
IFA SARANSH

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Foreword

I am pleased to know that the new issue of 'IFA SARANSH' covering the activities of IFAs is being published.

IFA SARANSH provides a platform to IFAs in Defence to share their experience and information about developments taking place in their organizations and it is heartening to note that more and more IFAs are taking keen interest by sharing their experiences & information about developments and activities taking place in their organization.

I feel that this E-Newsletter can serve as a good management tool to serve the services in a better manner.



New Delhi
Dt :02nd April, 2014

(Banwari Swarup)
Addl. Controller General of Defence Accounts

*Comments and suggestions may be mailed to cgdaifa@gmail.com or sent by post to IFA Wing,
Office of the CGDA,
Ulan Batar Road (Palam Road), Delhi Cantt-110101. Fax-011-25674820*

Review of Delegation of Financial Powers

On the directions of MoD (Fin) to review the delegation of financial powers, meetings of the sub-Committee constituted under the chairmanship of Sh. A.N Saxena, Addl. CGDA were held on 28.02.14 & 20.03.14 respectively at CENTRAD, Brar Square, Delhi Cantt .



From services Hqrs. Side, Rear Admiral A B Singh, VSM ACNS (P&P), Maj. Gen B.K Pande VSM ADG (FP), AVM RP George ACAS (Proc), AVM SM Subhani, ACAS (Fin P), Air Comdr, P.S Babu, Dte. Fin/P & Air Cmde, Devender Sharma, DACIDS (FP) were present on the occasion.



Sh. Savitur Prasad (PIFA-M), Sh. J.N Das (PIFA-O) Sh. DBK Reddy, (PIFA-AF), Sh. R.K Nayak (PIFA-IDS), Sh. Nawal Kishore, (PIFA-Navy), Sh. V.K Vijay Jt. CGDA (IFA), Sh. R.K Singh (IFA-CG), Sh. Pankaj Kumar Singh (IFA- Capital Acq) Sh. B.S. Negi, IFA (Army-Q), participated in the meeting from CGDA/PIFAs/IFAs side.



Sh. Banwari Swarup, Addl. CGDA (IFA) was also present as a special invitee during first meeting held on 28.02.14. The issues assigned by MoD (Fin) concerning Oversight mechanism & Internal Audit Structure, Strengthening of IFA system & Budget monitoring and expenditure control were discussed during the meeting .

A brief presentation was also given from CGDA as well as Services side on 'Budget monitoring & expenditure control' and introduced the committee with the features of New Compilation System (CGDA), IMMOLS (Air Force) & Financial Information system (Navy).

Visit to SHQrs. PIFAs/IFAs Offices

During the quarter Sh. Banwari Swarup, Addl. CGDA (IFA) and Sh. V.K Vijay, Jt. CGDA (IFA) visited the offices of PIFA (Army/M), PIFA (Army/O), PIFA (AF) & IFA (MAP). Presentation on the state of work in these offices were made by respective PIFAs/IFA..



DFMC at Sukhna (28.01.14 to 01.02.14)



(Sh. MC Chakraborty, IDAS , Controller of Accounts (Fys) Kolkata with Lt Gen K J Singh, AVSM, GOC 33 Corps)

Awards/Commendations

Shri T. Gopalakrishnan SAO with IFA (SNC) Kochi has been awarded the FOC-in-C (South)'s commendation for the exemplary services rendered to the Southern Naval Command in his capacity as senior Accounts Officer.



Wishing Happy Birthday to :

Jagtar Singh, Dy. IFA (HQ 11 Corps)	01 st April
P.P Sharma, Dy. IFA (HQ 12 Corps)	06 th April
K.V Seshadri, Dy. IFA (Ezhimala)	15 th April
Smt. Nirupama, IFA (WNC)	18 th April
B.S Negi, IFA (Army-Q)	20 th April
M V K Nair, Dy. IFA (NOIC Karwar)	20 th April
S.N Jamade, Dy. IFA (HQ SC)	23 rd April
Mohan Lal, Dy. IFA (HQ 1 Corps)	26 th April
R.K Nayak, Pr.IFA (IDS/SFC)	01 st May
Pankaj Upadhyay, Dy. IFA (CC)	01 st May
K.K Velumayil, Dy. IFA (DSSC)	03 rd May
S.K Mehta, Dy.IFA (COMCG NW)	04 th May
M.K Sinha, IFA (HQ MC)	10 th May
Rajiv Ranjan, IFA (HQ SWAC)	12 th May
A. Trishal , Dy. IFA (HQ 16 Corps)	16 th May
Parneet Singh, FA to ASD (MB)	22 nd May
J.N Das, Pr. IFA (Army-O)	25 th May
K.C Jarial, Dy. IFA ((HQ 9 Corps)	01 st June
A V Rao, IFA (ENC)	02 nd June
Anoop Srivastva, IFA (HQ TC)	02 nd June
S. H Sansare , Dy. IFA (MHOW)	02 nd June
R.K Singh, IFA (Coast Guard)	09 th June
K.D Lakshmi , Dy. IFA (8 BRD/23ED)	15 th June
S.K Singh, IFA (ARTRAC)	25 th June
Sunish S (P), Dy. IFA (SNC)	26 th June
Neeraj Kumar, Dy. IFA (A-Q)	28 th June

Wishing Happy Retired Life:

Sh. Satya Prakash, Dy. IFA (ARTRAC)

Welcome to IFA Set Up:-

Sh. R.N Dash, IFA (WAC) Delhi Cantt.
 Sh. V.K Gupta, IFA (CAC), Allahabad
 Sh. Benjamina, IFA (EC) Kolkata
 Sh. Chiranjeevi Golagani, Dy. IFA (IDS/SFC)
 Sh. Manivelan K, Dy.IFA (HQ TC) Bangalore

Congratulation

Having been promoted to the grade of SAG Sh. B.S Negi, (IDAS: 1994) has joined as IFA (Army-Q), New Delhi on 14.02.14.

INSTRUCTIONS/CIRCULARS

Piecemeal observations & Delay in Processing Financial Concurrence Cases

To avoid unnecessary return of case files & raising piecemeal observations, a list of common shortcomings may be prepared and brought to the notice of CFAs for further necessary action. Regular fortnightly/monthly meetings may also be held with executives at appropriate levels to discuss the ongoing procurement proposals.

(IFA Instruction No. 01 of 2014)

Clarification to IFAs below Command

To streamline the procedure for dealing with reference cases received from field PIFAs/IFAs for issuing clarifications, it has been decided that lower IFAs (i.e. below Command IFAs) will refer doubts/references to their respective Command IFAs only to seek clarification on those issues. However, in case the Command IFAs are unable to clarify/resolve the issue and feel the necessity of consideration at Hqrs. level, the same will be taken up with Hqrs. office (IFA Wing) at appropriate level with full facts of the case for further consideration. So far as the PIFAs/IFAs positioned at Services/Command Hqrs. level are concerned, the existing practice to refer the cases to Hqrs. office will continue.

(IFA Instruction No. 02 of 2014)

Determination of Higher IFAs in Overruling Cases.

To determine the higher IFAs in overruling cases, it has been decided that IFAs below command will report such type of cases to their respective Command IFA and Command IFAs will report to respective Pr. IFAs/IFAs

positioned at services Hqrs. level, who happens to be the IFA to higher CFA. As regard, determination of higher IFA to Pr. IFAs/IFAs positioned at Services Hqrs. level, matter is under consideration with MoD (Fin), and the same will be clarified separately on receipt of reply from MoD (Fin).

(IFA Instruction No. 03 of 2014)

Delayed / Non submission of Quarterly Activity Report

The higher authorities have expressed concern over delayed/non submission of QAR by IFAs, which defeats the desired objectives of the report. It is therefore, advised to ensure submission of QAR well in time so that the same reaches the Hqrs office by 10th of the month following each quarter ending.

(IFA Circular No. 01 of 2014)

Updation of Data Base in r/o Officers/Staff in PIFAs/IFAs offices.

All the PIFAs/IFAs have been requested to provide current data in r/o officers/staff posted in their offices & the details of units/fmn covered under each IFAs and apprise HQrs. offices through QAR if any, changes occurred subsequently.

(IFA Circular No. 02 of 2014)

Forwarding of Case Studies.

It has been observed that most of the IFAs offices have forwarded case studies without full justification and final outcome of the case. Accordingly, all the PIFAs/IFAs have been requested to forward the case with full facts of the case duly indicating the final outcome for further course of action at Hqrs. level.

(IFA Circular No. 04 of 2014)

CASE STUDIES

1. Construction of technical block and allied facilities on northern side of INAS 333 building P-84/1 at INS Dega

IFA received a works proposal for construction of technical block and allied facilities on northern side of INAS 333 building P-84/1 at INS Dega for an amount of Rs 213.45 lakhs.

IFA returned the proposal with the observation that authority for provision of car garage was not specified and requirement of the deficient garage was not justified w.r.t authorization

Accordingly, the provision of car garage was deleted from the AEs and thus, the revised financial implication after deletion of car garage came down to Rs 185.51 lacs. resulting in savings of Rs 27.94 lacs was achieved.

(Courtsey : IFA (ENC))

2. Proposal for the construction of 200 DUs for Army at Chennai.

IFA received proposal for the construction of 200 DUs for Army at Chennai at an estimated cost of Rs 39.53 crores wherein a sum of Rs 1.22 crore was provided for sewerage disposal. This work was to be executed by MES as per

laid down procedure. Tenders for the item, Sewerage Treatment Plant (STP) only which was estimated at Rs 1.22 crore including Sewerage Disposal and STP, were issued to 07 firms on 19.12.2011 and received back on 11.11.2012. The lowest tender was at Rs 1.21 crore. Out of 07 tenders issued, only three quoted out of five received. Though, the lowest amount was within the estimates of STP when combined with other items under Part-II (e.g., external electrification and water supply, payment to state agencies etc), there was an additional requirement of funds to the tune of Rs 56.18 lakhs. The case was thus submitted to IFA for concurrence and vetting before submission to Apex Steering Committee.

During examination of the case, IFA observed that one of the reasons for the high rate quoted could be attributed to tendering action stretching up to one year. Further, for few items, the percentage of Market Variation applied varied from 91% to 116% over the SSR-2010 rates which appeared on higher side. For a work of Rs 1.00 crore and which is very general in nature, three quotes did not appear to be sufficient response and as per CE (Zone) information provided to E-in-C Branch,

the MV% for Chennai was to be 43%. For a high value work, the quotes are expected to be lower than the prevailing MV%. IFA advised that option for re-tendering may be considered. DGMAP agreed to the advice rendered by IFA and accordingly, re-tendering was carried out. On re-tendering, the lowest tendered amount was Rs 1.10 crore which was then accepted by ASC. Thus, a saving of Rs 11.76 lakhs was achieved due to re-tendering.

(Courtesy : IFA (MAP))

3. Procurement of Fire Resistant Action Overalls.

IFA received a proposal for the procurement of Fire Resistant Action overalls of different sizes for an amount of Rs 79.31 lacs. IFA examined the case and observed that the procurement of the said item was initiated for the first time and accordingly authorization and entitlement were sought. The unit intimated that the item was authorized as per IHQ letter which stated that the item was authorized in lieu of Overall Navy Blue, Overall Navy White and Shirt light blue.

IFA further observed that his office had already recommended AIP for

procurement of Overall Navy Blue and white of different sizes amounting to Rs 145.24 lacs and the procurement was under process. Hence, in view of the new entitlement of Fire Resistant Action Overall, the procurement of old uniforms would have been infructuous. Therefore, keeping this in mind, IFA advised to cancel all the sanctions in respect of old uniforms like overall Navy Blue and white of different sizes, which was complied by executives and infructuous expenditure of Rs 145.24 lacs was averted due to timely financial advice rendered by IFA.

(Courtesy : IFA (ENC))

4. Proposal for conclusion of Maintenance dredging contract for Goa Naval Area .

IFA received a proposal for maintenance dredging contract for Goa Naval Area for according of AON concurrence for an amount of Rs 34 crores for dredging qty 10 lakh cu.m. @ Rs 340 per cu.m.

IFA examined the proposal and observed that the previous maintenance dredging contract for FY 2010-11 was concluded for a qty 2.88 lakhs cu.m entailing an expenditure to the tune of Rs

7.91 crores at overall dredging rate @ Rs 220 per cu.m. Hence, IFA observed that qty proposed to be dredged i.e. 10 lakh cu.m. was 247.22% higher than the qty dredged under the previous contract and returned the file to the executives. In reply to the observations related to increase in qty, it was stated that qty of 2.88 lakh cu.m was executed for only one year whereas the proposed qty is to be dredged in two phases in two years. There was no change in the area. Only the volume had been increased. IFA was not satisfied with the replies and the proposal was concurred for AON for an amount of Rs 22 crores @ Rs 220 per cu.m. (LPP) for qty 10 lakh cu.m subject to:-

- CFA satisfying himself that the proposed qty has been correctly worked out based on the technical requirement.
- Tenders were floated.
- Composition of CNC was approved by CFA with FOGA as chairman.
- During PNC, the vendor gave discount of only Rs 15 lakh on mobilization charges.
- After PNC, the proposal was submitted for according financial

concurrence for an expenditure amounting to Rs 25.49 crore.

During scrutiny, following points were observed:-

- The proposal was concurred by IFA for AON for an expenditure of Rs 22 crore. But, the approval of CFA for AIP was accorded without mentioning any qty or amount.
- Further, the sanction of CFA for AON was conveyed by CLOGO for Rs 34 crores.
- This was pointed out and the amount of sanction was got amended to Rs 22 crores.
- The rates for dredging achieved after negotiation at Goa i.e. Rs 254.94 per cu.m were still very much on a higher side compared to previous years dredging rate i.e. Rs 220 per cu.m.
- Associating SAO from O/o FA to FOGA without nomination by IFA was also not considered appropriate.

In view of the above, carrying out Re-PNC was advised along with associating rep of IFA. During Re-PNC, the rate of dredging was brought down from Rs 254.94 per cu.m to Rs 238.68 per cu.m. including mobilization and demobilization charges. Thus, a saving to the tune of Rs

1.48 crore was achieved during Re-PNC. Since, the negotiated rate of dredging was still higher than dredging rate at SNC, another round of PNC was held in which the financial implications were further brought down by Rs 80,000. Thus, a total saving to the tune of Rs 10.14 crore was achieved.

(Courtsey : IFA (WNC))

5. Conversion of remaining overhead lines to UG Cable at CHAFB

IFA received a proposal from CHAFB for converting the overhead lines to underground lines on the ground that the distribution of electric supply are through overhead lines, which are of old vintage. This leads to frequent breakdown during the summer and monsoon season. This interrupts the smooth functioning of all major sophisticated electro medical equipments. In view of the above, hospital proposed the works at an estimated cost of Rs 115.85 lakh.

During the scrutiny of the proposal, IFA observed some shortcomings in the proposal such as:
(i) The reasons for variation between

the AMWP approval and the proposal submitted.

(ii) The unit was advised to review the proposal wrt to the conversion of overhead lines to UG cables already made.

(iii) The rate of copper bus bar 600 A capacity, cost of foundation and transport had been taken at different rates in the assessment of rates for the panel board though the capacity of bus bar and cost of MS Sheet/angle for all panel boards are same.

The hospital corrected the shortcomings noticed by IFA and accordingly, the revised AE was submitted for a reduced amount of Rs 73.98 lakh from Rs 115.85 lakh and the completion time of the work was also reduced to 52 weeks from 104 weeks. Thus, a saving of Rs 41.87 lakh has been achieved due to financial advice of IFA..

(Courtsey : IFA (TC) Bangalore)

“An Army of lions commanded by a deer will never be an army of lions.”

Napoleon Bonaparte
