

**Office of the CGDA, West Block-V, R.K.Puram, New Delhi-66**  
**Pr. IFA Wing**

**Instruction No. 6 of 2008\***

**No. PIFA/Works/Policy**

**Dated: 27<sup>th</sup> Feb. 08**

**To**

**All PCsDA/CsDA/IFAs**

**Subject:**

**Sanction of works cases under delegated financial powers in the Army, Navy and Air force. Vetting of AEs by IFA Commands.**

Authorities involved in exercise of financial powers in regard to sanction of civil works in the Army, Navy and Air Force are laid down in Govt. of India, MoD letter No. indicated below:

<b>Army</b>	-	<b>Govt. of India, Ministry of Defence letter No. A/89591/FP-I/1974/2006/D(GS-I) dated 26<sup>th</sup> July 2006</b>
<b>Navy</b>	-	<b>Govt. of India, Ministry of Defence letter No. PL/3221/NHQ/486-S/2006/D(N-IV) dated 19<sup>th</sup> July 2006 and No.WK/9701/2006-07/NHQ/366/D(N-III) dt. 20.2.07</b>
<b>Air Force</b>	-	<b>Govt. of India, Ministry of Defence letter No. MoD No. Air HQ/95378/1/FinP/2431/US(PC)/Air II /06 dated 14<sup>th</sup> July 2006</b>

2. The financial powers delegated to various authorities as mentioned in the above Govt. letters are exercised for Acceptance of Necessity, Vetting of Approximate Estimates, Admin. Approval under para 15 and 15-A respectively of DWP-1986.

3. IFAs and PCsDA/CsDA have been associated for sanction of works at three different stages viz. Acceptance of Necessity, Vetting of AEs (Approximate Estimates) and Financial Concurrence. At present, the following are performing these functions as per HQ office 18184/AT-X/PC-I dated 8.8.05:

\* Instruction No. 1 to 21 issued in 2007

Service	Service HQ		Command and below	
	Acceptance of Necessity & Expenditure Fin. Concurrence	Vetting of AEs	AON & Expenditure Fin. concurrence	Vetting of AE
Army	IFA Army HQ	IFA(Q) Army HQ	Regional PCDA/CDA/- below HQ Command Command IFA- for HQ Command	Regional PCDA/CDA-below HQ Command Command IFA- HQ Command
Navy	IFA Naval HQ	IFA(Q) Army HQ	IFA Command (Navy)	Regional PCDA/CDA
Air Force	IFA Air HQ	IFA(Q) Army HQ	IFA Command (Air Force)	Regional PCDA/CDA

4. It would be seen from the above that in respect of works sanctioned by CFAs of Command HQ and below Command HQ in Army, vetting of AEs is being done by the IFA (Army Command) and Regional CDA respectively. As regards Air Force and Navy, the vetting of AEs is required to be done by Regional PCSDA/CsDA for all works sanctioned at Command HQ and below. At Services HQ, all AEs are vetted by IFA(Q) Army HQs.

5. In this connection, it is stated that the existing arrangement for AON concurrence and vetting of AEs in Services are not uniform. In respect of Navy & Air Force, Acceptance of Necessity and vetting of AE is being dealt with by two offices viz. IFAs Command (Air Force) & (Navy) and Regional PCSDA/CsDA. In many Air Force/ Naval Stations, the office of the Regional CDA is not co-located and instances of complaints regarding delay in vetting of AEs have been reported to this HQrs. office.

6. In order to obviate the above problems and delays in processing of cases for vetting of AEs and according AON/FC, it has been decided by the Competent Authority to transfer the responsibility for vetting of AEs in respect of Navy and Air Force works to respective IFAs in Service HQ and concerned Command HQ w.e.f. 1.4.08, so that there are functional advantages through a single window system and a uniform procedure can be maintained for the three Services.

7. Thus, the revised scheme for financial scrutiny of works proposals with effect from 1.4.2008 will be as under:

Service	Service HQ			Command and Below		
	Acceptance of Necessity	Vetting of AEs	Financial Concurrence	Acceptance of Necessity	Vetting of AEs	Financial Concurrence
Army	IFA (Army HQ)	IFA Army HQ	IFA (Army HQ)	Regional PCDA/CDA/Command IFA	Regional PCDA/CDA/Command IFA	Regional PCDA/CDA/Command IFA
Navy	IFA (Naval HQ)	IFA Naval HQ	IFA (Naval HQ)	IFA Command Navy	IFA Command Navy	IFA Command Navy
Air Force	IFA (Air HQ)	IFA Air HQ	IFA (Air HQ)	IFA Command Air Force	IFA Command Air Force	IFA Command Air Force

8. Necessary checklists on the subject together with copies of HQrs U O note No. 18184/AT-X dated 30<sup>th</sup> Dec 1998 and letter of even No. dated 23<sup>rd</sup> Dec 1998 are enclosed. Requisite books of regulations, SSRs etc. may be procured by the IFAs from the permanent advance held by them and recouped from the CDA. IFAs, in the Navy and Air Force (at Service HQrs. and Command level) may also depute their staff deployed on the works proposal to Regional PCsDA/CsDA and Army Command IFAs for immediate familiarization in the work of vetting of AEs. Subsequent training at RTCs will be planned in due course.

Pr. IFA has seen.

  
(Anuradha Prasad)  
Jt. CGDA (IFA)

Copy to:

1. Shri Amit Cowshish  
Addl. FA & JS
2. Shri Dilip Biswas  
Addl. FA & JS  
Ministry of Defence (Fin.)  
South Block, New Delhi-11.
3. Jt. CGDA (AT-I)
4. Jt. CGDA (AT-II)
5. Jt. CGDA (AT-III)
6. Jt. CGDA (A/c. & Budget)
7. Sr. Dy. CGDA (EDPS)-


for kind information.

8. CDA (A) Meerut
9. ACAS (Fin. Plg.) Air HQrs.  
Vayu Bhawan, New Delhi-11.
10. ACNS (P&P) Naval HQrs.  
South Block, DHQ PO, New Delhi-11
11. ADG (Fin. Plg.) Army HQrs.  
South Block, New Delhi-11.

for kind information with a request to host the circular on the CGDA website.

Necessary amendment to OM VIII may kindly be issued as brought out above.

The revised scheme may kindly be disseminated to all concerned

  
(Anuradha Prasad)  
Jt. CGDA (IFA)

**CHECK LIST FOR THE SCRUTINY OF A.Es/RAEs IN RESPECT OF CIVIL WORKS OF ARMY, AIR FORCE, NAVY**

- I. List indicating details of documents required to process/scrutiny of WORKS Cases
- II. Check List
- III. Annexure I –Points to be seen in the Scrutiny of Board Proceedings.
- IV. Annexure II- Common deficiencies noticed at AEs/RAEs
- V. Annexure III- Additional Check List.

**I. FOLLOWING DOCUMENTS ARE REQUIRED TO PROCESS/SCRUTINY OF WORKS CASES**

1. Board Proceedings.
2. Statement of Case.
3. Accommodation Statement Part I and II.
4. Engineering Appreciation.
5. Approximate Estimates Part I and II.
6. Quarterly return for Market Variation (MV) and Difference in Cost of Stores (DCS).
7. Market analysis in respect of items based on assessed rates/market rates.
8. Policy letter if any, involved in the proposal.
9. Administrative Approval in respect of rates taken from previous released works.
10. Land availability certificate.
11. Area furniture rate list.
12. Water and Electricity availability certificate.
13. Plinth area rates for married and Other Than Married (OTM) accommodation.

## SCRUTINY OF AEs

AEs are prepared in two parts. Part II gives complete break-up details of the work head-wise, viz., Site clearance, Building, Special work (if any), External Services such as Electrification, Water Supply, Sewage Disposal, Road, Furniture, etc. It furnishes the Plinth Area calculations, Scales, Rates, Elements on account of Market Variation/Difference in Cost of Stores, Allowance for Restricted Area/Hilly Area/Disturbed Area, Item-wise cost, Authority for the scales as well as rates. Head-wise totals are carried over to AE Pt-I, Grand total of such head-wise totals and contingency @ 3 % of the cost will be the estimated cost to be reflected in the Admin Approval. All AEs are scrutinized by E-in-C's Branch before the proposal is sent to IFA for concurrence.

## II. CHECKS EXERCISED IN IFA'S OFFICE

### A. GENERAL

- (i) Estimated cost of the work (including all phases) is within the powers of the CFA, under whose powers the work has been proposed.
- (ii) The AEs have been scrutinized and cleared by E-in-C's Branch.
- (iii) The proposal (other than corrigendum/Para 11 works) is included in the MWP of the year.
- (iv) The AEs are complete with description of each item of work, authority for the scales and rates adopted and supporting details.
- (v) The relevant Board Proceedings, Layout Plan and all connected documents are placed on the file.
- (vi) All items included in the AEs are covered by the BP and the BP clearly lays down the scope of the work to be done.
- (vii) Special items of work conform to the conditions prescribed in Para 14(b) DWP-1986.

### B. BOARD PROCEEDINGS

- (i) In the first instance it should be checked that the Board Proceedings outlining the detailed justification in terms of necessity/requirement of the proposed works i.e. building work (OTM/Married) and external services, etc. are placed on the file.
- (ii) That the Board Proceeding has considered the following points/aspects:
  - (a) Justification for external services like external electrification, external water supply, roads & paths, sewage disposal, compound wall/security wall and furniture, etc. with reference to (i) existing scales and specifications, and (ii) existing availability of these services at the station.
  - (b) Justification for special items, if any
  - (c) Particulars of building, etc to be demolished, if any, with detailed reasons.
  - (d) Accommodation statement Part-I & Part-II accompanying the Board Proceedings.
- (iii) Points to be seen in this Scrutiny of Board Proceedings are given at Annexure 'I'.

**C. SCRUTINY OF APPROXIMATE ESTIMATES PART-II**

**C-I A.Es-BUILDINGS**

1. The detailed break-up of the total requirement has been given item-wise separately for Married/OTM/External Services Works.
2. That the married accommodation for all categories (including civilians) has been planned on station basis.
3. That the necessity of the proposed work is accepted in principle at appropriate level.
4. That the land required for the purpose is available. If not, what is the status of land acquisition?
5. That the satisfaction level has been kept in mind while initiating the proposal of married accommodation.
6. That the scales adopted are correct and latest and supported by authority.
7. That the work stands included in the MWP for the year concerned.
8. That in case of projects involving both married and OTM Works, OTM Works and external services are being provided to match the progress of married accommodation works and vice versa.
9. (a) That special items, If any, have been cleared by the Users Directorate and the Associated Finance at appropriate level from the necessity angle.  
(b) Details of special items and basis of their cost estimate have been given adequately.
10. That the specifications have been correctly applied. Wherever superior specifications have been proposed in the work, necessary justification with authority has been given. Where a project is to be taken up in phases, the total cost of the entire project (based on A.Es/rough estimates) is the criteria for determining the CFA for sanctioning the work/project.
11. That the plinth area norms are correctly applied as per instructions issued under Ministry of Defence ID No. PC/11(3)/89/DO-II/P (W-I) dated 14.5.1991 and further amendments, if any, and the calculation, and Conversion factors are correct.
12. That the expected credits on account of retrieved material from demolition of buildings etc., if any, are properly accounted for in the A.Es.
13. That the estimates have been scrutinized by the E-in C's Branch and updated to the last quarter.
14. If accommodation for MES Key personnel is included in the works estimates then station-wise deficiency position should be indicated.

### C-2 RATES

1. That the rates for OTM works are based on latest SSR.
2. That wherever non-standard rates are used (in the case of OTM accommodation generally), basis and break up is given so as to justify the rates. Basis should be clear and specific.
3. Wherever SSR rates are not available, the basis and details of market analysis is fully given.
4. That the plinth are rates for married accommodation are as as per E-In-C's Branch, letter No. 83975/E2 Design-3 dated 27.6.90 and further amendments, if any.
5. That the market variation and difference in cost of stores applied in the A.Es are based on latest quarterly return.
6. In case where certain rates have been adopted from a job already approved, the same is in agreement with extract of CA (Contract Agreement) (to be placed on file).
7. DCS (Difference in Cost of Stores/Schedules) is considered only for item for which status are issued to the contractor on payment eg. Road work.
8. Allowances on account of Restricted Area/Hilly Area/Disturbed Area are correct and correctly worked out.
9. Arithmetical calculation and totals are correct.

### C-3 EXTERNAL SERVICES

1. That the existing assets at the station have been taken into account while planning external services like roads, external electricity, external water supply, sewage disposal, area drainage, etc.
2. That the requirement of electricity and water has been worked out on the basis of strength of the Military station and the net deficiency has been worked out after taking into account the existing availability.
3. That the rates adopted for the E/M items like sewage disposal, external electrification and water supply, etc. are based on current Estimated Data (ED) and item no. ED is indicated against each item in the A.Es.
4. Wherever ED rates are not available detailed justification for the assessed and market rates is given in the AE.
5. That the rates of B/R items like Roads, Area Drainage, security/fencing wall, etc. are based on latest SSR. If not, detailed justification for market assessed rates is given.

### C-4 FURNITURE

1. That the furniture provided is as per the latest scales and buildings is given.
2. That the break-up of furniture based on different categories of buildings is given.
3. That the rates of furniture items are based on the latest area furniture rate list issued by the CWE concerned and reference of furniture rate list is given in the A.Es in the remarks column.
4. That while assessing the requirement of furniture, surplus furniture available at the station, if any, has been duly taken into account.

**C-5 REVISED APPROXIMATE ESTIMATES**

1. In addition to the above check points the RAEs which are prepared in accordance with the provisions of Para-22 (b) read with para-9 (d) DWP 1986 are further checked to see that:
  - a. the causes of excess have been set out clearly and concisely in the remarks column of RAE Part-II
  - b. If the RAEs are based on completion cost, the same are duly countersigned by the concerned AAO GE .

**C-6 PHASING AND FUND AVAILABILITY**

1. Is this civil work proposal a part of the approved major works programme of the year concerned? If so, state specifically.
2. What is the proposed completion date of the work?
3. What is proposed phasing of expenditure?
4. What is the fund requirement in the current financial year?
5. Is the fund availability in the current year confirmed?
6. What will be the carry forward liability for subsequent years?

**C-7 F C CASES**

If the tendered cost of a work exceeds the estimated cost stated in the administrative approval by more than 10% and the excess cannot be met out of savings, if any, prior approval of the CFA is obtained in the form of financial concurrence. Important points to be seen in IFA's office are as under.

- (i) Validity period of the tender has not expired.
- (ii) Tendering action is not delayed. Abnormal delay resulting in cost over run cases will be critically examined.
- (iii) Scope of the work and specifications has not been altered. Cases involving change in scope of work, adoption of higher specifications or PA rates, large variations in quantities of external services, etc are normally not entertained.
- (iv) Rates quoted are reasonable. Comparison between the SSR /ED rates and the tendered rates is available and reasons for variations are given.
- (v) Extent of savings available, which can be adjusted with the excess.
- (vi) In case of proposals for accepting other than the lowest tender, reasons are explained.
- (vii) Re-tendering is not likely to lead to any reduction in rates/total cost.

**D. AE Pt-I**

- (i) Item-wise total are carried over correctly from AE Pt-II.
- (ii) Credit on account of retrieved materials has been reduced.
- (iii) Contingency does not exceed 3% of the total cost, and the calculation is correct.
- (iv) In cases of deposit work carried out by other agencies (like State Electricity Boards, etc.) contingency is not allowed over and above the contingency already included by the agency in their estimate.
- (v) Grand total is correct.



**Annexure-I**

**Points to be seen during scrutiny of BPs**

(Checks to be exercised by the Executive Authorities)

It should be seen that the board proceedings outline the detailed justification in terms of necessity/requirement of the proposed work and that the BPs has considered following points/aspects:

1. **Accn Statement Part I & II** These statements are the most important documents for arriving at the requirement of proposed accommodation. Therefore, adequate emphasis is required in preparation of these documents. Standard format should be followed and all the columns filled correctly.
  - (a) **Accn Statement Part I** This should be prepared by the user unit/formation with the authority of PE and should be forwarded duly signed by a responsible officer of the unit concerned and Station Cdr/Adm Comdt.
  - (b) **Accn Statement Part II** Based on Accn Statement part I, Accn authorised, available, deficient, etc needs to be clearly indicated in Accn Part II and this should be signed by GE concerned.
2. **Zonal Plan** Siting of Accn should be in accordance with the approved Zonal Plan. However in exceptional cases, if it is not in accordance with the Zonal Plan, the justification to this effect should be covered in the BPs and a certificate from the Stn Cdr be made as a part of the BPs stating that the proposed siting is being catered in the revision of Zonal Plan.
3. **Disposal of Old Bldgs** If new Accn is being proposed against the existing Accn, the justification of the same should be given in the BPs as also the final disposal of such Accn whether by demolition or subsequent re-appropriation for some other purpose needs to be clearly indicated in the BP itself. In case the existing Accn is to be utilized against the deficiency of some other unit at the station, a certificate to this effect is also required from the Stn Cdr.
4. **Tree Cutting** All the trees falling with in the proposed siting of building should be identified in the BOO and a certificate duly signed by the Stn Cdr shall be made part of the BPs stating that the clear site will be handed over to the MES before commencement of the work.
5. **Special Items** As far as possible, special items should be avoided and, if at all considered necessary, be kept at minimum level. Inclusion of special items needs to be justified in the BPs and the cost effect is to be considered separately in the Rough Indication Cost (RIC). All items of external services related to a special Accn should be treated as special items. While giving the recommendations, the BOO must highlight the cost of special items, and the same should also be covered in the recommendations of the Cdrs in chain.
6. **Air Conditioning** Air Conditioning shall be provided as per the chapter 53 of SOA. Whenever Air Conditioning is recommended, which is not covered under SOA, adequate justification should be given in the BPs. The requirement of temperature, humidity and other parameters should be specified in the BPs correctly based on user requirement.
7. **Cooling Appliances** These shall be provided as per the authorized scales. The existing cooling appliances should be considered in BPs to work out the deficiency and details of the same must be included in the BPs giving location of each item.

8. **Standby Gen Sets:** DG Set is authorised for certain locations as per the chapter 57 of SOA. For all other standby requirements, prior Government sanction is necessary. Hence any work in the latter category where DG set(s) is included, even as special item, needs to be sanctioned by the Government of India.

9. **Prestigious Bldgs** An extra percentage subject to a maximum of 10% of the total cost can be added for special architectural features etc for the buildings which have been declared prestigious by the Government of India. Therefore, for the work other than the Government of India power work, this provision is not to be considered unless the bldg has been declared prestigious by Government of India. For the declaration of a prestigious bldg, a statement of case in support be enclosed to justify the requirement.

10. **Furniture** it has been authorised for various Accn in the scale of furniture. While finalizing the BPs, the existing furniture has to be accounted for to work out deficient items. In case complete new furniture is recommended for any work, the existing furniture needs to be adjusted against station deficiency of furniture and certificate to this effect duly signed by the Stn Cdr and GE should be attached with the BPs apart from covering justification in the body of BPs for the same.

11. **Adherence to Ceiling Specified in MWP** Ceiling for each work is specified in the MWP. The same should be followed scrupulously. If the ceiling is being exceeded, the same shall be immediately brought to the notice of the Comd Hqrs along with the reasons for the same. It is, therefore, essential that rough cost is assessed at the time of projection of work as accurately as feasible through user and engineers interaction. Wherever phasing is considered for a work in the MWP, the excess over ceiling for the current year should be adjusted in subsequent phases.

12. **Certificate From Engineers** Following documents are to be signed by Engineer Auth only:

- |     |                                              |   |       |
|-----|----------------------------------------------|---|-------|
| (a) | Accn Statement Part II                       | - | By GE |
| (b) | Engineer appreciation                        | - | By GE |
| (c) | RIC                                          | - | By GE |
| (e) | Water & electricity availability certificate | - | BY GE |

13. **Water Supply/Electric Supply** Wherever augmentation of water supply/electric supply is required, such as new transformer, sub station, OHR, tube well, additional load sanction from the state electricity board/water supply organization etc. the requirement should be justified in the BPs and the cost be considered accordingly in RIC and not as percentage of the cost of bldg.

14. **Land** the Accn is to be planned on A-I Defence land only. A certificate to this effect duly signed by the DEO and the Stn Cdr should be included in the BPs.

15. **Line Plan** the line plan of the OTM Accn, specially technical and special Accn should be prepared at the stage of the BOO and should be included in the BPs duly signed by an authorized officer of the user unit.

**Annexure-II**

**Common deficiencies noticed in AEs/RAEs**

1. Items catered for in AEs are not as per recommendation of BP and quantities in BPs&AEs are at large variance.
2. Credit for cost of demolished/dismantled materials are not being accounted for in the AEs (both B/R & E/M) portion).
3. Wrong adoption of plinth area authorized as per Scale of Accommodation for Defence Services 1983.
4. Wrong adoption of rates as per SSR/ED Rates, etc and non quoting of correct items of SSR/ED Rates in AE Part II. Plinth area rates are not being quoted as per rates published by E-FIN C's Branch from time to time
5. Rate Analysis for assessed rates not prepared/placed on the file for verification.
6. Copy of jobs from where rates being adopted are not placed on file for verification of rates.
7. Price list/Quotations etc for market rates are not being placed on the file for verification of rates.
8. Non-updation of AEs on current MV/DCS percentages and non placement of copies of MV/DCS percentage Return.
9. Separate provision is made for soil investigations where as the same should be met out of contingency.
10. MV/DCS applied on assessed/market/contract rates/furniture rates are not admissible.
11. AEs are not being checked by the next higher engineer authority as provided for in Rule 334 RMES.
12. Establishment charges @ 2% are being charged in the AE part I in all the cases of lower CFA. This is required to be charged in case of deposit work only.
13. Calculation/casting errors in the AEs/RAEs.

Statement showing some of the observations raised during scrutiny of

Works Proposals

- (i) AEs not prepared on the basis of P.A rate at oar SSR 96 Circulated vide E in Cs letter No. 83975/OTM/E2W(PPC) dt 27-07-2004.
- (ii) As per provision contained in note 2 below table 7 IV of scale of Accommodation for Def. Services 1983, 10% adhoc cut is to be imposed on the total P. A. authorized which was not done.
- (iii) There was huge variation in the quantity of road to be newly constructed & widened as shown in Board Proceedings, AE Pt. II and the sketch of roads placed on the file.
- (iv) Break down details of assessed rates applied in AE Pt II not placed on the file.
- (v) MV/DCS percentage not correctly applied.
- (vi) Credit schedule for old demolished material not prepared/accounted for.
- (vii) Cost of Exhaust fan included in P.A. rate but the same has been claimed as separate item in AE pt II. This is required to be deleted.
- (viii) One number of suction sweeper was recommended in BP where as provision of two nos of suction sweepers have been accounted for in AE.
- (ix) Rates of similar items could be adopted from another sanctioned job but deriving proportional rate of the required static water tank by multiplying nine times to the cost of 50 KI Static tank may not give realistic estimate. For this purpose calculation may have to be made on the basis of actual drawing/specification and prorata unit cost.
- (x) There was casting error in the total draft corrigendum resulting in gross difference of Rs. 95.378/- (including 3% contingency charges). This was brought to the notice of Dir (Planning) of CE who in turn corrected the same.
- (xi) While processing a proposal it was found that establishment charges @ 2% was included in the AE Pt II where as in other similar cases, Estt. charges were not included. As such the matter was discussed with Dir (Planning) of CE who stated that as per policy in vogue Estt. Charges are not being claimed and accordingly AE Pt II was corrected by them.
- (xii) Nomenclature as mentioned in MWP was Sewage treatment plant for Allahabad Fort Area" where as the SOC stated that the work is for 508 ABW Area. The Executive Authority have been asked to confirm that entire Fort Area has been included in the proposal.
- (xiii) The Board Proceedings are incomplete where no recommendation/financial effect has been brought out therein. The recommendation should include apart from other points, provision of generating set, transformer, street light fittings, hard standing and UG Cables etc., if required in the project otherwise AEs to be modified accordingly.
- (xiv) Quantity of CI/GI pipes required to be replaced and new pipe required to be laid, has neither been mentioned in BP nor in SOC.
- (xv) Building No. & number of doors/windows where mosquito proofing is to be provided has not been brought out in the B.P. Further replacement of 20 Nos. of chowkhats and 100 Nos. of windows have been included in AE Pt II which were not recommended in B.P.

**Annexure-III**

**Additional Check List for AEs/RAEs**

1. Title of the project is as per that provided in the approved list of the MWP.
2. AE Part II contains details of the work required for following items of work (as applicable) separately in consonance with the details indicated in BPs.
  - (a) Site clearance (demolition of old buildings)
  - (b) Building work-(construction of new building)
  - (c) External electrification
  - (d) External water supply
  - (e) Sewage disposal and drainage
  - (f) Roads, culverts and retaining walls
  - (g) Fencing and gate
  - (h) Air conditioning
  - (i) Gen sets
  - (j) Garage and servant quarters
3. **Scales**
  - (i) the scale of accommodation applied is as authorized, correct and latest as per the scale of accommodation as amended from time to time.
  - (ii) Correct conversion factor for plinth area has been applied.
4. **Rates**

Rates applied are based on (as applicable)

  - (i) Standard Schedule of Rates 1996 (SSR 96)
  - (ii) Plinth area rates at par with SSR 96 published by the E-in-Cs Branch
  - (iii) New/old sanctioned work by the Government, if required
  - (iv) Recently concluded contracts, if required
  - (v) Market/Assessed rates.
  - (vi) ED rates published by the E-in-C's Branch for E/M items.
  - (vii) MV/DCS applied are as per latest returns.
  - (viii) MV/DCS not applied on market/assessed/ contract rates and furniture rates.
  - (ix) Correct allowances for the following have been catered for (as applicable)
    - a) Seismic element zone wise.
    - b) Anti-termites treatment.
    - c) Framed structure.
    - d) Multi storied construction.
    - e) Extra foundation.
    - f) Mosquito proofing.
    - g) Additional height.
  - (x) Items of furniture are provided as per latest scale and rates based on latest furniture rate list.
  - (xi) The necessity of the proposed work is accepted in principle at appropriate level.



12/12/98

OFFICE OF THE C.G.D.A., NEW DELHI - 110 066.

**Sub:- Amendment to Defence Works Procedure-1986 - IFA system in Works.**

Please find enclosed herewith a copy of the annexure containing the issues raised during discussions held in this Hqrs. office on 4.12.1998, where command CsDA (Army), Maj. Gen.S.S. Puri Addl.DG Works (Army), Brig. J.S. Oberoi DDG PP from AHqrs and you were present, and clarifications thereto in connection with IFA system in MES works. The requisite annexure has been circulated to the CsDA concerned.

2. Addl. DGW had agreed to issue instructions to command Hqrs for making copies of the documents as at item 7 (d) to (j) of the enclosed annexure available to the IFAs. He had also agreed to issue instructions to the command Hqrs in connection with the documents to be forwarded along with works proposals. He is also accordingly being requested as per endorsement below to do the needful urgently. You may also like to advise him to do the needful at the earliest.

d/c                      sd/-  
(M.KUMARASWAMI)  
ADDL. CGDA (INSPN)

Ms. Soni Tandon,  
Addl. FA(T) & JS  
MOD (Fin)  
South Block, New Delhi.

UO No.18184/AT-X Dated 30<sup>th</sup> December, 1998.

Copy to:

1. Maj Gen. SS Puri Addl. DGW (Army)  
E-in-C's Branch,  
Army Hqrs, Kashmir House,  
New Delhi.

- for kind information along with the annexure referred to above and for causing necessary instructions to be issued urgently as mentioned at para 2 above and confirm the

same to us.

2. Brig. J.S. Oberoi  
DDG PP Army Hqrs for information along with the annexure referred to above.

OFFICE OF THE J. G. A. NEW DELHI - 110 002

o/c  
a  
30/12/98  
(Paras Ram)  
Dy. CGDA (AT)

The following copy of the annexure containing the issues raised  
during the meeting held in the Hqs. Office on 4.12.1998, where command CGDA  
was present, and the instructions issued to the Hqs. Office, Brig J.S. Oberoi DDG PP Army  
Hqrs, New Delhi, are being forwarded to you for information and for the necessary  
action. The copy of the annexure has been circulated to the CGDA concerned.  
The Hqs. Office, New Delhi, has also agreed to issue instructions to the command Hqs. for making  
the documents available to the Hqs. Office, New Delhi, in connection with the  
documents to be forwarded along with the annexure. He is also accordingly being  
requested to forward the documents to the Hqs. Office, New Delhi, for the necessary  
action. The copy of the annexure is being forwarded to you for the necessary  
action.

o/c  
(M. K. MARASWAMI)  
ADDL CGDA (INSRN)

CGDA (AT) X Dated 30 December 1998

Brig J.S. Oberoi  
DDG PP Army Hqrs  
New Delhi

**ANNEXURE**

**SLNo.**

**ISSUES RAISED**

**CLARIFICATION**

1. At what levels will proposals for acceptance and vetting of AEs and financial concurrence come to the office of CDA from Commands/Corps/Area/Ind Sub Area/ Div/Ind Bde/Sub Area ?

Receipt of proposals for the first time will be from the levels as under:-

- i) Commands - MG Adm to CDA as IFA by name.
- ii) Corps- MG GS to CDA as IFA by name.
- iii) Area/Ind Sub Area/Div/Ind Bde Gp - Brig to CDA as IFA by name.
- iv) Sub Area/Bde- Col to JCDA as IFA by name.

The above mentioned channels of referring the proposals will also apply to the equivalent levels on the AF and Navy side.

Further processing of the proposals for obtaining clarifications etc. in the office of the CDA can be at the lower levels in consultation with the administrative authorities including officers of MES at appropriate levels. After final concurrence, the proposals will be marked back by CDA /JCDA, as the case may be, to the CFA concerned.



2. When a project concerning Command/ lower CFAs' works is included in the Major Works Programme (MWP) /Annual Works Programme (AWP), is it essential for the IFAs to examine the necessity for works?

Inclusion of a project in MWP/AWP is indicative of the priority requirement of the project while examination of necessity is a matter of details to be gone into by the IFAs such as no. of houses to be built, supportive facilities available, need for special items etc. The MWP for 1998-99 for Army has already been circulated vide CGDA letter No.18184/AT-X dated 30.11.98 to all regional/Army Controllers.

3. Whether IFA can reject the proposal included in the MWP/AWP?

Projects are included in the MWP/AWP after examination of its necessity at various levels at Command and Army HQrs. Prima-facie, the question of rejection should not arise. However, in case the supporting details are inadequate for approving the works, IFAs can disagree with the proposals.. For enabling the IFAs to carry out a proper appreciation of the necessity of a project, CDA will be associated with formulation of MWP/AWP in due course of time.

4. What exactly is meant by release of funds and to whom will the funds be released by CDA in

Within the ceiling approved by MOD (Fin) for release of funds for new works, scheme wise/project

respect of new works?

wise, allocation of funds will be suggested by the Commands HQrs to CsDA. Action for release of funds will be taken after the financial concurrence has been accorded to the new works. While issuing administrative approval, the amount of funds to be spent in that particular financial year (which will normally be 10% of the project cost) will be noted by IFA in his records which will also be indicated by the IFAs through admin approval. This noting and indication of the amount to be spent in the year in which project is approved, is termed as release of funds. Funds will be placed by the CDA in the usual manner through placement of cash assignment as per the existing procedure.

5. When the initial proposal is sent to CDA/JCDA as IFAs, what are the documents to be received along with the case?

E-in-Cs Branch will separately issue suitable instructions to commands with copies to IFAs concerning documents to be enclosed with the proposals. Based on this, commands will issue suitable instructions to their lower formations.

6. Whether powers for acceptance of necessity and administrative approval exercisable by the CFAs (Army Commander etc) are personal or can they be re-delegated to any of their staff officers?

Powers are personal and cannot be re-delegated.

7. Following documents should be made available to IFAs

- a) Scale of Accommodation (DS)1983
- b) Scale of Accommodation for Armed Forces Hospitals, 1982.
- c) Scale of Furniture DS 1989.
- d) Plinth areas rates as per SSR :  
for married accommodation.
- e) Plinth area rates as per SSR  
for OTM accommodation.
- f) MES SSR . rates for all items  
of work.
- g) ED 1996 rates for external  
services.
- h) Area furniture rates list.
- i) MVs & DCs returns (zone-wise)
- j) Compendium of E-in-C's  
instructions.

The copies of the documents as at (a) (b) & (c) are Govt. Publications and as such can be procured by the users. The E-in-C's rep. agreed to issue instructions to Command HQrs. to make copies of the rest of the documents available to the IFAs.

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NO.18184/AT-X  
OFFICE OF THE CGDA  
WEST BLOCK-V, R.K.PURAM  
NEW DELHI-66  
DATED 23.12.98

TO

ALL THE REGIONAL CONTROLLERS  
CDA (NAVY) MUMBAI  
CDA (AF) DEHRADUN  
(BY NAME)

SUB: Teleconference Session on IFA System in MES Works.

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The Training Division of this HQrs. had conducted a Teleconference Session for the IFA System in MES Works on 20 NOV 98 by utilising the Training and Development Communication Channel of IGNOU : ISRO.

2. During the course of the above mentioned teleconference, certain queries were raised by the participants which were answered by ADDL. FA (T). A list of such questions and their answers received from our Training Division is enclosed for information.

o/c  
h  
23/12/98  
(PARAS RAM)  
DY. CGDA (AT)

-2-

QUESTIONS RAISED BY PARTICIPANTS FROM VARIOUS NODES

Sl.No.	Questions	Answers
1.	<p>Regional CsDA will be included at every stage of allotment of funds and release of funds and the Regional CDA will be knowing the complete allotment of funds as a whole for the command at the beginning of the year itself. Shall at every stage of release of funds the command CDA will be knowing how much funds are available for release for any work that is coming under AWP or MWP?</p>	<p>In the beginning of the financial year, MWP ceiling is going to be prescribed both for the sanction of new works and for release of funds. So these ceilings are going to be intimated to all the Regional Controllers and also to other CsDA(Army). So the information will be available about the ceilings regarding new works in the financial year in which the works are to be sanctioned. In addition to this there will be budget allocation to the command for continuing the carry over works. There should not be confusion between this cash ceiling which is being prescribed for the new works. This is cash ceiling for new works. There will be a separate budget allocation for the carry over works in the usual manner.</p>

Sl.No.	Questions	Answers
2.	<p>What happens to the funds that are allotted during the financial year and could not be spent by the end of the financial year whether it is going to be re-appropriated or it will lapse? If it is going to be re-appropriated then we lose control over audit of expenditure i.e. control of expenditure over allotment?</p>	<p>We have not given work-wise ceiling to a command for new works. We have given command ceiling. E.g. for Southern Command the ceiling is 21.42 crores for the works to be sanctioned. The funds to be released is 2.13 crores (10% of the command ceiling). In the year in which work is sanctioned the fund requirement for the works is very limited. It takes time for the works to be tendered out, quotations to be received, examined and then only the contract is concluded. And that is why presently around 10% amount has been kept for expenditure on new works which are to be sanctioned in a particular financial year. So the re-appropriation question in this case should not really arise unless the command as a whole is finding it difficult to get total works worth Rs.21.42 crores sanctioned or spend Rs.2.13 crores which have been provided. If that happens then the problem will be posed by the command HQrs to the Army HQrs, QMG Branch and then the re-allocation will be done by the Ministry.</p>

Sl.No.	Questions	Answers
3.	Why not IFA be associated with recee-cum-siting-board?	Currently, this is not provided. Though the possibility may be examined in due course of time.
4.	The proposed system does not envisage involvement of the IFA in the contract procedure. Is it advisable to introduce TPC system as in the case of ASC and Ordnance for the MES contracts also?	Presently, IFA system in MES works does not envisage involvement of CDA in the contracting. At this stage it is only the beginning. As we stabilize, may be at a future point of time this aspect can be gone into.
5.	In view of the enhanced powers given for special works, it is felt that some guidelines are required regarding the nature & type of work that can be sanctioned as a special works because so far it is left to the discretion of the CFA. Are we going to have some guidelines issued for this?	So far, no guidelines have been considered necessary for 'special works'. Special work is work which is not covered under the existing scales of accommodation. For example, if the scales of accommodation do not provide that AC facilities will be made available in number of rooms in the hospital but there is a requirement which has been clarified, and if this is to be provided or to be sanctioned, this will fall under the heading

		<p>'Special Works'. It is understood that executives are already in the process of revising the existing scales so that to the extent possible they can cover such of those special requirements which presently are forming under special work as the normal work. But if it is felt that you need to have some sort of samples or guidelines, we can consider and give some examples. These can be only examples. Since the work is special work, each such case has to be justified on its merit and then only included as special work.</p>
6.	<p>Is it advisable to decentralize the release of funds from the command Controller to the other Regional CsDA within the Command?</p>	<p>At present, it will not be advisable to further decentralize the release of funds from Regional Controller to other Army Controllers because at present total command ceiling have been given and within the command it is intended to leave it to the command executives to see the</p>



		inter-se-priority and depending upon the time at which work has been sanctioned to be able to get the funds released for this work sanctioned within the command ceiling as a whole.
7.	As per the Govt. letter dated 26.8.98 at some places only MWP has been mentioned for financial concurrence. In some cases only annual work programme is taken into account. What is the difference between the MWP and AWP?	In the case of army, they call it MWP, in the case of Navy instead of calling them as MWP they call it AWP so it is exactly the same thing, what the Service HQrs have been calling all along. It is the same either it is called MWP or it is called AWP. But the purpose is same.
8.	Regarding the check-list what you have supplied for the A.Es the name of DGOF organisation has been included. But you have not indicated who must give financial concurrence and who must vet the A.Es etc?	This delegation does not cover works to be sanctioned for DGOF. In the case of DGOF they in their own HQrs, have their Member(Finance) and Controller of Finance. They are exercising the powers of IFA for sanction of works on the ordnance factory side. So presently the Regional Controllers are not likely to sanction works for DGOF.

Sl.No.	Questions	Answers
9.	Amount which is provided for release of funds for new works whether that can be appropriated for carry forward works?	If the commands are feeling that they will not be able to utilize the funds meant for the new works when they have to intimate to their HQrs i.e. Army HQrs/RMG. They will have to suggest re-appropriation between carry over works and the new works. This is done with the approval of Ministry. It is not left to the command to do the same.
10.	If the work has been sanctioned and for which the funds have not been utilized whether this is going to be considered as carry over works or it will have to be included again in the next financial year?	Once a work has been sanctioned and included in the MWP of a particular financial year like 98-99, the same shall not be included again in the next financial year. So this is to become a carry over work, even if in that financial year no funds are spent on that work. Works can not be sanctioned and included twice in the MWP as this will tantamount creating double information for the same work. If the work cannot be actually sanctioned included in the current financial year, the same may be kept pending for inclusion in the next financial year.

Sl.No.	Questions	Answers
11.	If MWP is approved by Ministry of Defence whether acceptance of necessity by lower IFA is necessary?	When MWP has been drawn this is only a priority list which has been prepared by the command and included in the MWP by the Army HQrs. At this stage the individual works details have not been gone into, like the number of quarters, plinth area, and other details have not been examined. So, it will be essential that the necessity for the total works which are intended to be included is gone into by the IFA.
12.	As per the Ministry of Defence letter dated 26.8.98, lower IFAs under Navy and Air Force will be responsible for release of funds falling within their jurisdiction. Such a provision has not been made in respect of Army according to Para 4.1 of the letter. Kindly clarify?	In the case of Navy, there is only one CDA(Navy) whereas Navy has also got commands like in eastern side they have Eastern Command under the Command of Flag Officer Commanding. Similarly, they have Southern Command. At that stage they have IFAs which are at the level of JCDA in Vizag and DCDA in Cochi. Because they were not fullfledged CsDA the order mentioned them as lower IFAs but they are for the command. Whereas in the case of Army there are Army CsDA, Regional CsDA so these CsDA have been mentioned as IFAs.

Sl.No.	Questions	Answers
13.	<p>Ministry of Defence(Fin) letter dated 26.8.98, in Appx.'B', states that CDA(AF) and CDA(Navy) will accord the financial concurrence whereas vetting of A.Es will be done by Army Controller. Whether Navy and AF CDA would accord the concurrence after the vetting of A.Es by the Army Controller. Is it appropriate that the vetting of the A.Es is also entrusted to CDA(Navy) and AF when they have already been given the powers for the financial concurrence as well as release of funds?</p>	<p>Presently, the work relating to MES works is done by the Regional Controllers. So keeping in line with that, it has been decided that the vetting will be done by the CDA(Army). May be in due course of time if expertise is developed in CDA(Navy) and CDA(AF) even the vetting part can be entrusted to CDA(Navy) and CDA(AF). But at present it is not provided. Whereas the acceptance of necessity is to be established and also release of control or funds for new works is to be done by the CDA(Navy)/ IFAs, CDA(AF)/IFAs for the works to be sanctioned for Navy and Air Force.</p>
14.	<p>As per our understanding the allotment of funds to the Regional Controllers is to be made by respective command HQrs, it is presumed that the command HQrs will get the</p>	<p>As far as new works are concerned this allotment ceiling has been given by the Ministry to Army HQrs, QMG Branch. They in turn will intimate the same to all commands and their IFAs. This</p>

	<p>allocation from E-in-C's Branch, the funds will be released by the Regional Controllers to the CFAs and not to the executive authorities. Is this presumption correct?</p>	<p>ceiling has already been determined by the Ministry. So, there is no further allocation by the command as far as new works are concerned. This ceiling is not work-wise. This is a command ceiling. However, at the stage of issuing the sanction letter, the amount to be used for a particular work in the very first year may be intimated to the MES Officers.</p>
15.	<p>What is the difference between the ceiling for sanction and cash outflow?</p>	<p>In all cases in the first year around 10% amount of the total ceiling for sanction, has been kept as cash outflow ceiling, e.g. if the amount indicated for ceiling of sanction is, say, for Chief of the Army Staff - 61 crores in a particular financial year, the cash flow ceiling is only six crores. Experience has shown some works in the beginning may need more than 10% but as some works get sanctioned at the fag end of the financial year, then very limited money really gets spent and that is why over all ceiling of 10% has been kept.</p>

Sl.No.	Questions	Answers
16.	<p>In FC cases - with reference to the check-list - (i) whether it is a pre-scrutiny or post scrutiny? Also (ii) whether market analysis comparison will be done w.r.t. market analysis kept to each item or only w.r.t. lowest tenderer as presently being done in the MES formations?</p>	<p>FC cases are subject to pre-scrutiny and all the required certificates are to be furnished in support of FC cases.</p> <p>Market analysis comparison is to be done w.r.t. the overall lowest tenderer as at present being done in case of MES formation.</p>
17.	<p>The IFA has been involved at the stages of acceptance of necessity and the vetting of the A.Es. Now after the proposal is received by the IFA and IFA feels that the particular project is not required or on any other issue there is a substantial difference of opinion or difference of perception. How the issue can be resolved and can the IFAs' recommendation be over-ruled and how?</p>	<p>Basically there should not be a sharp difference of opinion but IFA has a right to express, his opinion in the case which can always be referred to the higher authorities for a decision.</p>

Sl.No.	Questions	Answers
18.	The release of funds is being carried out at the time of administrative approval itself. In case, the executives are not utilizing the funds by the end of the financial year, whether there will be a lapse of funds in case re-appropriations are not carried out?	If the funds are not utilized the funds lapse. But as far as the works are concerned, the works do not lapse. The works stand sanctioned. The funds will get released in the next financial year depending upon the expected physical progress that command will project and accordingly the fund requirement will be worked out.
19.	Whether any time-schedule has been fixed for vetting of necessity and A.Es/RAEs like financial concurrence cases?	At present, no time-schedule has been given. Each controller can look into this aspect and make sure that the work is attended to promptly. They should fix some time-schedule and monitor it properly.
20.	Whether the present system of allotment of funds from E-in-C Branch to command HQrs in respect of carry over works will continue or Regional Controllers will have to allot funds in these cases as well?	The existing system will continue. For carry over works. Funds will be allotted by E-in-Cs Branch to command and from command to the lower formations.
21.	Whether allotments are to be made only in respect of new works by the Regional Controllers?	This fund ceiling is only in respect of new works.