Comptroller and Auditor General of India, New Delhi. A session was organized on Government Investments in Equity and presentation of financial statement was made.



DFMC for Army Officers at Regional Training Centre, Kolkata



29th GASAB Meeting

# Emerald Endeavours - A Photo Essay

Tree plantation drives were organized in the Defence Accounts Department on different occassions at different stations. A tree plantation ceremony was held in the Office of the Controller General of Defence Accounts on 30th August, 2013. CDA, Jabalpur undertook a tree plantation campaign on the eve of Independence Day while IFA(ANC), Port Blair furthered the foliage cause at DAD Residential Complex at Garacharma, Port Blair on 4th July, 2013 as part of "Van Mahotsava".

The Garden of RTC, Bengaluru was adjudged the best 'Ornamental Garden' by the Mysore Horticultural Society, Bengaluru and was awarded a trophy on the occasion of Independence day.



मिट्टी को हरियाली चुनर पहनाना, अबीर–फूलों से फाग खेलना, कितना सुकूँ भरता है यह ख़्याल ओ उदारमना वनस्पति! कहाँ – कहाँ किन–किन रूपों में अपने धर्म को निभाती हो, करूणा की यह कांवर कैसे–कैसे एकांतों तक ले जाती हो!... वृक्ष जब धर्मरूप होता है, फल देता है उसकी यह वैष्णवता ही–हमें पूर्ण करती है।

# **ANNUAL GENERAL MEETING AT NIFM**

The 19th Annual general Body Meeting of the National Institute of Financial Management (NIFM), Faridabad was held on 17th September, 2013 and was presided over by Shri P Chidambaram, Union



Shri P. Chidambaram, Union Finance Minister presiding over the Annual General Meeting at NIFM, Faridabad

Finance Minister and President of NIFM Society. Shri S L Singla, Addl CGDA attended the AGM. Concern was expressed on the lower participation rate of Indian Railway Accounts Services and Indian Audit and Accounts Services officers. It was decided to address the Department of Personnel and Training to mandate joint training of officers from various accounts and finance services as it promoted interdisciplinary learning and forged networks facilitative of future functioning within the Government. NIFM too is to explore the feasibility of a shorter joint programme for all finance and accounts services.

# **DEFENCE PENSION ADALAT AT BELGAUM**

The 119th Defence Pension Adalat was organised by CDA, Chennai from 16th to 17th September, 2013 at Belgaum. It was inaugurated by Shri N.R. Dash, IDAS, Addl. CGDA.

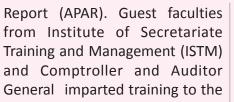
664 cases were registered for the Adalat out of which 288 cases were settled on the spot. Amount of more than one lakh per case was paid to ten (10) individuals due to intervention by the Pension Adalat . Four Citation cases were read. The highest individual beneficiary received an amount of ₹29,47,924/which involved revision in pension from Ordinary Family Pension to Special Family Pension and involved arrears from 1996.



Shri N.R. Dash, Addl. CGDA addressing the Defence Pension Adalat at Belgaum

# WORKSHOP ON WRITING OF APAR AND IAR

A workshop for JCDA level officers Rawas held from 12 to 13th fr September, 2013 for enhancing Tr skills on writing of Internal Audit an Reports(IAR) and Annual G Performance Assessment



participants. The officers were also given an exposure to private sector internal auditing practices through a talk by Vice President, Internal Audit, Max Healthcare.

### **INSPECTION OF CONTROLLER OFFICES**



Ms. Vandana Srivastava, CGDA interacting with a pensioner at Chennai

As part of continous monitoring of field offices, the inspection of CDA, Chennai was carried out between 3-10 October, 2013 by a team

headed by Shri. A.N. Das, Jt CGDA as inspecting officer. The main scope of inspection was to assess the effectiveness of interal audit.

### FINANCIAL COORDINATION CONFERENCE

A Financial Coordination Workshop for middle level IDAS officers posted in Ordnance Factories was organized from 12th to 13th August, 2013 at



Financial Coordination Conference in progress

Regional Training Centre , Kolkata.Sessions on TPC at Factory level ,Post Contractual Management as well as Overruling of Finance were

> held during the workshop. The workshop also covered the present and future of the accounting mandate of Branch Accounts Offices. Another interesting session was on the issues related to Personal Claims, Intimation of demands, Labour payments, Pay Technical matters, DID schedules, Schedule III, MROs,

#### PRESENTATION OF ANNUAL ACCOUNTS

The Annual Accounts of the Ordnance Factories are published in both the traditional and commercial formats. The traditional Annual Accounts (Volume | & II) presents accounting and statistical information as well as cost data in respect of the 39 Ordnance and Ordnance Equipment Factories and 2 Projects. The Annual Accounts 2012-13 was finalized with 15 CCO2 data by 31st July, 2013. The features and highlights of the Annual Accounts were presented before the 7th Board Meeting held on 30th August, 2013. The presentation was appreciated by the DGOF and Chairman, OFB. It was also appreciated that the Annual Accounts was prepared much ahead of schedule.

e-payments and CMP, Booking of Issues/ IFD/ DAD heads/ other expenditures, Budget monitoring, and various Reports & Returns. The participants being the head of the office shared their constraints and the workshop was able to provide a roadmap and some amount of clarity on the way ahead for better financial coordination and management at the ground level. The conference ended with an open house chaired jointly by Smt Sanhita Kar, Member (Finance), OFB and Shri M Anjaneyulu, PCA (Fys).

### **OUR LATEST PUBLICATIONS**

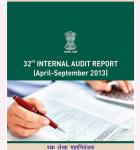


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Training and Development Policy

uni functions, the succession of anticle executions and specifications in accounting addit functions. We strive and in performing audit functions. We strive to counting and functions we observe and enforming audit functions. We strive to achieve excellence and professionalism in accounting and funcnial services and in performing audit be "stoive to a achieve excellence" and



CONTROLLER GENERAL OF DEFENCE ACCOUNTS

### CONFERENCE FOR UNIT ACCOUNTANTS

A conference was organized on 8th July, 2013 on the working of Unit Accountants attached with the Defence Estate Offices (DEOs) under the aegis of Principal Director, Defence Estates, Western Command. The Western Command has 6 DEO offices located at Delhi Cantt, Jalandhar, Pathankot, Chandigarh, Ambala Cantt and Jammu respectively.

# **TRAINING AND DEVELOPMENT POLICY, 2013**

Based on the National Training Policy, 2012 issued by the Government of India, Ministry of Personnel, Public Grievances and Pensions the Department has recently promulgated a new DAD Training and Development Policy, 2013.



Ms. Vandana Srivastava, CGDA and Shri S. L. Singla, Addl. CGDA releasing Training and Development Policy, 2013

#### Highlights Of New Training Policy

- Foundation course for newly recruited auditors and clerks
- CENTRAD to be nodal training agency for IDAS officers on IFA matters
- OTI renamed Delhi Training Centre to be the training centre for AO, AAOs posted in IFA offices and for AOs posted in AO(GE) offices and LAOs
- RTCs to undertake field studies and research
- Officers and staff to undergo training each once in 3 years
- Incentive scheme for developing case-studies

# **CTC MEETING OF CDA, JABALPUR**

The Second Controllers' Training Committee (CTC) Meeting of CDA, Jabalpur was held on 23rd August,2013 which was attended by all IDAS Officers of the organisation. The primary objective and purpose of the Meeting was to deliberate on issues related to training needs of the organization of CDA, Jabalpur. In the wake of formulation of DAD Training and Development Policy, 2013 in-house training at CDA's level has undergone a paradigm shift. Training plans are to be based on competencies, skills and

संसदीय राजभाषा समिति ने 17 जुलाई, 2013 को रक्षा लेखा प्रधान नियंत्रक (पेंशन), इलाहाबाद के कार्यालय का निरीक्षण किया। इस निरीक्षण में मंत्रालय की ओर से र्सवश्री रणवीर सिंह, संयुक्त सचिव एवं अपर वित्तीय सलाहकार (पेंशन/ राजभाषा), श्री के.के.कोहली, उप–वित्तीय सलाहकार (पेंशन/राजभाषा) एवं नरेन्द्र



2nd CTC Meeting of CDA Jabalpur in progress attitude with specific emphasis on 'on the job training'. The participant IDAS Officers were requested to ensure that the front-line staff is equipped with the requisite knowledge, skills and expertise to perform their entrusted

functions. They were also directed to conduct field studies of their choice in the areas of their functional specialization and to go in for creation of IT resource pool from amongst the existing officials for handling of existing IT projects. They were also asked to create information repositories for fulfilling training needs and disseminate knowledge gained by experience, values, contextual information, expert insight, and grounded intuition amongst the employees.

### संसदीय राजभाषा समिति निरीक्षण

नाथ त्रिपाठी, सहायक निदेशक (राजभाषा) उपस्थित थे। महानियंत्रक कार्यालय की ओर से सर्वश्री मोहिन्दर सिंह, रक्षा लेखा संयुक्त महानियंत्रक, दिलीप कुमार, हिन्दी अधिकारी उपस्थित थे। रक्षा लेखा प्रधान नियंत्रक (पेंशन), इलाहाबाद की ओर से सर्वश्री डॉ.जी.डी.पुंगले, प्रभारी प्रधान नियंत्रक, लल्लू राम, नियंत्रक, श्रीमती मॉली सेन गुप्ता, अपर नियंत्रक एवं दया शंकर लाल, हिन्दी अधिकारी उपस्थित थे।

समिति ने इस कांयालय में हिन्दी में किए गये कार्यों की प्रत्येक बिन्दुओं पर विस्तार से चर्चा की एवं कार्यों की प्रशंसा के साथ ही भविष्य में भी यही गति बनाए रखने की अपील की।

#### **EVENTS**

# राजभाषा शील्ड एवं हिंदी दिवस पुरस्कार वितरण समारोह













रक्षा लेखा महानियंत्रक कार्यालय में 08 अक्टूबर, 2013 को राजभाषा शील्ड 2011–12 एवं हिंदी दिवस पुरस्कार वितरण समारोह का आयोजन किया गया। इस अवसर पर वित्तीय सलाहकार (रक्षा सेवाएं) एवं रक्षा लेखा महानियंत्रक ने 'रक्षा लेखा भारती' पत्रिका के 'रजत अंक' का विमोचन किया ।

इस वर्ष महानियंत्रक र्कायालय के अतिरिक्त नौ प्रधान नियंत्रक / नियंत्रक कार्यालयों – रक्षा लेखा प्रधान नियंत्रक (नौ सेना), मुंबई, रक्षा लेखा प्रधान नियंत्रक (द.क.), पुणे, रक्षा लेखा प्रधान नियंत्रक (उ.क.), जम्मू, रक्षा लेखा प्रधान नियंत्रक (द.प.क.), जयपुर, रक्षा लेखा नियंत्रक, (सी.एस.डी.), मुंबई, रक्षा लेखा नियंत्रक, पटना, रक्षा लेखा नियंत्रक, चेन्नई, रक्षा लेखा नियंत्रक, (अनु. एवं वि.), हैदराबाद और रक्षा लेखा नियंत्रक, (पेंशन संवितरण), मेरठ को शील्ड प्रदान किए गए।













# WORDS OF WISDOM FROM SRIMAD BHAGWAD GITA

# प्रकृतेः क्रियमाणानि गुणैः कर्माणि सर्वशः अहङ्कारविमूढात्मा कर्ताहमिति मन्यते 3/27

कर्माणि	संपूर्ण कर्म		(परंतु )		अज्ञानी मनुष्य
सर्वश:	सब प्रकार से	अहङ्कार-	. 、	अहम्	में
प्रकृतेः	प्रकृति के	विमूढात्मा	अहंकार से	कर्ता	कर्ता हूँ -
गुणै:	गुणों द्वारा		मोहित अंतःकरणवाला	इति	ऐसा
क्रियमाणानि	किये जाते हैं;			मन्यते	मान लेता है।

(Selected for this issue from the Srimad Bhagwad Geeta by Shri S.L. Singla, Addl. CGDA)

# DAD HERITAGE



S.N. Chattopadhyay IDAS (Retd.)

Heritage is a legacy of rich learning handed down for posterity. It is a source of inspirational materials and also acts as a warning to guard against pitfalls. Heritage has a great story to tell, for in its overall perspective positives remain its dominant feature.

As an organization set up exclusively for performing accounting and auditing for the Armed Forces, the Defence Accounts Department is one of the oldest departments of the Government of India.

The department has constantly gone through structural churning, always responding promptly to the Armed Forces- locational and functional requirements. There was a point of time when the Department had to run an office in a remote corner with only one staff member. The Department had to keep pace with the history of modern India and undertake major reorganization in tune with the ground realities. Therefore, Commissariat form of functioning (1764-1811) was introduced after the Battle of Plassey (1757). Abolition of Military Finance Department and consolidation of 3 Presidency departments of accounts and audit (Bengal, Madras, Bombay) into one, under Accountant General attached to the Military department (1864) was done after the Mutiny of 1857 and the transfer of East India Company rights to the British Crown in 1858. Major relocation of offices (1942-43) was carried out due to Japanese threat during World War II (1939-43) and large scale expansion (both intrinsically and spatially) of offices and work contents was undertaken with the merger of the States' Forces (363) with the Union of India (1947-48). India's independence and simultaneous partition(1947) had its impact in several

ways- a major deployment of manpower in several locations in India, shifting of the major establishment of Defence Pension work from Lahore to Allahabad and repatriation of relevant Service Records of personnel from Pakistan to India. Md. Shoaib who was the last CDA (Factories) at Kolkata during British India became the first Finance Minister of Pakistan. Thus, since the Battle of Plassey (1757) DAD's intimacy with the history of India has been unique.

Alacrity, Economy, Responsiveness, Initiative, Agility and Logic (AERIAL) as a combined entity is the hallmark of the Defence Accounts Department. A few landmarks may be of interest, especially for the new entrants of the Department (period 1910 to 1951):-

**a. 1910 :** The Department stopped inducting Indian Army Personnel ;only civilians were taken in.

**b. 1913:** Financial Advisor to the C-in-C was made a member of the Military Council.

**C. 1919-1920:** Reorganization of the Department was brought under the 'Indianization Scheme', wherein the Officer and Subordinate Cadres were to be manned by Indian Civilians largely.

**d. 1921:** The system of Command Controller was introduced one in each of the 4 Military Commands.

**e. 1923-24:** UPSC- IDAS link was established as Ministry of Finance decided that appointment to the IDAS would be made through the UPSC.

f. 1929: Defence Pension work, earlier done at Mhow and Lahore, was centralized at Lahore. After Independence/Partition, the Lahore office was shifted to Allahabad in Military Hospital Barracks.

**g. 1951:** Designation of IDAS Officers had undergone major changes.

The Department has not been sitting idle since 1951, as great strides have been taken to enhance competence and service-orientation till date. Housing, large scale computerization, infrastructure expansion for establishing a network of training centers and skill development, considerable reduction of dependence on Defence Forces for infrastructure support, revitalizing work areas under the direct care and monitoring of CDA level officers, taking over the pension disbursement work from the Postal Department and running it as an inhouse operation through a network of DPDOs (Defence Pension Disbursing Office) and New Banking Scheme, setting up the first full fledged Training Institute NIMA (National Institute of Management and Accounts) at Meerut with a library for IDAS and Subordinate grade officers and Army Officers and an IDAS hostel with boarding and lodging, convincing Indian Air Force establishment to adopt networking of its provisioning needs through EDs (Equipment Depots) for resource optimization and economy, visualizing the cutting-edge levels (UAs, LAOs, RAOs) of the Department by a process of work ethics and a new orientation to audit functions are some of the strides that I can readily recollect. With some of these I was directly associated either as a staff associate or as in-change. All this is recorded and an enterprising officer should work on it to make DAD heritage all the more dazzling.

I would like to mention one case in detail, as this may not be on record. Sometime in 1986-87, the then Minister-in-Charge of DOPT called for a meeting with the Defence Accounts, Civil Accounts and Revenue Services. Our Department's delegation was lead by the CGDA with two other members. I was one of them. During the meeting, I raised the issue of ACR- writing. In those days the officer reported upon in the ACR could not know his/her appraisal unless an 'Adverse' remark was made in the ACR which had to be communicated. A 'Satisfactory' or 'Good' ACR was not revealed. On the other hand, Central Secretariat deputation involved taking the previous 5 years ACR grading into consideration. Thus, 'Outstanding' officers of different Services were given first preference. Take, a situation where both the Reporting and the Reviewing officers remain the same for 4/5 years. So, while the junior reports and grades without assigning any reason, the senior just endorses. Angst and vengeful attitude on one's part and non-chalance on the part of the other could ruin the career of a good officer, leaving nothing but despondent surprise for them. When asked for the remedy I suggested that a system of "self- appraisal" in terms of targets and achievements should be introduced for all officers upto the Secretary level. This I thought would ensure accountability for all. This was how, the system of self -appraisal in ACR for and upto the level of additional secretary was introduced.

I believe every member of IDAS should consider herself / himself as Midas (a legendary king of Asia Minor) and provide a Midas torch to turn all things to gold. This should be the appropriate way to discharge our obligation to the legacy. A new heritage of work culture and work ethics will only add to the glorious heritage that still throbs.

# If wishes were horses I would prefer to gallop and express three wishes :

- The CGDA Office has a massive and magnificent atrium. Turn that atrium into a "speaking zone" and name it "The Wall". Install a canvas of an appropriate size and dimension as an invitation to talents (in- house and visiting) for writing (poems, anecdotes etc) ideating (work-ethics related slogans/ideas), drawing/ sketching photography etc.
- Give a robust and audible voice to audit. A case of British India vintage may illustrate the point. A special allowance admissible under special circumstances to the other ranks (in Sind province of Pakistan) was disallowed by the Department (then MAD). It created a furore and the case was referred to the Secretary of State by the military department. The Secretary of State upheld the Military's stand and ordered restoration of the special allowance. But, the Defence Accounts firmly believed in its interpretation and hence pursued the matter with the Privy Council because only the council could overrule the Secretary of State. Ultimately, the Privy Council endorsed the opinion of the Defence Accounts Department and rejected the claim for special allowance. It may be worth examining as to how many of DAD's audit objections get incorporated in CAG's Annual Audit report on Defence Services and with what recognition. Quality and

perspective of audit in terms of Propriety, Entitlement, Economy (cost effectiveness),Authority and procedures can be given new dimensions. Cutting-edge levels could be energised and frequency of interactions with the Defence establishments increased. LAO/ RAO- wise study of audit effectiveness for say, the last 10 years could be an educative pasture to journey.

 Make each PCDA/CDA/CFA a selfcontained "Think tank" where they have to bring out two reports - one on Accounts/Audit/Financial Advice matters of their choice, and the other on Administration/ Management functions. Innovativeness, in-house participation and relevance to DAD's enrichment should be the primary criteria. A handful of these reports could be selected annually for implementation.

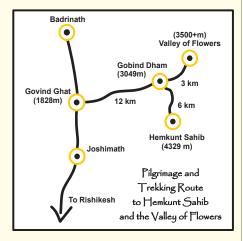
These I hope would keep the department active and take it forward.

### A MEMORABLE VISIT TO HEMKUND SAHIB



Ms. Somi Tandon, IDAS (Retd.) Former Secretary (Defence Finance)

It was in September-October 1996 that I along with a family member decided to go to Badrinath and on the way visit the "Valley of Flowers". Our journey started from Rishikesh on 2nd October. Our first halt was at Joshimath which is located at a height of 6000 feet.



From here onwards, a vehicle was to be taken to Gobind Dham which is at a distance of 9kms from Joshimath. We were then supposed to trek or take ponies to Ghangaria, which is 13 kms from Gobind Dham. A visit to the "Valley of Flowers" was to be planned only after reaching there and from there we were to proceed for Hemkund which is only 6 kms from Ghangaria but located at a height of 14,900 feet. It is believed that Guru Govind Singh ji had meditated at this place in his previous birth.

On the morning of 3rd October, we left for Gobind Dham at 6 am. We aimed at reaching Ghangaria by 11.30 am and looked forward to visiting the "Valley of Flowers" after lunch. However, our plans did not materialize. Our journey to Ghangaria itself was quite long as it was a steep ascent on horse back. Moreover, it started drizzling even before we could reach the Guest house which was located one kilometer short of Ghangaria. We dropped the idea of visiting the "Valley of Flowers"due to inclement weather and decided to visit Hemkund Sahib, the next day. Meanwhile, we also learnt that it had already started snowing on the hills and it would remain so the next day. Nonetheless, having come up to Ghangaria, we were well determined to visit Hemkund Sahib. Going by ponies was preferred as covering the distance of 6 kms by foot would have taken more than 4 hours and we wanted to be there for the first Ardas (prayer service) at Hemkund Sahib Gurudwara which takes place at 10am.

Therefore, we decided to leave for Hemkund Sahib on 4th of October at 4.30 am. But, it was raining heavily

and the pony wallahs who were supposed to take us were no where in sight. We still left for Ghangaria by foot where tourists and pilgrims, equally determined to go to Hemkund Sahib had assembled. We hired two ponies over there and left the place by 7 am. However, it kept raining all along and the weather remained cold. We could see the hill tops covered in a white blanket of snow. And, as we crossed the first bridge built over a fast flowing stream a kandi wallah carrying a few months old child slipped (Kandi wallahs are porters who carry baskets woven from bamboo and supported by straps across their foreheads and ropes over their shoulders. A kandi basket can be laden with backpacks, suitcases, children and aged and unwell tourists). This child must have had the blessings of the almighty for he remained unhurt. It started snowing mid-way and we reached Hemkund Sahib amidst this snow fall.

Having reached Hemkund Sahib we saw the pristine beauty of the blue lake and its sparkling clean water. The beauty experienced on reaching the place is difficult to describe. However, we didn't have the courage to take a dip in its freezing cold water. We simply admired the stamina and courage of those who were taking a dip in such a cold weather.

We attended the morning Ardas which was over by 10.45 am. After having prasad, we started our return journey on foot. It was a 6 kms walk and the entire route was covered in snow. As I had taken a pony on my way to Hemkund sahib, I did not have a cane stick for support during the return trip. Moreover, the snow track had turned slippery and I slipped on it. Though, I treaded carefully, I could not avoid slipping again. I actually slipped four times but by God's grace did not get hurt seriously. Having covered the snow bound track, we were optimistic that we would be able to cover the remaining distance within a reasonable time-frame. I managed to get a cane stick during our first halt for tea. As we commenced the second leg of our journey, I saw a pony along with its rider tourist jumping off a small wooden bridge which had no railing. The alert pony wallah too jumped into the stream and was able to rescue the rider along with his belongings.

Much against our expectation, our return journey to Ghangaria became very slow as my relative started suffering from knee pain and walked

quite slowly. By the time we reached Ghangaria, it was 3 pm already. After walking another one km we reached the base camp where only one pony wallah was waiting to carry our luggage back. However, the ponies which were supposed to carry us back could not make it to the base camp site as they were bigger in size and could slip on the rain tracks. Hence, we had to walk another 2kms before we could ride those ponies who were waiting for us on a bridge. None of us had bargained for this additional walk. As we were very tired, this so called distance of 2kms seemed unending. We kept ascertaining the distance of the bridge from every person that we encountered on our way.

The tea stalls were all winding up as 5th Oct happened to be the last day when journey to Hemkund Sahib was open for pilgrims. The distance to the bridge was more than 2 kms. When we finally reached the spot, it was nearly 5 pm. It was raining and as sun sets early in the hills it was getting dark too.

We now, needed to cover this 10 km slippery narrow track on pony back. With all our courage and guts we got on to these pony backs and started our journey downhill. As we moved, we saw the difficulties faced by the ponies while descending. By 6pm it was pitch dark and we had yet to cover a distance of 4-5 kms. There were no lights what so ever as this place was totally devoid of electricity. It was a frightening situation without an iota of light. We were, however having the experience of a life time. Without even a torch with us, we were moving in that darkness on that slippery, narrow track. No doubt our movements were very slow, close to the side of mountains. We could do nothing except praying to the almighty and holding on to our breath.

Finally, a ray of hope came in the form of two helpers from Gobind Dham arrived with a torch in their hands. We reached Govindham at 7.30pm and proceeded to Badrinath thanking our stars.

### **"INDIAN ORDNANCE FACTORIES – A CHANGING PROFILE"**



Anuradha Prasad Joint Secretary (Ministry of Food Processing Industries) Introduction:

The policy framework on defence acquisition has focussed on the expansion of indigenous manufacturing capabilities – both public and private sector – to meet the modernization needs. This has created a unique growth opportunity for the Indian Ordnance Factories. It is unambiguous that Ordnance Factories have the potential and the opportunity to become the leading player in the acquisition programme of the Indian Armed Forces and to position themselves as a link in the global defence supply chain. Yet, the organisation which functions as a government department faces many challenges in achieving this objective. The acquisition categories for promoting indigenous production are complemented by the offset policy under the DPP.

India has been among the top ten countries in the world in terms of defence expenditure and has now become one of the largest arms importer in the world. It is generally believed that India currently imports



Avra Ghosh, IDAS JCA (Fys), Kolkata

around 70% of its equipment needs. In view of the growing requirement of the Defence Forces, weakening Rupee and opacity of pricing in Defence imports, it is imperative that indigenous procurement increases over the next five years. This means that the output of Indian firms need to increase tremendously over the years. Indian

#### **INSIGHTS**

Defence industry is capable of producing good platforms but is highly import dependent as regard to weapons, control systems and sophisticated sub-systems. Developing nations like India need to graduate to higher levels of arms production sophistication as their underlying civilian industrial capabilities increase and as they become more integrated into the 'trans-nationalisation' of arms production efforts.

The Ordnance Factories along with the Defence Public Sector Undertakings (DPSUs) have dominated the defence industrial production in the country. Successive policy pronouncements have reiterated the commitment to encourage larger involvement of the private sector in design, development and manufacture of defence equipment in a level playing field. This is considered as one of the major challenges ahead of the Ordnance Factories.

#### Strengths and Achievements

OFB has a large asset base of land, buildings, modern plant & machinery and a skilled manpower of around 100,000 employees. Over the years the organisation has progressed from labour intensive manual operations to automated computer based manufacturing systems. The emphasis has shifted from production of basic and intermediate inputs to production of finished stores and graduate to a system integrator. The range of OFB products is wide and diversified. The technologies applied cover a broad spectrum of engineering, metallurgy, chemical, textile, leather and optical technologies.

# Some of the achievements of the organisation have been as under:

• Development of Dhanush 155MM Gun system

- Development of Mine Protected
  Vehicle
- Development by in-house R&D of Chaff Launcher Kavach for the Navy
- Indigenisation of Anti-aircraft sight (PZU-7)
- Development of Commander's Thermal Imaging Night Sight for tank T-72
- Indigenous production of 5.56 mm Carbine INSAS
- Co-production of 155 mm artillery ammunition
- Patent for development of Microalloyed Ultra High Strength Steel
- Development of capability for making strategic aluminium alloys and qualification for supply of extrusions for aircraft applications.

#### Challenges

It is the need of the hour for the Ordnance factories to position and posture themselves to use the opportunities presented by the policy of indigenization and increasing demand of the Armed Forces. The positive indications of increased availability of resources to fund modernization and challenge in the form of more and more private players in the market should be encashed by the Ordnance Factories. Few points need to be flagged at this juncture to determine the road map for the organization:

#### Demand from the customers

OFB has registered a fluctuating yearto-year growth in sales and recent trends are downward. This is indicative of either lack of sustained demand or inability to meet the existing demand. In OFB's case a combination of both seems to be applicable. Supply to Armed Forces depends on annual indents. The shortfall in achievement of targets is often attributed to the practice of annual periodicity of indents by the Service Headquarters since any delay in the indents delays the procurement of inputs.

#### Low Productivity, Cost Inefficiency and Pricing Policy

Despite the availability of large pool of skilled manpower and investment in modern plant & machinery, many of the Ordnance Factories suffer from low productivity and lack of cost effectiveness.

#### Pricing

Pricing of OFB products supplied to Armed Forces is supposed to be on cost basis i.e. cost of production is to be recovered without charging any profit. For the non-Defence sector, OFB generally charges a profit over the price charged to the Armed Forces. Supply to civil trade and export is at full cost recovery plus profit that the market can absorb. It has been observed there exists cross-subsidies, by pricing the general use items at a loss and core systems at a reasonable profit to balance the effect. Cross-subsidisation of low technology civil use items such as those manufactured by OEF group of factories pushes up the prices of weapons and ammunition. Other perspective in this cross-subsidization, the armed forces are placing demands in these low-technology civil use items despite existence of private players in this market.

#### Low Level of Exports

The value of exports has been minimal, being less than one per cent of total sales. Some of the factors inhibiting the growth of exports include a competitive export market for small and medium calibre weapons and ammunition, licence restrictions on export of items of complex technology and a negative list of countries for export and lack of a brand image and proper marketing infrastructure.

#### Constraints

- A captive customer base- little incentive for timely deliveries or cost efficiency. OFB is able to pass on full costs to the captive customer.
- OFB bears zero financing cost for its operations - assessment of OFB's performance is mainly with reference to achievement of targeted issues to Armed Forces with the cost of products not receiving as much attention.
- Lack of flexibility makes the organisation process-oriented with emphasis on compliance with rules and regulations rather than achievement of results.
- Accountability for the product's quality does not lie entirely with the OFB.
- OFB also does not have the autonomy to make investments as per the market requirements or to enter into joint ventures or codevelopment and co-production arrangements.

#### Conclusion

The Defence Production Policy and the DPP - 2011 provide opportunity to OFB to partner with foreign OEMs in joint ventures and co-production arrangements to meet the domestic

demand as well as exports. The offset policy especially p r o v i d e s opportunity for growth and access to new markets. The list of products eligible for discharge of offset obligations including products for internal security added in DPP-2011 covers almost the entire range of items

being produced by OFB. However, high costs, pricing inefficiencies and lack of commercial approach are obstacles to OFB capitalising upon the opportunity.

While OFB alongwith the DPSUs has so far been the preferred production agency in acquisitions involving ToT, this situation is going to change with the increasing strength of the Indian private sector in a growing economy. As the situation changes under the pressure of market forces, there is a real threat that OFB's position in the indigenous defence industry will be undermined.

OFB itself appears to favour greater autonomy within the existing structure. However, autonomy with continued protection from competition will not address the issue of low productivity and high cost. Autonomy has to be accompanied with restructuring to





ensure that the Ordnance Factories are able to leverage their strengths and grow in a competitive market.

The Indian Ordnance Factories Organization being the largest and oldest departmentally run production organization in the country should seize the growth opportunity. However, for the organisation to realise its potential in a changing market, it needs to consider the option of divestment of the units involved in production of low technology dual use items. This may enable OFB to focus on high cost high technology core areas. Further, creation of a marketing and export corporation for the units remaining in the government fold will provide flexibility to respond to the market. At the same time exposure to competition and development of commercial practice will impart dynamism to the organisation.

## **REDEFINING DEFENCE PROCUREMENT** Lessons from the study of select nations



Vandana Kumar IFA (R&D), New Delhi

Defence procurement system in any country is of great national importance as it has an impact on its ability to preserve its sovereignty and its own way of life. As expenditure on defence procurement is immense, it is not only important to the industry and the taxpayer, its effectiveness determines whether a country will be able to equip the armed forces with capability and reliability they need in a cost effective manner within the available budget.

The last decade has been the decade of reforming the defence

capital acquisition system in India with significant changes in the acquisition structure, evolution of procurement procedure and a renewed focus on planning which can deliver desired capabilities. A hierarchical procurement structure has been established whose four pillars are: The Defence Procurement Board, Defence R&D Board, Defence Production Board and the Defence Acquisition Council. The Defence Procurement Procedure (DPP) has evolved to standardize procedures towards greater transparency and fair play; but has the new system devised in-built mechanisms for ensuring timely procurements which is a requisite for defence preparedness and best value for money.

The Parliamentary Standing Committee on Defence (SCD) in its report of April 2012 has noted with concern, the shortages of ammunition, aircrafts, armament and artillery with the services. It has also raised a red flag on the Air Force being 11 fighter squadrons short of its required levels and that only by the end of fourteenth plan (2027), will it be able to reach the requisite level of 42 squadrons even as it grapples with obsolescence and aging fleet and induction not keeping pace with de-induction.

#### Scan of select nations

An exploration of defence acquisition system of six other countries- the US, UK, France, Australia, Brazil and Canada shows that all facets of a system namely, its structure, processes and culture have a bearing on the effectiveness of its outcomes. It is the underlying linkages between policy, planning and budgeting, institutional focus on outcomes, analysis driven decision making and focus on building an enabling organization which influence effectiveness of the procurement system.

# Table 1: Defence expenditure of select countries

Country	1988	1990	1995	2000	2005	2010	2011
USA	540.42	511.00	399.04	382.06	562.04	698.28	689.59
France	65.27	65.77	60.58	57.62	60.73	59.10	58.24
UK	53.75	54.30	44.66	44.31	53.68	58.10	57.88
India	16.71	17.58	18.33	25.84	33.69	46.09	44.28
Brazil	19.90	46.54	20.38	22.46	23.68	34.38	31.58
Canada	19.34	19.22	16.27	14.62	16.64	23.11	23.08
Australia	13.23	13.18	14.03	15.47	18.41	23.22	22.96

(Source: SIPRI Yearbook 2012, all figures are in in Billion Dollars at 2010 constant prices and exchange rates)

The United States of America, which is the world's largest defence spender and accounts for over 40 percent of world's defence expenditure, had alloted USD 124.7 Billion for procurement in its 2012 budget. Separate provisions of USD 70.4 Billion were made on research development, testing and evaluation (RDTE). About USD 16 Billion were allocated towards military construction and family accommodation.

Other countries spend a fraction of the US's defence budget on their acquisitions. United Kingdom's annual budget of its acquisition agency Defence Equipment, Support and Technology is £ 15 Billion or a little over USD 23 Billion. France out of its € 32 Billion budget in 2010, spent, €14 on procurement. Australia Billion allocated \$ 9.1 Billion on acquisition in its 2012-13 budget. In its defence policy of 2008 Brazil committed itself to reequipping its military and sought BRL 8 Billion (4.38 Billion Dollars) for procurement in the year 2012. Canada, in its "Canada First Defence Strategy" formulated in 2008, has alloted \$ 490 Billion for a period of twenty years. It proposes to spend \$ 60 Billion for equipments during this period. India's acquisition budget lies somewhere between the higher spending United States, UK and lower spending Australia, Brazil and Canada as during the year 2012-13 (RE), it provided Rupees 69579 Crores (\$ 12.95 Billion @53.71= \$1).

USA, UK and France have built strong defence industries which is evident from the fact that USA, Russia, Germany, France and UK accounted for 78 percent of all arms exports between 2004 and 2008. In respect of USA, UK, France and Canada, defence spending declined in the decade from 1990-2000 but significant reinvestments can be observed in the next decade with events like the Gulf War. attacks of 9/11 and engagement in Afghanistan. The clamour for reducing defence budget and increasing welfare funding has been gaining momentum in recent years. As long term budget increases are not sustainable and maintaining credible defence along own policy lines is necessary; each nation is becoming increasingly focused on raising efficiency and providing military equipments at minimum cost. These countries are, therefore, reforming their acquisition systems continuously to sharpen there effectiveness in efficiency of utilization of resources while keeping the armed forces prepared for national defence as per national priorities.

While United Kingdom, France, Australia and Brazil have tried to centralize defence procurement in one touch point defence procurement organization, the United States has a decentralized and tightly meshed system of federal regulations and resources which deliver its indigenous acquisition programs. Canada has debated on a single procurement agency for years.

On the process dimension too they have varying degrees of regulation and procurement guidelines. UK and France can be considered to have liberal regulatory framework for procurement while US has a very well defined regulatory framework. They have solved the process and cultural challenges by employing professional procurement teams whose decisions are based on data analysis within the regulatory framework. A study of the defence procurement or acquisition systems around the world demonstrates following elements:

- Linkages between policy, planning and budgeting
- Focus on outcomes
- Analysis driven decisions
- Enabling organization

Each country has tried to establish a system according to its national priorities. While some like India and Canada realize their defence needs largely from foreign procurements; US, UK and France have a welldeveloped indigenous defence industrial base. Then, there is Brazil which is aspiring to develop its own defence industrial base.

The key elements demonstrated by the acquisition systems can be summarized as follows:

- Clearly articulated defence strategic vision which clearly lays down strategic objectives for which capabilities have to be built
- A facilitating regulatory framework
- Very closely linked or unified system of capability planning and management of resources
- A strong performance measurement framework which seeks results and accountability
- An enabling organization which obtains its enabling character by its work ethic and culture which in turn is deeply influenced by the attendant structure and various processes connected with acquisition as also non acquisition processes such as those pertaining to performance measurement, recruiting and retaining talent, accounting and budgeting.

India has made very significant strides in reforming defence acquisition through:

- Establishment of acquisition wing
- Evolution of Defence procurement procedure
- A renewed focus on planning which has led to evolution of the LTIPP, SCAP from which the AAP is derived

At a systemic level these fall short of achieving outcome of timely materialization of defence requirements. To establish a result oriented system, future directions of our reforms can be as follows:

- Articulate a defence strategy which has a definitive strategic vision and which clearly lays down strategic objectives for which capabilities have to be built
- Develop a strong performance measurement framework which seeks results and accountability. India has a strong framework for oversight and reports from the C&AG particularly illuminate the state of defence procurement system. CVC, the other oversight agency needs to focus its efforts on broad principles to ensure outcomes effectively and efficiently instead of compliance of procedures in a narrow sense. Mechanisms need to be strengthened beginning with strategic plan, objectives and strategies to achieve those objectives. Thereafter performance indicators need to be established for each activity so as to measure how daily activities contribute to achievement of goals
- Infuse the decision making system with professionals having skills across disciplines of management,

technology and business. Institute mechanisms and flexibility for hiring and retaining the brightest with relevant industry experience to build subject matter expertise.

- Infuse the acquisition wing with specialists with externally recognized qualifications and professional affiliations should be considered and this should apply to both military and civilian personnel. Mechanisms need to be put in place to incentivize individuals to become and remain procurement specialists. This could entail specialist pay or vertical promotion.
- Improve budgeting techniques from traditional budgeting to outcome focused budgeting techniques including program budgeting.

Acquisition reform is a journey and not a destination and systems can be continually reviewed for sharpening effectiveness, enhancing efficiency and making sure they achieve outcomes that they are set out for. To establish a defence procurement system which suits its defence needs best, India needs to incorporate elements of strategic planning, effective budgeting and costing linked with planning activities. It also needs to unshackle procurement from procedures and rely on analysis driven decision making and to ensure everybody in the system focuses on outcomes inter alia building a system for accountability. Evolving procurement principles rather than a detailed step by step prescription of do's and don'ts which encourages initiative and use of sound business judgment to further policy objectives is the key.

# **IMPRESSIONS OF THE INTERNATIONAL ATTACHMENT**



TABISH SHAMS IDAS [Probationer]

The news of an internationalattachment to the University of California, Riverside made us feel proud. Better non as the UC, it is the largest public education system in the United States with a distinction of having produced more than 70 Nobel Laureates!

Many amongst us were eager to see their technical infrastructure, mode of teaching, allied facilities and a chance to interact with noted faculty.

Our first stop was Chicago – the O'Hare international airport, the second one being the Los Angeles airport.

The reception at UCR was warm and friendly. It was heartening to see Madam Bronwyn Jenkins-our programme head dressed in a sari.

The residential center - popularly called UNEX, where we stayed was a highly maintained and organised building. The diversity at UNEX was marvellous -

students and office-bearers from China, India, South Korea, Saudi Arabia ,Japan and so on! care-takers Our were from Mexico and Turkey, mess/cafe attendants from Mexico and Uruguay and much of the office- staff from San Salvador , Honduras and so on!

The races and colors mixed beautifully and on a subtle level, one could feel the kind of pride they all took in their work, in their way of life and in being American!

After induction, our classes started -with an introduction to riversidecounty structure and its financial systems. The financial management and the sophisticated, high-tech audit systems of UCR were discussed. The sessions on local government and audit mechanism made us compare it to our own system, an important point was the fact that the highest audit authority there-in could also be a political-executive!

The sight-seeing tour took us to Santa-Monica beach, the much-talked Route 66, the Griffith observatory- with the original Tesla coil placed there-in, the Greek-theatre settings, Hollywood with its star walk of fame, the Capitol Records Building, the Dolby Studios, Madame Tussauds and 'real-reel' characters like Captain Jack Sparrow, Batman and Transformers!

We also took a tour of the university , its famous botanical gardens and fruit /plant research facilities. In due course, we paid a visit to the Mayor's office



IDAS Probationers during the international attachment

and federal reserve. We could see how the various departments coordinated amongst themselves, how the private sector and public sector interact. It was interesting to learn that the workers at these sectors can move flexibly from private sector to the government sector and vice-versa and contribute, where their specialisation / experience is necessary.

The level of efficiency of public services, the respect for rule of law, a sense of opportunity and equality of opportunity, the level of foresightedness displayed while planning infrastructure, efficient lane systems and patrolling are worth emulating.

The international attachment to USA helped me in comparing our systems, work-culture and sense of coordination. No system is fool-proof or perfect; yet for many questions and values in life-be it respect for human life, rules, growth and equality of opportunity, sophistication -one can't but learn and appreciate what this trip offered.

# **READER RESPONSE**

From: Chet Singh <dchet38@gmail.com> Date: Wed, Jul 24, 2013 at 12:07 PM Subject: DAD News Magazine

Thank you for sending me the July 2013 issue of DAD News Magazine. Its contents were of great interest. I am sure you will keep up the high standard.

With regards, Yours sincerely, (D.K. Chetsingh)

(Shri D.K. Chetsingh retired as Financial Adviser (Defence Services))

#### **INSIGHTS**

# हसीन सपने

आज एक हसीन सपना आया, किसी गुलिस्तां में कोई गुल खिल आया।

आज परिंदो ने भरी थी ऊंची उड़ान, मानो कोई नई–नवेली आयी थी मेहमान।

हवाओं ने भरी थी सुंदर तान, वातावरण में समा गयी थी उसकी मुस्कान।

आज एक हसीन सपना आया, किसी गुलिस्तां में, कोई गुल खिल आया।

तरण–ताल की गहराईयों में, सुंदर सुनहली मछलियां करती अठखेलियां।

> रिमझिम–रिमझिम बारिश में, मोर संग नाची थी मोरनियां।

# सोकर हमें वो जगा गई....

साधारण युवती, असाधारण राष्ट्रीय रोष, मानवता को कलूषित करने वाला कुकृत, निर्मम और मौन देश का नेतृत्व, सुप्त जनप्रतिनिधियों को जगाने के लिए, युवाओं के ज़ेहन में आग वो लगा गई......। आहत हुआ देश और शर्मसार भी, दहशत भरी, मीडिया जागी, बदला व्यवहार भी, हम बदलेंगे. मानसिकता भी बदलेगी. समाज की ऐसी मनोदशा वो बना गई......। पौरुष का प्रतीक, पुरुष होना नहीं, पौरुष है, नारी गरिमा की पवित्र रक्षा ही, कब तक सहें जुल्म, अब क्यों रहें अबला, ऐसा वो बता गई..... निर्णय की यह घडी है, अब युग बदलना है, नए साल में, नई कलम से, नई सोच और पवित्र मन से, नया इतिहास रचना है, ऐसी इंसानियत का पाठ, हमें वो पढा गई.....। सोकर हमेशा के लिए, वो हमें जगा गई.....वो हमें जगा गई ।।





शंभू कुमार साह

लेखा परीक्षक, र.ले.प्र.नि. (प.क.), चंडीगढ

आज एक हसीन सपना आया,

किसी गुलिस्तां में, कोई गुल खिल आया।

नयी प्रभात ने नयी उमंगे छितराई,

जैसे मानो कोई परी मेरी जिंदगी में आयी।

संदर मनमोहक मनभावन थी वो,

जो मेरी अंगडाईयों में समाई।

प्रशान्त कुमार लिपिक, र.ले.प्र.नि. (प.क.), चंडीगढ़

देश के इतिहास में ऐसा, कभी दूसरा उदाहरण नहीं हुआ, सोकर हमेशा के लिए, वो हमें जगा गई......। युवा पीढ़ी सडकों पर उतरी, महिलाओं की गरिमा के लिए, राष्ट्रवासियों के दिल में, जगह वो बना गई......। राष्ट्र की अवस्था जो वृद्ध पड़ी है, राष्ट्र के कर्णधार जो मृत पड़े हैं, उनकी चिर–निद्रा भंग कर, जन–जागृति फैला गई......।



Shri N.R. Dash took over as Addl. CGDA on 5th September, 2013



Shri Banwari Swarup took over as Addl. CGDA on 21st October, 2013



Shri A.N. Saxena took over as Addl. CGDA on 21st October, 2013

# **SENIOR APPOINTMENT**

Sl. No.	Name of the Officer	Last Posting	Current Posting
1.	Shri Navneet Verma	PCDA (CC), Lucknow	Director General & Chief Executive Officer, Central Medical Services Society, Ministry of Health & Family Welfare

# **RECENT ORDERS ISSUED**

1.	Implementation of Cheque Truncation System (CTS)-2010 in Defence/Government Departments
	(CGDA Circular NO. AN/III/13348/CH.Trun/Vol-II dated 02/07/2013)
2.	Risk Allowance to Central Government Employees – Clarification Regarding
	(CGDA Circular No. AN/XIV/14162/VI th CPC/Circular/Vol-V dated 06/09/13)
3.	Disbursement of Salary/Wages/Pension to the Central Government Employees in the State of Kerala for the month of
	September, 2013 on account of Onam
	(CGDA Circular No. AN/XIV/14101/III/Salary – Vol-IV dated 10/09/2013)
4.	Participation in Sporting Events and Tournaments of National or International importance
	(CGDA Circular No. AN/XIV/19015/Government Order/2013 dated 25/09/2013)
5.	Payment of Dearness Allowance to Central Government Employees – Revised Rates effective from 01/07/2013
	(CGDA Circular No. AN/XIV/19015/Government Order/2013 dated 25/09/2013)
6.	Grant of Non-Productivity Linked Bonus (ad-hoc bonus) to Central Government Employees for the year 2012-13
	(CGDA Circular No. AN/XIV/19015/Government Order/2013 dated 30/09/2013)



# Winners of Raksha Mantri Awards for Excellence 2013













"You work that you may keep pace with the earth and the soul of the earth. For to be idle is to become a stranger unto the reasons, and to step out of life's procession that marches in majesty and proud submission towards the infinite. When you work you are a flute through whose heart the whispering of the hours turns to music" -Khalil Gibran, The Prophet