

दूरभाष : 20862162

Integrated HQ Min of Def (Army)
Quartermaster Generals' Branch
Canteen Services Directorate
Wing-III, West Block-3, R.K.Puram,
New Delhi-110066

96001/Q/DDGCS/Merger

08 Apr 2021

HQ Southern Command (OL)
HQ Western Command (OL)
HQ Northern Command (OL)
HQ IDS, HQ SFC, HQ ARTRAC (Q)
Naval HQ (PDPS)
Air HQ (D/Accts)
HQ DG Assam Rifles

HQ Eastern Command (OL)
HQ Central Command (OL)
HQ South Western Command (OL)
HQ A & N Command
HQ Coast Guard (AD)
HQ DG NCC (Lgs),
DRDO (DMS)

MERGER OF URCs

1. Please refer CS Dte Letter No. 96001/Q/DDGCS dated 16 Mar 2018.
2. **Background.** A proposal / suggestion was mooted by this Dte recommending merger of URCs at Formation HQs/ Military Stations/ Cantonments. Few Formation HQs/ Station HQ had merged URCs of various static units into a single entity within the station. The merger of URCs had led to optimal utilisation of resources, enhanced user experience/ satisfaction and judicious use of enhanced profit so accrued.
3. However, due to lack of clarity & empirical data on performance of merged URCs & inconvenience to some beneficiaries, the proposal was not well received by other formations. While URCs are run by management based on local requirement & conditions, it is felt that the proposal merits fresh consideration by formations for better utilisation of resources & finances.
4. **Broad Contours of the Proposal.** The proposal envisages the under mentioned guidelines for successful implementation of merger of URCs:-
 - (a) Merging of URCs of static units/HQs/ Establishments should be done for units/ sub units, where SD mov is not involved. Only one nominated URC will operate & all other URCs of static formations/ units will merge their resources with that URC. Local Military Authority/Station Commander will have the leeway to decide (based on recommendations of a Board of Officers with representatives from all stakeholders) on URCs to be merged keeping geographical location, dispersion of URCs with respect to requirements including family accomodation, space, infrastructure availability etc.
 - (b) Consensus of Station Commander/COs/OCs on merging of Infrastructure /Capital/ Manpower (in proportion to their dependency) for running of URC is imperative.
 - (c) Distributon of URC profit amongst dependent units will also be proportionate to dependency of units. Formation/Unit running merged URCs may be provisioned additional profit as an incentive.
 - (d) Distribution of QD must also be proportionate to the dependency of units.

5. **End State.** With the merger of URCs, following is aimed to be achieved :-

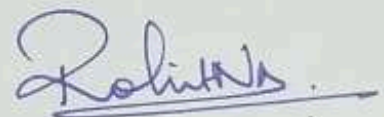
- (a) Judicious use of manpower & infrastructure.
- (b) With larger capital & additional space, URCs can be stocked better (bigger inventory) leading to enhanced user satisfaction and experience.
- (c) Reduced excise permits and related expenditure.
- (d) Savings on transportation charges, insurance, audits etc.
- (e) Increased profits leading to better welfare of troops/fund utilisation.

6. **Assistance.** Following assistance will be provided to merged URCs :-

- (a) Additional loan, if required, for enhancing URC capital from CSD HO.
- (b) URCs which have merged/ ceased to exist will continue getting their share of QD for sales prior to merger.
- (c) Provision of additional bronze cards (after bronze cards of merged URCs are deposited back).
- (d) Option to reactivate merged URCs, if need arises.

7. HQ Command/ Formation HQ/ Station HQ/ Local Military Authority may consider merging of URCs, especially URCs being run by static units. However, aspirations of troops /ESM will not be hampered, while carrying out the consolidation process. It would result in a 'win-win' situation for all.

8. This letter may please be disseminated to all Formation/ Station HQ under respective Commands.



(Rohit M Nair)
Lt Col
AQMGS CS
For Brig CS

Copy to:-

✓ COAS Sectt
VCOAS Sectt
QMG's Br/Q1(E)
CSD HO
All Corps HQ
All Area HQ
All Sub Area HQs
All Cat A & B Ests
RR Force HQs

For info please.