

Office of the CGDA, West Block-V, R.K.Puram, New Delhi-66
Pr. IFA Wing

INSTRUCTION NO. 9 OF 2008*

No. PIFA/04/Capital Exptr.

Dated: 25th March 2008

To

All PCsDA/CsDA/IFAs

Subject: Classification of Expenditure.

**Reference: MoD (Fin./Div.) New Delhi letter No. PC-11(1)/Bud/1/2007 dated 25.9.2007
circulated vide this office letter even No. dated 7.12.2007.**

Reference is invited to para 2 and 3 of MoD letter cited above, according to which the expenditure in respect of items listed in Annexure I to IV of the letter, will be booked to capital head; subject to cost life criteria being met in individual cases and that the procedure laid down in DPM-2006 will be followed for such procurement and the CFAs will be determined with reference to the orders issued in 2006 on the delegation of financial powers for revenue procurement.

2. Subsequent to the above letter, a reference was made to MoD (Fin.) for issuing clarification regarding the modality for budget allotment and monitoring of expenditure against allotment in respect of such Capital Procurement carried out under the MoD (Fin.) letter *ibid*. MoD (Fin.) in turn had referred the matter for necessary action to the Service HQrs. [ADG FP/Army HQ, ACAS (Fin-P)/Air HQ and ACNS (P&P)/NHQ]. No further response has been received from the Service HQ.

3. As per the feedback obtained from some of the IFAs, it is understood that no instructions have been issued by Service HQrs. on allocation of budget and monitoring of expenditure as requested for by this office. However, IFA (Army/M) has intimated that in the current Financial Year, budgetary support on a case by case basis has been communicated by FP Directorate to Sigs Dte. who in turn is apprising the Commands/Estts. concerned under intimation to their IFAs and CsDA/PCsDA. Further, it has been intimated that for 2008-09, after finalization of the TAG

PPP 2008-09, the formal allocation will be obtained by Signals Dte from FP Dte and communicated to Command/Army HQ Estts. under intimation to IFAs and PCsDA/CsDA.

4. In view of above, PCsDA/CsDA/IFAs are requested to ensure that procurement proposals for items mentioned in the MoD (Fin.) letter dated 25.9.2007 should be processed/concurred in accordance with the instructions contained in the letter ibid against budget allocations/ceilings to be conveyed by Service HQ to line Directorates/Command HQ/Establishments. Further, Controllers are requested to ensure that the expenditure is classified under the Heads of Account as indicated in the Government letter.

5. IFAs at Service HQ and Command HQ are further requested to ensure that the PPPs for 2008-09 are prepared keeping in view the instructions issued vide Government letter above, with suitable advice to the CFAs, if required.

Pr. IFA has seen.


(Anuradha Prasad)
Jt. CGDA (IFA)

Copy to:

1. Shri Amit Cowshish
Addl. FA & JS
2. Shri Dilip Biswas
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Ministry of Defence(Fin.)
South Block, New Delhi-11.
3. Jt. CGDA (AT-I)
4. Jt. CGDA (AT-II)
5. Jt. CGDA (AT-III)
6. Jt. CGDA (A/c. & Budget)
7. Sr. Dy. CGDA (EDPS)-

for kind information.

for kind information with a request to host the circular on the CGDA website.

Sd/-
(Anuradha Prasad)
Jt. CGDA (IFA)