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# IFA SARANSH

*A Quarterly Newsletter of Integrated Financial Advisors in Defence*

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**Vol. 6**

**October 2012**



## Foreword

I am happy that the sixth volume of quarterly E-Newsletter IFA SARANSH is being published on schedule.

IFA SARANSH is playing an important role in updating IFAs about the latest developments and instructions in the field of Defence Finance.

IFA SARANSH has provided a platform to IFAs to share information about their activities and experiences. The interest shown by the IFAs in sharing the information about the activities of their offices is very encouraging. I congratulate the IFAs for taking keen interest in the publication of this News Letter. I am happy to note that even Service officers have shown interest in this publication.

I am confident that the contents of the publication will reach new heights with your active co-operation and will facilitate the officers of the Department to serve the Services in an even better manner.

I congratulate Arvind Kadyan and his motivated team for bringing out the quarterly E-Newsletter.

  
28Sep12

New Delhi  
Dt : 28<sup>th</sup> Sept, 2012

**(Arunava Dutt)**  
Addl. Controller General of Defence Accounts

*Comments and suggestions may be mailed to [cgdaifa@gmail.com](mailto:cgdaifa@gmail.com)  
or sent by post to IFA Wing,  
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Ulan Batar Road (Palam Road), Delhi Cantt-110010. Fax-011-25674820*

## **Spend Public Funds Judiciously: Air Chief Marshal NAK Browne**

A one –day conference to discuss the strategy to make optimum utilisation of funds in the backdrop of instructions on Modified Cash Management issued by Ministry of Finance was held at Air HQrs on 20-07-2012. Senior officers of Air HQrs and field IFAs/PIFA (AF) attended the conference.

Speaking on the occasion Air Chief Marshal NAK Brownie, PVSM, AVSM, VM, and ADC emphasised on the need for judicious spending of public funds and advised that all efforts be made to ensure that procedures are followed and delays avoided.

He also suggested that broad targets could be shared with PIFA and IFAs at the Air HQ and Command HQrs. He emphasised on the need to improve sports infrastructure.

Commending the work being done by PIFA and all Command IFAs, CAS asked IFAs to be part of the team and support the organization to achieve its operational goals. Air Chief suggested that CFAs - IFAs conference shall be held every quarter to share the ideas and to foster better understanding at all levels.

During discussion on the issue of outsourcing, the Jt CGDA (IFA) mentioned that only those services could be outsourced which are mentioned in GoI, MoD letter No. 10 (4)/2007/D (Mov) dt. 13<sup>th</sup> April, 2012. Further, the services can be outsourced provided there are deficiencies against the authorised establishment. For outsourcing of services not authorised, approval of Ministry of Defence would be required. On this CAS advised that all concerned should work together to find solution to issues that arise from time to time and ensure that cases are not kept pending long.

## **Additional CGDA visits HQ Eastern Naval Command**

Sh. Arunava Dutt, Additional CGDA met Vice Admiral Anil Chopra, AVSM, FOC-in-C, ENC on 24<sup>th</sup> Aug 2012. The issues concerning IFA system in Eastern Naval Command were discussed during the meeting. Earlier a presentation was made by CSO Rear Admiral T. Sudhakar highlighting the difficulties experienced by them in conclusion of contracts for outsourcing of services and procurement of clothing stores.



**Sh Arunava Dutt, Addl CGDA and officers of HQ ENC**

Sh. Dutt also visited Naval Dockyard, Vizag, where he had discussions with by Rear Admiral G.S. Pubby, VSM. He appreciated the state of the art facility set up by Dockyard authorities for repair of PCBs.

The Addl. CGDA reviewed the functioning of FA to ASD (V), FA to Material Superintendent (MS) (V) and IFA (ENC) offices. He emphasised on the need to pay more attention to maintenance of records and use of IFA Module (MEIT) for correct and effective financial advice. He also suggested that regular structured meets may be held with Naval Authorities to discuss and resolve the issues arising from time to time.

**“I am enough of an artist to draw freely upon my imagination. Imagination is more important than knowledge. Knowledge is limited. Imagination encircles the world.”  
— Albert Einstein**

## Conference of IFAs held at HQ Central Command

### IFA Advice Shall be Taken in Right Spirit : Lt Gen Anil Chait, AVSM, VSM

A joint session of IFAs and officers from HQ CC and formations under Central Command was held at HQ CC on 31<sup>st</sup> July 2012. Lt Gen Anil Chait, AVSM, VSM, GOC-in-C, CC delivered the key note address. He said that all efforts be made both by CFAs and IFAs to ensure the optimum utilization of funds allotted to them observing all cannon of financial propriety. He concluded his speech with the following words of wisdom.

निदक नियरे राखिए  
आंगन कुटी छवाए  
बिन साबुन पानी बिना  
निर्मल करे सुभाए

*[Always keep a critic with you, who's advice will lead you to the right path.]*



Lt. Gen AK Misra, AVSMA addressing the Jt. Session at HQ CC

Maj Gen Y Sangra, VAM, Maj Gen P Mallick, Maj Gen Harsha Kakkar, Maj Gen PPS Bal, Maj Gen Bishamber Dayal, VSM, GOC, Purva UP & MP Sub-Area, Maj Gen VM Kalia, SM, VSM, GOC, Madhya UP Sub Area, Maj Gen. Ranvir Yadav, VSM, GOC, UK Sub Area were present on the occasion.

The issues concerning outsourcing, implementation of instructions regarding procurement of Medical Stores and implementation of instructions regarding Modified Cash Management system were discussed in the joint session. Lt Gen AK Misra, AVSM, COS, HQ Central Command delivering the valedictory address emphasized that there should be regular interaction between IFAs and CFAs. It will be very beneficial for the organization.



Lt. Gen AK Misra, AVSM, COS, HQCC Interacting with IFAs

Earlier, Shri Rakesh Ranjan, PCDA (CC) inaugurated the two days conference of IFAs under the jurisdiction of IFA, HQ CC at RTC, and Lucknow on 30<sup>th</sup> July 2012. R.K. Choudhary, CDA, RTC Lucknow, Arvind Kadyan, Jt. CGDA (IFA) and Vijay Kumar, IFA, HQ CC were present on the occasion.



Participants with Sh Rakesh Ranjan PCDA (CC) at RTC, Lucknow

Shri DK Rai, Jt. CDA, PCDA (CC); M. Sharda, IFA, CDA (Army) Meerut; BK Sabhlok, IFA, Bhopal; KK Sharma, IFA, Fategarh; RK Sharma, IFA, Roorkee; HS Bisht, IFA, Dehradun; LZ Bansod, IFA, Chheoki; Dharma Chand, IFA, Agra; AK Nigam, IFA, Faizabad; Amit Gupta, IFA, Bareilly and CK Venugopal, IFA, Jabalpur took part in the conference.

The Joint CGDA (IFA) impressed upon IFAs that they shall play a more pro-active role to assist the executives in implement of Govt. instructions for modified Cash Management System. The IFAs shall devise a report format reflecting the status of concurred and returned cases along with brief observations/ suggestions regarding the procurement proposals. He also advised them to ensure implementation of MoD instructions dt 13th April 2012 regarding outsourcing i.e. not to book the expenditure to pay head, no hiring of manpower etc.



## Defence Finance Course at Shillong

RTC, Kolkata organised a three days Defence Financial Management Course for middle level AF Officers of Eastern Air Command at HQ EAC Shillong from 9<sup>th</sup> to 11<sup>th</sup> July, 2012. Forty-Three Air Force Officers attended the course.



The CDA (RTC) Kolkata, Anoop Srivastava, CFA (OFB) Benjamina, IFA HQ EAC, TK Hangzo, IFA HQ EC SK Singh, IFA HQ CAC, SK Chaudhary, and Group Captain Sanjay Seth, VSM, Addl Director, Financial Planning, Air HQ delivered lectures on different topics.



**Air Marshal RG Burli, VM addressing the DFMC Participants**

Air Marshal RG Burli VM and Air Marshal S Varthaman AVSM VM VSM ADC, AOC-in-C HQ EAC addressed the participants. The valedictory function was presided over by Air Vice marshal KS Gill AVSM YSM VM, Senior Officer in-charge Administration, H Q EAC.

**“If you tell the truth, you don't have to remember anything.”**

— **Mark Twain**

## Addl. CGDA Visits HQ CC

Shri Arunava Dutt, Addl. CGDA visited HQ CC at Lucknow on 22.6.2012. He called on Lt. Gen. Anil Chait, GOC-in-C and agreed on the need for maintaining positive synergy between IFAs and executives. The Addl. CGDA also reviewed the functioning of IFA HQ CC office.



**Presentation on IFA(CC) functioning in progress**

## IFA Conference at HQ WC

A conference of IFAs posted at Corps HQrs and other formation under WC was organised to discuss the administrative and functional issues and to ensure uniformity in implementation of instructions issued by MoD and HQrs office, by IFA, HQ WC at Chandimandir on Aug 2012. Bhupinder Singh, IFA 2 Corps, Arvind Puri, IFA 9 Corps, Jagtar Singh, IFA 11 Corps, NC Gupta, IFA Delhi Area HQrs, AK Tiwari, IFA COD Delhi Cantt participated in the conference.

The IFAs made presentations about the functioning of their offices and the progress against Performance Targets given to them. The issues pertaining to Work proposals after delegating of powers to STS/JTS level IFAs were also discussed.



**Presentation by IFAs under WC in progress**

## Wishing Happy Birthday to:

N.C Gupta, IFAHQ Delhi Area-	08 <sup>th</sup> Oct
A.K. Tikku, Dy.IFA (Army/M)	10 <sup>th</sup> Oct
DS Viswanathan, Dy.IFA, FA to ASD(V)	15 <sup>th</sup> Oct
NR Biswas, IFA HQ 4 Corps	17 <sup>th</sup> Oct
R.k Pandey, FA to MS (Mubai)	17 <sup>th</sup> Oct
Barun Dutta,Dy.IFA (PIFA/M)	01 <sup>st</sup> Nov
Kamal Choudhary, IFA ARTRAC	17 <sup>th</sup> Nov
A.N.Saxena, PIFA Air HQ	23 <sup>rd</sup> Nov
Smt SR Mishal, IFA 11 BRD	27 <sup>th</sup> Nov
SK Choudhary, IFA CAC	02 <sup>nd</sup> Dec
Sanjay Verma, Jt.IFA	07 <sup>th</sup> Dec
K.L Anantha Krishnan,Dy.IFA ,ANC	07 <sup>th</sup> Dec
K. Shiv Kumar, FA to MS (M)	07 <sup>th</sup> Dec
DCS Negi, IFA WAC	24 <sup>th</sup> Dec

## Transition

IDAS Officers joined IFA organization on Promotion / Posting

Dr V.K. Sahni- PIFA (Army-M)  
Raja Reddy Yenumala- IFA (R&D) Electronics cluster, Hyd  
Smt Maulishree Pande,- FA to DGNP (V)  
Neeraj Kumar, Dy.IFA, (Army/Q)  
Smt A.C. Shekaran, Dy.IFA, IFA CAFVD Kirkee  
Sanajy H Sansare, IFA Mhow  
BK Singhal, IFA Dehradun  
Ms Mugdha Kaur Jaggi, Dy.IFA HQ SWAC  
A.V. Kudi, IFA 9 BRD/46 ED  
Rajesh Chandra- IFA 26 (ED)  
Khumkar Mahesh Suresh, FA to ASD(M)  
Dinesh Chand, Dy.IFA, IFA (P-75)

## IDAS Officers Superannuated

K.L. Agarwal, Dy.IFA HQ 1 Corps  
D.N. Mondal,Dy.IFA, COD Dehu Road  
H.M. Basavaraja, Dy. IFA 9 BRD  
K.K. Kannan, Dy.IFA, IFA (SNC) Kochi

## DID THE GENERAL ARRIVE

The Commanding General is supposed to visit the unit, so, in order to appear snappy, the captain stations a private as a sentry outside the front door.

"Inform me immediately upon the General's arrival," the captain orders the Private.

"Yes sir!" the Private Responds.

An hour goes by, and the General hasn't arrived. The worried Captain checks with the Sentry.

"Did the General arrive?"

"No Sir!"

Another 1/2 hour goes by and the captain, getting nervous, checks with the sentry again?

"Hasn't the General arrived yet?"

"No Sir!"

This continues for two hours. Finally, the General arrives.

"Where the hell have you been?" snapped the private, "The Captain's looking for you."

## INSTRUCTIONS/ ORDERS

**1. Guidelines for procurement of drugs and consumables :** DGAFMS vide letter No 19189/DGAFMS/dg-2c/Policy dated 21-06-2012 has advised that a Price Agreement may be concluded for procurement of medical stores to avoid the need for calling for quotations each time and achieve economy of scale.

(IFA Wing I.O. No 05 dated 25-07-2012)

**2. Vetting of Draft Tender Enquiry** IFAs have been advised to ensure that -

➤ While vetting RFP, due care shall be taken to ensure that the period of validity of bids proposed in the draft RFP is as per DPM provisions.

➤ Ensure adherence to time schedule for concurrence of proposals given in DPM.

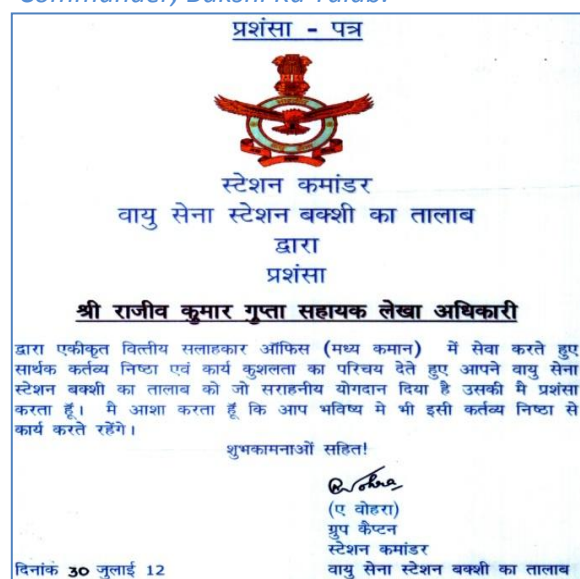
➤ While processing the procurement proposal, bid validity period shall be kept in view, and if considered necessary, the executives may be advised to obtain the consent of the bidder for extension of bid validity period, well in time.

(IFA Wing Circular No 09 dated 23-07-2012)

## Awards & Appreciation

The Chief Signal Officer, HQ CC Maj Gen P.K. Mallick has appreciated the services rendered by Nirad Kumar, AAO of IFA (HQ CC).

Rajeev Kumar Gupta, AAO has been awarded a commendation certificate by Station Commander, Bakshi Ka Talab.



## IMPORTANT CASE STUDIES

### AON/Qty vetting

#### Procurement of 18 critical spares and one set of OB spares

A case for 'Procurement of 18 critical spares and one set of OB spares' from M/s B.E.L on PAC basis with estimated value of Rs 4.73 crore was processed by Material Organisation (V).

IFA observed that some spares were given on loan to other ships. He enquired whether the loan items were given to other ships on permanent basis or these will come back to original ship. In case these were given on permanent basis, then the necessary action for regularization is required to be taken, else the quantity proposed is required to be reduced.

The Material Organisation (V) reviewed the proposal and intimated that 05 loaned items, worth Rs 2.36 crores have been collected from other ships and resubmitted the case for 13 critical spares as against previous 18 items for Rs 2.37 crores. As a result, a saving to the tune of Rs 2.36 crores was achieved.

[Contributed by IFA (ENC) ]

### Tendering/Bench marking

IFA received a proposal for "Outsourcing of security service" at an estimated cost of Rs 40,84,596/- on LTE basis for concurrence,

IFA observed that the estimated cost for the proposal was more than 25 lakhs and advised the unit to process the proposal through OTE in terms of under Para 4.2.5 of DPM - 2009.

The unit agreed to the advice and the proposal was processed through OTE. In the open tender, the L-1 vendor quoted a price of Rs 25.20 lakhs for providing the security services.

The price quoted by the L-1 vendor was higher than the benchmark price arrived at by the PNC. The IFA, therefore, suggested for conducting PNC. After negotiations the L-1 vendor quoted the price of Rs 23.20. Thus, a saving to the tune of Rs 3.00 lakhs was achieved.

[Contributed by IFA COMCG (NW) ]

#### Readers Comments :

*The newsletter is very interesting and speaks about activities of IFA. It also helps the staff to increase their knowledge about current developments in the field of finance. : S M Loganathan, Commander SE (Civ), 13 BRTF*

### Works cases

#### 1. Provision for Area Drainage along the perimeter

A works proposal amounting to Rs 13.28 Lakhs for provision of drainage along the perimeter of roads in certain locations was initiated by an AF station.

The scope of proposed work includes covering the drain with concrete slabs and cast iron grill for passage of vehicles and men. IFA observed that covering of drains with cover slabs will restrict the flow of water accumulated in front of the Hangars into the drains defeating the very purpose of construction of drains. It was suggested that drainage be left open excluding intermediary cover slabs for passage of vehicles and men.

The unit agreed to the advice of the IFA and AE for the proposed works was reduced to Rs 77.14 lakh from Rs 123.28 lakh, resulting in a savings of Rs. 46.14 lakhs.

[Contributed by IFA (TC) ]

#### 2. Provision for Computer Lab

A proposal for provision of Computer Lab for a CAT 'A' Est was included in AMWP. In the AE costing approx. 19.02 Lacs a sum of Rs 9.00 Lacs was provided for procurement of 150 two seats chairs with desk along with other items. The IFA observed that provisioning of such huge qty of furniture and four securities light for a small lab having limited area of 54 Sq mtr. is not justified.

Consequently, a revised proposal was submitted mentioning that only six chairs/ desks could be accommodated along with other furniture in the lab and the remaining requirement of chairs/ desks will be managed out of existing resources available with the establishment. Hence the requirement of 150 seats chairs with desks was deleted and qty of security light was also revised to one only. As a result the estimated cost of civil works was revised to Rs 8.37 lacs. It resulted in a savings of Rs 10.73 Lacs.

[Contributed by IFA (SWC) ]

**"Be the change that you wish to see in the world."**

**— Mahatma Gandhi**