



कार्यालय रक्षा लेखा नियंत्रक

Office of the Controller of Defence Accounts

नं: 1 स्टाफ रोड, सिकंदराबाद 500 009::No.1 Staff Road, Secunderabad – 500 009

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No. E-1/T-1/ARWES REP/14-15

Dated : 15/05/2015

To

The DGNP/ AO DGNP, Vishakapatnam
The CCE R&D/AO CCE R&D Secunderabad
ALL GEs/AOs GE
Local & Vishakapatnam
AAO AGE EDDUMAILARAM/AAO AGE(I) SURYALANKA

Sub: - Annual Review of Works Expenditure for the Year 2014-15

A set of proforma for rendition of ARWES Report for the year 2014-15 is placed in CDA Web site cdasecbad.ap.nic.in and also a copy is forwarded to nic mail-id. If not received, the same may be obtained from this office to your personal mail-id and downloaded at your end.

The balances reflected outstanding as on 31.03.14 may please be taken into account while arriving at closing balances as on 31.03.15. Please note that the figures shown in the report/statement are controlled figures which have been taken for consideration and reflected in the consolidated report forwarded to Head Quarter Office and the same cannot be changed.

2. It may please be ensured that the above report in the prescribed proforma duly completed is sent in time so as to reach this office on or before **05.06.2015** to enable this office to consolidate the report and forward the same to CGDA, New Delhi within prescribed time.

3. Statement 'H' in duplicate may, however, be forwarded to Internal Audit Section (FA Section) of this office by **31.05.2015**.

4. While completing the proforma, the instructions of CGDA circulated vide this office important circular of even number dated 24/05/2001, 20/06/2001, 06/06/2002 and 30/05/2003 may be kept in view and compiled with. The details mentioned below may also be furnished in respect of the under mentioned statements.

I. **STATEMENT 'C' PART I & II**

Expenditure placed under objection in respect of works under Defence Works Procedure, non-compliance of basic rules (want of Admin Approval, year wise breakup of the closing balances) may please be indicated. Number of works with amount of such cases which were commenced without prior sanction of the Competent Authority and also the reasons for commencing the work may please be brought out clearly in this statement. Additional proforma has been added for the cases under statement C Para 15(a) and 15(b) to indicate the cases reported under the same parts to furnish the cases Contract Agreement wise which may invariably be furnished.

II. **STATEMENT OF BARRACK DAMAGES (PARA 19)**

The main reasons for outstanding amount on account of non-recovery of barrack damages at the end of 31/03/15 as well as irrecoverable amount, if any, may please be intimated.

III. The details of allotment and expenditure incurred on **DGMAP Works** should be given separately under para 12 of the report.

IV. Statement of rent and allied charges year-wise and category wise breakup of the amount together with the main reasons for non-recovery of rent and allied charges in respect of bills issued upto 31/03/15 and the amounts which have become irrecoverable with the reasons thereof and the action taken to write off under delegated powers may also be intimated.

5.(a) With regard to outstanding over payments/short recoveries from contractors reported under Para 21(e) of the report, full details of each case outstanding over Rs.1 lakh may please be furnished. Your TE Demands as intimated by M.O plus MES Advances outstanding as on 31/03/15 should tally with figures shown in column 7 of the statement.

(b) While forwarding statement of para 21(e), the outstanding amount against TE Demands and MES Advances may please be shown separately supported by a statement containing details of the cases duly intimating the present status of each case including Arbitration/ Court cases.

6. The following information may also be furnished in separate statements.

(a) Contract agreements not submitted for scrutiny to MO within the stipulated period but RARs paid interalia furnishing the number of RARs paid during the stipulated period before submission of CA and number of RARs paid beyond the date of submission of CA with your specific reasons on such payments.

(b) Cases where variation between allotment of funds and actual expenditure exceeds 15% and covering sanction of the CFA has not been accorded.

7. It may please be ensured that specific reasons for grant of extension of time are obtained from the executive and reflected as such in the relevant statement for para 21(b). The executive may be advised not to give stereo type reasons such as circumstances beyond the control of the contractor etc.,

8. It may please be ensured that Break-up/ case-wise details reasons in support of factual figures/ information reflected in the statements of report are invariably furnished as enclosures to the respective statements.

9. It may please be ensured that in respect of outstanding items continuously reflected in ARWES report for more than a year in the respective statements in respect of your unit/ formation requires to be supported by detailed reasons for long outstanding and the stage at which the case presently stands and remarks of action to be taken for its clearance.

10. **The following deficiencies were noticed while preparing consolidated report:**

(a) Non-indication of efforts made to clear the outstanding amount under Para 17 (Loss Statement awaiting sanction), Para 19 (Outstanding Barrack Damages) and Para 21 (e) [Over payments/ short or non-recoveries from the contractors].

(b) Non-indication of action taken to liquidate outstanding licence fee and allied charges in Statement 'F' – Para 18. Year-wise break up of the amount outstanding was not given on the statement. Concerted efforts may be made to minimize the amount outstanding.

11. Please ensure that amounts indicated in the statements are rounded off to the nearest rupee.

12. Please ensure that all columns in the statements are completed with adequate date/ information in all respects as it was observed that some of the AO/AOs GE have not submitted the statements/ furnished details while rendering ARWES Report. Incomplete statements will be viewed seriously.

13. While forwarding the Report, the following aspects may be kept in view:

(a) Each statement should be critically reviewed before submission with its analysis.

(b) Closing balances as shown in the Annual Review Report for the year 2013-14 must tally with the opening balances of 2014-15.

(c) In case the proforma does not pertain to your formation the same may be enclosed indicating NIL reports.

(d) Information may be called for from executive authorities wherever necessary and advance date may be fixed at your end so as to consolidate report.

(e) The cases which have already been pointed out by this stage for inclusion in ARWES Reports may be included without fail.

(f) It may also be ensured that the position of allotment of funds vis-à-vis expenditure is tallied with printed compilations & MERs upto 14/05 (March- Supplementary correction) accounts.

14. It may strictly be ensured that the data furnished is duly supported with the documents/registers available at your end as any information regarding the report submitted should be furnished to this office as and when sought.

15. The shot comings noticed by the Hqrs office in submission of previous reports are listed in the enclosed **Annexure**. It may therefore be ensured that such errors and omission may please be avoided in the Report of the year 2014-15, to enable this office to finalize the Report within the stipulated time schedule and submit to Hqrs Office.

16. The receipt of this circular may please be acknowledged.

17. CDA has seen.

Encl: -As above.




Sr. Accounts Officer (E)

Copy to:

1. All AAOs BSO
2. AAOs GE (Doing Revenue Work)
Proforma of statement 'F' Para-18 and statement under para 19 regarding outstanding licence fee and allied charges as on 30-06-15 (Bills) issued upto 31-03-15 and Barrack Damages respectively are forwarded herewith for necessary action. Please ensure that all columns in the proforma are duly completed with full details of year-wise breakup of outstanding amounts, the amounts irrecoverable, if any, and reasons thereof and steps taken and proposed to be taken for recovery of outstanding amounts are furnished through your RAO (MES) on or before **2.07.2015**
3. RAO (MES),
Secunderabad.
4. RAO (MES),
Visakhapatnam.

The reports submitted by the AAOs GE doing revenue work may please be verified and reconciled with the report which are being submitted by your office to Internal Audit Section of this office and forwarded to 'E' Section by **2.07.2015**.


Sr. Accounts Officer (E)

4. Further, it is requested that following points may also be kept in view while preparing the Report :-

- a) Each statement should be critically reviewed and analysed before submission and detailed comments/detail of cases should be furnished. Age wise analysis of the statements, wherever required, should be enclosed with the report.
- b) The figures shown in ARWE should be duly reconciled with compiled actual. The closing balance as shown in ARWE Report for the year 2013-14 must tally with the opening balance of ARWE Report of the year 2014-15.
- c) In Para 12 of the report, only Budget and expenditure under works Head (Minor Head / Sub Head as applicable) may be taken into account. Budget and Expenditure (under Revenue and Capital) on works of NCC, ECHS, RR and Joint Staff may also be included under the respective heads of account. The details of allotment and expenditure incurred on DGMAP works (Army, Navy and Air Force) should be given separately under Para 12 of the report.
- d) In Para 15 (A) Part I & 15 (B) Part II, detail of the cases in respect of amount shown outstanding against each category may be indicated in the report. Specific reason for delay in obtaining admin approval and action taken in this regard may also be indicated.
- e) In Para 16, complete details of all operational work (OP/Task No/Admin approval wise) carried out during the year with expenditure may be indicated in the report.
- f) In Para 17, Age wise analysis in respect of loss statement awaiting sanction may please be indicated interalia action taken for regularization of outstanding cases.
- g) Statement 'F' Para 18 should be furnished indicating the recoveries of Licence Fee, Rent & Allied charges in respect of Rent bills issued upto 28th Feb 2015 and position of outstanding amount as on 30th June 2015. Action taken to liquidate outstanding Licence Fee and Allied charges, Year

wise breakup of the amount outstanding and specific reasons for delay in clearance of outstanding amount under various categories should be indicated. The position of outstanding Licence Fee & allied charges reflected in the statement 'F' Para 18 ARWE should be reconciled with statement 6A of AAC.

- h) Para 22 – Reasons may be indicated wherein maintenance of accounts in MES Divisions/Engineer Parks is not found satisfactory.
- i) Para 23-Statement 'G' – Percentage may be worked out separately for SSR 1996, 2004 & 2010.
- j) Any form of abbreviation used in the report must be supported with full form of the abbreviation.
- k) Mistake of Arithmetical calculations in the report/statements may be avoided.

5. Since the information related to Annual Review is collected only once in a year and there is no follow up Report during the year, the necessary follow up reports may be called for from the AOs/AOs GE to update information specifically in regard to outstanding Licence Fee & allied charges, Losses, Barrack damages etc. PCsDA/CsDA are requested to monitor the major cases reported in Annual Review and apprise the HQ Office about the action taken and outcome thereof.

6. No change in the reported figures would be accepted after the Report is rendered to HQrs office. Hence, it is requested that utmost care may be taken while rendering such an important report.

Please acknowledge receipt.

RK Karna
(R K Karna)
Wd. CGDA

ANNEXURE

1. **Para 12**
 - i. Figures of expenditure did not tally with compiled actual.
 - ii. Budget and expenditure (under Revenue and Capital) on works of NCC, ECHS, RR and joint staff were not given.
 - iii. Details of allotment and expenditure incurred on DGMAP (Army, Navy and Air Force) were not given separately.
2. **Para 13 (Part I and II)**
 - i. Column of the statement left blank.
 - ii. Specific reasons for variation for the actual expenditure over original allotment not given.
 - iii. Details of Non Budgeted works costing Rs. 10 & above were not given.
3. **Para 14**
 - i. Details of variation over 10% between original cost and actual final cost in r/o work costing Rs 25 lakhs and above and reasons for variation was not indicated.
 - ii. All columns were not filled.
4. **Para 15 (A) Part I**
 - i. Action taken to reduce the closing balance on account of want of Admin Approval & excess over Admin Approval were not indicated.
 - ii. Contract wise details of the amount outstanding as on 31.03.2014 under each category not indicated.
5. **Para 15 (B) Part II**
 - i. Detailed analysis of statement was not enclosed.
 - ii. All columns were not filled.
 - iii. Contract wise details of the amount outstanding as on 31.03.2014 under each category not indicated.
6. **Para 16**
 - i. Executing Agency viz MES or Engineer Regt was not indicated.
 - ii. Complete details of each operation work with Allotment/expenditure carried out during 2013-14 was not given.

7. **Para 17**

- i. Efforts made to clear the outstanding amount were not indicated.
- ii. Age wise analysis was not shown.

8. **Para 18**

- i. Statement not found enclosed with the report.
- ii. Year wise break up of the amount outstanding and action taken to liquidate outstanding Licence Fee and Allied Charges under various categories was not given.
- iii. Reasons for outstanding amount were not indicated.

9. **Para 19**

- i. Efforts made to clear the outstanding amount were not indicated.
- ii. Age wise analysis was not shown.
- iii. Reasons for the outstanding were not given.

10. **Para 20**

- i. Variation in total expenditure & totaling mistakes were noticed.
- ii. Percentage of expenditure for each quarter was not worked out correctly.

11. **Para 21**

- i. Reasons for ex-post-facto sanction after completion of work were not given.
- ii. Reasons for grant of extension of time by Engineer were not given in most of the cases. Many of the reasons given by the engineer did not prima-facie justifying grant of extension.
- iii. Reasons for non submission of contract agreement within stipulated period to Controller for scrutiny not indicated.
- iv. Reasons for outstanding amount and action taken to liquidate the amount outstanding on account of overpayment/ short or non recovered from contractor were not indicated.

12. **Para 21 (a), (b), (c), (d)**

- i. Reasons for extension of contract period were not given in support of the statement.
- ii. Analysis of statement was not enclosed.

13. **Para 22**

- i. Various columns of the statement were left blank/did not fill up properly.
- ii. Reason for not carrying stock verification was not been mentioned.

14. **Para 23**

- i. Percentage was not worked out separately for SSR 1996, 2004 & 2010.

15. **Para 24**

- i. Detail of Deposit works under taken by MES were not given.