No. 18/5/2009-M.II
Government of India
Ministry of Mines

New Delhi, the 18th August, 2010.

To
The Director General,
Geological Survey of India,
27, J.L. Nehru Road,
KOLKATA-700 016.

Subject:- Minutes of the Meeting held on 9.8.2010 on various Financial matters of GSI.

Sir,

I am directed to enclosed herewith a copy of minutes of the meeting on various financial matters including utilization of Funds under M&E Sub-Head of GSI held under the Chairmanship of Secretary (Mines) on 09.08.2010 at 2.00 p.m. in his chamber for favour of further necessary action.

Yours faithfully,

(Y.P. Rawat)
Senior Administrative Officer.

Copy to:-
1. ADG(F), GSI, Kolkata.
2. Chief Controller of Accounts, Ministry of Steel, Udyog Bhawan, New Delhi.
3. Controller of Accounts, GSI, Kolkata.
4. DDG(II), GSI, Kolkata.
5. DDG (PSS), DG Camp Office, New Delhi.
6. Director (T), Ministry of Mines, New Delhi.
7. Director (NIC), Ministry of Mines, New Delhi.
8. OSD-IC (HPC), Ministry of Mines, New Delhi.
9. Director (Finance), GSI, Kolkata.
10. Controller of Stores, GSI, Kolkata.
11. Sr. PPS to Secretary (Mines)
12. PPS to JS (M&R).
13. P.S. to Director(SK).
MINUTES OF THE MEETING ON VARIOUS FINANCIAL MATTERS INCLUDING UTILISATION OF FUNDS UNDER M&E SUB-HEAD OF GSI HELD UNDER THE CHAIRMANSHIP OF SECRETARY (MINES) ON 09.08.2010 AT 2.30 PM IN HIS CHAMBER.

The meeting on various financial matters including utilization of funds under M&E Sub-Head of GSI was held on 09.08.2010 at 2.30 PM under the Chairmanship of Secretary (Mines). The list of participants is annexed.

Following matters were discussed:

I. Opening of Letter of Credit (LC) :- blocking of funds and un-blocking thereof:

i) It was informed that on the authorization of GSI, the PAO till 2008-09 was releasing the funds blocked under LCs, for which deliveries were not expected to be materialized during the financial year and clearing the indigenous party bills, against the released amount. In the year 2009-10 about Rs.1.60 crore, under M&E Sub-Head, lapsed as the PAO stated inability to do so in view of not having leverage in the Compact 2000 Software installed for processing of bills. The CCA, Mrs. L.N. Tochawng, assured to look into the issue and if found necessary to get a patch software developed to solve the problem. She stated that till the problem is sorted out, she will issue instructions enabling manual override of the software so that in case an LC is not likely to mature in the same financial year, the amount would be made available for other expenditure (including additional LCs).

( Action; CCA)

ii) The existing system of sanction orders for procurement of imported equipments may be re-visited. So that the sanction order clearly specifies the installment and the year in which debit is expected
against the budget, so as to ensure blocking of fund is only for the deliveries which are due for that financial year and amounts against LCs, which are to be paid in a subsequent financial year, may be blocked on 1st of April of that year.

[Action: Director (F), GSI / CCA]

iii) There are two type of case where problems are being faced :-

(a) Where expenditure is required to be made in more than one financial year. CCA agreed that in such a case only the amount required in a particular year should be blocked and this will be done if the sanction order specifies the amount due to be find out in each of the years. She stated that PAOs will be guided by the Sanction Order details only, and instruction will be issued accordingly. This will include 10% balance payment cases where balance is payable in the next year.

[Action: CCA]

(b) Where expenditure due in a particular year has to be postponed due to delay in supply. In such a case unblocking will be done on the basis of a written communication made by GSI, with the concurrence of Finance Wing of GSI and instruction will be issued accordingly.

[Action: CCA]

iv) It was informed that the SBI, being the nodal Bank for Central Secretariat and CPWD, is allowing the carry forward of funds blocked in LCs which are not utilized during the financial year to the next year by marking ‘lien’ so that the procurement process goes smoothly. It is sort of suspense account but instead of PAO it is maintained with bank. The CCA assured to study the ‘lien’ system and possibility of introducing the same in GSI, through the Bank designated for GSI.

(Action; CCA)
II. Electronic Clearing System (ECS):

The status on implementation of ECS in GSI was reviewed. It was reported that 100% ECS has been implemented in CHQ, ERO, including Marine and Coastal Service, Kolkata. There is progressive development in Southern Region, erstwhile AMSE Bangalore and Marine Wing of SRO. The outlined offices/State Units are also gradually coming up but much is desired in case of Western Region, DG Camp Office and also where Cheque Drawing DDOs exist. The matter may be taken up with RBI through UCO Bank by PAOs and Cheque Drawing DDOs to get RBI User Registration Number issued. ADG(F) and CCA were urged to speed up the process and 100% switch over to ECS in whole of GSI by Sept. 2010.

(Action: ADG (F) & CCA)

III. Providing ‘DDO Code’:

Sikkim Office has been transferred from ERO and now is under jurisdiction of NER. New DDO Code is, therefore, required to be allotted to it. A new State unit in Jharkhand in Ranchi has started functioning, for which new DDO Code is also required to be allotted. The CCA assured that she will look into it and get it expedited.

(Action; CCA)

IV. Change of nodal Bank for GSI:

GSI has been facing operational lacunae while dealing through UCO Bank. The issue was earlier taken up with CGA. The CCA informed that PAOs are also facing difficulties and very soon she will be addressing through UO Note to CGA, incorporating the difficulties faced by PAO and GSI.

(Action, CGA)
Secretary (Mines) stated that after the needful ground work is done, further follow up with CGA may be made to resolve these issues to change the nodal Bank and issues relating to LCs. It was decided to review the action taken in the month of September 2010.

The meeting ended with a Vote of Thanks to the Chair.
LIST OF PARTICIPANTS

1. Mrs. L.N. Tochhawng, CCA
2. Mr. Suresh Kishnani, Director, MOM
3. Mr. Bhopal Nanda, Director MOM
4. Dr. S.K. Wadhawan, Director (T) MOM
5. Mr. H.L. Sharma, Sr. Tech. Director, NIC
6. Mr. S.N. Khan, Principal System Analyst, NIC
7. Shri A. Sundaramoorthy A.D.G.
8. Dr. Prakash Pandey D.D.G. (PPM)
9. Shri B.K. Bandopadhyay, Director (F)
10. Shri M.S.S.P. Bhardwaj, COS
11. Shri G.S. Jaggi, Suptd. Geologist (MOM) & O.S.D IC HPC