

**Instructions order No: 08 Of 2011**

**CONTROLLER GENERAL OF DEFENCE ACCOUNTS**

PALAM DELHI CANTT - 110010  
TEL - 011-25665529, 25665569-72, FAX-011-25674779  
**(IFA Wing)**

**No: IFA/97**

**Dated: 05/09/2011**

To,

**Sub: Instructions for Inspection of IFA Office(s)**

**Ref: HQrs office letter no. IFA/97 dated. 20/07/2011**

In continuation to this office letter of even no and dated 20-07-2011 forwarding the Inspection Drill for IFA offices, the following instructions for carrying out the inspection of IFA offices are issued for guidance of all concerned.

**1.1** The inspection (also referred to as "internal inspection") will address the following:

(a) To see whether the procedures running within the organization are necessary and sufficient to de-risk the organizational tasks (adequacy inspection).

(b) To ensure that procedures as prescribed are actually implemented. This is to be done by the checking records for evidence, quality checks performed thereon (Compliance inspection).

(c) To ascertain the degree of commitment of the top management towards not only compliance but also continual improvement.

**2. Role of PIFAs and IFAs (SAG Level)**

(i) To appoint Management Representative (MR) for their own office as well as their sub-office(s) under their jurisdiction.

(ii) To appoint "Management Review Committee" (MRC), this may comprise of MR and IFA of concerned sub-office. In case of main office in addition to MR, one Dy. IFA/ AIFA (SAO/AO) could be nominated as member.

(iii) PIFA/ IFA would be chairman of the "Management Review Committee".

(iv) To nominate small team for carrying out "peer review/inspection". This will be a standing team responsible for inspection. Care will be taken while nominating the teams that:

- To ensure that members of the inspecting team are from a different office.
- To ensure that the members of internal inspecting team are not from the office/section proposed to be inspected.
- No interchange of inspection teams is made i.e. IFA (A) will inspect IFA (B). IFA (B) will inspect IFA (C) and not IFA (A) & so on.

(v) PIFA/IFA will submit a quarterly report about inspections carried out and their findings. This report will be part of the existing 'Quarterly Activity Report' being submitted by them to HQrs office.

(vi) The concerned PIFAs/ IFAs will be responsible for carrying out *Internal Inspection* of their respective offices.

### **3. Management Representative (MR)**

The Addl.IFA/ Jt.IFA/ Sr..Dy. FA/ Dy.IFA will be appointed as Management Representative (MR) by the PIFA/ IFA. He will be the key person to ensure quality audit in the office. The MR nominated by Command/HQrs IFA will also function as MR for all the sub-office(s) under their jurisdiction.

**3.1 (a) The MR will be responsible:**

- To ensure implementation and maintaining the quality system in the IFA set up.
- To ensure day-to-day functioning of the quality system.
- To organize Peer Review /Inspection of sub-office(s) and internal inspection in PIFA/ IFA Command office.
- To initiate action to prevent the occurrence of non-conformities relating to the product, process and quality system.
- To initiate, recommend and provide solutions through appropriate channels, verification of implementation of solutions
- To carry out review of exercise of concurrence powers delegated within PIFA/ IFA office.
- To carry out analysis of complaints.

- To interact with the services/ executives and obtain feedback on the functioning of the PIFA/IFA offices from CFA.
- To take preventive and corrective action and report to PIFA/ IFA.
- To organize Management Review Meetings (MRM).

(b) (i) The MR will *obtain feedback on Inspection Questionnaire from sub-office(s)* and after examination will decide whether to carry out Peer Review or not?

(b) (ii) The MR will *complete the Inspection Questionnaire in r/o main office*, based on the internal inspection carried out by him and submit the report to PIFA/IFA, who in turn will forward the completed questionnaire along with his comments to IFA Wing of HQrs office to decide about the Peer Review.

#### 4. Peer Review

The MR will forward the inspection questionnaire to offices under their jurisdiction every year and obtain the feedback. After examining the replies, the MR will decide about the requirement of Peer Review. The MR will nominate a small team for carrying out peer review. The nominated team will not be from the office/section to be inspected and it will be ensured that no interchange of teams is made i.e. IFA (A) will inspect IFA (B). IFA (B) will inspect IFA (C) and not IFA (A).

4.1. The peer review of office(s) will be carried out at least once in two years. However, If MR comes to conclusion that there are significant deficiencies in any office, particularly on the points of Management Responsibility/ Accountability; in that case the frequency of Peer Review could be increased.

#### 5. Role of Management Review Committee (MRC)

The Management Review Committee will be the Apex Level Review Committee. It will lay down procedure for periodical Management Review of Quality System so that continuing suitability, effectiveness and conformance to the prescribed standards is ensured.

The Management Review Meeting (MRM) will be held at least twice in a year. The agenda of MRM shall include the following at the minimum:

- (a) Follow up action on the points of Previous MRM.
- (b) Review of effectiveness of Quality System based on:
  - Findings of Internal inspection / Peer Review
  - Unresolved items of the earlier inspection/ Peer Review



- Customer feedback report, nature of complaints, if any, received during the period and those resolved.
- Resources available.
- (c) Review of functioning of Grievance Redressal Mechanism in the office.
- (d) Review of quality policy and objectives.
- (e) Suggest Preventive / Corrective action to resolve the grievances and to avoid reoccurrence in future

One SAO/AO/AAO in IFA command/HQrs office will be entrusted with the responsibility to record the minutes of MRM and maintain the records.

**5.2.** If large number of objections remains unsettled or irregularities are repeated, then the following course of action may be taken by the MRC:

- To call for the defaulting official (s) for corrective action.
- To nominate the official (s) to a training programme conducted by RTCs/ Training Division.
- To issue advisory note to the defaulting official (s) involved.
- To issue a Memorandum to the official(s) to improve the functioning.

## **6. Instruction for Peer Review Team**

The Peer Review team will carry out a sample check of cases. The percentage of sample check will be decided by the PIFA/IFA in the case(s) of sub-offices under their jurisdiction. The HQrs office will decide about the percentage check in respect of PIFA and IFA offices (headed by SAG and above level officers). The inspection team will:

- (a) Carry out Quality Inspection and also conduct conformity and adequacy inspection.
- (b) Focus on the aspects of Management Responsibility and Accountability.
- (c) Check the findings of Internal Inspection carried out.
- (d) Ensure that not only remedial action is taken to correct the transaction objected by the peer review team but also preventive action is taken to avoid recurrence in future , to minimize correspondence at a later stage.
- (f) Discuss all un-resolved points with the IFA for remedial action.

## **7. Completion Report**

A completion report inter-alia indicating period of inspection, important shortcoming(s) observed and action suggested/ taken to avoid recurrence, etc will be forwarded by the Inspecting Officer to the MRC with a copy to IFA

Wing of HQrs office with in a period of 15 days from the date of completion of the inspection.

### **8. Maintenance of Register**

A register will be maintained to record the details of Internal Inspections/ Peer Reviews in PIFA/IFA office.

### **9. General**

The above mentioned guidelines for inspection have been laid down to start with and it is expected that the same would continually evolve with the experience gained from the new methodology of inspection.

  
**JT. CGDA (IFA)**

