

**MODERNISATION OF POLICE FORCE
(MPF)
SCHEME BOOK**

Draft

9 November, 2010

**Police Modernisation Division
Ministry of Home Affairs
Government of India**

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Glossary

AAP - Annual Action Plan

AMC – Annual Maintenance Contract

ASCI –

ATR - Action taken report

B2B - Business-to-Business

B2C – Business to Consumer

BP- Bullet Proof

BPR&D - Bureau of Police Research and Development

BRS – Bank Reconciliation Statement

CA – Chartered Accountant

CAG - Comptroller and Auditor General

CCS - Cabinet Committee on Security

CCTNS - Criminal Tracking Network and Systems

CCTV – Closed Circuit Television

CFSL - Central Forensic Science Laboratory

CMIS –

CoPS - Computerisation of Police Services Society

CPMF –

DD – Demand Draft

DDO - Drawing and Disbursing Officer

DFMD - Door Frame Metal Detectors

DGS&D – Directorate General of Supplies & Disposals

Electronic data interchange (EDI)

ERP - Enterprise Resource Planning

FSL- Forensic Science Laboratory

GFR - General Financial Rules

GIS - Geographic Information System

GOI- Government of India

GPS- Global Positioning System

HHMD - Hand Held Metal Detectors

HM –

HPC - High Powered Committee

HS –

ICWA –

IDF - Internal Finance Division

IED – Improvised Explosive Devices

Institute of Chartered Accountants of India (ICAI)

MCP- Mega City Policing

MHA - Ministry of Home Affairs

MIS – Management Information System

MPF - Modernization of State Police Forces

MRO - Maintenance, Repair and Operating

NGO – Non-Governmental Organization

NIFM –

NIT –

NM - Naxal Management

OFB - Ordnance Factory Board

PAO –

PRM - Price Reporting Mechanism

PWD – Public Works Department

RTI – Right To Information

SIS –

Modernisation of Police Force (MPF)

SOE – State of Expenditure

SPF –

SPV - Special Purpose Vehicle

SRE –

SWOT - Strengths, Weaknesses, Opportunities, Threats

UC – Utilization Certificate

VHF – Very High Frequency

Modernisation of Police Force (MPF) Scheme Book

1. INTRODUCTION

Background:

1.1. "Police" and "law and order" is a State subject (Entry 2 of the List II of the VII Schedule to the Constitution of India) and it is primarily the responsibility of the State Governments to modernize and adequately equip their police forces for meeting the challenges to law and order and internal security. However, due to financial and other constraints, their efforts have often not been upto the desired level. It is in this context, the Ministry of Home Affairs (MHA) has been supplementing their efforts and resources from time to time by way of measures like, implementation of the Non-Plan Scheme for Modernization of State Police Forces (MPF). The continuance of the MPF Scheme was approved upto 2009-10. The present proposal is to continue the scheme for one more year, i.e. upto 2010-11 in accordance with the scheme parameters approved in 2005-06 and further modifications made in the scheme in the years 2007, 2009 with the approval of the Cabinet Committee on Security.

Objectives of the MPF Scheme:

1.2. The main objective of the scheme is to meet the identified deficiencies in various aspects of police administration, worked out in 2000 by the Bureau of Police Research and Development (BPR&D) in a study, according to which a requirement of about Rs.25,000 crore, was needed for the purpose. Another objective of the scheme is to reduce the dependence of the State Governments on the Army and Central Para Military Forces to control internal security and the law and order situation.

Genesis and Growth of the MPF Scheme:

1.3. The above non-Plan Scheme has been under implementation in States since 1969-70 on a cost sharing (50:50) basis when Rs.50 lakh were allocated and increased to Rs.7.00 crore in 1978-79 and Rs.50 crore in 1996-97. From 1999-2000 allocation was further enhanced to Rs.100 crore. The Cabinet Committee on Security (CCS) in 2001 enhanced the annual allocation to Rs.1000 crore, w.e.f. 2000-01 onwards to counter challenges to terrorism and militancy effectively. This allocation was based on the assessed deficiency in infrastructure and other requirements of the State Police Forces by the BPR&D as stated in paragraph (2) above, which indicated a requirement of about Rs.25,000 crore to meet the deficiencies in the States in the area

of mobility, police buildings, police housing, weaponry, communication equipment, forensic set up, training, etc.

Summary of the Scheme:

1.4. The above non-Plan Scheme has been under implementation in States since 1969-70 on a cost sharing (50:50) basis when Rs.50 lakh were allocated and increased to Rs.7.00 crore in 1978-79 and Rs.50 crore in 1996-97. From 1999-2000 allocation was further enhanced to Rs.100 crore. The Cabinet Committee on Security (CCS) in 2001 enhanced the annual allocation to Rs.1000 crore, w.e.f. 2000-01 onwards to counter challenges to terrorism and militancy effectively. The Scheme was again reviewed in the year 2005 and in view of changed security scenario, States were re-categorized into two groups, namely, 'A' and 'B' providing for central assistance at 100% and 75% respectively. The State of J&K and all 8 NE States (including Sikkim with effect from 2007-08) fall in Category 'A' entitling them to 100% central assistance and the remaining 19 States are in category 'B', the annual allocation under the MPF Scheme was also enhanced to Rs.1645 crore but that was never obtained. A special component for strengthening the police infrastructure in the 76 Naxal affected districts in 9 States (presently 83 districts) at the rate of Rs.2 crore per affected district per year initially for 5 years was introduced. A special provision of Rs.1 crore per district per year initially for a period of 5 years for 30 districts situated on the Indo-Nepal and Indo-Bhutan borders was included in the scheme from 2005-06. a new concept of Mega City Policing (MCP) under the MPF Scheme from the year 2005-06. MCP covers seven cities viz Mumbai, Bangalore, Hyderabad, Chennai, Delhi, Kolkata and Ahmedabad. Desert policing also was started with Rs. 1 crore per district for desert districts of Gujarat and Rajasthan. The year-wise total funds released from 2000-01 to 2009-10 to various States under the MPF Scheme is Rs. 10,086.83 crore. The scheme aims to modernize police forces in terms of:

- Mobility (including purchase of bullet proof and mine proof vehicles)
- Weaponry
- Communication Systems
- Training
- Forensic Science Laboratory/ Finger Printing Bureau
- Equipments
- Buildings

1.5. These guidelines are an attempt to codify the procedures for budgeting, accounting, internal control, financial reporting and auditing system to enable the State implementing agencies to meet their fiduciary responsibilities. The financial reporting/financial statements are powerful project management tools. Information from these reports/statements, if analyzed and interpreted properly, leads to better decision-making. It also helps monitor the progress of project implementation and

check variance from planned activities and budgets. However, to achieve this, it is necessary to have standardized tools. Hence these operational guidelines have been prepared to assist the finance and programme managers to cull out the relevant information and to assist them in managing the programme.

- 1.6. While the provisions contained in this Manual are mandatory, the state implementing Society shall formulate well-defined administrative & financial rules and regulations including the delegation of powers for effective implementation of the programme and strengthen the internal control framework. Guidelines enumerated in this Manual should be formally adopted by the Governing Body of the Society and framed as Rules and Regulations for financial management.

2. APPLICABILITY AND ADMINISTRATION OF THE MANUAL

2.1. This manual shall govern the procurement and financial management system for Modernisation of Police Force Scheme covering the procurement, accounting and audit arrangements.

2.2. All amendments to the Scheme Book shall be made only by Ministry of Home Affairs (MHA) and any requests for amendment based on implementation experience should be addressed to the Deputy Secretary (PMR), MHA.

2.3. All amendments to the manual shall:-

- be internally circulated within the implementation units
- clearly state the paragraph (s) and line(s) to be replaced/added
- be serially numbered for control and easy reference
- mention the date from which the change shall be effective
- be annexed to the manual with a cross reference at the appropriate places in the Manual

3. PROJECT COMPONENTS: AN OVERVIEW

Infrastructure Development of the Police Directorate

3.1. States are provided assistance for the development of the fixed assets like office buildings, housing, and procurement of vehicles and weaponry as well as equipment for the Forensic Science Laboratories and other branches of the Police such the Police Training Schools, Communication Wing, CID, Traffic Control, Photo Bureau, Anti-Corruption Bureau, Home Guards etc. The BPR&D has fixed certain norms with respect to general infrastructure such as office buildings, housing, mobility, weaponry etc. which are used to project the requirement. The norms of the BPR&D are given in Annexure A.

Mega City Policing :

3.2. The Government has introduced a new concept of Mega City Policing (MCP) under the MPF Scheme from the year 2005-06. MCP covers seven cities viz Mumbai, Bangalore, Hyderabad, Chennai, Delhi, Kolkata and Ahmedabad. Based on the approved plan, funds (within the allocation under the Scheme) are given to mega cities for procurement of modern and innovative equipment like portable X-ray machine, vehicle scanner, vehicle number plate identification systems, integrated GIS based automated vehicle tracking etc. The following are the funds released towards mega city policing during 2005-06 to 2008-09 and included in the approved Annual Action Plan for 2009-10 :-

(Rs in crore)

State	2005-06	2006-07	2007-08	2008-09	2009-10	Total
Ahmedabad	3.00	8.01	8.99	2.70	2.00	24.7
Bangalore	3.00	12.99	9.94	10.00	12.14	48.07
Chennai	4.00	20.90	15.00	14.65	15.03	69.58
Hyderabad	3.00	12.85	2.19	3.81	9.79	31.64
Kolkata	4.00	14.68	13.70	14.50	16.43	63.31
Mumbai	5.00	27.00	20.00	22.44	33.23	107.67
Total	22.00	96.43	69.82	68.10	88.62(*)	344.97

3.3. (*) funds approved as in the Central share (Parts-A and B) of the MPF action plans for 2009-10.

Desert Policing

3.4. Desert policing is also a new concept, which has been started in the Police Modernization Scheme from 2005-06. Desert Policing covers the States of Gujarat and Rajasthan. The problems regarding policing in the large and scattered desert areas, specially with regard to problems in investigation, mobility, communication and requirement of special equipments are given emphasis under the Desert Policing initiative. Expenditure for this component is also met out of the funds allocated under the MPF Scheme for the respective States. As per the proposal received from the State Government, the funds released for desert policing are given below:-

(Rs in crore)

State	2005-06	2006-07	2007-08	2008-09	2009-10	Total
Gujarat	2.00	2.00	1.50	2.94	1.62	10.06
Rajasthan	3.00	12.00	9.00	5.99	8.28	38.27
Total	5.00	14.00	10.50	8.93	9.90 (*)	48.33

(*) funds approved as in the Central share (Parts-A and B) of the MPF action plans

Naxal affected districts:

3.5. During the year 2008-09 the following 32 naxal affected districts in 8 states have been allocated / released Rs. 2.00 crore per district, over and above the normal allocation for construction of new police stations and fortification of police stations. In the year, 2009-10, NM Division identified 51 districts in eight States for construction of new Police Stations, Police outposts and fortification of police stations/outposts. In the 83 naxal affected districts in 9 States, an amount of Rs. 2.00 crore per district per annum, within the allocation for MPF, is given to States, for strengthening police infrastructure

S.No.	Name of State	No. Naxal affected districts identified by NM Division under MPF Scheme	Amount (in crore) allocated @ Rs.2.00 crore per district
1.	Andhra Pradesh		30.00
2.	Bihar		18.00
3.	Chhattisgarh		4.00
4.	Jharkhand		16.00
5.	Maharashtra		2.00
6.	Orissa		22.00

7.	Uttar Pradesh		4.00
8.	West Bengal		6.00
	Total	83 districts	102.00

Indo-Nepal/Bhutan Border Districts :

3.6. The scheme was revised in the year 2005-06 also includes a special component for strengthening the police stations/out posts in the districts along Indo-Nepal and Indo-Bhutan borders, involving Rs. 1.00 crore per border district per year within the normal MPF allocations. There are 30 such districts on the India Nepal and Indo-Bhutan border in the following States:-

SI No.	Name of the State	Districts along Indo-Nepal border	Districts along Indo-Bhutan border
1.	Uttarakhand	03	-
2.	Uttar Pradesh	07	-
3.	Bihar	08	-
4.	West Bengal	01	02
5.	Sikkim	02	01
6.	Assam	-	04
7.	Arunachal Pradesh	-	02
	Total	21	09

The above said State Governments include in their annual MPF Action Plans Indo-Nepal/Indo-Bhutan border districts components for funding by Central Government for strengthening of police stations and out posts in the districts bordering Nepal and Bhutan. For 2008-09, the following States had made provision in MPF Action Plans for border districts:-

(Rs. in lakh)

S.No.	Name of the State	Amount included for border district in MPF Action Plan 2008-09	Amount included for border district in MPF Action Plan 2009-10
1.	Uttarakhand	90.00	300.01
2.	Uttar Pradesh	699.96	-
3.	Bihar	93.00	805.13

4.	West Bengal	264.77	187.35
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Special Branches:

3.7. The need for revamping of Special Branches/Intelligence set up in the States has been felt and the matter has been taken up with the States from time to time. The Ministry has emphasized in the meetings held to consider the Action Plans under the MPF Scheme to earmark up to 5% of the total MPF allocation towards strengthening of their Special Branches in terms of modern equipment, gadgets for communication etc. The total amount included in the action plan during 2005-06 to 2009-10 for strengthening intelligence set up is as under:-

(Rs in crore)

Year	Amount
2005-06	9.5
2006-07	12.5
2007-08	41.5
2008-09	29.67
2009-10	66.82
Total	159.99

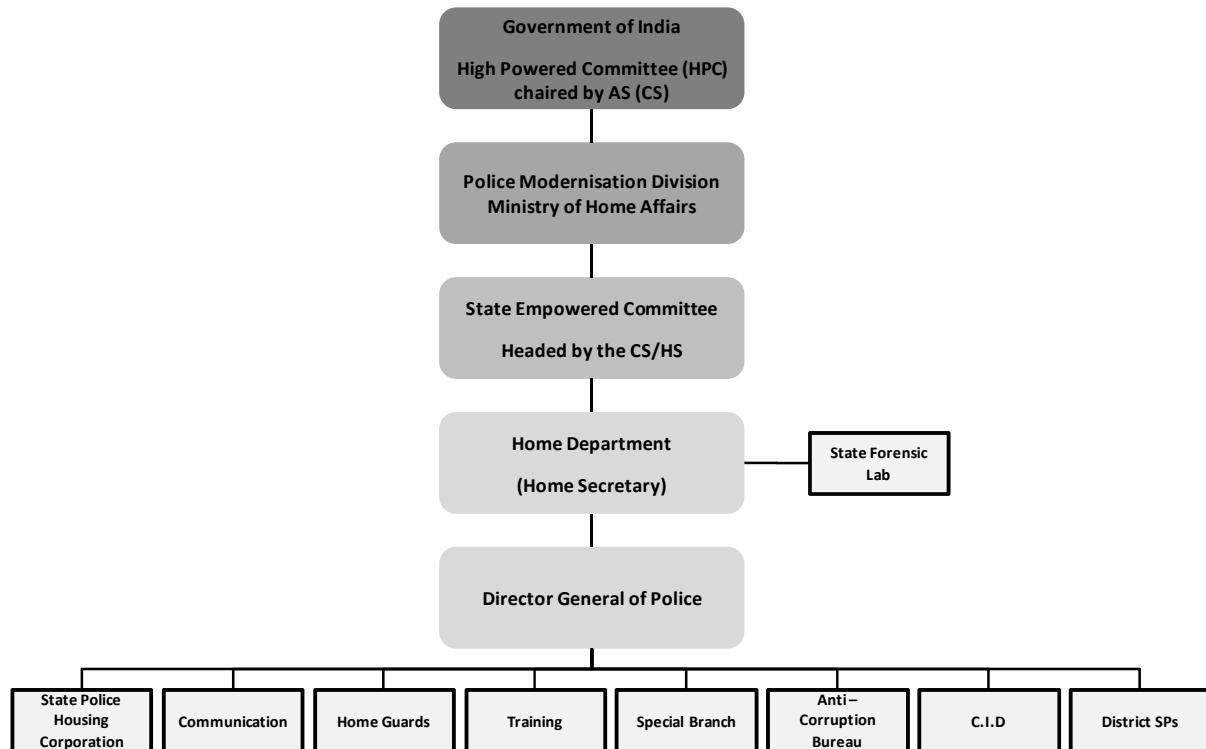
Some of the items projected under the component are (i) GIS Mapping, (ii) Intelligence Training Schools, (iii) Integrated documentation system and integrated data centre at the special branches, (iv) equipment like frequency scanners, voice loggers, IED Jammers, Bomb detection and disposal equipment, direction finders, mine sweepers, thermal imagers, VHF mobile Jammers, explosive vapor detectors, etc.

4. PROJECT IMPLEMENTATION SETUP

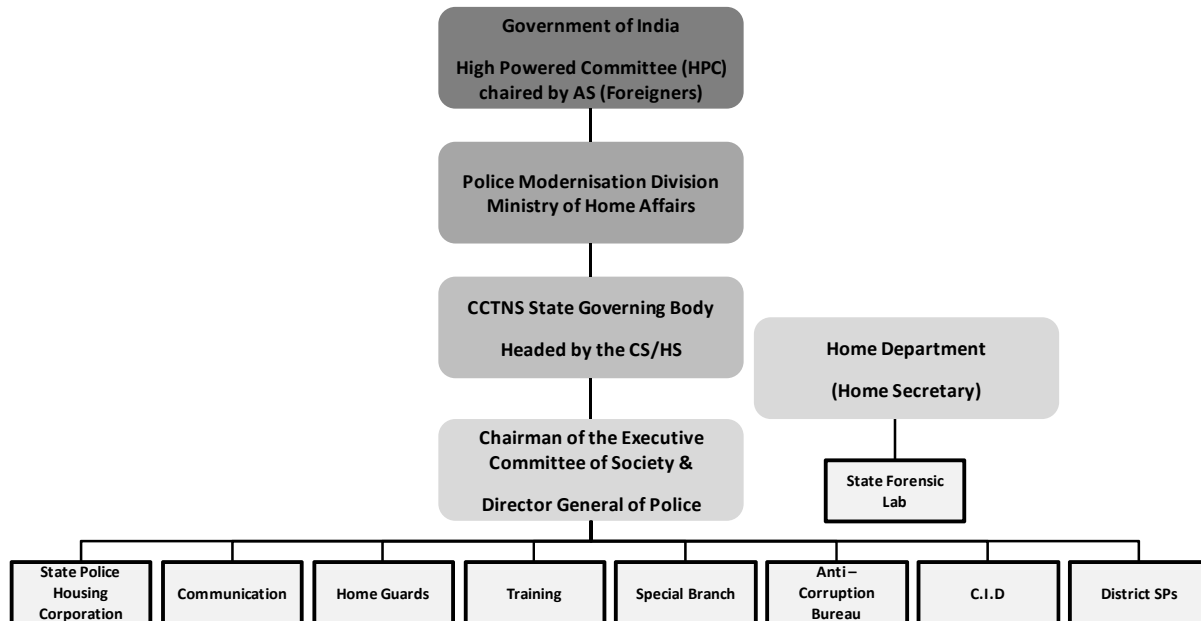
4.1. The funds under the Scheme are sanctioned to the State by the High Powered Committee (HPC) chaired by Additional Secretary (CS), MHA, as per annual plans received from the States. The HPC consists of the DG BPR&D, JS Police Modernisation, JS North East, JS The MPF is implemented by the States in a decentralised mode all the components, albeit, under the direct superintendence of and with financial assistance from MHA. With the formation of autonomous CCTNS Societies in the States it is expected that they would also be used for the implementation of the MPF scheme.

4.2. Currently State has an Empowered Committee headed by the Chief Secretary or the Home Secretary with the DGP and other representatives from the Home Dept. and the Finance Dept. as members.

4.3. The following chart depicts the present Project Implementation Set-up:



4.4. The proposed Project Implementation Set-up based on the existing CCTNS Society is as follows:



Implementation and flow of funds of the this centrally sponsored program is currently done through the Treasury Model but a Special Purpose Vehicle (SPV) which is a legal entity and could be a Society registered under the Societies Registration Act or a section 25 not-for-profit company under the Companies Act which would be required because of the following reasons:

- i. To insulate the program from fiscal stress faced by many States, often resulting in “restrictions” being imposed on them
- ii. Attendant risk of funds meant for programs being used elsewhere, Ex.: payment of salaries
- iii. Delay in according sanctions for expenditure and approval for release of funds from the state finance dept.

However the SPV should create an enabling environment with adequate governance framework and should not be adopted merely as a flow of funds mechanism. The heads of

the SPV should be given a level of structured financial delegation and this should be built into the program. The SPV should also have adequate management capacity and the administrative and financial and governance framework including financial delegation are commensurate with the size of the program to ensure effective implementation.

Changes required in the Memorandum of Association & Rules & Regulation of the Computerisation of Police Services Society (CoPS)

4.5. The changes required are as follows:

Memorandum of Association

Para 1: Preamble

(Insert a new paragraph after the second paragraph). The Society would also receive funds for the Modernisation of the Police Force in state and arrange for their expenditure as per the guidelines framed by the Home Ministry.

Para 6: Objectives and Functions of the Society

(Insert a new clause of no 25). The Society will also expend the grants provided by the Home Ministry and the State Government in pursuance of the aims and objectives of the centrally sponsored scheme – Modernisation of Police Force.

Rules

Para 12: Executive Committee of the Society

(Insert new members at serial no.5 & 6). Managing Director of Police Housing Corporation and Inspector General of Police (Modernisation)

(Insert new serial no 4). The Executive Committee will be competent to handle all equipment related acquisition and disposal cases under the MPF scheme of value less than Rs. one crore per tender. Any acquisition of more than Rs. One crore per tender would require the approval of the Governing Body.

Para 14. Powers, Functions and Responsibilities of Member Secretary – cum – Chief Executive Officer (CEO)

(Insert new serial no 8). The Member-Secretary will have the authority to issue the required approvals for procurement of equipment up to Rs. 20 lakh. Any project of more than Rs. 20 lakh would require the approval of the Executive Committee or the Governing Body as the case may be.

5. COMPONENTS OF MPF FINANCIAL MANAGEMENT

5.1. Financial Management brings together planning, budgeting, accounting, financial reporting, internal control including internal audit, external audit, procurement, disbursement of funds and the physical performance of the programme, with the main aim of managing resources efficiently and achieving pre-determined objectives. Sound financial management is, therefore, a critical input for decision-making and programme success. Accurate and timely financial information provides a basis for better decisions about physical progress of the programme, availability of funds, reducing delays and bottlenecks if noticed.

5.2. The financial management system should produce timely, relevant and reliable financial information that would allow programme managers and State/Central governments to plan and implement the MPF Scheme, monitor compliance with agreed procedures, and appraise progress toward its objectives. To meet these requirements, the system should include the following features:

Planning – A system to identify the needs to achieve the programme objectives, evolve strategies and approaches to address them and take up suitable interventions and activities.

Budgeting – A system to identify the short-term activities necessary to achieve the programme objectives and express these activities in financial terms.

Accounting – A system to track, analyze, and summarize financial transactions.

Funds flow arrangements – Appropriate arrangements to receive funds from all sources and disburse them to the agencies involved in programme implementation.

Reporting – A system that would produce sufficient detailed information to manage the programme, and provide each level of management (State, Hosing Corporation, District SP) with regular financial information (consolidated and/ or dis-aggregated) for decision making and monitoring.

Internal control – Arrangements including internal audit if the scheme were to be administered under the Computerisation of Police Services Society, to provide reasonable assurance that (i) operations are being conducted effectively and efficiently and in accordance with MPF financial norms (ii) financial and operational reporting are reliable; (iii) laws and regulations are being complied with; and (iv) assets and records are maintained.

Concurrent audit – Arrangements for the concurrent audit of the scheme on a quarterly basis thro’ teams of auditors sent to all the States would be made by the MHA.

External audit – Arrangements for conducting annual external audit of the programme by acceptable auditors in accordance with standard Terms of Reference if the scheme were to be administered under the Computerisation of Police Services Society as well as test audits by the AG of the State. If the expenditures were met by funds routed through the State budget then only test audits would be conducted by the AG of the State.

Procurement – A system to carry out procurement of goods, works and services keeping in mind the considerations of economy, efficiency, transparency and equal opportunities to all.

Financial procedures manual – A manual that sets forth the programme financial policies and procedures for the guidance of all personnel charged with financial responsibilities, with the aim of ensuring that programme resources are properly managed and safeguarded.

Financial management staffing – Appropriately qualified financial management staff, including accounting and internal audit staff, with clearly defined roles and responsibilities to conduct financial management activities.

Procurement staffing - Appropriately qualified procurement staff, including accounting and internal audit staff, with clearly defined roles and responsibilities to conduct procurement activities

6. PLANNING PROCESS AND FINANCIAL PLANNING

6.1. At present the planning process for yearly action plan preparation is based on a wish list of items to which costs are attached based on last purchase price or based on local information. It is recommended that a strategic plan be prepared which will incorporate an equipment acquisition-perspective plan for five years be prepared which will identify and analyse the gaps in various components under MPF and in conjunction with the BPR&D norms arrive at a requirement for the State. It is also recommended that decentralized evidence based bottom up planning approach with adequate flexibility should be made core of budgeting. All stakeholders should be actively associated in planning and preparation of annual plan. For better understanding and preparation of realistic and achievable annual plan, a Plan preparation could be computerized and implemented. It would cover all aspects of preparation of evidence based realistic plans with in the broad parameters along with a schedule for processing.

6.2. A calendar for the Annual Action Plan and budget cycle is provided below. In order to ensure that the State Action Work Plans (AAPs) are prepared, reviewed and approved in a timely manner it is important that the deadlines mentioned in the table below are adhered to. This is to ensure that there is adequate time for consultation and review process. It may be mentioned that delays in approval of the AAP delays release of funds, which in turn impacts program implementation and funds utilization.

Sl. No.	Activity	Date by	Responsibility
1.	Letter from PM/NE Division, MHA to all States indicating guidelines as well as formats for annual plan	1 st week of October	PM Division, MHA
2.	Issue of letter by DGP to all concerned officers for submission of plan/ budget proposals	October 15 th	IGP (Modernisation)
3.	Pre budget conference by States on activities and budget estimates with stakeholders and finalizing the state budget	November 15	DGP
4.	Submission of revised budget estimates (activities, targets and costs) to the IGP (Modernisation) by all concerned officers	November 30	Concerned Officers under the DGP
5.	Budget consolidation by IGP (Modernisation) and approval of the State Empowered Committee/HS/DGP as case may be.	December 15	IGP (Modernisation)
6.	Submission of AAP to the PM Division	December 31	IGP (Modernisation)
7.	Completion of High Powered Committee (HPC)	January 1 to February	PM Division, MHA

Sl. No.	Activity	Date by	Responsibility
	meetings/ discussions on annual budget proposals with States	15	
8.	Submission of the revised AAP to the PM Division with due approvals of the State Empowered Committee/HS/DGP as case may be		IGP (Modernisation)
9.	Presentation of GOI Budget in Parliament	February 28	-
10.	Component wise and state-wise approval and issue of orders by PM Division, MHA	March 31	PM Division, MHA
11.	Release of funds 1/6 th of allocation–First installment to the state	April 15	PM Division, MHA
12.	Release of 50% of eligible allocation after deducting un-utilised amount reckoned as per GFR after the Appropriation Bill is passed in the Parliament in mid-May	May-June	PM Division, MHA
13.	Release of remaining 50% of eligible allocation after deducting un-utilised amount reckoned as per GFR and if the pace of expenditure is satisfactory and unspent balances are being liquidated.	Sept-Oct	PM Division, MHA
14.	Release of Pool Fund	January	PM Division, MHA

6.3. Identification of Resource Envelope for the State

The MPF is based on the core principle of one action plan for the programme irrespective of the number of schemes contributing to the programme in a state. Hence the planning process would begin with a thorough assessment of all program/functional heads and identifying the areas of programme support and joint planning so that there is optimal use of resources and no duplication of efforts.

A format as shown below may be helpful in making the optimum resource planning

S.No	Components	Total requirement of funds in lakh `	Funding from Home Ministry			Funding By State Govt.	Funding from Finance Ministry	Total
			SIS Scheme	SRE Scheme	MPF Scheme	State Share under MPF	13 th Finance Commission	
1	Construction of Non-residential buildings :							
2	Construction of residential buildings							
3	Mobility							
4	Weaponry / Arms							

Modernisation of Police Force (MPF)

S.No	Components	Total requirement of funds in lakh `	Funding from Home Ministry			Funding By State Govt.	Funding from Finance Ministry	Total
			SIS Scheme	SRE Scheme	MPF Scheme	State Share under MPF	13 th Finance Commission	
5	Ammunition / Munitions (only for Naxal affected districts)							
6	Police Equipment							
7	Communication Equipment							
8	Training Infrastructure							
9	Equipment for Special Branches / Intelligence gathering							
10	Anti-Corruption Bureau							
11	Home Guards							
12	FSL facilities							

S.No	Components	Total requirement of funds in lakh `	Funding from Home Ministry			Funding By State Govt.	Funding from Finance Ministry	Total
			SIS Scheme	SRE Scheme	MPF Scheme	State Share under MPF	13 th Finance Commission	
13	Mega City Policing							
14	Desert Policing							
15	Border Districts							
	TOTAL							

Remark- The above list is only illustrative and activities pertaining to each State may vary. Accordingly the activity list requires to be changed.

6.4. Preparation of Annual Action Plan

AAP would need to be prepared by a State based on the five year Strategic Plan (2011-16). The AAP format and the format for Strategic & Programme Implementation Plan are given separately in Annexure B and C respectively. Since 2008-09 the actual plan to be funded has been termed as the Plan A. In addition as some of the items could be dropped subsequently due to inadmissibility there was a need to have a backup plan ready for implementation and hence a Plan B was also prepared. States may also be not in a position to implement any component approved in Part A of the AAP for any reason, they may then go in for acquiring any item approved in Part B of the approved AAP with intimation to the Home Ministry.

An AAP provides the description of program actions or activities necessary to achieve strategic goals and objectives. It includes intended activities for the project period, lead roles for activities, timeframes and evaluation criteria for determining success in achieving and determining the difference made by the activity. Activity evaluation strategies included in the plan permit one to document and report accomplishments and success. They also allow you to identify strengths and weaknesses to help make program decisions regarding opportunities to change, enhance and improve activities, management and operations. This information will drive the development of the local MPF program. The approach is to make sure that they are helping to determine "What difference did the effort make? If one is not meeting the evaluation standards, the implementing steps can be retraced to determine if additional or different resources are necessary to achieve the goals or if there are external influences (out of your control) affecting your outcomes.

Action Plan Process Steps

When developing an AAP the following are necessary steps:

- Review previous year plan analyze achievements and areas for improvement
- Review the State Strategic Plan
- Analyze local needs and goals to see how they fit in with State Strategic Priorities, Goals and Objectives
- Draft local goals and objectives and identify activities that need to be customized to meet changed needs, goals and available resources
- Review draft plan to ensure it assists state efforts in achieving the Strategic Plan of the State
- Place it before the Empowered Committee or any Governance Structure to review and approve the AAP

Structure of an Action Plan could be like this: Goal # _____						
Objectives/ Component	Tasks/ Activities	Timeline	Lead Role	Strategies Used	Measure / Document	Resources needed

7. BUDGETING – Annual Plan Preparation (AAP) Process

7.1. Management of Budgets

By the implementation of the AAPs the MPF has shifted from a top-down approach to a decentralized planning process at the state level. The success of this process is contingent on the certainty of the likely resource transfer. The Home Ministry will continue to intimate by December the next financial year’s annual allocation based on the provisional budget estimate figures. It would also review the state-wise allocation based on actual progress by the states vis-à-vis the plan and decide on re-allocation of funds within the programme across the states.

7.2. Bottom up approach in budgeting at State level

There should be a bottom up approach in respect of planning of activities as inputs for the preparation of budgets at the DGP office. The activity plan should be prepared based on the inputs from various implementing units. Reliable costs should be developed as an input to preparing consolidated budget. In this respect, a budget circular should be given to all implementing units so that they communicate their requirements well in time in order to avoid any delays in preparation of budget at the DGP office.

7.3. Prioritisation of activities and Phasing of Allocations

As the approval of the annual plan is based on various aspects like availability of funds, absorption capacity, management capacity etc, a prioritisation of activities would be required at state level. Phasing of allocations would need to be done to avoid the problem of idle funds

7.4. Pre - budgeting Conference

A pre-budgeting conference should be organized at the beginning of the budget cycle wherein the relevant instructions/ guidelines should be provided to the staff of budget centers. This would facilitate uniformity in the methods of estimation used by budget centers and reducing the gap between figures of budget proposed and budget approved

7.5. Utilisation of Funds

The Funds under the project are to be utilized for the following items:

ITEMS UNDER EACH SUB-COMPONENT FOR MODERNIZATION OF STATE POLICE FORCES (CURRENT)

Sl.No.	Components	Items
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Sl.No.	Components	Items
1.	Construction of Non-residential buildings	Police Stations, Outposts, District Police Office, Barracks, Police lines, Kennels, Firing range, Administrative blocks, Other police buildings
2.	Construction of residential buildings	Quarters for Lower (Constables & Head Constables) and Upper subordinates (Inspectors, Sub-Inspectors and Asst. Sub-Inspectors)
3.	Mobility	Heavy vehicles, medium vehicles, light vehicles, two wheelers, mine proof vehicles, riot control vehicles, ambulances, water cannons, water tankers, mobile forensic vehicles, vans, Bullet proof vehicles, Mini bus
4.	Weaponry / Arms	9 mm pistols, 9 mm carbines, 7.62 SLRs, INSAS rifles, AK-47 rifles, MP-5 pistols, Tear gas guns, Under Barrel Grenade Launchers, 7.62 Assault rifles, AK-47, sniper rifles, 51 mm mortars, automatic grenade launchers, Glock Pistols – 19, 5.56 mm Insas LMGs, Anti-riot guns, Night Vision Sight for Rifles
5.	Ammunition / Munitions (only for Naxal affected districts)	5.56 SA ball, 5.56 blank, .303 blank, 7.62 SA ball BDR, 7.62 SA ball blank, Detonators, Grenades, cartridges, bomb illuminating. Dual shell, dummy shell electrical, stun shell electrical, TS shell, 2 in one shell, stun grenade, spade, 3 way grenade
6.	Police Equipment	Security Equipment: Bomb disposal kits, Door Frame Metal Detectors (DFMDs), Hand Held Metal Detectors (HHMDs), Deep Search Metal / Mine Detectors, Closed Circuit Television & Motion Sensor, X Ray Baggage Scanners, Video Cameras, Digital Cameras, Night Vision Devices, Explosive Detectors, Mine Sweepers, Portable Jammers / Jammer vehicle based, Blasting machines, Jamming devices, Dragon lights, GPS, Prodders, Explosive detector, NLJDs, Bomb suit, bomb basket, bomb blanket, GPS, inflatable tower light, Sat phones, cell jammers, vehicle mounted jammers, video recorders, video cameras, button camera, Under vehicle search mirror, baggage x-ray scanner, wire and cable detector, Save me quick GSM audio cell,

Sl.No.	Components	Items
		sun glass DVR, Pen DVR, Snake camera recorder, digital voice recorder Traffic Control Equipment: Movable barricades, Flashing lights, Traffic cones, Florescent jackets, Reflective Hand Gloves, Speed Radar Guns, Alco-sensors, breath analysers General Policing Equipment: Vajra, Water Cannons, Poly carbonate shields, Modern lathis, Body protection and shin guards, Helmets, Mega Phones, Search (Dragon) Lights, BP Jackets CID Equipment: Finger Print Matching Machines, Finger print development kits Office Equipment & Automation: Fax, photocopiers, telephones.
7.	Communication Equipment	Static set (HF/UHF), Static sets (VHF) and Mobile sets (Hand held) UHF repeaters, Tetra hand held sets, PA system
8.	Training Infrastructure	Construction of buildings for training schools, firing range. Training gadgets like firing simulators, forensic training labs, gymnasiums, computer labs, swimming pools, auditoriums, amphitheatres, assault, obstacle courses, modern training class rooms with audio visual facilities
9.	Equipment for Special Branches / Intelligence gathering	Bugging and debugging devices, Portable X-ray scanner, Voice loggers, minute sound hearing transmitter, GSM interceptors
10.	Upgradation of Anti-Corruption Bureau	Equipment as required.
11.	Home Guards	Equipments under mobility, training, security equipments are generally included under this component.
12.	FSL facilities	Buildings for State Forensic Science Laboratories, Regional Forensic Science Laboratories, District Forensic Science Laboratories, Specialized laboratories like DNA, Cyber cells etc. Forensic Science equipments for DNA labs, brain mapping facilities,

Sl.No.	Components	Items
		Polygraph machine, Automatic Fingerprint Identification System, cyber labs
13.	Mega City Policing	Items under mobility, security, surveillance, communication equipments etc. are included under the Mega City Policing component.
14.	Desert Policing	Items under mobility, security, surveillance, communication equipments etc. are included under the Desert Policing component.
15.	Indo-Nepal/Bhutan Border Districts	Items under mobility, security, surveillance, communication equipments etc. are included under the Border District Policing component.

7.6. Items which are absolutely inadmissible under the MPF Scheme currently are as given below:

- a) Office equipments such as fax machines, photocopies, colour printers, duplicators, air conditioners, EPABX etc.
- b) Consumables (other than the normal quantity accompanying the original equipment) may not be supported out of MPF Scheme. The States may fund the spares, consumables as well as cost of the AMCs from their normal Police Budget. As such, items such as batteries, chemicals under FSLs are not being supported.
- c) Construction component to be restricted to 50% of the Plan size. Construction of residential accommodation for Lower (Constable and Head Constable) and Upper Subordinate (SI and ASI) staff is only being approved. Housing for Home Guards is not permissible.
- d) Items such as driving simulators, furniture items like computer tables, chairs, utensils, beds, mattresses, ropes etc.
- e) Sniffer dogs, horses, camels and elephants.
- f) Training fees
- g) Only operational vehicles like jeeps, motor cycles, medium/heavy vehicles have been allowed. Vehicles such as cars have not been approved. Replacements can be met out of State Governments normal budget provision for the police. Brand names of vehicles are not to be indicated in the Action Plan. Mobility component to be restricted to 25% of the Plan size.
- h) Items like Umbrella, goggles, driving simulators, mobile, laptops, vehicles for VIP security, brand names vehicles like Reva, payment of consultancy fees and other small items.

- i) Ammunition has been allowed only for Naxal affected/insurgency affected/terrorism affected States. For other States, ammunition has not been approved.
- j) Incidental expenses, cost escalation, land cost etc.

7.7. Principles of Financial Allocation under MPF

- a) The whole budgetary allocation made for the financial year has two charges: (i) The funds required for the upgradation of infrastructure in Naxal affected districts identified by the Naxal Management (NM) Division @ Rs. Two crore per district. (ii) The Home Minister's Contingency Fund @ 5% of the budgetary allocation for emergent and innovative projects.
- b) Funds remaining after this are allocated to the States based on a pro-rata method for arriving at a standard allocation criteria based on an approved criteria for Rs. 1640 crore which was initially sanctioned by the Union Cabinet. The allocation is given in **Annexure D**.
- c) States such as J&K and the eight North Eastern states get 100% assistance while the rest of the States get only 75% assistance in this centrally sponsored scheme and they would also have to apriori confirm and contribute their 25% to the overall kitty.
- d) Allocation for the special component Indo-Nepal and Indo-Bhutan border districts for upgrading their infrastructure and equipment would be @ Rs. One crore per district within the overall MPF allocation. However this assistance would be 100% from the Centre.
- e) Desert policing and Mega-city plans will need to be given allocation within the overall MPF allocation.
- f) Limits and imperative allocations have been placed with respect to some of the components and cross cutting items under the overall MPF allocation. They are as follows:
 - i. Construction related activities – 50% (upto)
 - ii. Mobility support - 25% (upto)
 - iii. Modernisation of Home Guards - 5% (upto)
 - iv. Special Branches - 5% (upto)
 - v. Upgradation of ACBs - 5% (upto)
- g) In case of computerization, items which are already under the purview of the Crime and Criminal Tracking Network and Systems (CCTNS) should not be included within the MPF plan.

7.8. Modifications of the AAP after approval by the HPC

- Changes in the AAP would need to approved by the competent authority at the State level and approvals should be sought from the HPC through the PM Division of MHA

- Funds of the Society shall not be diverted or re-appropriated to meet any expenditure which has not been sanctioned by the competent authority;
- Funds shall not be diverted or re-appropriated to expenditure on any item not provided for or contemplated in sanctioned budget estimates;

7.9. Training to Staff

Training workshops should be organized for all the components officers and accounts and finance units in respect of budgeting preparation and compilation process. Training should be imparted in respect of various budgeting aspects such as

- Various budgeting guidelines issued
- Method of estimation to be followed,
- Budget heads to be used
- Budget formats to be used
- Time lines regarding budget preparation and submission

7.10. Fiduciary responsibility of State regarding the Utilisation of Funds Released Under MPF

1. No change in allocation among different components shall be made without the approval of the MHA. Re-appropriation between activities within a component can be approved by the State level Empowered Committee under intimation to the MHA.
2. Expenditure should not be made against activities which are not permissible under the norms of the MPF.
3. Civil works and procurement of goods would be done by following codal formalities.
4. All codal formalities would be followed in the construction activities and procurement of goods including proper approval of NITs for execution of works.
5. Financial documentation like the Statement of Expenditure, Bank Reconciliation Statements, Utilisation Certificates, Audit Reports, and Physical Progress Reports would be submitted timely. Action taken reports for audit conducted by the CAG or through concurrent audit would also be necessary for the release of funds.
6. Proposals for re-validation of allotments out of the State Budgets need not be sent to the Home Ministry for approval.

7.11. Conditions Regarding Expenditure of Accrued Interest at State level (Current)

1. For funds released under the MPF Scheme by MHA to the Police Housing Corporations or similar organizations the funds on receipt shall be kept in an exclusive Savings Bank account for MPF only.

2. Funds from this account shall not be kept in fixed or short term accounts to obtain higher interest.
3. The interest accrued from this account shall be used for the furtherance of objectives which would be approved by the State Level Empowered Committee and would be intimated to the PM Division subsequently. They can meet the items expenditure given in Plan B of the AAP.
4. The Corporation shall have an audit caused by the duly appointed audit firm after the end of the financial year within the first quarter of the following year and send an audit report for the funds expended on this account.
5. A utilization certificate would be submitted in the prescribed format of GFR 2005 which is countersigned by the audit firm as and when the utilization is complete.

7.12. Computerised Monitoring Information System (CMIS) for MPF

A web-enabled CMIS developed by the NIC exclusively for the sake of MPF would be put in place at the State and Central level for the easy dissemination of data related to financial aspects as well as the physical progress achieved by the States. All financial documentation i.e Sanction Orders, Intimation of Release of funds, SOEs, UCs, BRS, Audit Reports, Annual Financial Statements from the States would be made available on the dedicated portal. Procurement information in terms of new procurement notices issued by the CPMFs would also be made available for information. States would have to post information on periodically, the financial and physical progress as well as upload documents mentioned above. Release of funds will be subject to the posting and updation of data on the CMIS of each State.

8. FUND FLOW ARRANGEMENTS (CURRENT)

8.1. Funds available in the budget under the MPF have a 5% Contingency Reserve built into them for release on the approval of the HS/HM. These funds are for meeting emergent and contingent needs. Allocations out of this reserve fund would be over and above the annual allocation of the needy States. States can make a case for the release of these funds. The conditions for the release of funds to States as grant-in-aid and the responsibilities of the recipients' are outlined in the General Financial Rules (GFR) 2005 in Chapter 9 Part I which is available at http://finmin.nic.in/the_ministry/dept_expenditure/index.html. The existing fund flow process at the centre and the States is discussed under the following heads:

- Fund flow mechanism at MHA
- Fund flow from MHA to State out of the normal budget heads
- Funds flow from MHA to State Police Housing Corporation
- Funds flow from MHA to Ordnance Factory Board
- Funds flow from State Govt for the MPF Scheme.
- Funds flow from State Police Housing Corporation for lower level implementing units.
- Fund flow from the MHA out of the Pool Fund from the unspent amounts of States.

8.1.1. Fund flow at MHA

The Government of India (GOI) through MHA makes available funds through annual budgetary allocation. Budgetary allocation is under: to Major Head 3601 – Grants-in-aid to State Governments (Major Head) – 01 – Non-Plan Grants (Sub-Major Head) – 01.116 – Police – Modernisation of Police Force – 01 – Strengthening of State Police Organizations – 01.00.31 – Grants-in-aid under Grant No.53 – Police for release to States as budgetary support, Major Head 2055 – 115 - Modernization of Police Force (Minor Head) – 08 – Assistance to State Police Organization in kind – 08.00.31 – Grants-in-aid – under Grant No.53 – Police as grant-in-aid for the State Housing Corporation towards construction activities and Major Head 2055 – 115 - Modernization of Police Force (Minor Head) – 08 – Assistance to State Police Organization in kind – 08.00.31 – Grants-in-aid – under Grant No.53 – Police for release to the OFB for arms and ammunition approved. Thus, the budgetary allocation of MPF from MHA for any financial year indicates the total funds available for that financial year.

8.1.2. Fund Flow from MHA to States

MHA will provide funds to various States normally in two-three installments¹. MHA is currently releasing funds thro’ the budget i.e RBI Nagpur to augment the State Budget and proposes to release directly thro’ electronic transfer to the States. The conditions for release of the first and second installments and the timing are as under:

Installment	Conditions to be fulfilled	Quantum	Timing
First	<ul style="list-style-type: none"> ▪ Passing of the Vote-on-account budget is sufficient for release of funds up to 1/6th 	1/6 th of the	April 15 th
Second	<ul style="list-style-type: none"> ▪ Approved Annual action Plan SOE/Un-audited Utilisation Certificate for the previous year ▪ Submission of State of Expenditure (SOE) ▪ Submission of Bank Reconciliation Statements (BRS) 	Upto 50 % of the approved AAP.	May-June
Third	<ul style="list-style-type: none"> ▪ Release of the State share as applicable for the 1st and 2nd tranches released by the Home Ministry. ▪ Financial report for the first six months showing Budget versus actual expenditure. ▪ Audit report with financial statements and utilization certificate for the previous financial year for the Housing Corporation & State Society if created. ▪ Confirmation on funds requirement for the second half of the financial year based on mid term review 	Balance of approved AAP adjusted for the pace of implementation based on financial reports and mid term review	Sept-October
Fourth	<ul style="list-style-type: none"> ▪ Upto date UCs available along with SoEs 	Pooled funds	Jan-Feb.

Other aspects that will be considered during fund release:

¹ This would normally be in two installments, however depending on the timing of the approval of the union budget, there may be instances, when the funds are releases in three installments

MHA will provide funds to States in the form of grant in aid based on the fulfillment of the above conditions for tranche release. No formal request is required from them for release of funds. Funds are provided to these offices in physical form i.e cash transfer into a separate bank account maintained for the Housing Corporation & State Society if created.

8.1.3. Funds Flow from MHA to State Police Housing Corporation

For the construction activities identified in the AAP and approved subsequently, funds are released directly thro' electronic transfer to a designated bank account in the name of MPF programme. The head of account under which funds are released as kind contribution has already been mentioned. Necessary State Government contribution should be obtained against these releases. Construction activities will be approved in the AAP only if the Police Department. Or the Home Dept. has acquired title and possession to the land. For the approved construction activities to be undertaken all codal formalities, including proper approval of NITs for execution of work, may be adhered to in the construction process. Necessary land, where ever required, should be handed over to the construction agency at the earliest. The Housing Corporation shall furnish quarterly SOEs, monthly bank reconciliation statement and audit report with respect to the funds utilized for the MPF.

8.1.4. Funds Flow from MHA to the Ordnance Factory Board

Funds for the arms and ammunition identified and manufactured by the OFB and approved in the AAP would be released directly by the MHA to the OFB through electronic transfer at the time of the second release. 60% advance payments are made to the OFB based on the Performa invoice raised by them. States are expected to keep in touch with the Regional Director OFB, N Delhi or the concerned OFB factory to ascertain the status of the consignment. It has been seen that the balances are mainly due to non-receipt of clarifications/confirmation of some items from the States and also pending of clearances pending in MHA against some weapons which are on trial or are awaiting collection by respective State Governments. The amounts indicated against the individual items are based on the projections made by the State Government in their approved action plans and in case of variations in the prices of items, if any, from the cost quoted by OFB, they (OFB) are advised to adjust the quantity accordingly.

8.1.5. Funds Flow from State Government for the MPF scheme

Except the 8 North Eastern States and J&K all other States are to provide the matching contribution of 25% for the funds released by the Home Ministry. Police Directorate should take it up with the Home Dept. and the Finance Dept. to ensure that the funds are released expeditiously. Without the release of State share the balance 50% of the assistance for the year would not be released.

8.1.6. Funds Flow from States to lower level implementing units

The release of funds to lower level implementing units like District SPs, PWD etc. will be based on the requirement of the units and based on the agreed funding pattern. The head of each institution is to maintain a separate account for this purpose. Subsequent releases are to be based on the periodic SOEs, physical progress report and utilization certificates. It must be ensured that earlier advances are settled and or refunded before fresh releases are provided. No limits have been prescribed but it is expected that necessary prudence would be exercised at the State level as to the correct balance between central and delegated spending.

8.1.7. Funds Flow from MHA to the States out of the Pool Fund

Where utilisation certificates are not received and therefore funds cannot be released to those States, the utilisation of the overall allocation gets reduced to that extent flexibility was introduced in the scheme since 2009. Henceforth where on account of non-receipt of UCs from any states, it is not possible to release funds to any State, such unreleased amounts calculated as on 30th November of a financial year, will be pooled up and released to States requiring more funds than their normal allocation on account of specific requirements and better performing States with no pending/overdue UCs on a pro-rata basis.

8.2. Electronic transfer of funds

Since physical transfer of funds takes considerable time, the process of electronic transfer of funds would result in faster fund transfer and also in compilation of electronic fund utilisation certificate report at the State and national level. By this process funds from Home Ministry will reach the State within a day as against a process of physical transfer of funds, which takes almost 10-13 days. To enable the process certain details of the exclusive bank account opened in favor of the MPF scheme shall be given as described below.

The bank details are as below:

1.	Name of the Organization	
2.	Particulars of Bank account	
	i. Name of the bank	

	ii. Name of the branch	
	iii. Address	
	iv. Telephone Number	
3.	9 – digit code number of bank and branch appearing on the MICR cheque issued by the bank	
4.	Type of account (Saving Bank only) with code (10/11/13)	Saving Bank
5.	Ledger and ledger folio number	
6.	Account Number (as appearing in the cheque book)	
7.	IFSC code of the bank in which the construction agency has account	
8.	Bank RTGS code no.	

9. ACCOUNTING POLICIES

The following will be the accounting centers under the MPF scheme

	Accounting	Reporting	Consolidation
Home Ministry		✓	✓
State thro' the CCTNS (Proposed)	✓	✓	✓
State Police Housing Corporation	✓	✓	✓
Lower level Implementing Units	✓	✓	

The State Police Headquarter will be responsible for accounting for the expenditures reported by the State Police Housing Corporation. The accounting for advances and expenditures will be as per the accounting policies of the program, which are provided in Chapter 10.

The following accounting policies will be followed by the MPF Scheme:

HOME MINISTRY

MHA is required to follow the accounting policy of the GOI, which is cash basis for accounting. However for the purposes of the scheme and in the computerized MIS the following policy will be adopted for accounting and reporting purposes:

Grant in Aid: Funds transferred to the States (proposed), State Police Housing Corporation and OFB are accounted for as grant in aid. On consolidation of financial reports from States, this will be off-set with the grant received by the States.

Funds to OFB: funds advanced to the procurement agency will be recorded as advance and considered as expenditure on receipt of delivery of the arms and ammunition by the States.

STATE POLICE DIRECTORATE

Grant in aid: Cash- Grant received from the MHA and other sources will be treated as a liability and will be released to income to the extent of the expenditure incurred net of any interest or other income. Grant funds used for purchase of fixed assets will be transferred to a capital Grant fund utilized. Grant funds released by MHA at year end, but received by the State in the next financial year are treated as grant in aid in transit.

Grant in aid: Kind- the grant in aid received in kind from Home Ministry such as arms and ammunition and delivered to the States are not accounted for by the States either as receipt or expenditure/ fixed assets, but physical control by way of a fixed asset register or inventory register (for arms and ammunition) are maintained by the Police Directorate.

Fixed assets & depreciation

- a) Equipments procured by the States for installation and use at various peripheral units are charged to expenditure as the ownership of these assets does not rest with the Police Department; however physical control by way of a fixed assets register giving location, asst number, cost invoice details is maintained by the Police Department.
- b) Expenditure on minor civil works is to be charged to expenditure based on receipt of completion certificate and or supported by bills. Pending receipt of completion certificate these are to be shown as advances for civil works.
- c) Assets installed in the State are treated as fixed assets, but no depreciation is provided on these assets as any replacement, when required will be funded by the state or Government of India as the case may be.

Expenditure by State Police Housing Corporation and lower level implementing units: Funds released to the State Police Housing Corp. and lower level implementing units based on contracts or sanction letters are treated as advances and considered as expenditure only on receipt of statements of expenditure and/ or utilization certificates and charged to expenditure based on the settlement of advance.

Interest and other Income: interest income from banks and any miscellaneous receipt is treated as income on a cash basis.

10. BOOKS OF ACCOUNT AND MONTH & YEAR END CLOSING PROCEDURES

MHA

MHA being a part of GOI follows government systems. The GOI through Min. of Home allocates resources annually for implementation of the project through central budget. The allocation for MHA is done in multiple budget heads both in cash and kind. Under the governmental system of approval and authorization all payments are subjected to financial scrutiny and concurrence by the Internal Finance Division (IFD) of MHA before sanction. The sanction order is passed to the PAO for release of payments. However in order to track the expenditures incurred by MHA under the scheme and facilitate consolidation PM Division of the MHA will also maintain a computerized track of the expenditure on a parallel basis.

STATES

The accounts of the State Police HQ and the State Police Housing Corporation shall be maintained in double entry book keeping principles, on cash basis of accounting. Standard books of accounts (Cash Book, Journal, Ledger, etc.) shall be maintained as per consistently applied accounting standards of Institute of Chartered Accountants of India (ICAI) with the following exceptions:

- a) No depreciation will be charged on the assets owned by the State.
- b) Inventory of arms and ammunition and fixed assets received in kind will not be accounted for (in financial terms) by the States, but physical control will be maintained by the States.

In order to keep proper financial information on the project activities, the standard ledger heads for each component and sub-ledger heads for all the categories under these components shall be maintained. All expenditure incurred shall be booked under sub-ledger heads maintained in respect of each category relating to these components. A statement of ledger heads and sub-ledger heads as well as a Chart of Accounts will be prescribed separately.

The following books, accounts and registers shall be maintained by the Police Directorate:

- Cash Book
- Ledger
- Journal
- Register of temporary advances
- Register of money orders and Bank drafts received
- Cheque issue register

- Register of remittances made into the Bank
- Bank Pass Book
- Register of money-orders, postal orders and bank drafts dispatched
- Bill Register
- Establishment Register
- Stock Register
- Capital Goods
- Non-consumable articles
- Consumable articles
- Register of works
- Register of grants of advances to Agencies
- Fixed Assets Register
- Classification accounts of the Project
- Monthly accounts of Receipts and Payments
- Temporary advance Register
- Contractors/Suppliers/

Monthly end closing of Accounts

Monthly accounts are to be closed after obtaining the information from the peripheral units by 10th of each month. It is important that the following month end closing procedures are adhered to:

- a) settlement of all overdue advances
- b) completion of Bank reconciliation
- c) completion of posting to ledger accounts
- d) monthly financial report to MHA with key indicators/ variances along with list of overdue unsettlement advances

Year end closing of Accounts

In case of closure of accounts for the financial year the cut off date would be 30th of April every year and the following procedures have to be followed:

S.No	Action	Date By
1	Send reminders for settlement of overdue advances and submission of Statement of Expenditures for expenditure incurred upto March 31 each year	February each year
2	Settlement of all overdue advances to NGO, staff, peripheral units	April 15 each year
3	Completion of Bank reconciliation	April 20 each year
4	Annual financial report to MHA and project director with key indicators/ variances along with Bank balance and provisional SOE	April 30, each year

11. INTERNAL CONTROLS

It is the responsibility of the management to clarify to all staff that accountability is a joint responsibility and does not rest solely with the accountant.

The maintenance of accounts of the Program should be governed by the principle that no expenditure is incurred by the State which is repugnant to the objectives of the MPF scheme and every item of expenditure is incurred in accordance with the prescribed procedures, and the canons of Financial Propriety. In accordance with these canons of Financial Propriety, it shall be the duty of each official to ensure that:

- Every Government servant is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money;
- The expenditure should not be prima-facie more than the occasion demands;
- No authority should exercise its powers of sanctioning expenditure to pass an order which will be directly or indirectly to its own advantage;
- Public moneys should not be utilized for the benefit of a particular persons or section of the people unless a claim for the amount could be enforced in a Court of Law, or the expenditure is in pursuance of a recognized policy or custom.
- The amount of allowances granted to meet expenditure of a particular type should be so regulated that the allowances are not on the whole a source of profit to the recipients.
- It shall also be necessary for every Society to establish the operation of adequate and satisfactory internal audit functions.
- Any grant or portion thereof given by the Government of India or the State Government to the Society for a specific purpose shall not be appropriated, without the previous sanction of the granting authority to a purpose other than that for which it was originally approved.

CASH

Cash Account and Transactions

Cash transactions are to be resorted only for petty expenses and when /where banking facilities are not available. As per Income Tax Rules, no claim exceeding Rs.20,000/- should be settled through cash payments. These should invariably be by account payee

cheques only. As a matter of procedure and control, the attempt should be to minimize the number of cash transactions.

Bank Transactions

Bank Receipts:

- All receipts are to be acknowledged by issuing an official receipt. The date of receipt, its accounting and the date of deposit of the cheque/draft to the bank account should be the same. The relaxation can be only in view of banking hours or bank holidays.
- The bank deposit slip should be attached with the Receipt Voucher.
- No receipt should be issued on the last day of the month if the instrument cannot be deposited with the bank on the same day.

Bank Payments:

- Payment Voucher has to be prepared before preparing any cheque.
- Cheque should not be prepared, for whatever reason, if sufficient balance is not available with bank.
- All Vouchers have to be verified and approved before payment is released.
- Payment has to be made only against original bills and claims. Any type of copy of bill or claim should not be entertained.
- All supporting documents should be attached with the Payment Voucher and filed according to serial number.
- If there are more than one bank account, separate Payment Voucher files to be maintained.
- Cheques should be written legibly and doubly ensure that the amount in words and figures are the same.
- All cheques have to be crossed. A Rubber Stamp stating “A/c Payee Only – Not Negotiable” should be put on every cheque. Bearer cheques should not be issued under any circumstance.
- Post-dated cheques are not to be issued.
- All cheques are stamped “for the *Name of the Organisation*”
- The cheque number should be written on every Payment Voucher.

Controls to be exercised:

- All letters/instructions to the bank should be signed by the authorized signatories only.
- Never sign cheques in advance or in blank.
- Un-cashed cheques should be cancelled within a reasonable period.
- Do not leave specimen signatures around.

- Cheque books should always be kept under lock and key. Only authorized persons should be allowed to handle them.
- Using a carbon (black side up) under the cheque will leave an impression on the reverse of the cheque making it difficult to alter.
- Insist on a receipt after payment by cheque.
- Do the bank reconciliation statement on a monthly basis.

Invoice Validation

The voucher is a basic document which is prepared to record any transaction that takes place.

- Serially PRE NUMBERED Vouchers should be prepared for all transactions.
- Vouchers shall be issued officially to a designated person who shall be responsible for the custody and accounting of the same.
- Vouchers shall not be overwritten. In such cases it is best that the voucher be cancelled and retained for future inspection.
- Unutilised or cancelled vouchers shall be retained in the voucher books itself for inspection by the audit subsequently and shall not be destroyed under any circumstances.
- Vouchers and the cash memos need to be stamped with a rubber stamp of a particular project or agency.
- A “PAID” stamp should be put on all vouchers for which payment has been made.
- Vouchers need to be approved by the person initiating the expenditure (who can sign on the supporting document as well) and another authorized signatory.
- No voucher should be passed for payment without supporting documents.

Information a voucher should have

Vouchers should have the following information at the minimum:

- The name of the organization and place
- Date of preparation of voucher and voucher number (pre-printed)
- The concerned project name and line item to which it is charged and the description
- Columns for approval by the project coordinator, signatory and accountant
- Columns for recipients signature.

Supporting document for vouchers

- All bills should be in original. Payment should not be made against a quotation, Performa bill, copy of a bill or a fixed bill.

- All supporting documents should be authorized by the person initiating the payment.
- It is the responsibility of each person who is responsible for buying goods/ services in the project office to check each bill for its validity. i.e., check that the description of items, number of items, cost per unit and total cost, date of the bill and name of payee (i.e. name of project) are accurate. Payments should be made only after checking these details.
- No other alteration in the bill by project staff is normally permissible. If at all an alternate is unavoidable eg., a mistake in the date by supplier which was not corrected such a bill should be brought to the attention of Head of the project who should change it and initial it and a note should be put on the bill why alteration was necessary. The management reserves the right to accept such bills or not.
- Invoices should only be in the name of the office and not in the name of the staff.

Control over Cash / Bank Balances

- For the MPF Scheme a joint signatory savings bank account in any nationalized bank or scheduled bank approved by RBI would need to be opened and all moneys received under the MPF shall be deposited in such bank account.
- No portion of the amount will be kept in Fixed Deposit or other schemes for income generation.
- The interest received should also be utilized for the same activities envisaged under the program and no portion of it should be utilized for other expenses not envisaged in the program
- Cheques, which shall be jointly, signed by two signatories viz. in accordance with the approved financial delegation and one signatory would be from Finance.
- Cash/ cheque books must be kept in safe custody and adequately insured
- The receipts, if any, from other sources including the State Government would also be deposited in the same joint signatory bank account and proper accounting thereof maintained.
- All cash / cheques / Demand Drafts etc. received should be deposited into the bank as far as possible on the same day itself or next day positively so as to avoid cash in transit for long periods. If any cash is retained on hand that should be verified physically by the Head of Office/DDO and recorded in the cash book and the cash in hand deposited into bank next day itself.
- When cash/cheque/DD is paid into the bank, the counterfoils of the pay-in-slip should be verified with the cashbook by the Head of Office/DDO.
- Over writing should be avoided and correction, if any, should be attested by the Head of Office / DDO under his dated initial.
- Crossed Account Payee cheque alone should be issued to third parties/firms etc.
- Not more than one cheque is to be issued to a single party on the same day.
- When payments are made through cheque, the number of the cheque should invariably be noted in the cash book for cross checking.

Verification of cash

The contents of the cash chest / cash box should be counted by the Project Director of SACS or the senior most official in-charge or designated officer at least once in a quarter and the account compared with the cash book balance.

The result of verification should be recorded in cash book each time as under:

“Cash balance verified by me today and found to be Rs. (in figures)
(Rupees (in words) on actual count as correct”.

Date

Signature

(Designation of the Officer)

In case the cash balance is not found to be as per cash book, the fact should be recorded in the cash book and report submitted to the next higher authority unless the error can be set right at once.

The excess or shortage should be rectified by making the necessary receipt or payment entry “cash found excess” as miscellaneous revenue or “cash found short” recouped from the official.

Bank Reconciliation

Bank reconciliation should be carried out on a monthly basis as part of the monthly closing of accounts latest by the 10th of the following month. To enable this, the Bank Pass Book should be sent regularly to the bank for making up-to-date entries of credit and debit in a month and in case Bank Pass Book is not issued, monthly bank Statement should be obtained from the bank regularly.

Entries shown in the passbook / bank Statement will be tallied monthly with the entries in the cashbook. Any discrepancy will be rectified and difference explained in the bank reconciliation Statement in the manner explained below:

Balance as per Cash Book

Add:

(i) Cheque issued but not cashed

(ii) Credit entries made in the bank
but not shown in the cash book

Total

Less:

(i) Amount sent to Bank but not credited
in Bank Account

(ii) Bank charges debited in the bank account
but not accounted for in the cash book

Total

Balance as per Pass Book/Bank Statement
.....

Manual Cash Book

Financial software such as Tally provides for the cash book. However where manual cash books is maintained as a primary book of entry or as a back up the following additional controls are to be exercised:

- Cash book should be maintained under double entry system.
- Separate cashbook should be maintained for each financial year.
- Each entry of receipt and expenditure should be descriptive but brief in nature.
- Each voucher should be assigned a serial number and Ledger Folio number, which should be noted against each entry in the cashbook.
- Each entry in the cashbook should be attested by the Head of Office/ Drawing and Disbursing Officer (DDO).

- Cash book should be closed daily and total cash balance struck and attested by the Head of Office / DDO after verification of the totals.

Record Keeping

A record of all scheme transactions shall be maintained with:

- Appropriate vouchers (receipt vouchers, cash/bank payment vouchers and journal vouchers) and supporting documentation for the transactions.

- These supporting documents should be cross-referenced so as to link them to each item of expenditure with budget heads, project components, expenditure categories (summary and detailed) and compatible with classification of expenditure and sources of funds indicated in the project implementation plan and project cost tables.
- The vouchers must be printed and approval obtained from the concerned authority and serial control over the vouchers must be maintained.
- These books of accounts together with supporting documents and project management reports should be maintained for at least one year after the completion audit of the entire project expenditure.

Monitoring of advances

All advances are to be entered in the advance register to be maintained as per specimen given below-

Date	Name of Recipient	Particulars of advance	Cheque no & date	Amount	Date of adjustment	Amount adjusted

The adjustment of the advances is also to be entered promptly in this register. It should be ensured that no personal advance is outstanding for more than one month. In case, adjustment claims for personal advances are not submitted in time, penal action including charging of interest should be taken.

All other advances above should be adjusted on receipt of utilization certificate/expenditure Statement. It should be ensured that utilization certificates/expenditure Statement on these Advances are obtained immediately after the expiry of the prescribed period.

The next higher authority above the authority who released the advances will strictly monitor the progress of adjustment of advances and take remedial measures required for the speedy adjustment of advances within the time limit prescribed above. Recipients can be invited periodically with necessary documents to settle the advances. This could be done region wise also. All functionaries should ensure that only actual be treated as expenditure and not the normative costs in accounting.

12. PROCUREMENT

Background

The MPF scheme places a high priority on procurement of goods and, works and effective management of supplies for successful implementation. The procurement guidelines have to ensure that necessary supplies are available for the project at right time, in right quantity, of right quality, at the right place, and at right cost. The States are expected to follow the due codal formalities to meet the requirements of existing public procurement system.

Procurement by the States

Procurements to be done at the State level will be done as per the codal formalities prescribed in the State Finance Manual.

Deciding on Procurement Strategy

It is important to agree on the procurement strategy before initiating the tendering process. For example, purchase of arms from outside the country which have long lead times shall require different procurement strategy than the purchase of other durable goods. The procurement strategy should cover:

- Key objectives of the procurement for the project;
- Procurement options;
- Mode of procurement route (Open, Restricted/limited);
- Key milestones (check that enough time will be allowed for various procurement steps);
- Key documents e.g. requirements specification.
- Budget

Factors influencing the procurement strategy relate to the degree of complexity, innovation and uncertainty about the requirement, together with the time needed to achieve a successful outcome.

Assessment and Forecasting of Demands

Bulk requirement of the items should be assessed prior to the beginning of the financial year. While forecasting the requirement the following factors should be considered;

1. Average time period required for the complete procurement cycle is usually 12 to 18 months. This process needs to be compressed. Hence, the process is required to be initiated well in advance based on the assessment of the following information.

- Current stock of stores;
 - Where the stock is located?
 - When is the product due to reach the expiry date?
 - What will be the stock at the expected time of receipt of new supplies?
 - What is the projected time scale for distribution?
2. List of consignees and their storage capacity for receiving the bulk consignment. In case the storage capacity is limited, supply of commodities would require to be phased over a period of time rather than receiving as bulk as one consignment.
3. Any problem encountered with the procurement and distribution over the last few years should be taken into account and analyzed.

Consolidating requirement of several programmes can offer potential savings through price discounts and reduce the administrative cost associated with multiple orders processing.

States shall prepare annual procurement plan and budget estimates and incorporate them within the AAP.

Procurement Plan and Procedures

A plan for procurement should be prepared clearly laying down the budget required. The plans should cover the following issues.

- Plan for the scheme period in terms of civil works, equipment, goods, consultancy services and resource support for every year on a tentative basis for the subsequent years.
- Procurement plan shall be prepared every year for proper monitoring and execution.
- Annual Procurement Plan shall be prepared contract wise.
- Price Reporting Mechanism (PRM) made available with the MHA would be of use to ascertain the recent rates of items and the vendor performance.
- Method of purchase shall primarily be based on the value of the contract (or tender as applicable) as per the codal formalities that the State Finance Manual. Other relevant factors are urgency of the demand, type of goods/services and availability of different sources of supply etc
- Limit of value per contract (or tender as applicable) applicable to the particular procurement procedure shall be strictly adhered to.
- Items that need to be taken up for procurement at Home Ministry level would need to be indicated which are difficult to obtain due to the size of requirement or are

difficult to obtain or economy of scales would be obtained if added to quantities that the Home Ministry is procuring for the paramilitary forces.

- It shall be ensured that the procurement is based strictly on actual need.
- Budget should be sought when required for making intermediate/full final payment only and should not lie idle throughout the procurement process.

E-procurement

(Electronic Procurement) is either the business-to-business or Business-to-Consumer B2B or B2C purchase and sale of supplies and services through the Internet as well as other information and networking systems, such as electronic data interchange (EDI) and Enterprise Resource Planning (ERP). Typically, e-procurement web sites allow qualified and registered users to look for buyers or sellers of goods and services, to distribute bidding documents receive bids and all transactions for completing the placement of contracts. Depending on the approach, buyers or sellers may specify costs or invite bids. E-procurement software may make it possible to automate some buying and selling. Benefits are ability to control parts inventories more effectively, reduce purchasing agent overhead, and improve manufacturing cycles. Benefits documented are: reduction in tender cycle time from 90-135 days to 42 days; increased transparency among suppliers and public at large; cost savings of 20% in 2003-04 and 12% in 2004-05 despite increased costs of advertising and additional cost of MIS. E-procurement is expected to be integrated with the trend toward computerized supply chain management. There are six main types of e-procurement which are: ERP (Electronic Resource Planning) i.e creating and approving purchasing requisitions, placing purchase orders and receiving goods and services by using a software system based on Internet technology; MRO (Maintenance, Repair and Operating): The same as web-based ERP except that the goods and services ordered are non-product related MRO supplies; e-sourcing: Identifying new suppliers for a specific category of purchasing requirements using Internet technology; e-tendering: Sending requests for information and prices to suppliers and receiving the responses of suppliers using Internet technology; e-reverse auctioning: Using Internet technology to buy goods and services from a number of known or unknown suppliers and e-informing: Gathering and distributing purchasing information both from and to internal and external parties using Internet technology. The MHA and the CPMFs are in the process of implementing the e procurement solution of the NIC. It is also proposed that the State Police Organisations also adopt the same expeditiously irrespective whether it has been adopted by the State Government or not.

Identifying Specifications

Specifications for most equipment have already been identified by the PM Division in MHA and a compiled a compendium of technical specifications are available as a CD or on the web which can be used by the States for their own procurement. Technical

Specification for the goods to be procured/Bill of Quantities should be drawn up with clarity, to achieve the following: -

- To let the Procurement Wing understand exactly the features required in the item,
- To let the supplier know exactly what the buyer wants,
- To facilitate easier, quicker and accurate verification of items upon receipt.
- To evaluate the suppliers' performance in meeting the specifications

Unbiased technical specifications shall be prepared with no mention of brand names and catalogue numbers. The functional performance, design, quality, packaging and additional requirements should be clearly spelt out in the specifications. The specifications should be generic and should not favour a particular brand or supplier.

Mode of Procurement

The methods of procurement to be followed are:

Description	Action by	Mode of Tendering
Arms and Ammunition and other items available with the Ordnance Factory Board (OFB)	PM División	Direct Contract
Vehicles (4 wheelers-jeeps/vans, wheelers) available on Rate Contract with DGS&D	State	Direct contract with DGS&D listed bidders*
Equipment available on Rate Contract with DGS&D	State	Direct contract with DGS&D listed bidders*
Imported Arms and Ammunition and other items for which Tenders are under way with MHA or the paramilitary forces	PM División	Direct Contract
Other Equipment approved in the AAP	State	Necessary Codal Formalities of the State will be followed
Civil & Electrical works to be executed by the for police infrastructure or housing	State Police Housing Corporation	Necessary Codal Formalities of the State will be followed

*http://dgsnd.gov.in/so_notice_itemwise.htm

Constitution of Empowered / Purchase Committee at State Level

A Standing Purchase Committee consisting of following officials shall be constituted in the States for deciding the proposals relating to procurement of equipment under the MPF scheme.

- a) Additional Director General of Police - Chairman
- b) Representative from the Division of the Police Directorate concerned with the equipment - Member
- c) Representative from Finance/Home Dept. - Member
- d) Inspector General (Provisioning/Modernisation) - Member Secretary

The recommendations of the Purchase Committee will be put up to the State DGP for approval. All purchases above Rs. 50,000/- shall be done through the Purchase Committee. Procurements based on adoption of the rates arrived at GoI level in the CPMFs would be only possible with the concurrence of the Finance Dept. if the quantity required by the State is lower than what was tendered at GoI and the vendor is interested in supplying the same.

Quality Assurance

Selection through field trails and pre-dispatch inspection and acceptance testing of goods is a mandatory requirement for most equipment. Acceptance test criteria and testing protocols have been developed for most of the equipment which are in use by the Police Forces. States can draw on them for their use. Ballistic testing has now been made available exclusively for the MHA and the States at the Central Forensic Science Laboratory (CFSL) Chandigarh. Those who require dates can contact the Procurement Wing of the PM Division.

Complaint Redressal Mechanism

In order to deal with the complaints received from the contractors/ suppliers effectively, a complaint handling mechanism should be available at the state level, and immediate action should be initiated on receipt of complaints to redress the grievances. All complaints should be handled at a level higher than that of the level at which the procurement process is being undertaken and the allegations made in the complaints should be thoroughly enquired into. If found correct, appropriate remedial measures should be taken by the appropriate authorities. Similarly vendors also need to be evaluated from time to time and their performance should be shared thro' the format of the PRM which is built up into a database as is given below:

S/ NO.	Name of organization	Order No.	Order Invoice Date	Total amount	Currency	Unit Cost including Transport cost but excluding taxes & duties	Source of funding	Full payment made Y/N	Terms of delivery	Supplier/ Agent name	Country of origin of supplier agent
1	2	3	4	5	6	7	8	9	10	11	12

Manufacturer name	Country of origin of manufacturer	Product type	Brand/ make/ model name	Product name	Description of product /stores	Delivery terms	Shipment method	Delivery period specified (months)	Actual delivery period (months)	Is Quality satisfactory	Remarks if any
13	14	15	16	17	18	19	20	21	22	23	24

Fraud and Corruption

The States shall observe the highest standard of ethics during the procurement and execution of such tenders/contracts and prevent corrupt/fraudulent/coercive practices.

Training

The officials who are involved with procurement shall need to be exposed to fundamentals of public procurement procedures. This shall be organized at ASCI or NIFM.

Audit by Comptroller and Auditor General (CAG)

All the procedures are subject to audit by Govt. of India who is the constitutional authority to audit all government expenditures and to ensure that procurement procedures have been followed correctly.

13. ASSETS/ INVENTORY MANAGEMENT

The Police Directorate shall not purchase any movable item or fixed assets unless that item is approved in the annual action plan. For details of procurement policies and formalities to be observed please refer the procurement manual.

All items of fixed assets shall be serially numbered in accordance with the group/nomenclature of the item and shall be entered in the Register of Fixed Assets indicating the following details:

- Names and Description of the item
- Date of Receipt
- Supplier's Name
- Cost of item
- Guarantee period, if any, and its details
- Assets Identifications Number
- Location, and
- Remarks with regard to disposal/write-off, etc.

The register of assets in Form 40 of the GFR 2005 is given in **Annexure E** should be maintained and additional items mentioned above shall be incorporated in separate columns.

No depreciation shall be charged and the value of assets is to be shown at the original cost in the accounts. The Police Directorate shall not dispose off the items of fixed assets nor shall write-off the assets without the prior approval of the Home Department and the Home Ministry.

Physical verification of fixed assets

Annual verification of assets would be carried out by a team of designated officers of the Police Directorate and necessary entry made in the registers. This would be made available to the audit for verification.

The procedure for physical verification would be as follows

- Generate a list of assets from Asset register
- Physically verify the fixed assets at its location with respect to the physical presence , conditions of the assets, and workability
- In case of assets located at peripheral units, the head of office would prepare a list and sent to Police Directorate for information
- Any discrepancies noticed shall be enquired in to and a statement prepared separately

- A comparative statement indicating fixed assets as per records assets as per physical verification conducted would be prepared and kept as annexure to audited statement of accounts

14. CONCURRENT AUDIT

In order to ensure that entities are adhering to the agreed procurement and financial controls and are timely in settlement of advances it is considered necessary to have a concurrent audit function at the State level thoroughly a team of concurrent auditors from the Home Ministry. The responsibilities of the concurrent audit team would include reporting on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded, and the level of compliance with financial norms and procedures. The audit team would conduct the audit in terms of the principles given in the Internal Audit Manual of the Home Ministry which is available at <http://mha.nic.in/pdfs/CCA-IAM-2009.pdf>. Accordingly the States need to strengthen internal checks and the in-house internal audit system to ensure proper utilization of funds approved. In States where an in-house internal audit team is not available, qualified Chartered Accountants firm may be engaged for carrying out internal audit.

The audit will be carried out on a concurrent basis and will cover the Police Directorate. It should be ensured that the prescribed accounting system including regular bank reconciliation is strictly followed by all. This will include physical verification of assets, inventories and beneficiaries/ target groups.

The schedule for concurrent audit would be as follows

Quarter of Audit	Audit of States	Submission of report	Submission of Action Taken Report
April - June	August	August 31	September 30
July – Sept	November	Nov 31	December 31
October - Dec	February	Feb 31	March 31
January – March	May	May 31	June 30

The team of concurrent auditors should furnish a quarterly audit report to the Additional Secretary & Financial Advisory, MHA who will in turn forward the same to the PM division for sending it to the concerned States for comments. The report will contain an executive summary of the critical issues and detailed finding that require attention of the senior officers of the Police Directorate. Action taken report (ATR) should be submitted as expeditiously through the Home Dept. as possible. Submission of ATRs is contingent for the release of funds in the 2nd and 3rd installments.

Utilization Certificate

In respect of the grant-in-aid received from the Government of India, the Society shall furnish a utilization certificate duly signed both by the Member Secretary and the

Chartered Accountant to PM/NE Division in Home Ministry along with the audited annual financial statements. A copy of the format of Utilization Certificate is at **Annexure F**. The Utilization Certificate must be prepared strictly on the basis of the Receipts and Payments account and the opening and closing balances in both Receipts and Payments account and must indicate the advances lying with the peripheral units separately.

Note: All grant-in-aids sanctioned and released by the Government of India to a State in a financial year shall be indicated by the State in its Utilization Certificate irrespective of the fact that the amount is received by the Society in the subsequent financial year.

Pursuance of Audit Objections

In order to keep a watch over the settlement of audit objections included in the audit report, the Accounts Wing/Audit cell of the State Society will maintain a list of outstanding objections.

The progress made on the settlement of audit objections outstanding will be reviewed by the DGP on a monthly basis and appropriate further action taken to ensure their speedy settlement. The list will also be produced to the concurrent audit team for verification of settlement of the objections raised. Audit compliance will be reported to Government of India by the State Implementing Society on a regular basis.

Audit by the Comptroller and Auditor General of India; Special Audit and Performance Audit

The accounts of the Society or the Police Housing Corporation with respect to the MPF funds are subject to the provisions of Comptroller and Auditor General of India (Duties, Powers and Conditions of Service) Act, 1971 as amended from time to time. The Act also provides for a special audit / performance audit of Societies by Comptroller and Auditor General of India which would be undertaken as necessary. All documents, files, audit reports etc are to be made available to them and they should be encouraged to make field visits during the course of audit.

15. EXTERNAL/ STATUTORY AUDIT (PROPOSED)

Statutory Requirement

The State CCTNS Society is registered under the Societies Registration Act 1860 (21 of 1860) or as a Section 25 not-for-profit company under the Companies Act 1956 and the Police Housing Corporation registered as a company under the Companies Act 1956, is responsible for the maintenance of proper accounts and other relevant records, as well as preparing annual accounts comprising the receipts and payments accounts and Statement of liabilities in such a form as may be prescribed by the Registrar of Societies or the Registrar of Companies in keeping with the Rules in force under the said Act. Accordingly, it is mandatory that a Chartered Accountant appointed for this purpose should audit the accounts of the Society/ Corporation annually and submit an annual audit report. The CCTNS Society and the Police Housing Corporation shall maintain proper accounts and other relevant records and prepare annual accounts comprising the receipts and payments account and Statement of liabilities in such form as may be prescribed by the Registrar of Societies of the State Government in keeping with the Rules in force under the Societies Registration Act, 1860 (21 of 1860) or the Registrar of Companies under the Companies Act 1956, subject to the condition that in respect of grants from the Central Government, the directions of the Central Government shall be adhered to.

Preparation of Financial Statements

Preparation of financial statements is the responsibility of the CCTNS Society and the Police Housing Corporation and not the external auditors. The Member Secretary of the Society and the Company Secretary of the Police Housing Corporation shall cause the annual accounts of the Society/ Corporation to be prepared immediately after the close of the financial year and after approval by the Executive Committee of the Society or the Board, shall have the accounts audited annually by a Chartered Accountant firm appointed with the approval of Executive Committee. The financial statements must be authenticated by the designated officers and adopted by the Executive Committee or the Board of the Corporation before the same is signed together with the audit report by the external auditors

Selection and appointment of external auditors

In order to ensure that the selection firms with good audit assurance arrangements A properly constituted three member selection committee headed by the Chief Finance Officer of the CCTNS Society will evaluate the technical and financial proposals received from the CA firms and place its recommendations before the Executive Committee for final selection and approval. In case of the Police Housing Corporation, the appointed auditor will also do the audit for the account of the MPF and prepare separate balance sheet and income expenditure statement for the MPF account.

The selected CA firm shall be engaged initially for a period of one year and if the services are found suitable the appointment may be extended further on a annual basis for a maximum period of 3 years. In no case should a CA firm be entrusted with the external audit responsibility for a period exceeding three years. If not found suitable, a new CA firm shall be selected after following the selection procedure outlined above afresh.

Scope of audit

The scope of audit indicating (a) programme background, (b) programme objectives, (c) scope of audit (d) financial Statement, (e) Statement of Expenditure (f) audit opinion, (g) management letter, h) a Statement showing a schedule of fixed assets held by the Society at the end of the financial year (i) qualification and experience of the key personnel and (j) inputs provided shall be prepared and sent to the prospective Chartered Accountant firm along with the Letter of Invitation.

External Audit Calendar

The following time table is prescribed for the external audit arrangements which should be strictly followed:

	ACTIVITY	TIMELINE
1.	Date of Executive Committee's approval for engagement of external auditors	Between Jan and March of every year.
2.	Appointment of external auditors	By April of every year at the outset.
3.	Completion of audit	By June 30 of the following financial year
4.	Submission of Audit Report to the PM/NE Division of Home Ministry after approval by Executive Committee and adoption by GB	By July 31 of the following financial year
5.	Approval of Annual Report and audited accounts and submission to PM/NE Division of Home Ministry	Desirable by August 31 of every year.

The audited accounts shall be communicated to the Executive Committee of the CCTNS Society and the Police Housing Corporation which shall submit a copy of the audit report along with its observations to the Governing Body for adoption. It would be forwarded to PM/NE Division of Home Ministry (2 copies) for further action.

Responsibility of PM/NE Division of Home Ministry

Home Ministry will review the audit reports and identify issues relating to internal control weaknesses, accountability issues on which is action is required either by the CCTNS Society and/or Home Ministry.

Disclosure of the Annual Report together with the audited financial statements

In line established good practices and in compliance with the suo-moto disclosure requirements of RTI Act and the Outcome budget of the GOI, each CCTNS Society and Police Housing Corporation will prepare an Annual Report on the performance of the MPF Scheme and the activities undertaken during the year together with consolidated Annual Financial Statements (in case of multiple streams of funding from GoI) shall be approved by the Executive Committee/ Board and furnished to Home Ministry. Such annual report will be made accessible to the Public by hosting the same on the web site of the State Police Directorate and printed if necessary.

Utilization Certificate

In respect of the grant-in-aid received from the Government of India under MPF, the Society shall furnish a utilization certificate duly signed both by the Member-Secretary and the Chartered Accountant to PM/NE Division of Home Ministry along with the audited annual financial statements. The Utilization Certificate must be prepared strictly on the basis of the Receipts and Payments account and the opening and closing balances in both Receipts and Payments account and must indicate the advances lying with the peripheral units separately.

Note: All grant-in-aids sanctioned and released by the Government of India to a Society in a financial year shall be indicated by the Society in its Utilization Certificate irrespective of the fact that the amount is received by the Society in the subsequent financial year.

16. FINANCIAL REPORTING (PROPOSED)

PM/NE Division in Home Ministry

Home Ministry will prepare and submit a six monthly financial progress report (budget verses actual expenditure) by program components for the semester review of the progress of the MPF Scheme.

States to Home Ministry

States will submit a quarterly financial report (to begin with) which will be considered to be changed to a monthly financial report. In order to do this the accounts must be closed on a monthly basis.

Annual Financial statements

The procedure for closing of books of accounts at the yearend has been discussed in chapter on accounting policies. The following documents should be furnished of the CCTNS Society and the Police Housing Corporation w.r.t MPF Scheme.

1. Balance sheet
2. Income and expenditure account
3. Receipt and payment account
4. Audit Reports
5. SOE/Un-audited Utilisation Certificate for the previous year

Periodical Financial Statements

The States should input the physical and financial data related to the CMIS on a regular basis. In addition to that, the following documents would be required:

1. Statement of Expenditure (Quarterly)
2. Bank Reconciliation Statements (Quarterly),
3. Utilisation Certificates (against sanction orders)
4. Physical Progress Reports (Quarterly)
5. Action taken reports for audit conducted by concurrent audit (Quarterly)

17. KEY PERFORMANCE INDICATORS

In order to monitor the performance of various States a set of performance indicators have been developed. A select number of indicators are also used in evaluation of the overall performance of States in MPF Scheme will be included in the Dashboard for review. The following are some core performance indicators

- Degree of Implementation based on financial indicators
- Pace of expenditure based on expenditure data
- Indicators on budgeted vs actual with variance breakup
- Component wise breakup of expenditure keeping the percentage wise allocation among objectives
- Indicators related to new activities undertaken-like new service provisions started
- Timely audit and submission of audit reports to Home Ministry
- Procurements as per AAP undertaken and completion of supplies
- Procurement efficiency assessment based on lead times for construction and upgradation, mobility, equipment
- Staff quarters per 100 Police Personnel
- Police Stations per 100 Police Personnel
- Police Outposts per 100 Police Personnel
- Vehicles per 100 Police Personnel
- Communication facilities per 100 Police Personnel
- Mobile FSLs per district

18. MODEL DELEGATION OF FINANCIAL POWERS (PROPOSED - Illustrative only)

The Society shall adhere to provisions of the Delegation of Financial Power Rules of the State Government and duly approved by the governing Body/ Executive Committee.

All powers for approval and authorization/ sanction for release of funds and incurring expenditure should be vested with the project functionaries of all implementing agencies. The competent authority within the CCTNS Society must accord approval on all matters having financial implications with the concurrence of financial division. All powers should start with and end with in the project itself. Administrative or political set up outside the project should not have any overriding powers. The process of sanction should be transparent with financial scrutiny at every stage from administrative sanction to expenditure sanction.

Illustrative Financial Delegation of Powers

Governing body of the society

- full powers for implementation of the project as per the scheme and MOU of the project
- reviewing audit observations and settlement

Executive committee headed by DGP

S.No.		Range (To Be reviewed)
I	General Financial Powers	
a.	To create, within the budget allotment, any post on consolidated salary per month up to (The terms and conditions of these posts shall be sanctioned by the GB)	4000-40,000
b.	To purchase articles and materials including drugs and equipments needed for the Society and for carrying out the objectives of the society at a time subject to Budget Provision up to	Upto 1 crore
e.	To sanction job consultancy services on remuneration basis upto	15 lakh

Designation: Member Secretary

(Amount in Rupees)

S.No.		Range

S.No.		Range
I	General Financial Powers	
b.	To purchase articles and materials including drugs and equipments needed for the Society and for carrying out the objectives of the society at a time subject to Budget Provision up to	20 lakh

The member-secretary can incur any extra ordinary expenditure subject to the ratification of the Executive committee or the Governing Body within 3 months of such expenditure.

19. STAFFING ISSUES (PROPOSED)

Sound financial and procurement management is, therefore, a critical input for decision-making and programme success. Accurate and timely financial information and transparent procurement provides a basis for better decisions about physical progress of the programme, availability of funds, reducing delays and bottlenecks. For the better management of the MPF, the Home Ministry would support the setting up of a Project Management Unit at the Police Directorate level with appropriately qualified financial management staff, including accounting staff, with clearly defined roles and responsibilities to conduct financial management activities as well as qualified procurement staff to conduct procurement activities. The Finance Consultant would be supported by an Accountant and the Procurement Consultant with a Procurement Assistant.

19.1. Job description of Key Positions

Position	Key Responsibilities and Job specifications
<p>Consultant (Finance) (Rs 50-60,000)</p>	<p><u>Major Responsibilities</u> Advices State Society on all financial matters Appraise the proposals received for financing and financial assistance Responsible for CMIS Financial review and assessment</p> <p>Main specifications</p> <p><u>Qualifications</u> Qualified professional having passed CA/ICWA examination</p> <p><u>Experience</u> Five years of post qualification experience</p> <p><u>Appointment</u> Contractual</p>
<p>Consultant (Procurement) (Rs. 70-80,000)</p>	<p><u>Major Responsibilities</u> Advices State Society on all procurement matters Prepare procurement proposals received for approval Procurement review and assessment</p> <p>Main specifications</p> <p><u>Qualifications</u> Qualified professional having passed CA/ICWA examination</p> <p><u>Experience</u> Five years of post qualification experience</p>

Position	Key Responsibilities and Job specifications
	<p><u>Appointment</u> Contractual</p>
<p>Accountant (Rs. 25-30,000)</p>	<p><u>Major Responsibilities</u> Backstops the Finance Consultant on all finance matters Maintains prescribed accounts related documents Prepares finance related documentation and operates the CMIS</p> <p>Main specifications <u>Qualifications</u> Qualified professional having passed B.Com examination with knowledge of Tally <u>Experience</u> Five years of post qualification experience <u>Appointment</u> Contractual</p>
<p>Procurement Assistant (Rs. 30-40,000)</p>	<p><u>Major Responsibilities</u> Backstops the Procurement Consultant on all procurement matters Prepare procurement proposals for approval Assists the Procurement Consultant in procurement review and assessment</p> <p>Main specifications <u>Qualifications</u> Qualified professional having passed BA/B.Com examination <u>Experience</u> Five years of post qualification experience in procurement related areas which is mandatory <u>Appointment</u> Contractual</p>

20. MISCELLANEOUS MATTERS

The income and property of the Society, howsoever, derived shall be applied towards the promotion of the objectives thereof, subject nevertheless to financial discipline in respect of the expenditure of grants imposed by the Central Government from time to time.

If on the winding up or dissolution of the Society there shall remain after satisfaction of its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members or any of them, but shall consistently with the objectives of the Society, be dealt with such manner as the Central Government may determine.

For Any clarifications on matter relating to financial management, enquiries can be made from the Deputy Secretary (PMR), PM Division, Ministry of Home Affairs, Jaisalmer House, New Delhi.

Equipment for Regional Forensic Science Laboratory

Chemical Science

Sl.No.	Name of Equipment	Cost (in Rs lakh)
1	UV Visible Spectrophotometer with PC (Range: 200-900/100)	10
2	Gas Chromatograph with Capillary Facility Detector (FID + ECD + NPD)	10
3	High Performance Liquid Chromatography with PDAD Dual Pump	25
4	Meter Electronic Balance (Range:0-200 gm) Sensitivity:IX10)	3
5	TLC Plate assembles and accessories	2
6	Distillation Set (E-Marck)	2
7	Hot Air Oven	0.25
8	Refrigerator (2 Nos.)	0.3
9	Cold Room	4.5
10	Glassware, Lab wares & Chemicals etc.	10
Total		67.05

Biological Science

S.No	Name of Equipment	Cost (in Rs lakh)
1	Microscope (2 Nos.)	2
2	Microtome Unit with accessories	1.5
3	Balance (Electronic)	1.5
4	Refrigerator (2 Nos.)	0.3
5	Incubator	0.25
6	Hot Air Oven	0.25
7	Dissection set (2 Nos.)	0.5
8	Glassware, Lab ware & Chemicals	10
9	Centrigue Equipment	3
10	X-Ray Machine	5
11	Anthropology Equipment	5
Total		29.3

Physical Science

Sl.No.	Name of Equipment	Cost (in Rs lakh)
1	Comparison/Microscope & Accessories	25
2	Measuring Equipment like Balance, Slide Calipers, Scregauges	0.6
3	IR & UV Spectrometer	20
4	Refract meter	1
5	Glassware, Lab wares and Chemicals	2
Total		48.6

Document Science

Sl.No.	Name of Equipment	Cost (in Rs lakh)
1	Stereo Microscope	1
2	Wild M-8 Microscope	7
3	Magnifying Lenses	1
4	VSC-4 (Portable)	4
5	ESDA	2
Total		15

- Total Cost of All the four sciences comes to **Rs.1.60 crores**
- Other cost of Regional Forensic Science Laboratory:
 - 1) Building – 2000 sq.ft. – Cost Rs.20 lakhs @ of Rs.1000 per sq.ft. including boundary wall, garage, guard post, etc.
- Cost of one Regional Forensic Science Laboratory- Rs. 1.60+Rs.20.00=Rs.1.80 crores
- Cost for the State Forensic Science Laboratory in Goa:
 - 1) Building-3500 sq.ft. (Double Storey)-Cost Rs.32 lakhs @ of Rs. 900 per sq.ft. including boundary wall, garage, guard post, etc.

Cost of first phase of State Forensic Science Laboratory-Rs.1.60 crores + Rs.32 Lakhs = Rs.1.92 crores

Scale of Equipment Requirement of the Indian Police-Phase-I

- 1) Explosive Detector
 - 1 per range
- 2) Deep Search Mines/Metal Detector
 - 1 per range
- 3) Extension Search Mirror
 - 1 per district
- 4) Night Vision Device
 - 2 per armed battalion & 2 per District
- 5) Hand Held Metal Detector
 - 1 per police station
- 6) Investigation Kit
 - 5 per District
- 7) Portable X-ray unit
 - 1 per state
- 8) Small Arm training stimulator
 - 1 per state
- 9) Satellite telephone – Iridium
 - 2 per state
- 10) Multi Shot riot gun
 - 2 per Metro City/1 per State Capital

11) Cellular Phone

- 6 per district

12) Polygraph machine

- 2 per state

13) Bomb Blanket

- 1 per range

14) Bullet proof vehicle

- 10% of the vehicles for Assam, J&K, Manipur, Mizoram, Nagaland & tripura
- 1 % of the vehicles for Andhra Pradesh, Bihar, Madhya Praxesh, Maharashtra, Punjab, Tamil Nadu, Haryana, Rajasthan, Uttar Pradesh
- Nil for other States

15) Breath Analyzer

- 2 per metro city/State Capital

16) Speed detector-Traffic radar for vehicle speed detection

- 1 per metro city/State Capital

17) Search Light

- 4 per district and 1 per coy of armed battalion

18) Dogs-Tracker 7 Sniffer

- 2 per coy of armed battalion and 2 per district

19) Binoculars

- 3 per coy of armed police 2 per district

20) Bullet Proof Jacket

- 5% of the total police strength for Assam, J&K, Manipur, Mizoram, Nagaland & Tripura
- 1% of the total police strength for Andhra Pradesh, Bihar, Madhya Pradesh, Maharashtra, Punjab, Tamil Nadu, Haryana, Rajasthan, Uttar Pradesh.

21) Bomb Disposal Equipment

- 1 per range

22) Pollution measuring equipment

- 4 per metro/State Capital (2 Diesel, 2 Petrol)

23) Traffic signaling equipment

- 1 per two lakh of population in A&B category city as defined by the 5th Pay Commission

24) Upgradation of the Equipment of State Forensic Lab

- HPTL Chronography (15 lakh)
- UV VIS Spectro Photo Meter (5 lakh)
- GC Head Space (15 lakh)
- A A Spectro Photo Meter (10 lakh)
- Portable VSC-4(8 lakh)

25) Control Room Equipment

- Caller ID and Call Distribution system, PC based for 100 calls
- Hot line for Fire, Ambulance, neighboring District and State Hq.

26) Porta Hut

- 1 per District and 1 per Armed Battalion

27) Body Protector Set-Poly Carbonate Sheet, Rubberised Batton, Riot Control Helmet

- 30 per district; 60 per State Capital; 200 per metro; 1 Coy of each Armed Battalion

28) Self Protection Aerosol Spray

- 12 per District; 24 per State Capital

29) Vehicle mounted Water Cannon

- 2 per Metro City, 1 per State Capital other than metro cities

30) Video Camera

- 1 per District

Scale of Furniture Requirements at the PS and Outpost:-

1. Inspector- 5'x4'table(4 drawers) and 1 chair
2. SHO- 5'x4'table(4 drawers) and 1 chair
3. SI- 3'x2' table(2 drawers) and 1 chair
4. ASI- Same as S.I
5. Reception Room- 10 plastic chairs
6. Police Outpost- 05 plastic chairs
7. Police Stations- 02 steel almirah

Wireless Equipment and Fax Room

8. 5'x5' table; 2 chairs; one small steel almirah
9. Constables- A long table for Constables in which an area of 2x2' will be per Constable and he is to be provided with one deep drawer with locking facility.
10. Malkhana & Record Room- 40 Cu.Mts. of shelf space
11. Outpost- 20 Cu. Mtrs. Of shelf space

Scale of Wireless Sets required – 1st Phase

- Police Station – One static set in vehicle & one hand held
- 10% of the total of each of the above wireless items will be District Reserve.
- One **Fax** Set (each) for-
 1. SP
 2. SDPO
 3. Range DIG
 4. Zonal IG
 5. Comdt. of Armed Bn.

6. SP of Railway Police

SECURITY EQUIPMENT FOR POLICE FORCES

S.No.	Name of Equipment	Utility	Approx.cost (Rs.)
1.	Explosive Detector(Model-97 with Viper)	Useful for detection of explosives	10,50,000
2.	Mine. Sweeper/Deep Search Metal Detector(Imported)(Vallon-1620 C, MD-8	To locate mines and other metallic devices buried under ground	1,00,000
3.	Mine Sweeper (Indigenous)	Same (limited capability)	22,000
4.	Non Linear Junction Detector (Super Broom Plus)	To detect and locate concealed electronic active/passive devices. It is to be used in combination with Deep search Mine Detector and Explosive Detector.	8,00,000
5.	Wire & Cable Locator WD-3, WD-4, WD-5, MEL-1690	For the detection of buried wire and cable which are connected to IEDs (improvised explosive devices)	4,00,000
6.	Optical Fiberscope search Kit (Allen, UK, Olympus, Japan	Used for covert viewing or for searching small cavities. Where explosives might have been hidden	7,00,000
7.	Forensic Science Equipment	For upgradation of Sate Forensic Science Lab.	53,00,000
8.	Door Frame Metal Detector (Portable & fixed)	For the detection of ferrous & non ferrous metals	22,000
9.	Hand Held Metal Detector	Used for frisking	2,500
10.	Search Light	For carrying out anti-sabotage Checks	1,000
11.	Binocular	For Surveillance	2,000
12.	Extension Search Mirror	To search inaccessible areas during building search	1,500
13.	Prodder	Useful in anti-sabotage checks for objects like flowerpots etc.	550
14.	Tool Kit (Screw driver set cutter, plier, tester, nylon rope, Etc.	Useful in anti-sabotage checks	500
15.	Under-Vehicle Search Mirror	To search inaccessible areas under The vehicles	2,000
16.	Trained Explosive Sniffer Dogs	For the detection of concealed explosives	10,000
17.	TFC Signalling Eqpt.	For City TFC	1,00,000
18.	Portable X-Ray Unit (RTVS)	For checking inside suspected Briefcases, closed packets etc. Images are viewed on a display monitor	12,00,000
19.	Polygraph Machine	For Lie detection test	2,00,000
20.	Breath Analyser	For alcohol detection testing	75,000
21.	Nigh Vision devices	For night time surveillance in the security areas	2,50,000
22.	Self Protection Aerosol Spray	For self protection while escorting	400
23.	Bomb Truck	Transport equipment for bomb disposal	5,00,000
24.	Bomb Blanket	Useful in suppressing bomb blast effects in emergency cases	20,000
25.	Bomb Basket	Used for temporary holding of suspected explosives areas	50,000
26.	Bomb-suit	Guards against bomb explosion	2,50,000
27.	RSP Tool Kit	Useful in bomb disposal work	1,00,000
28.	Water Cannon (Bomb disposal)	To blast connection between power source and explosive	3,000
29.	Blasting machine	Same as above	1,000
30.	Gas Gun	Same as above	5,000
31.	Car Remote opening Tool Kit	To open a car from a distance	10,000
32.	Ice Tong	To pick up a suspected item	500
33.	Radio Communication Set	For communication between bomb squad member	50,000

S.No.	Name of Equipment	Utility	Approx.cost (Rs.)
34.	Cellular Phone	For Communication	10,000
35.	Iridium Satellite Phone	For long distance communication using a portable set	1,80,000
36.	Thermal Cutter	For cutting electrical connection in a bomb	500
37.	Drilling Machine	For reaching spot where IED may be kept	1,500
38.	Bullet Proof Jackets	Protection against bullets	26,500
39.	Sniper rifle	To shoot terrorists from distance	2,00,000
40.	Bullet Proof light vehicle	For protection from bullets & ambush	5,00,000
41.	Portahut	For temporary location of police stn.	50,000
42.	Rubberised baton	Light Weight high impact, useful in controlling mob	1,000
43.	Polycarbonate shield	Riot Control	1,000
44.	Vehicle Mounted Water canon (without chassis)	Non-lethal, useful for mob dispersal	7,00,000
45.	Investigation Kit	For Forensic Science	15,000
46.	Control Room Equipment	For Police Control Room	3,00,000
47.	Multi-shot riot gun	For quick firing of tear gas shells While controlling mobs	1,00,000
48.	Speed gun	For Over speed detection	75,000
49.	CCTV Systems	For monitoring unauthorized intrusion	5,00,000
50.	Alarm Systems	For perimeter security	10,00,000
51.	Fire Arms Training system	For training of troops without expending ammunition	55,00,000
52.	Small Arms Trg. Simulator	For fire arms training indoors	12,50,000
53.	Bomb disposal robotic vehicle	For remote controlled disposal of bombs & explosives	90,00,000
54.	Vehicle immobilizer	To stop vehicle speeding away	3,000
55.	Pollution Measuring Eqpt.	For city traffic	1,00,000
56.	Frequency Jammer	For preventing IEDs explosion	70,00,000
57.	Vehicle tracking system with GPS	For auto tracking of police vehicles	25,00,000
58.	Riot control helmets	For protection of jawans	1,000
59.	All terrain vehicle	For cross country troop transportation	65,00,000
60.	Tape Recorder (incl. Mini)	For evidence recording	5,000
61.	Concealed Camera	For clandestine photography	20,000
62.	Ultra Violet Lamp	For identifying fake currency	2,000
63.	Video Camera (8mm)	For video recording of events etc.	40,000

ANNEXURE B

FORMAT FOR THE ANNUAL ACTION PLAN (AAP)

- Introduction/ Background
- Major achievements in the last financial year (2010-11)
- Objectives of 2011-12
- The priorities and thrust areas for 2011-12 will include the following:
 1. Component 1
 - a. Chapter 1: Component 1
 - i. Component 1.1
 - Overview of the present status
 - Strategies
 - Gap Analysis and Physical and Financial targets

Achievement in Previous Years and Targets proposed for New Year
(Table 1)

Sl. No	Component	Activity	Achieved in current year up to Dec	Target for Next year
1				
2				
3				
4				

Implementation Plan of Component 1 and so on in
(Table 2)

Component	Activity	Process	Agency	Time frame (Quarter/Semester/Year)	Budget (in lacs)

Budget utilization status (Rs. In Lakhs) up to 31st December in Current Financial Year

(Table 3)

SI No	Component	Allocation	Expenditure	Percentage

Budget for Previous Activities to be continued in the Next Year
(Table 4)

YEAR -	Component	Activity	Total
YEAR -	Component	Activity	Total
Grand Total			

Budget Summary for Activities in the Next Year
(Table 5)

Component	Activity	Total
Grand Total		

Detailed Budget for each of the Component for the year:
(Table 6)

No.	Component	Activity	Number	Unit cost in Rs.	Total cost in lakhs
1					
2					
3					
4					
5					
6					
7					
8					
				Total	

PROCUREMENT PLAN

Summary Plan under each Component and Activity:
(Table 7)

Sl no.	Name of item	Force level availability (col 4+5)	Deficiency (col 3-6)	Quantity to be procured for 20__-__	Last purchase price/ unit price	Total financial implications	Source of budget	Status of procurement	Method of procurement	Delivery period	Priority (i/ii/iii)	Remarks
	1	2	3	4	5	6	7	8	9	10	11	12
1												
2												
3												
4												
5												
6												

Status of procurement - procurement already started & if so the stage or yet to start

Method of procurement - could be either DGS&D, single tender enquiry, open tender (local suppliers/ global supplier)

Priority - immediate & vital necessity is i, urgent is ii and need to be procured thro' regular procurement process within the year

Detailed Procurement Plan:

Chapter 2: Programme Management

- Current status
- Performance of Governing Structures'
- Programme Monitoring Activities Description

Chapter 3: Procurement

Proposed Procurement (including tendering for works) Plan: (Table 8)

No.	Component	Activity	Items Description	Number	Agency	Est. Cost (Rs. In Lakhs)	Remarks (Proposed Mode/ Methods of procurement)	Timeline (Quarter/Semester/Year)
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								

Total Budget for Procurement =

Chapter 4: Budget

During the current year, a budget provision of Rs. _____ lakhs was provided to the State with ____% enhancement. However, considering various activities, infrastructural developments, transport etc, the overall budget for _____ has been escalated to Rs. _____ lakhs.

BUDGET FOR YEAR 20__ - 20__ (Table 9)

No.	Component	Activity	Nos	Unit Cost	Cost	Timeline (Quarter/Semester/Year)
1						
2						
3						
		Total				

PROGRAMME COMPONENTS	TOTAL (RUPEES IN LAKHS)
-----------------------------	--

Component 1: (Activity-wise)		
	PREVIOUS YEAR (S) ACTIVITIES:	
Sub total		
Component 2:		
	PREVIOUS YEAR (S) ACTIVITIES:	
Sub total		
Component 3:		
	PREVIOUS YEAR (S) ACTIVITIES:	
Sub total		
Component 4:		
	PREVIOUS YEAR (S) ACTIVITIES:	
Sub total		
Grand total		
(Rupees		Only)

ACTIVITIES UNDER EACH COMPONENT FOR MODERNIZATION OF STATE POLICE FORCES

Sl.No.	Components	Items
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Sl.No.	Components	Items
1.	Construction of Non-residential buildings	Police Stations, Outposts, District Police Office, Barracks, Police lines, Kennels, Firing range, Administrative blocks, Other police buildings
2.	Construction of residential buildings	Quarters for Lower (Constables & Head Constables) and Upper subordinates (Inspectors, Sub-Inspectors and Asst. Sub-Inspectors)
3.	Mobility	Heavy vehicles, medium vehicles, light vehicles, two wheelers, mine proof vehicles, riot control vehicles, ambulances, water cannons, water tankers, mobile forensic vehicles, vans, Bullet proof vehicles, Mini bus
4.	Weaponry / Arms	9 mm pistols, 9 mm carbines, 7.62 SLRs, INSAS rifles, AK-47 rifles, MP-5 pistols, Tear gas guns, Under Barrel Grenade Launchers, 7.62 Assault rifles, AK-47, sniper rifles, 51 mm mortars, automatic grenade launchers, Glock Pistols – 19, 5.56 mm Insas LMGs, Anti-riot guns, Night Vision Sight for Rifles
5.	Police Equipment	<p>Security Equipment: Bomb disposal kits, Door Frame Metal Detectors (DFMDs), Hand Held Metal Detectors (HHMDs), Deep Search Metal / Mine Detectors, Closed Circuit Television & Motion Sensor, X Ray Baggage Scanners, Video Cameras, Digital Cameras, Night Vision Devices, Explosive Detectors, Mine Sweepers, Portable Jammers / Jammer vehicle based, Blasting machines, Jamming devices, Dragon lights, GPS, Prodders, Explosive detector, NLJDs, Bomb suit, bomb basket, bomb blanket, GPS, inflatable tower light, Sat phones, cell jammers, vehicle mounted jammers, video recorders, video cameras, button camera, Under vehicle search mirror, baggage x-ray scanner, wire and cable detector, Save me quick GSM audio cell, sun glass DVR, Pen DVR, Snake camera recorder, digital voice recorder</p> <p>Traffic Control Equipment: Movable barricades, Flashing lights, Traffic cones, Florescent jackets, Reflective Hand Gloves, Speed</p>

Sl.No.	Components	Items
		Radar Guns, Alco-sensors, breath analysers General Policing Equipment: Vajra, Water Cannons, Poly carbonate shields, Modern lathis, Body protection and shin guards, Helmets, Mega Phones, Search (Dragon) Lights, BP Jackets CID Equipment: Finger Print Matching Machines, Finger print development kits Office Equipment & Automation: Fax, photocopiers, telephones.
6.	Communication Equipment	Static set (HF/UHF), Static sets (VHF) and Mobile sets (Hand held) UHF repeaters, Tetra hand held sets, PA system
7.	Training Infrastructure	Construction of buildings for training schools, firing range. Training gadgets like firing simulators, forensic training labs, gymnasiums, computer labs, swimming pools, auditoriums, amphitheatres, assault, obstacle courses, modern training class rooms with audio visual facilities
8.	Equipment for Special Branches / Intelligence gathering	Bugging and debugging devices, Portable X-ray scanner, Voice loggers, minute sound hearing transmitter, GSM interceptors
9.	Upgradation of Anti-Corruption Bureau	Equipment as required.
10.	Home Guards	Equipments under mobility, training, security equipments are generally included under this component.
11.	FSL facilities	Buildings for State Forensic Science Laboratories, Regional Forensic Science Laboratories, District Forensic Science Laboratories, Specialized laboratories like DNA, Cyber cells etc. Forensic Science equipments for DNA labs, brain mapping facilities, Polygraph machine, Automatic Fingerprint Identification System, cyber labs
12.	Mega City Policing	Items under mobility, security, surveillance, communication equipments etc. are included under the Mega City Policing component.

STRATEGIC PLANNING FOR STATES ON MODERNISATION OF POLICE FORCE (MPF)**BACKGROUND**

Section 40 of the Model Police Act circulated by the MHA directs that a strategic plan would be developed by the States. The Strategic Plan drives all these other plans by articulating basic concepts of vision, mission, goals, objectives and activities. Strategic planning determines where an organization is going over the next several years, how it's going to get there and how it'll know if it got there or not. The plan includes specific products that will direct the State's Police Directorates activities and services can be greatly enhanced by developing clear vision and mission statements, objectives, comprehensive strategies, and detailed action plans.. Even though plans may have previously developed vision and objectives, the planning process provides an opportunity for the officers of the Directorate and other partners to establish a common language and involvement in the policing system. Strategic planning has been defined as a deliberate set of steps that

- assesses needs and resources;
- defines a target audience and a set of goals and objectives;
- plans and designs coordinated strategies with evidence of success;
- logically connects these strategies to needs, assets, and desired outcomes; and
- measures and evaluates the process and outcomes.

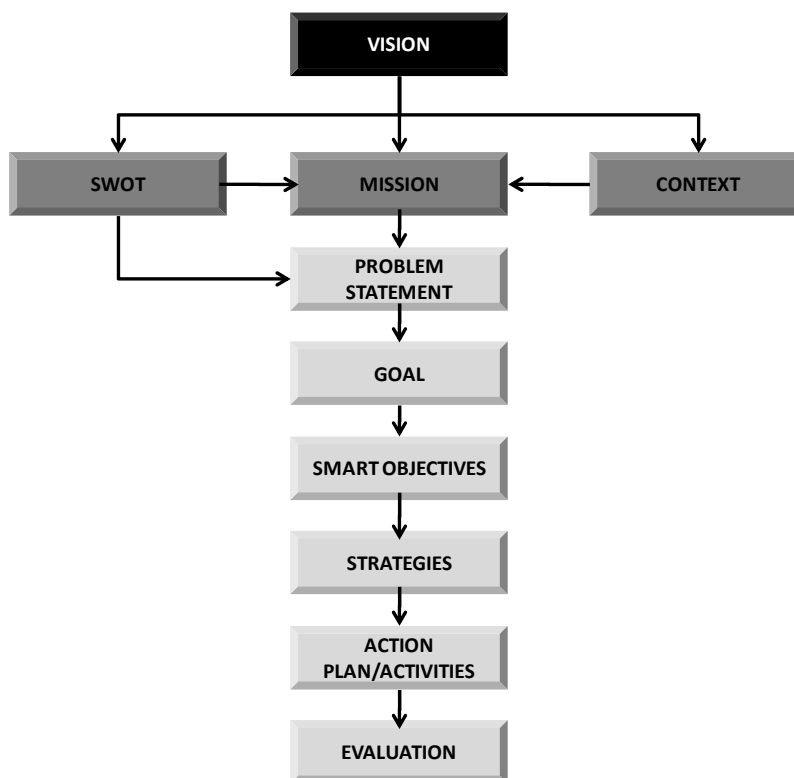
STRATEGIC PLANNING

There are a variety of ways to approach strategic planning. The way that a strategic plan is developed depends on the nature of the leadership, culture, complexity of the organization's environment, size, expertise of planners, etc. Similarly, the specific process, planning period, and specific stakeholder participation can all vary. Most agree that annual review of action plans is critical, but the shelf life of a Strategic Plan can vary from one to three to five years. The 11 core elements are described below as a template, followed by discussion of each:

- 31) Preparation for planning
- 32) Vision
- 33) SWOT analysis
- 34) Context (Needs Assessment/Demographic Profile)

- 35) Mission
- 36) Problem Statement
- 37) Strategies (Determine Rational for approach)
- 38) Goals
- 39) Objectives
- 40) Action plans/activities
- 41) Evaluation

SCHEMATIC DIAGRAM FOR THE PREPARATION OF STRATEGIC PLAN



1. Preparation for Planning

In order to be ready for the planning process:

- Be sure all the participants understand the basics of strategic planning; share a draft agenda prior to the sessions, along with any relevant reading materials.
- Schedule at least two three-hour sessions (this is a minimum estimate) with plenty of notice to your participants. Secure a facility that facilitates open thinking and that is comfortable for all.

- Consider whether you need an independent facilitator, or whether this task can be shared among participants. If you want an independent facilitator, the Community Prevention Institute (<http://www.ca-cpi.org/>) can probably provide one at no cost.
- Carefully consider who should participate. Be sure that key leadership in your department is included in the process. Many prevention departments might also want to include essential community partners.
- Finally, figure out a plan to evaluate your sessions. The most basic outcome is that your plan is completed, but consider ways to evaluate other features, such as communication, productiveness of session, other training or assistance needs and so forth.

Who Should Be Involved in Planning? Strategic planning should be conducted by a planning team. Consider the following guidelines when developing the team.

- Establish clear expectations and clarify roles for participants; there are roles for those directly involved in planning, those who will provide key information to the process, those who will review the plan document, those who will authorize the document, etc. Each participant should understand the overall direction of the process and her/his independent roles.
- Always include at least one person who ultimately has authority to make strategic decisions, for example, to select which goals will be achieved and how.
- Ensure that as many stakeholders as possible are involved in the planning process.
- Involve someone to administrate the process, including arranging meetings, helping to record key information, helping with flipcharts, monitoring status of preparation, etc.

The number of meetings depends on the amount of prior planning and the number of pending strategic issues. In addition, every “culture” has preferences about short or long meetings, and how much time they can commit. Given these parameters, the planning should be completed over no more than one to one and half months, with sessions spaced no more than two to three weeks apart or momentum will be lost.

2. Vision

The Police Directorate may already have a vision statement with which it should align. If there isn't such a vision statement, or if the vision is not specific enough to the Police Directorate one has to start planning with the development of a vision statement. Vision is a long range picture of how the “world will be” if you're successful in your work. There are many examples available in the internet which can be referred to but the vision should be something very personal and thought out. The Strategic Plans of Punjab, Rajasthan and Karnataka can be referred to for guidance. Assistance can also be sought from the Network for Improved Policing in South Asia (NIPSA) <http://nipsa.in/> or the

Commonwealth Human Rights Initiative (CHRI) to develop the strategic plan or any management consultant with previous experience in mentoring strategic planning.

3. SWOT: Strengths, Weaknesses, Opportunities, Threats

SWOT analysis can be done at both internal and external levels. SWOT provides additional context for strategic decision making. An internal analysis helps you plan for the future by articulating how the organization operates right now. It can reveal trends, irregularities, limitations, and opportunities. To perform an internal analysis, gather information about the organization's strengths and weaknesses, services, programs, activities, staffing, and finances. This can be done via self-assessment by planning participants, or by gathering input from stakeholders ahead of the planning session through a survey. An external analysis helps you understand how the organization is perceived externally and what societal factors may affect its future. External factors may include things like the economy, funding trends, demographics, social factors, technology changes, competition, politics, regulatory factors, and public opinion. A SWOT analysis guides you to identify the positives and negatives inside your organization (S-W) and outside of it, in the external environment (O-T). Developing a full awareness of your situation can help with both strategic planning and decision-making.

A SWOT analysis can offer helpful perspectives at any stage of an effort. It might be used to:

- Explore possibilities for new efforts or solutions to problems.
- Make decisions about the best path for your initiative. Identifying your opportunities for success in context of threats to success can clarify directions and choices.
- Determine where change is possible. If you are at a juncture or turning point, an inventory of your strengths and weaknesses can reveal priorities as well as possibilities.
- Adjust and refine plans mid-course. A new opportunity might open wider avenues, while a new threat could close a path that once existed.

4. Context

Separate from SWOT, many groups find it helpful to place their prevention work in the context of some very basic facts, including:

- Population demographics
- Economic trends
- Area growth forecast

- Operating considerations, such as time or staff constraints, budget issues, etc.
- Guiding principles or philosophy in the Police Directorate

The participants can identify and discuss these items as a backdrop for planning.

5. Mission

The Police Directorate may already have a mission statement that you want to align with. If there isn't such a vision statement, or if the vision is not specific enough to the Police Directorate one has to start planning with the development of a vision statement.

A mission is at the core of why you're doing the work you do. A mission statement reflects purpose, values and may include some strategy reflection. Crafting a good mission statement can be challenging. Sometime it is helpful to seek consensus on core elements, and then have volunteers later put the core pieces together for the group's later review.

6. Situational Analysis/Problem Statement

Many planners include a problem statement in their strategic plan. A problem statement summarizes key issues facing the county, and provides a helpful backdrop to understand strategic choices. A good problem statement includes information about:

- Needs
- Situational assessment, including data
- Current knowledge
- Contributing factors and root causes
- Assessment of existing leadership and resources

Four criteria identified for functional problem statements:

1. They name one problem at a time;
2. They avoid blame;
3. They do not frame the problem as the absence of the solution; and
4. They frame the problem as too much of a bad condition/behavior or not enough of a good condition/behavior.

Also, problem statements should be framed as either:

- Lack of/too few of a positive condition (e.g. all children should feel safe in their schools)
- Presence of/too much of a negative condition (e.g. Too many middle school students are using inhalants)

7. Strategies or Rationale

This is a narrative section in the Strategic Plan where the Police Directorate can spell out and justify their choices about their targets and strategies. What target population or setting? And why? Why this strategic priority? Why some strategies and not others?

This rationale should rely heavily on the state-wide assessment, and on their view of best practices.

8. Goals & Objectives

Goals are simply a clear statement of the mission, specifying the accomplishments to be achieved if the mission is to become real. The target objectives are even clearer statements of the specific activities required to achieve the goals, starting from the current status.

At this point, strategic planning begins to produce lots of ideas and action steps. Often the scope of this activity can be managed by delegating different topics to different teams.

Objectives basically address the difference between where we are (current status), and where we want to be (vision and goals), by spelling out what we do (target objectives and action plans) to get there. Objectives are specific, measurable results produced while implementing strategies. While identifying objectives, keep asking “Are you sure you can do this?”

For best results within the County internal team, integrate the objectives as performance criteria in each “implementer’s” job description and performance review.

Some Definitions:

Goal: Goal is the end toward which the program is directed. It is the general statement of a long-range purpose. Goals should directly address needs. Goals are outcome and not process oriented. They clearly state, specific, measurable outcome(s) or change(s) that can be reasonably expected at the conclusion of a methodically selected intervention.

Objective: Objective is a statement of the results to be achieved, and includes a time frame, target of change, specific results to be achieved, method of measuring the results, and criteria for successful achievement. Objectives state results, not activities. Objectives, when accomplished, lead to the goal. Objectives should be stated in ways that describe what you will do and how you will do it. A performance indicator is an example of a program objective.

9. Action plans/ Activities

Action plans basically translate the Strategic Plan into implementation steps. Ideally the people who will be responsible for implementing the plan are involved in developing the Strategic Plan. Use a cross-functional team to ensure the plan is realistic and collaborative. A few tips about Action Plans:

- Organize the overall strategic plan into smaller action plans for each objective.
- Specify who is doing what and by when.
- While these may be separate documents, keep them linked in everyone’s mind.
- Build in regular reviews of status of the implementation of the plan.
- Translate the strategic plan’s actions into job descriptions and personnel performance reviews, especially for key leaders.
- Communicate the role of follow-ups to the plan. If people know the action plans will be regularly reviewed, implementers tend to do their jobs before they’re checked on.
- Be sure to document and distribute the plan, including inviting review input from all.
- Be sure that one internal person is identified as the lead in managing implementation.
- Integrate the plan’s goals and objectives into the chief executive’s performance reviews.

Format of Action Plans

Goal #__						
Objectives	Tasks/ Activities	Timeline	Lead Role	Strategies Used	Measure / Document	Resources needed

10. Evaluation

Evaluation is a subsequent activity but it must be emphasize that thinking about evaluation must begin early. Evaluation plans are required as part of SPF implementation, but more importantly, an evaluation plan helps you see if one is on track and achieving the goals intended. Data collection in this regard should be integrated in the Action Plan with clear timeframes and responsibilities spelled out.

POLICE: A STRATEGIC PLANNING WORKSHEET

ELEMENTS OF SUCCESS	CURRENT SITUATION What do we have? What do we know?	GAP ANALYSIS What is missing? What do we need to succeed?	MOVING FORWARD What is next?
FROM PROBLEMS TO SOLUTIONS <ul style="list-style-type: none"> ▪ How will the problem be defined and measured? ▪ What are the contributing risk and protective factors – how will prevention address these factors? ▪ What are the priorities for action in the short and longer terms? ▪ What is the action plan around strategies and program content? ▪ What is the action plan for program implementation? ▪ What type of responsibility centre is required? 			
CONCENTRATE INVESTMENTS ON HIGHEST NEEDS <ul style="list-style-type: none"> ▪ What diagnostic tools will be used? ▪ Where can the required data and information be found? ▪ Where can technical assistance be obtained? 			
EVIDENCE-BASED APPROACHES <ul style="list-style-type: none"> ▪ What is the evidence 			

ELEMENTS OF SUCCESS	CURRENT SITUATION What do we have? What do we know?	GAP ANALYSIS What is missing? What do we need to succeed?	MOVING FORWARD What is next?
on proven or promising practices in this area? <ul style="list-style-type: none"> ▪ What are the gaps in our knowledge (research priorities)? ▪ How will the initiative be monitored and evaluated? ▪ How will resistance to change be addressed? 			
ADEQUATE AND SUSTAINED SUPPORTS AND RESOURCES <ul style="list-style-type: none"> ▪ Do we have the required knowledge and expertise to carry out all required tasks? ▪ Do we have the skills required to carry out all required tasks? ▪ Do we have the physical, financial and human resources required to carry out all required tasks in a sustainable manner? 			
PUBLIC ENGAGEMENT <ul style="list-style-type: none"> ▪ What public education initiatives are required? ▪ How can we increase public's support for prevention? 			

ELEMENTS OF SUCCESS	CURRENT SITUATION What do we have? What do we know?	GAP ANALYSIS What is missing? What do we need to succeed?	MOVING FORWARD What is next?
<ul style="list-style-type: none"> How can the public be encouraged to become actively involved in the initiative? 			

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PROGRAMME IMPLEMENTATION PLAN

- Situation Analysis
- Current scenario
- Current responses
- Strategy and process
- Objective(s)
- Strategy details and processes
- Governance & Institutional arrangements

Annex 1: Component-wise Implementation Targets Implementation Plan

Component 1

Activity	No. Available/ Existing	No. Interventions required	No. new Interventions required	Unit Cost (Rs.)	Amount required (Rs. In Lakh)	Outputs per annum				
						Y1	Y2	Y3	Y4	Y5

Procurement Plan

Activity	No. new Interventions required	Procurement Requirements Annually				
		Y1	Y2	Y3	Y4	Y5

Annex 2: Overall Programme Targets (2007-2012)

		Programme Targets (units)	Year -->	1	2	3	4	5	Remarks
I-A	Component 1								
1									
2									
3									
4									

Annex 3- Key Indicators

Objectives	OVI	Means of Verification / Source	Targets
Goal: Outcomes/Outputs:			
1	1.1		
2	2.1		

Annex 4: Procurement Plan 20__ -20__

S.No.	COMONENT/	Metho	Procur	To	Unit	Year 1	Year 2	Year 3	Year 4	Year 5	Gran
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	ACTIVITY	d of Procurement	ement by	tal Qty.	Cost									d Total (Rs.L akhs)
						(No s.)	(Rs.)	Qty	Val ue	Qty	Val ue	Qty	Val ue	
	Component 1													
	Activity													
1														
2														
3														
4														
5														
6														
7														
8														

**Annex 5: Financial Requirements
ABSTRACT**

S.No	Component	Budget (Rs. in lakhs)					
		Year 1	Year 2	Year 3	Year 4	Year 5	Total
1							
2							
3							
4							
5							
7							
8							
9							
10							
11							

S.No	Component	Budget (Rs. in lakhs)					
		Year 1	Year 2	Year 3	Year 4	Year 5	Total
12							
13							
14							
15							
Grand Total							

Financial requirements need to be worked out on the basis of the targets specified, while the financial requirements for provision of services have been worked out on the following basis:

- Estimated capital expenditure and one-time cost required;
- Estimated recurring fixed cost keeping in view the minimum scale of operations and mix of services, and

Estimated variable cost of each intervention by linking the requirements with the targets proposed in

DETAILED BUDGET COST OVER THE NEXT FIVE YEARS

		Unit cost (Rs in lakhs)	YR1		YR2		YR3		YR4		YR5		TOTAL
			Target	Cost	Target	Cost	Target	Cost	Target	Cost	Target	Cost	
	Objective:												
1	Component 1												
1.1	Activity												
1.1.1	Sub-Activity												
1.1.2													
1.1.3													

ANNEXURE D**BREAKUP OF THE FUNDS TO BE ALLOCATED TO THE STATES AS PER CABINET NOTE****(Rs. In Crore)**

STATE	FUNDS	STATE	FUNDS
J&K	117.00	Gujarat	75.00
Assam	77.40	Rajasthan	91.65
Manipur	28.00	Punjab	48.15
Tripura	23.00	HP	10.27
Arunachal	11.50	Uttarakhand	9.87
Nagaland	14.00	UP	185.28
Meghalaya	11.00	WB	84.75
Mizoram	14.00	MP	79.50
Sikkim	5.20	Maharashtra	138.15
AP	123.00	Orissa	45.75
Bihar	81.00	Haryana	33.65
Chhattisgarh	28.50	Karnataka	112.50
Jharkhand	27.00	Kerala	47.25
Goa	3.00	TN	102.15
		TOTAL	1645.02

ANNEXURE E

**FORM 40 [See Rule 190. (2) (i)]
REGISTER OF FIXED ASSETS**

Name and description of the Fixed Assets _____

Date.	Particulars of Asset	Particulars of supplier		Cost of the Asset	Location of the Asset	Remarks
		Name and address	Bill No. & Date			
(1)	(2)	(3)	(4)	(5)	(6)	(7)

NOTE : The items of similar nature but having significant distinctive features (e.g. study table, office table, computer table, etc.) should be accounted for separately in stock.

ANNEXURE F

**FORM GFR 19- A [See Rule 212 (1)]
Form of Utilization Certificate**

SI. No.	Letter No. and date.	Amount
	Total	

1. Certified that out of Rs. of grants-in-aid sanctioned during the year in favour of Under this Ministry / Department Letter No. given in the margin and Rs..... on account of unspent balance of the previous year, a sum of Rs. has been utilized for the purpose of For which it was sanctioned and that the balance of Rs..... remaining unutilized at the end of the year has been surrendered to Government (vide No....., dated) / will be adjusted towards the grants-in-aid payable during the next year.....

2. Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been duly fulfilled / are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned. Kinds of checks exercised

- 1.
- 2.
- 3.
- 4.
- 5.

Signature Designation Date
.....