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B/49797/AG/ECHS

13 Sep 07

SO ECHS IHQ of MoD (Navy)
Air HQ (VB) New Delhi (D Fin P / DPS)
HQ Southern Command (A)
HQ Eastern Command (A)
HQ Western Command (A)
HQ Central Command (A)
HQ Northern Command (A)
HQ South Western Command (A)

REVISED PROCEDURE ON OPERATION OF ECHS CASH ASSIGNMENT AT STATION HQ

1. This Organisation letter No. B/49791/AG/ECHS dated 23 Jan 2004 on the subject, has been reviewed and the revised procedure for Operation of ECHS Cash Assignment at Station HQ is stipulated in the succeeding Paras.

Release of Cash Assignment

2. Cash Assignment will be released on a quarterly basis by PCsDA /CsDA to the Stn HQ as per the following schedule:-

(a) Release of Cash Assignment During the First Quarter of Financial Year. The requisition for release of Cash Assignment for the amount passed on Vote on Account (VOA) will be raised by the Station and forwarded under a covering letter to the concerned PCDA / CDA with a copy to Controlling Command HQ by 15 Mar of previous Financial Year in the format placed at Appendix 'A' to this letter. The total fund on VOA will be released to the Station by the PCDA / CDA in the first week of April of every Financial Year. No sooner, the budget is passed by the Parliament; Supplementary Demand for the first quarter, if any will be raised by the Station and forwarded to the concerned PCDA / CDA for release of additional funds at the earliest. The amount demanded in the supplementary demand will be to the extent of estimated expenditure in the first quarter of the Financial Year.

(b) Release of Cash Assignment During the Second, Third and Fourth Quarter of the Financial Year. The requisition for fund requirement for second, third and fourth quarter will be forwarded to the concerned PCDA / CDA with a copy to Controlling Command HQ by 10 Jun, 10 Sep and 10 Dec for QE September, December and March of the financial year respectively. The requisition for Cash Assignment will be based on the estimated liability during the quarter but will not exceed the total allotment to the Station in the Financial

Year. **The Formation HQs allotting funds shall invariably endorse original allotment letters to the concerned PCsDA / CsDA.**

Instructions to Stn Cdrs / PCsDA/ CsDA.

3. The following instructions are to be complied with by all Stations Commanders / PCsDA/CsDA in respect of ECHS Cash Assignment:-

(a) On receipt of estimated Cash Assignment (including committed liabilities duly supported by details) Requisition from the Stn HQ, PCsDA/ CsDA will issue necessary letter of credit to the SBI /RBI with a copy to concerned Command HQ / Stn HQ in the first week of the beginning of each quarter. Command HQ / Stn HQ will exercise caution in projecting realistic Cash Assignment. Reasons for short / non release, if any, are to be intimated in writing by the PCsDA/CsDA to the Station HQ with copy to Controlling Command HQ by fastest means to enable Command HQ /Stn HQ to take corrective measures. Caution will be exercised by PCsDA/CsDA before rejecting any Cash Assignment Requisition as inadequate / non release of Cash Assignment will adversely effect the functioning of the Polyclinics.

(b) Each Station HQ will nominate main Cash Assignment Officer, as also a Reserve Officer, who will assume the charge in the event of the Main Officer being away on long leave, duty or for any other reasons. The PCsDA/CsDA will issue Defence Cheque Books for disbursing payments by the Cash Assignment Holder. The names and the designation of the Cash Assignment Holder and the reserve officer who are authorised to sign the Defence Cheques together with their specimen signatures duly attested are to be intimated by the Stn HQ to the bankers and to the concerned PCDA / CDA. Copy of the intimation will be endorsed to the concerned Command HQ and SBI/RBI. Subsequent changes, if any, in the operation of Cash Assignment are to be communicated accordingly.

(c) **Funds likely to remain unutilized or surrendered at RE / MA Stage are not to be demanded by the Stn HQ.**

(d) With every demand for cash assignment, a photo copy of allotment letter duly authenticated by the Station Commander will be enclosed by Station along with Cash Assignment Requisition.

(e) Supplementary demand for cash assignment can be raised when the available Cash Assignment is considered inadequate to meet the liabilities of that quarter or for any reasons advanced by the Station by enclosing the supporting details and within the total allotment. If the demands are forwarded by hand, efforts will be made by the PCsDA/CsDA to release the Cash Assignment on priority.

(f) Cash Assignment release at any stage is not to exceed the allotted funds to the Station.

(g) Cash Assignment not utilized by the Station at the end of the Financial Year, if any will automatically lapse and balance amount can not be utilized or carried forwarded by the Station.

(h) Cash Assignment Officer is to render a monthly statement, in duplicate, of drawals made against Cash Assignment in the Cash Assignment Cash Book

together with the paid vouchers, details of Cheques issued, duly reconciled with the Monthly Bank Reconciliation Statement showing utilization during the month, to concerned PCDA / CDA **by 7th of the following month.**

(j) **Provisional Booking of Expenditure.** To facilitate timely booking of expenditure during a month, **Stn HQs will ensure that a summary of monthly accounts indicating headwise allotment and expenditure is forwarded in the format placed as Appendix 'B',** to the concerned PCDA / CDA on or before the last working day of the month to which the account pertains by fax / hand with a copy to the controlling Command HQ. The PCDA / CDA shall make provisional booking on the basis of this advanced intimation (submitted by the same authority to which cash assignment had been placed). After completion of post audit of cash assignment, the provisional booking shall be appropriately amended to final booking.

(k) Cash Assignment Officer will also maintain a bank passbook which is to be periodically sent to the Bank / Treasury Officer for updation from the "Register of Cheques paid" maintained by SBI/RBI. The accounts will be expeditiously audited and the expenditure booked by the PCsDA / CsDA.

(l) All high value cheques i.e. in excess of Rs 10 lakh will be signed by two officers, one of whom will be the Station Commander.

(m) The irregularities, if any, noticed during the post audit of ECHS Cash Assignment Cash Book by the PCsDA/CsDA will be brought to the notice of the Cash Assignment Holder and settled expeditiously. No restrictions will be imposed by the PCsDA/CsDA in subsequent release of Cash Assignment on this account. However, quarterly cash assignments shall be released subject to the condition that the Station HQ concerned has submitted the monthly expenditure details of the previous quarter.

(n) The provisions of Rule(s) 310 to 316 Financial Regulations Part-I Volume-1 Revised Edition 1983 are to be complied with by all the Station Commander(s) in the Army/ Navy/ Air Force for ECHS payment out of their Cash Assignment Accounts.

4. This letter supersedes letter No. B/49791/AG/ECHS dated 23 Jan 2004.

5. This issue with concurrence of CGDA vide their UO No. AT/IV/4807/ECHS/Vol-VI dated 11 Sep 07.

(RK Kalra)
Maj Gen
MD ECHS

Copy to:-

All Regional Centres ECHS
All PCsDA/CsDA
Office of the CGDA
West Block-V, RK Puram
New Delhi-66

- For information.

REQUISITION FOR CASH ASSIGNMENT

Name of the Command HQ _____

Name of the PCsDA/CsDA _____

Name of the Station HQ _____

Address /Location _____

Name and address of the SBI (having treasury facilities) / RBI _____

Requisition No. _____ dated _____

(No. to be serial running from 1st April to 31 March)

Ser No	Particulars	Total Amount (Rs)
1.	Budget Allotment for the Financial Year (20.....- 20.....) in Major Head 2076 Minor Head 107 ECHS	
2.	Cash Assignment already drawn during the Financial Year	
3.	Balance allotment available in the current Financial Year (Ser 1 (-) Ser 2)	
4.	Cash Assignment Required (details attached on a separate sheet including committed liabilities)	
5.	Balance of Cash Assignment Held (likely to remain unexpended in the current quarter)	
6.	Funds now being requisitioned (Ser 4 (-) Ser 5)	
7.	Balance of Allotment after this Requisition (Ser 1 – { Ser 2 (+) Ser 6})	

Note: Funds under requisition (Ser No. 6) should not exceed the balance allotment available (Ser No 3).

(Signature of Cash Assignment Officer)

Name:

Rank:

Date:

COUNTERSIGNATURE OF STATION COMMANDER

Unit Seal

Signature of Stn Cdr

Name:

Rank:

Date: