

Office of the Controller General of Defence Accounts
Ulan Batar Road, Palam, Delhi Cantt
Circular No. 61 of July' 2010

No. A/B/II/11244/Mont, T.S.S

dated: 22/07/2010

To

All Army controllers
PCDA (Navy)
PCDA (AF) Dehradun
CDA (AB) N. Delhi

PCDA New Delhi
PCDA (O) Pune
PCA Fgs
CDA (OS) N. Delhi

Subject: Usage of Category Prefix Codes – SFC- Joint Staff.

On review of printed compilation, it has been noticed that Category Prefix Codes as per Annexure- 'B' & 'C' to Classification Hand Book are either used incorrectly or not at all used/prefixed to the relevant service heads. As per Annexure 'C' to Classification Hand Book (2007 Edition), apart from other category codes, Category prefix Codes '33', '36', '37' & '38' have been allotted for DIPAC Project, HQ IDS, Defence Intelligence Agency and SFC respectively for the purpose of segregation of expenditure. HQrs SFC have specifically pointed out that due to non-prefixing of category code '38' to the relevant service heads by the paying Controllers they are facing difficulty in segregating and monitoring the expenditure. Action therefore needs to be taken to ensure that category '38' is properly prefixed to the relevant service heads relating to expenditure on SFC for monitoring of expenditure by the authorities concerned.

Since the category prefixes are based on user's requirement, intended to know distinctively the bookings relating to a specific project/Dte/Command/Organisation etc. and the source of procurement of stores etc., incorrect usage/non-utilization of the category prefix codes defeats the very purpose for which the same have been allotted. Proper usage of category prefix codes therefore needs to be ensured while booking the expenditure. This office in various earlier communications has been emphasizing the need to ensure correct usage of category prefix codes. In this regard this office letter Nos. A/B/I/13626/CHB dated 13th Dec, 2005 & A/B/II/11244/Mont-Army/Vol-V dated 8th Feb 2007 may please be referred (copies enclosed).

It is therefore reiterated that necessary instructions may please be issued to the sections/sub-offices under your jurisdiction to ensure proper usage of category prefix codes to enable the user departments to segregate and monitor the expenditure properly.

Please acknowledge receipt.

Jt. CGDA (A/Cs & Budget)

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FAX/Speed Post

NO.A/B/II/11244/Mont. Army/Vol-V
 Office of the CGDA, West Block-5
 R K Puram, New Delhi
 Dated: 8th Feb, 2007

To

The PCDA/CDA

(D/C Group 1 (B))
 (as per list at File 'A')

Subject: Operation of Redundant/Wrong Category prefix codes with Service Heads

In order to verify the correctness of Category Codes being prefixed to various Service heads, a review of compilation upto the month of December, 2007 has been carried out in the HQrs office. It is noticed that in certain cases the defunct category prefixes are still being operated by some of the PCsDA/CsDA offices. A list showing the code heads against which the obsolete category prefixes have been operated is enclosed for ready reference.


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 V/A

In the above context your attention is invited to this HQrs important circular bearing No. A/B/I/13626/CHB dated 13th Dec, 2005 under which lists of category prefix codes that have been deleted and those which are operational, were circulated to all the Controller's offices for implementation. It is however, evident from the above that due care is not being exercised while operating category prefixes by the dealing staff. Since the category prefixes are based on user's requirements, intended to know distinctively the bookings relating to a specific project/Dte/Command etc. and the source of procurement of stores etc., the incorrect usage of the same defeats the very purpose for which these were intended for. The usage of redundant/superfluous category prefixes to the Service heads results in wrong depiction of expenditure under a particular

Directorate/project and the executive authorities can not make any use of such information.

It is therefore, requested that position may please be reviewed and necessary action taken to rectify the obsolete cat. prefixes in the current month's accounts. Instructions in this regard may please be issued to all concerned sections in the main office and sub-offices under your payment jurisdiction to ensure correct usage of the category prefix codes in future, as circulated vide this HQrs circular cited above.

A compliance report in the matter may please be sent to this HQrs urgently.


Jt. CGDA (A/Cs & Budget)
6/11/07

12/10/05

Speed post

IMPORTANT

No. A/B/I/13626/CHB
Office of the CGDA, West Block-V,
R.K.Puram New Delhi
Dated: 13th Dec, 2005

To

All PCsDA/CsDA

**Subject: Review of Category Prefix Codes- Classification Hand Book
(DS) 1992 Edn.**

The Category Prefix Codes to certain Service heads in the CHB were allotted based on the users requirements and were meant to identify separately the expenditure booked on particular project/scheme/item etc. With the passage of time many of these category prefixes were found to have become redundant on opening of separate code heads for the purpose. It was also noticed that there was overlap between various category prefixes after the notification of Command wise category prefixes meant for identification of expenditure pertaining to each Command of the Army, Navy and Air Force, especially for locally controlled heads.

2. A detailed review of all the category prefixes in the CHB (1992 Edn) also revealed that there are many cases of incorrect usage of category prefixes occurring year after year. Certain category prefixes are found to have been used with the Service heads other than those for which the same were meant for. Moreover Overlap with command wise category prefixes did not allow for compilation of expenditure in line with DSE Vol-II.

3. With a view to remedy the redundancy and overlap of category prefixes it has been decided in consultation with Service HQrs to delete the following category prefixes (25 in numbers) in the Classification Hand Book (1992 Edn) with immediate effect:

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<u>Cat. Prefix No</u>	<u>Description</u>
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05	Procurements made by Indian Supply Mission Washington for which are raised by Min. of External Affairs
08	Procurements made by DGS&D for which debits are raised by the Deptt. of Supply: Expenditure on stores purchased in India but not manufactured in India (foreign)
10	Procurements made through Army Purchase Organisation: Expenditure on stores purchased in India but not manufactured in India (foreign)
11	Locally purchased stores: Indigenous stores
12	Locally purchased stores: Stores of foreign manufacture
14	Procurements made against Japanese YEN credits for which payments are initially made in India in Rupees
17	Stores procured through contracts placed by DG, ISM, London or the Service Advisers for which debits are received through ILAC.
18	Expenditure on Defence works executed by CPWD/State PWD etc.
19	Miscellaneous and contingent expenditure under special delegated powers to GOC-in-C Northern Command & Eastern Commands for counter insurgency
20	Raising & Administration of Rashtriya Rifles Counter Insurgency Force HQrs, Sector HQrs & Units
21	Identifying the expenditure & facilitate transfer thereof to the new heads opened for NCC
25	Cash allowance in lieu of free rations to Service Officers
26	Transportation of urgently required stores by road through CHT: Delegation of powers to Ordnance Functionaries
27	Civil Hired Transport-NCC
30	Adjustment of Receipts on a/c of disposal of stores through SSSDC
32	Expenditure relating to OFMP
32	Receipts for rendering consultancy services to outside agencies by CE, D&C Pune
34	Identifying expenditure relating to Medical Services/DGAFMS transactions
35	Project White Lilly
40	Identifying the expenditure on OTA
43	JCB (Joint Cypher Bureau)
44	Accident prevention charges (Flight safety)- other AF units
49	POL Transactions
50	CHT by Ordnance Functionaries
81	Medical Reimbursement- Defence Civilians

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4. It is requested that necessary instructions may please be issued to all the sections in main office and the sub offices under your jurisdiction to ensure that hereafter the above mentioned category prefixes are not operated/used with the Service heads. The compliance may please be watched at your end so that there are no cases of incorrect usage of category prefixes.

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5. In order to ensure that correct data on compiled actuals is generated for user requirements for monitoring the progress of expenditure and also for budget forecasts, it is of paramount importance that the category prefixes are used correctly with the relevant Service heads. A list of category prefixes (57 in numbers) that have been retained and would be currently in use is shown in 'Annexure A' (attached). The same may please be circulated to all the sections/sub offices under your jurisdiction duly instructing the dealing staff to ensure correct usage of these category prefixes.

6. The category prefixes would also be found incorporated appropriately in the revised edition of the Classification Hand Book which is at the final stages.

Please acknowledge Receipt.

(S. Misra)
Dy CGDA(AT& A/Cs)

Copy to: i) Min of Defence(Fin/Bud)
South Block New Delhi.

For information.

ii) Dte of Fin Plg, Army HQrs New Delhi. ----DO----

iii) Dte of Naval Plans, Naval HQrs New Delhi. ----DO----

iv) Dte of Fin Plg, Air HQrs Vayu Bhawan New Delhi. -----DO---

v) EDP Centre,

Office of the CGDA, East Block X,

R K Puram New Delhi.

For information and necessary action.

vi) All EDP/DDP Centres

----DO----

AO(Budget)

LIST OF CATEGORY PREFIX NOS. TO BE USED

<u>Sl. No.</u>	<u>Cat. Prefix No</u>	<u>Description</u>
1	4	Procurement made through the High Commissioner for India in U.K. on the basis of contracts concluded in India for which debits are received through the 'I.L.A.C.'
2	6	Procurements made in other countries which are paid for by Embassies and for which debits are received through the Ministry of External Affairs.
3	7	Procurements made through DGS&D for which debits are raised by Department of Supply.
4	9	Procurements made through the Army Purchase Organisation.
5	13	Procurements made in foreign countries for which payments are made in India in Non-Convertible Rupees. (NCR)
6	15	Procurement of stores from indigenous sources of manufacture in respect of stores hitherto imported.
7	16	Procurements made from foreign countries (including East European countries) involving Free Foreign Exchange payments made through banking channels in India. (FFE)
8	47	Rice procured from FCI
9	48	Wheat procured from FCI