

प्रधान रक्षा लेखा नियंत्रक (प.क.) चंडीगढ़

Principal Controller of Defence Accounts (WC) Chandigarh

Annexure 'A'

**Sub:-** Irregular Purchases under Annual Contingent Grant.

The irregularity was regarding 'Irregular Purchases under Annual Contingent Grant' by the unit Central India Horse.

**Brief of the Case:-**

"As it is evident that every CFA should exercise the same vigilance in respect of office contingent expenses as a person of ordinary prudence would exercise in spending his own money and will observe the Canons of Financial Propriety as laid down in the Financial Regulations.

Moreover, while incurring expenditure, the competent Financial Authorities shall follow the orders on Delegation of Financial Powers, Rules and order on procedures governing the purchases and other expenditure.

Further, as per Annexure to GoI MoD New Delhi letter no. 1001/AI/FP-4/448/2003-D(GS-I) dated 04 Jun 2003, Contingent expenditure comprises all those charges which are incidental to the management of a unit/formation/establishment/office and include the cost of postage, telegrams etc. issued without prepayment, telephone charges, furniture, advertisement, office rent, books and periodicals charges on hot weather establishment, liveries to offices peon, repairs to furniture, local transport charge on duty connected with the unit/formation/Ests/office and other similar petty charges.

**Finding of LAO**

During the periodical audit/ review by LAO (A) Amritsar, while reviewing the distribution list at the overleaf of Annual Contingency Grant Ledger it was noticed that over the period of time, items were purchased from the ACG for purposes not authorized under the rules. A huge amount of Public Funds was expended for purchases of unauthorized items.

Certain items like furniture, carpets, curtain cloth, visitor chairs, Juicer Mixture, Mattresses and other misc items were purchased out of ACG and issued to Officer's Mess, CSD and Regimental Mandir, who were not authorized to draw items from the Govt. funds resulted in Infructuous expenditure. 08 nos. of Air Conditioners, Colour Television and LCD procured out of Annual Contingent Grant found installed on unauthorized places (officer's Mess) in the absence of any Govt. authority. Expenditure incurred on procurement of these luxury items for installation in Officer's Mess was treated as Infructuous Expenditure."

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Matter was taken up by LAO with executives. In reply unit authority has admitted their fault and withdrew these items totaling upto 7,62,465/- from Offrs' Mess etc. and issued to RDM (Regiment Dafadar Major) for installation/use in offices and welfare institutes. It is also intimated by unit authority that items found unsv during ASTB and have been charged off from ledger and got verified by LAO.

Since, the objection was well taken by LAO (A) Amritsar and the unit has admitted their fault, as such it was appreciated by competent authority.

In view of above, it is enjoined upon all to do Local Audit with a vide spectrum and financial saving points should be brought to knowledge of main office.

LO(IA) has seen.



Sr. Accounts Officer (IA)

अभिनीत डिल्लों, भा.र.ले.से.  
सहायक नियंत्रक  
ABHINEET DHILLON, IDAS  
ACDA



भारत सरकार, रक्षा मंत्रालय  
रक्षा लेखा प्रधान नियंत्रक (पश्चिमी कमान)  
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Government of India, Ministry of Defence,  
Principal Controller of Defence Accounts,  
Western Command,  
Sector 9 C, Chandigarh - 1600 09.

DO No. IA/I/49/MFAI  
Dated : 21-02-2017

*Dear Vikram Kath,*

I am writing this DO letter regarding the objection raised by you in r/o the Central India Horse regarding Irregular Purchases made under Annual Contingent Grant. The objection was well taken by you and the unit have admitted their fault, withdrew the irregular issue of stores and re-issued them to the proper users. This has led to proper utilization of items worth Rs. 7,62,465/- and hence a saving. I highly appreciate the efforts made by you and your office and hope that such good audit points be forthcoming from you in future also.

*With warm wishes,*

Sh Vikram Kath  
Sr. Accounts Officer  
The LAO (A)  
Amritsar

*Yours Sincerely,*  
*Abhineet*

**Copy to:-**

Jt. CDA  
(Local)

: For information above.