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TO

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

      (through CGDA website)

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

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

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