

**OFFICE OF THE CONTROLLER GENERAL OF DEFENCE ACCOUNTS,  
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(IFA WING)**

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IFA INSTRUCTION NO. 11 OF 2010.

No. IFA/120

Dated :- 23 --08--2010.

To

1. All Pr.CDAs/Pr.IFAs
2. All CDAs/IFAs

Sub :- Sanction for AMC of a equipment (s)/Item (s).

In procurements that require to be covered by a post warranty AMC, at present different practices for awarding the contract are prevailing. The practice of obtaining financial concurrence of IFAs for entering into AMC(post warranty)/renewal cases of AMC is also not uniform everywhere.

2. The matter has been examined at the HQrs. In order to have a uniform approach in obtaining financial concurrence (where the delegated financial powers for AMC are to be exercised in consultation with IFA/CDA) for entering into AMC (post warranty/renewal cases) the following instructions may be noted :-

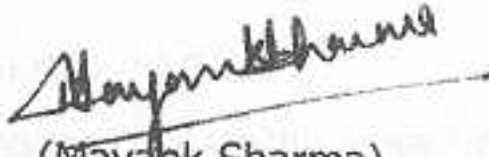
(i) Only those cases will be referred to Pr.IFA/IFA/CDA for financial concurrence, where AMC period, terms & conditions and amount/rate was not included in the RFP and supply order/contract for the original procurement which was vetted/concurred by the PIFA/IFA/CDA at the time of procurement.

(ii) Where, AMC is being undertaken as per the terms and conditions of Supply order/contract duly concurred by the Pr.IFAs/IFAs, the proposals need not be referred for concurrence of Pr.IFA/IFA again in case no new information is included.

(iii) In cases, which were referred to the Pr.IFA/IFA/CDA as per instructions contained in (i) & (ii) above, the CFA for the AMC proposal, before giving the expenditure sanction of AMC every year, must give a certificate to this effect and should also certify that the AMC is strictly as per the terms and conditions of the supply order, there is no downward trend in prices in the market, there is no change in scope of the tems & conditions of AMC, budget is available for AMC and there is no reason to believe that a financially more economical AMC is possible. All the paying Controllers may insist on this certificate by the CFAAs before releasing payment. The format of the certificate to be signed by the CFA is enclosed (Anx-A).

(iv) In case of any change in the terms and conditions of AMC or downward trend in the market prices of AMC or change in scope of AMC or any other situation which requires a fresh look at the AMC, it shall be the responsibility of the CFA to take IFA concurrence before signing the AMC contract.

(v) Further, if extension of AMC period for an equipment/item, as specified in Supply Order/Contract is required, concurrence of IFA has to be taken, wherever powers are to be exercised in consultation with IFA.

  
(Mayank Sharma)  
Jt. CGDA (IFA)

Copy to :-

1. AS & Addl FA(A), MoD(Fin)
2. JS & Addl FA (S), MoD(Fin)
3. ADGFP, Army HQrs.
4. ACNS (P & P), Naval HQrs.
5. ACAS (Fin P), Air HQrs.
6. All Jt. CGsDAin HQrs DAD.
7. DG, Coast Guard HQrs.
8. CC R&D, DRDO HQrs.
9. Border Roads HQrs.
10. All RTCs.
11. EDPS (Local) - for publishing in website.

} For inf w.r.t above

— sd/-  
(Mayank Sharma)  
Jt. CGDA (IFA)

Annexure – A

Format of Certificate to be signed by CFA while entering into AMC

{referred in Para 2 (iii) of CGDA (IFA wing) IFA Inst No. 11 of 2010}

It is certified that AMC for the project/equipment(s)/item (s) \_\_\_\_\_ entered with M/s \_\_\_\_\_ for the period \_\_\_\_\_ to \_\_\_\_\_ is strictly as per the terms and conditions of the Supply order/Contract No. \_\_\_\_\_ dt. \_\_\_\_\_ vetted/concurred by the PIFA/IFA vide UO No. \_\_\_\_\_ dt. \_\_\_\_\_.

2. It is further certified that the AMC is strictly as per the terms and conditions of supply order & there is no downward trend in prices for AMC for the subject equipment (s)/item (s). There is no change in scope of the terms and conditions of AMC and there is no reason to believe that a financially more economical AMC is possible.

3. The budget to the tune of ₹ \_\_\_\_\_/- is available for the AMC for \_\_\_\_\_.

Place :

(Signature & Name of CFA

Date :

with designation & Seal)