

# रक्षा लेखा महानियंत्रक

उलन बटार मार्ग, पालम, दिल्ली छावनी-110010

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संख्या आई.एफ.ए./65

दिनांक 05.06.2013

सेवा में

विषय - वित्तीय सलाह मामले।  
Sub - Financial Advice Cases

दिनांक 05.06.2013 का वित्तीय सलाह संबंधी परिपत्र सं.-02 - 2013-14 कृपया सूचना एवं मार्गदर्शन हेतु प्रेषित किया जाता है।

Financial Advice Circular No.-02 of 2013-14 dated 05.06.2013 is forwarded herewith for information and guidance please.

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व.ले.अ. (आई.एफ.ए. विंग)

प्रतिलिपि

1. संयुक्त सचिव एवं अपर वित्तीय सलाहकार(एस.), रक्षा मंत्रालय(वित्त), नई दिल्ली
2. संयुक्त सचिव एवं अपर वित्तीय सलाहकार(वी.पी.), रक्षा मंत्रालय(वित्त), नई दिल्ली
3. रक्षा लेखा संयुक्त महानियंत्रक (ले.प.-I)
4. रक्षा लेखा संयुक्त महानियंत्रक (ले.प.-II)
5. रक्षा लेखा संयुक्त महानियंत्रक (ले.प. समन्वय)
6. रक्षा लेखा संयुक्त महानियंत्रक (प्रशिक्षण)
7. रक्षा लेखा व. उप महानियंत्रक (ईडीपी)-कृपया परिपत्र वेबसाइट पर डलवाने का कष्ट करें।

शिवशंकर दाह

व.ले.अ. (आई.एफ.ए. विंग)

## **CONTROLLER GENERAL OF DEFENCE ACCOUNTS**

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Dated 05/06/2013

**Subject:- Financial Advice Cases.**

The financial advice cases as submitted by IFA (WNC) Mumbai, IFA (EAC) Shillong, IFA (TC) Bangalore & IFA (Coast Guard), are circulated herewith for information and guidance.

**1. A proposal relating to Resurfacing/Overlay of dispersal on INAS 339 at INS HANSA.**

A work proposal relating to Resurfacing/Overlay of dispersal of INAS 339 at INS HANSA involving expenditure to the tune of Rs 309.95 lacs was received for according concurrence to accord to Admin Approval.

2. During the scrutiny and examination of the proposal, besides other points following two observations were raised and clarification in respect of the same were advised to be placed on the file:-

- It was observed that a sum of Rs 3,14,600/- was catered for Soil Investigation but in the Engineer's Appreciation, there was no recommendation for Soil Investigation.
- As per the recommendation of Pavement Classification number (PCN) report "MIG Dispersal, 339 Dispersal and Link 'N3' are recommended for overlay" whereas the Board Proceeding's recommended "reconstruction of existing dispersal area".

3. When the proposal was received back along with replies/clarifications to the other observations raised by this office, it was found that:-

- Instead of giving any reply to the observation, the item relating Soil Investigation involving expenditure amounting to Rs 3,14,600/- was simply deleted.
- With regard to second observation relating to "reconstruction & overlay" only overlay of existing dispersal area was recommended and taken in the AEs. Reconstruction of existing dispersal was dropped. As a result, thereof, the expenditure on this item was reduced from Rs 2.86 crores to Rs 1.89 crores resulting into saving to the tune of Rs 96.24 lacs.

4. Hence due to:-

- Deletion of expenditure amounting to Rs 3,14,600/- on account of Soil Investigation.
- Reduction in expenditure on overlay of existing dispersal to the tune of Rs 96,24,900/- due to dropping of reconstruction of existing dispersal.

- Reduction in the amount of Contingency charges from Rs 9,02,742/- to Rs 6,04,557/- (in saving to the tune of Rs 2,98,185/-)
- Hence, as a result of careful scrutiny and thorough examination of the above proposal, initially proposed expenditure i.e. Rs 309.95 lakhs was brought down by 33.03% i.e. Rs 207.57 lakhs, resulting into saving to the tune of Rs 102.38 lakhs.

## **2. “Provision of OTM Accommodation for HQ RTC Zone under HQ 101 Area”, Shillong.**

IFA received a proposal along with completed BPs, AEs & SOC for financial concurrence regarding **“Provision of OTM Accommodation for HQ RTG Zone under HQ 101 Area, Shillong”** for an amount of Rs 40.84 lacs duly included in AMWP for 2012-13 vide IHQ of MoD (Army) & HQ EC letter No. 35328/MWP/All Comd/2012-13/Plg (Wks & Bud) and 304812/AMWP/12-13 & 13-14/Q3W dated 14.8.2012 & 17.8.13 respectively for Rs 22 lacs.

IFA examined the proposal and observed following deficiencies:-

- One and same person was included as member of the board representing different offices which is not in order.
- The cost of the works exceeded AMWP cost by more than 10% of the approved cost of Rs 22 lakhs. Reduction in the cost of the work or sanction of HQ EC as per Para 129 RMES would be required.
- Original AE and Engineer Appreciation were not scrutinized by higher CEA.
- Clear site plan showing details of construction not attached.
- An AE-II showing detail of each construction/expenditure as per SOA-2009 was not recorded in the case file. It was also suggested for the provision of covered parking area in lieu of scooter sheds as per Note (b) under Table 5, III SOA 2009.
- Detailed cost of the site clearance and development including demolition, furniture and external services as per SOA-2009 were also not provided in AE part-II.

IFA returned the case file for complying the above observations. Accordingly, the case was again re-submitted for an amount of Rs 21.13 lacs after complying the observations raised by the IFA. Finally, IFA accorded the concurrence to the proposal for an amount of Rs 21.13 lacs as against original amount of Rs 40.84 lacs. Thus, a saving to the tune of Rs 19.71 lacs was achieved.

## **3. Provision of works services for “Re-construction of main gate” at AFA, Hyderabad.**

Right from the inception of the Academy, the Main Gate was the point of entry for regular visitors especially during the Combined Graduation Parade every six months. Presently, there is no parking facility available outside the gate for visitors and the road along the AFA is very narrow, leading to traffic congestion adding to security threat to the station. Hence, there is a requirement to shift the Main Gate along with existing sub guard room, sentry post and electric poles approximately 20 mtrs inside from the present



location and a two tier gate be made. The work was approved by MoD in the AMWP 2012-13 for 73.53 lacs under special projects. The AFA, Hyderabad thus initiated a proposal for subject works services at a cost of Rs 64.30 lacs including special item of works for Rs 34.20 lacs.

IFA examined the proposal and advised the following:-

- a. The necessity of scooter parking shed for parking 100 scooters as special item of work near the Main gate was considered unnecessary and it was advised to delete the same from the scope of work.
- b. The provision of Landscaping (as special item of work) in front of the gate in view of the space crunch was discussed and advised to be dropped.
- c. The provision of 15 mtr high mast light consisting of 9 lantern with associated items of work for an amount of Rs 5,01,867/- in addition to the existing lights at the gate was considered overprovisioning and therefore advised to be deleted.
- d. It was advised to include only those additional items over Plinth Area rates as per specifications forwarded by E-in-C letter dated 4.12.2012 for OTM accommodation and delete the items not admissible as per the ibid letter for Gp-II buildings.

After detailed discussion, Air Force Academy agreed to the advice rendered by the IFA and deleted the items such as scooter parking shed, landscaping, high mast light and additional items added over Plinth Areas rates from the scope of the work and submitted the revised AE's with the reduced amount of Rs 36.14 lacs including special item of work for Rs 7,13,300/- against the original cost of Rs 64.30 lacs including special item of work for Rs 34,32,800. Hence, a saving of Rs 28.16 lacs achieved.

#### **4. Provision of works services for "Up gradation of Navkiran cinema Hall" at AFA, Hyderabad.**

Navkiran Cinema Hall was constructed in 1985. No major addition/alteration to this building was carried out. Since long There is a need to upgrade the cinema hall as the interiors and furniture inside was deteriorated due to constant use over the years. Hence, Air Force Academy (AFA), Hyderabad submitted a proposal for provisioning of work services for "Up gradation of Navkiran cinema hall" for an amount of Rs 202.18 lacs including special item of works worth Rs 40,88,900/-. The work for up gradation of cinema hall was approved in AMWP 2012-13 for Rs 273.15 lacs.

IFA examined the proposal and advised the following:-

- a. It was pointed out that since the subject works services pertains to upgradation of the cinema hall, provision of new scope of work included in the proposal viz, Chain link fencing to the cinema hall, wooden cabinets in cafeteria, covers for sewage and monsoon drains, interlocking tiles in front of the cinema hall, sofas (5 seaters) qty-3 sets, perforated chairs – qty 30 in the waiting area, aluminium & granite wall cladding with aluminium composite panels at the main entrance etc are considered over-provisioning to upgrade the cinema hall and hence advised to delete from the scope of the work.

- b. Provision of full size double shutter toughened glass door with door closures at main entrance as a special item of work was not considered as an essential requirement and therefore, advised to delete the special item of work and replace the toughened glass door shutter with economical and functional shutters.

Air Force Academy (AFA) agreed to the advice rendered by the IFA, deleted some works viz, double shutter toughened glass door with door closures at main entrance and submitted the revised AE's with the reduced amount of Rs 136.52 lacs including special item of work for Rs 3,93,000/- against the original cost of Rs 202.18 lacs including special item of work for Rs 40,88,900/-. Hence, a net saving of Rs 65.66 lacs achieved.

#### 5. A proposal for procurement of "Thermal Imaging Camera"

A proposal for procurement of "Thermal Imaging Camera" for Qty 22 at an estimated cost of Rs 1.23 crore was submitted by the Principle Directorate (Logistics) to IFA for obtaining AON concurrence based on BQ of M/s E2V Technologies Ltd.

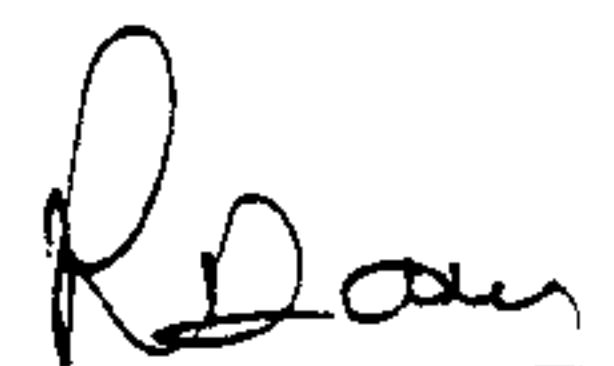
IFA examined the proposal and returned with following observations:-

1. Coast Guard has promulgated two models with different make i.e. Argus Lite by M/s E2V Technologies, U.K and Talisman Elite Lite Make U/S ISG Thermal System, U.K.
2. It is also observed that no quotation has been called for from M/s ISG Thermal System, U.K. The reason given for PAC is not agreeable at all. In fact, it is contradictory to initiate procurement proposal based on single quotation as PAC ground if two different model and make has been promulgated.
3. M/s Fore Most Technico Pvt Ltd has quoted for Argus, on behalf of E2V Technology, stating that authorized distributor in India. But, on checking from E2V website for their sale contract in India, they are themselves marketing and they have not authorized any other company. It was advised to be checked up.
4. The quantity given in the proposal also differs with vetted quantity. The same may be reconciled.
5. The purchase has to be in two bid system.

The CG authorities agreed to the advice by IFA and submitted the revised proposal for Rs 1.12 crore as against original amount for Rs 1.23 crore based on the budgetary quote of M/s Joseph Leslie Drager Pvt Ltd. Further, the firm M/s Joseph Leslie Drager Pvt Ltd also emerged as L1 at a total cost of Rs 1.09 crore. Thus, a saving of Rs 10.96 lacs was achieved at AON stage.

IFA again received the case file for the financial concurrence and advised that CNC may be held for carrying out the negotiation with the L-1 firm due to high value contract and participation by only two firms.

Accordingly, CNC meeting was held with the L-1 with the approval of CFA and consequently, the firm's rep offered 3% discount on their quoted price. Thus, the final cost worked out to Rs 1.05 crore. CNC recommended the proposal to CFA for acceptance. A saving of Rs 3.27 lacs was achieved during CNC. Thus, a total net saving of Rs 14.23 lacs was achieved.

  
SAO (IFA Wing)