



GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE

OFFICE OF THE PRINCIPAL CONTROLLER OF ACCOUNTS (FYS)  
10-A, S.K. BOSE ROAD, KOLKATA: 700001  
प्रधान लेखा नियंत्रक (आयुध निर्माणियाँ)

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Phone No: (033) 2248-5077 to 5080 Extn-654/655/656  
FAX No. : (033) 2248-099

No.A/III/104/Budget/2020-21

Dated: 30.09.2020

To

**The Controller of Finance & Accounts (Fys.)**

1. Avadi Group of Factories, Heavy Vehicle Factory, Avadi, Chennai-600054.
2. Ambajhari Group of Factories, Ord. Factory, Ambajhari-440021.
3. Kirkee Group of Factories, Ammn. Factory, Kirkee-411003.
4. Bengal Group of Factories, Rifle Factory, ATS Building, Ishapore-743144.
5. Jabalpur Group of Factories, Vehicle Factory, Jabalpur-482009.
6. Kanpur Gr. Of Factories, Ayudh Upaskar Bhawan, G. T. Road, Kanpur-208013.
7. Dehradun Group of Factories, Opto Elecc. Factory, Dehradun-248008.
8. Ordnance Factory Yeddumailaram, Medak-502205.
9. Ordnance Factory, Badmal, Bolangir-767770.

**Subject: Cash Management System in Central Government-Modified Exchequer Control Based Expenditure Management.**

**Reference: Please refer this office letter bearing No.A/III/104/Budget/2019-20 dated 16.04.2020.**

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Copies of HQrs office letters bearing Nos. A/B/II/11244/Analysis/2020-21 dated 17/09/2020 and 24/09/2020 on the above subject regarding instructions issued on restrictions imposed on incurring expenditure from the Grant No. 18 (MoD-Civil), 19 (Defence Services Revenue), 20 (Capital Outlay on Defence Services Revenue) are enclosed for information and further necessary action. This may please be circulated to all concerned under your jurisdiction for necessary compliance.

(R. Bhattacharjee)  
Addl. Controller of Accounts (Fys)

(P-1/2)

**Copy to:**

- |                                   |  |
|-----------------------------------|--|
| The Officer in Charge             |  |
| 1. All Branch AOs                 | For information and further necessary action please. |
| 2. All Audit Sections MO (Local)  |  |
| 3. EDP Web Development Cell ..... | For uploading in P C of A (Fys) website              |
| 4. Budget Cell OFB Kolkata .....  | For information and necessary action please.         |

*[Handwritten signature]*  
30.09.2020

(R. Bhattacharjee)  
Addl. Controller of Accounts (Fys)

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25/9/20

	<p style="text-align: center;">कार्यालय, रक्षा लेखा महानियंत्रक OFFICE OF THE CONTROLLER GENERAL OF DEFENCE ACCOUNTS उलान बटार मार्ग, पालम, दिल्ली छावनी 110010- ULAN BATAR ROAD, PALAM, DELHI CANTT-110010 दूरभाष : 011-25665548, 25665583/84, 25665736/37, फैक्स : 011-25674786 ईमेल : hqaccounts.cgda@gov.in लेखा एवं बजट अनुभाग / Accounts &amp; Budget Section</p>	
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A/B/II/11244/Analysis/2020-21

Dated: 24/09/2020

To,

All PCsDA/CsDA

**Sub:** Cash Management System.

Please refer to this office letter no .A/B/11244/Analysis/2020-21 dated 23.09.2020 which was e.mailed on 23.09.2020. Line 4 of para 1 of this letter may be reread as "meeting convened in HQrs. office on 18.09.2020" instead of meeting convened in HQrs. office as 11.09.2020.

A corrected copy is issued dated 24.09.2020(enclosed).

*Inderjeet*  
24/9  
(K. Inderjeet Kumar)

Sr. Jt. CGDA

Copy to:

1. Addl FA & JS (AN)  
MOD(Fin) South Block, New Delhi -- for information please
2. DGFP/FP Directorates, Army/ Navy/Air Force/DRDO HQrs/OFB--for information & necessary action please.

*Inderjeet*  
24/9  
(K. Inderjeet Kumar)  
Sr. Jt. CGDA





**कार्यालयरक्षालेखामहानियंत्रक**  
**CONTROLLER GENERAL OF DEFENCE ACCOUNTS**  
**उलानबटारमार्ग, पालम, दिल्लीछावनी**  
**ULAN BATAR MARG, PALAM, DELHI CANTT-110010**  
**(Phone No. 011-25665583/737 Mail ID : [hqaccounts.cgda@gov.in](mailto:hqaccounts.cgda@gov.in))**



No. A/B/II/11244/Analysis/2020-21

Dated 24-09-2020

To,

All PCsDA/CsDA

Subject:- Cash Management System

Reference :- (i) A/B/II/11244/Analysis/2020-21. dated 17/09/2020  
(ii) MoF O.M No.12(13)-B(W&M)/2020. dated 8<sup>th</sup> April 2020  
(iii) MoF O.M No 12(15)- B(W&M)/2020. dated 23<sup>rd</sup> June 2020  
(iv) MoD(Fin) ID No. 11(06)/Budget/2020. dated 17/09/2020.  
(v) DSE 2020-21 Appx C - Procedure followed in regard to Budgetary Control over Defence Expenditure.

In view of the directions of the MoF restricting the expenditure during Quarter 1 and 2 of the financial year 2020-21 to 20% of the B.E and laying down separate targets month wise, the mechanism to monitor expenditure has been discussed with the Reps of MoD(Fin), FP Directorates of the Services and others in a meeting convened in HQs Office on 18-09-2020.

2. The procedure to be followed in regard to budgetary control over Defence Expenditure is elucidated in Appx. C of DSE 2020-21. The following Paras are relevant:
  - a. Expenditure falling in the categories of (b) to (f) at Para 2 of Appendix C, which includes all expenditure except Pay and Allowances, is susceptible to control against Budget provision by the various administrative and executive authorities. (Para 4)
  - b. The ultimate responsibility for ensuring that expenditure does not exceed the corresponding budget allotment rests on the Principal Staff Officers at the Service HQs. within whose control, the relative activities fall. (Para 5)
  - c. It is the primary responsibility of the authorities to whom allotment are made, to watch the progress of expenditure and to see that the expenditure does not exceed the allotment. To facilitate this, the Controller of Defence Accounts render monthly statements to the allottees showing the Serial Nos. of claims admitted in audit and the amounts debited against the allotment. (Para 8)
3. This procedure enables the controlling authorities to initiate remedial measures either by regulating the trend of expenditure or by obtaining additional allotment.
4. The prescribed responsibility is already being exercised by the respective stakeholders:
  - a. MoD(Fin) will continue to Monitor and Control at the Budget Grant Level (Grant No 18, 19, 20 & 21).
  - b. DGFPs/Directorates of Financial Planning of the respective Services and other Organisations will continue to Monitor and Control the expenditure at their Service

