

कार्यालय रक्षा लेखा प्रधान नियंत्रक, (सीमा सड़क भवन), रिंग रोड,

नारायणा, दिल्ली छावनी -110010

O/o PRINCIPAL CONTROLLER OF DEFENCE ACCOUNTS (BORDER ROADS), RING ROAD,  
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No. Insp/BR/1716/SR/HQ 46BRTF/2016-17

Dated: 16.03.2017

To

The HQ 46BRTF

C/o 99 APO

Sub: Forwarding of Super Review Report: 2016-17.

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Please find enclosed an approved copy of the Super Review Report 2016-17, conducted by Smt Ravi Kiran, IDAS, ACDA in r/o your HQ containing 06 (Six) numbers of objections. You are requested to examine the super review points mentioned therein and furnish your replies/ Action taken report to AO (P) Setuk through AO 46 BERT for endorsing their comments/recommendation thereon. Please ensure that the replies to all the observations included in the report are furnished within one month of receipt of this letter

This report can also be downloaded from our website [www.pcdabr.gov.in](http://www.pcdabr.gov.in)

Please acknowledge receipt.

Enclosed: As above

  
Sr.Accounts Officer (Insp.)

Copy to:

1. The HQ DGBR
2. The CDA (BR) Guwahati
3. The AO (P) Setuk C/o 99APO
4. EDP Section (local)

For information along with a copy of Super Review Report.

- A copy of the report is forwarded herewith to uploading on the website. A confirmation to this effect may please be given to this section at the earliest.

  
Sr. Accounts Officer (Insp.)

## SUPER REVIEW REPORT FOR THE YEAR 2016-17 (22/02/17 TO 27/02/17)

### Part-I

01	Name of the Unit	HQ 46 BR (I) TF
02	Name of the Commander Task Force	Lt Col Vijay S Pal
02	Name of the Reviewing Officer	Mrs Ravi Kiran, IDAS, ACDA
03	Name of Reviewing Team members	Shri Dhiraj Bhattacharjee, AAO Shri Subrata Das, AAO
04	Period of last Review	2013-2014
05	Period of this Super Review	2014-15 to 2016-17 (up to Jan 2017)
06	Period during which Super Review carried out	22 Feb 2017 to 27 Feb 2017
07	Specific areas of work/activity, selected for critical study	Conclusion of contracts, pLakhing of Supply Orders, Execution of jobs, clearance of liabilities etc.

### Part-II

1. Total No. of objections/Observations raised during the last Review : 18
2. Total No. of objections/Observations settled : 11

#### Brief History of the TF:-

Tsunami disaster of 26 December 2004 caused severe damages in Andaman & Nicobar Island, especially in Great Nicobar Island (GNI). The entire region from Campbell Bay to Indira Point had suffered severe damages and various stretches got submerged under sea. The road communication in the area got disrupted and both Defence and civil population were cut off with other part of the Island.

Then Govt. of India took decision to induct 46 BRTF to rebuild the road wef May 2005. Initially the Task Force was under command of CE (P) Hirak up to 2010 at Port Blair. After that command was transferred to CE (P) Setuk.

Subsequently after de-induction of 94 RCC, the Task Force was declared as 46 (I) TF with following units under its command:-

1. One Dett at Campbell Bay
2. 825 AMIR at Campbell Bay

Despite having a weak working infrastructure and limitation of resources, HQ 46 ITF has done a fairly decent job in the field of their activities like accomplishment of works assigned to them and achievement of annual targets with proper financial management. However, being pLakhed in a location far off from its Project HQ, the ITF is facing some tough challenges in getting necessary approvals and logistics support from CE (P) Setuk. Considering the above aspects and its existing work load, the Super Review team feels that the HQ 46 ITF may ideally be pLakhed at a location nearby its Project HQ and should be provided with at least 01 (One) RCC & a Field Workshop, so that it can function properly up to its full potential.

Contd.....P/2

The overall performance of the HQ 46 ITF is quite satisfactory despite the constraints mentioned above. However, the Super Review team, during the course of audit of various documents, could identify certain grey areas which are listed below (in part-III of the report) in the form of an objection statement.

### **Part-III**

#### **Irregular Procurement of cement through SO Contract**

1. 02 (Two) numbers of Supply Orders bearing No.31008/2016-17/SO/Cement/13/E3 dated 09/09/2016 for Rs.18.80 Lakh and No.31008/2016-17/SO/Cement/15/E3 dated 01/10/2016 for Rs.18.80 Lakh have been placed by CE (P) Setuk for supply of cement to work site (Campbell Bay) from Sagar Cement Factory, Hyderabad and delivery of the same has been completed under another handling contract concluded by CE(P) Setuk bearing contract No. CE (P) Setuk-03 of 2016-17 for Rs.92.77 Lakh.

On conclusion of the above mentioned Supply Orders including the handling contract, the total expenditure on procurement of cement works up to Rs.130.38 Lakh for which details are shown below :-

Cost of Cement under 02 Supply Orders (Rs.3761.32/MTx500)	= Rs. 18,80,660/- X 2
	<b>Total</b> = Rs. <b><u>37,61,320/-</u></b>
Cost of handling of cement for 02 SO's (Rs.46,38,643x2)	= <u>Rs. 92,77,286/-</u>
(Sagar Cement Factory, Nalgonda to Works site i.e. Campbell Bay by M/s Sarr Frieghts Corporation New Delhi)	
	<b>Grand Total</b> = <b><u>Rs. 1,30,38,606/-</u></b>

As per DGBR instruction No.51159/Gen/Policy/Cement/DGBR/149/E3ES dated 22/07/2015 the procurement of the cement through Supply Orders should include cost of transportation up to the consignee location, which implies that the transportation of stores should have been under the arrangement of the manufacturer. But, in the instant case, a separate handling contract has been concluded by CE (P) Setuk which is in violation of DGBR letter dated 22 Jul 2015 ibid.

Andaman & Nicobar Island being far off from the main land, handling of stores from main land to these areas involves extra cost for transportation of stores. If instead, the procurement of cement was done from local firms of Port Blair, then the total cost of procurement including dispatch of cement to work site would have been as under:-

The rate of cement including handling conveyance per Metric Ton = Rs. 10400/-(Approx)  
Thus, the rate of 1000 MT of cement (Rs.10400x1000) = Rs.1,04,00,000/-(Approx)

Thus, there was a scope for saving of Rs.26 Lakh (Approx) and a considerable time for the procurement and dispatch of the cement to the work site.

The reasons for adopting the above mode for procurement of cement resulting in a clear loss of Rs.26.38 Lakh to the Govt. exchequer may please be elucidated / justified with proper authority in support.

**Scrutiny of Supply Orders:-**

2. (a) During scrutiny of Supply Orders placed by Commander 46 ITF it could be seen that, in procurement of Cat 'B' stores, a good number of Orders have been placed without assessment of reasonableness of rate quoted by the L-1 bidder. As per orders in vogue, the reasonableness of rates quoted by the firms have to be assessed by the nominated BOO on the basis of previous procurement rates, prevailing market rates and the rates offered by the OEM.

In case of Supply Order No. 3006/46ITF/50/2014-15/37/E3 dated 19/01/2015 for Rs.3,45,239/- for procurement of Cat 'B' stores, no such certificate regarding reasonableness of rates quoted by the L-1 bidder has been obtained, the reasons there for may please be elucidated. The supply order quoted above is only illustrative not exhaustive.

(b) Procurement of Batteries for Rs.3,13,515/- through Supply Order No.3006/46 ITF/SO/2015-16/4/E3 dated 21/12/2015 was carried out without consulting the rate from DGS&D and without obtaining 'Non availability' certificate from them. The reasons for such deviation from the laid down procedure may please be elucidated with proper authority of support.

(c) **S.O. No.3006/46 ITF/SO/2014-15/34/E3 dated 19/01/2015.**

Procurement of CAT 'B' stores amounting to Rs.2,77,647/- by Cdr 46 ITF was done without exploring availability of the items from DGS&D, as advised by CE (P) Setuk.

As per the instructions of CE (P) Setuk, given with the sanction for procurement of the above stores, the availability of the items with DGS&D was to be seen / explored before procurement of the items from any other firms/sources.

In the instant case, neither the rate of DGS&D was obtained for price analysis nor the 'non-availability certificate' from DGS&D was obtained before procurement of the items. The justification in support of the same may please be offered.

(d) During the scrutiny of Supply Orders concluded by HQ 46 ITF for the financial year 2014-15 and 2015-16, it is observed that the extension of delivery period for the local supply of stores have been granted without levying liquated damage (LD) to all most 45% of the supply order. The reason for non-levying of LD during grant of extension of time for delivery of stores may please be elucidated.

**Non Settlement of Super Review Points:-**

3. 10 (Ten) Nos of Super Review points with oldest date 2010-11 are still lying outstanding for want of action taken report/replies from HQ 46 ITF. The detailed breakup of outstanding SR points are as under:-

Srl No	Year	Objections Raised	Objections Settled	Objections Outstanding
1	2010-11	07	04	03
2	2013-14	18	11	07

Please intimate the present status of all outstanding SR points clearly bringing out any bottle-necks coming in way of their settlement. A special drive may please be made to settle all vintage SR points expeditiously.

**Non- maintenance of Liability (contingent and firm) registers:-**

4. It could be seen during Super Review that the position of outstanding liabilities (both contingent and firm) are being maintained in computer and updated accordingly. The monthly Liability reports are also generated on the basis of figures available in computer. This is in total violation of the laid down procedure given in Technical Instructions and orders issued by the HQ DGBR. Separate contingent and firm Liability registers must be maintained under the supervision of AO 46 ITF and every entry made therein should be got authenticated under the dated initial of AO 46 ITF. It should also be noted that the liability registers maintained by the HQ TFs are auditable documents and should be produced to test audit/internal audit authorities during their visits. The reasons for non maintenance of liability registers may please be elucidated and action may be taken immediately to open the registers as per proforma and instructions issued by HQ DGBR.

**Scrutiny of MER for Jan 2017**

5. During scrutiny of MER-01/2017 the following irregularities were noticed:-

- (a) Job No. K-3001/02 : AA amount = ₹.3851.30 Lakh; TS amount = ₹.3930.09 Lakh  
Job No. K-3001/05 : AA amount = ₹.2717.00 Lakh ; TS amount = ₹.2854.93 Lakh

As per DGBR Technical Instruction No. 22 (Para 8.4) the TS amount of a job cannot exceed the AA amount, the reason/authority in support of issuing TS for an amount exceeding the AA amount may please elucidated.

- (b) Huge variations can be seen in the physical/financial progress of the following ongoing jobs:-

Sl. No.	Job No	Physical Progress	Financial Progress	Variations
01	K-3001/02	80.07%	113.40%	33.33%
02	K-3001/03	0.04%	55.60%	55.56%
03	K-3001/05	12.92%	55.20%	42.28%

The reasons for wide variations in physical and financial progress which is more than 30% in all the above cases may please be elucidated and further booking of expenditure against these jobs may be restricted.

(c) **Non booking of Usage rates on account of V/E/Ps and clothing :-**

Proforma expenditure on account of usages rates of V/E/Ps and Clothing from 04/2016 to 01/2017 (for last 10 months) amounting to Rs.45,07,520/- has not been booked during 2016-17 against the following running jobs :-

<u>Job Nos.</u>	K-3001/02 K-3001/03 K-3001/05 80/474	} GS Works under MH 5054.
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The reasons for non adjustment of proforma charges against the above jobs during the FY may please be elucidated and action may please be taken immediately for adjustment of the same

**Loss Statement:-**

6. During scrutiny of Loss Statement Register maintained in the E3 Section, it could be seen that the following LS's are lying outstanding for a considerable period of time for want of regularization action:-

Sl No	LS No and date	Amount (₹)	Remarks
01	LS/46 ITF/2015-16/11/E4 dt 25 Jan 2016	239225.00	Sanction of CE (P) Setuk (CFA) for regularization of the loss is still awaited.
02	LS/46 ITF/2015-16/10/E4 dt 25 Jan 2016	193988.00	-do-
03	LS/46 ITF/2015-16/09/E4 dt 25 May 2015	6585.00	-do-

HQ 46 ITF may take proactive action immediately for regularization of above losses by CE (P) Setuk, as the sanction has already been delayed inordinately.

  
(Ravi Kiran)  
ACDA