

Office Of the Principal Controller of Defence Accounts(BR)

SEEMA SADAK BHAWAN RING ROAD, NARIANA DELHI CANTT.-110010

File No.W.Cell/O/1131/Order File

Dated: 08 /07/2014

To,

- 1 The CDA(BR) Guwahati
Udayan Vihar
Guwahati-171
- 2 The JCDA(BR)
Sector 48 C
Chandigarh
- 3 The Accounts Office

C/o 56/99 APO
(As per standard list)

Subject: Acceptance of Risk & Cost Contract

Instruction Order No 46 dated 03/07/2014 received under IFA (BR), Delhi Cantt. letter No IF/W/ISO/849 /HQ/Vol-XII dated 3/7/2014 on the subject is enclosed herewith for guidance and necessary action please.

Encl : (one)

Sandhu
07/14
ACDA (Works Cell)

Copy to :

IFA(BR)
(Local)

For information w.r.t. your letter ibid

Sandhu
ACDA (Works Cell)



Office of the I.F.A. (Border Roads)
Seema Sadak Bhawan, Ring Road, Delhi Cantt. New Delhi-110010

No.IF/ISO/849(HQ)/Vol-XII

Dated the 3 Jul 2014

To,

DDG (WP)
WP Dte
HQ DGBR

E-8 Section

Sub: Acceptance of Risk and Cost Contract
Ref: HQ CGDA(IFA) letter No. IFA/557 dated 20.06.2014

Please refer HQ CGDA letter quoted above, addressed to this office and the copy to HQ DGBR among others wherein instructions have been issued to process the Risk and Cost RAEs/Corrigendums.

2. Requisite informations as per instructions attached may be furnished in tabular form in each 'Risk and Cost' RAEs/Corrigendums ^{contracts} to avoid back references and curtail delay in processing.

Sd/-
Dy. IFA (BR)

Copy to:
PCDA(BR)
D. Cantt.

for information with the request to issue necessary instructions to all AO(Projects)

Dy. IFA (BR)

INSTRUCTION ORDER NO. 46 DATED 03 JULY 2014

Sub: Procedure to be followed while processing RAE/Corrigendum/Proposals for acceptance of new contract on 'Risk & Cost' Basis in respect of 'Risk and Cost' contracts.

Ref: CGDA letter No. IFA/557 dated 20 June 2014

The following procedure shall be followed while processing RAEs /Corrigendums/Proposals for acceptance of new contracts on account of 'Risk and Cost' contract. All officers and staff members are directed to adhere to the procedure in addition to any earlier instructions/orders issued on the subject and compliance of the same be placed on the case file by AAOs/SOs(A) duly page marked after having checked all the points mentioned in the drill.

(A) Upon receipt of any 'Risk and Cost' related RAEs/Corrigendums/Proposal for acceptance of new Contract on 'Risk & Cost' basis, the following details/ documents should be ensured for examination & processing of the case.

- (i) Quantum of work done upto date of default.
- (ii) BOO to assess the cost of work done by the defaulting contractor along with the work done sheet.(Auth: Para 21.8 (b)(i) & 21.8 (b) (aa) of MES Contract Manual)
- (iii) Final warning letter issued to the defaulting contractor about departmental rights to proceed on 'Risk and Cost' basis.(Auth: Para 21.8 (a)(ac) of MES Contract Manual)
- (iv) No. and date of letter in which the contract is cancelled and under what clause of IAFW 2249.
- (v) Payment made to the defaulting contractor on account payment (RAR) alongwith dates of payment duly vetted by AO(P) (Auth: Para 21.8(b)(ad) of MES Contract Manual)
- (vi) Dues held with BRO of the defaulting contractor duly vetted by AO(P). (Auth: Para 21.8(b)(ad) of MES Contract Manual)
- (vii) Details of security deposit etc held with BRO duly vetted by AO(P) (Auth: Para 21.8(b)(ad) of MES Contract Manual)
- (viii) Details of any other running contracts of defaulter contractor.
- (ix) Whether arbitrator has been appointed or not, if not the reasons may be placed on file. (Auth: Para 21.8(b)(ad)(iii) of MES Contract Manual)

- (x) Full details of recoverable amount consequent on 'Risk and Cost' contract notified to the defaulting contractor and notices issued to him to deposit the same into Govt. treasury duly vetted by AO(P). (Auth: Para 21.8(b)(ad) of MES Contract Manual)
 - (xi) Action taken till date for recovering the 'Risk and Cost' amount.
 - (xii) Copy of complete CA documents. (Auth: Para 21.8(b)(ad) of MES Contract Manual)
 - (xiii) 'Risk and Cost' tender framed must be a true replica of the original contract with reference to terms and conditions. (Auth: Para 21.8(b)(iii) of MES Contract Manual)
 - (xiv) Period of completion for left over should commensurate with the period of completion originally given in the contract. (Auth: Para 21.8(b)(v) of MES Contract Manual)
 - (xv) V/E/Ps and stores left over by the defaulting contractor, taken in to charge and action taken for disposal. (Auth: Para 21.8(b)(aa) of MES Contract Manual)
 - (xvi) Action taken on overpayment and other irregularities, if any.
- (B) After ensuring that all necessary documentation is available on file, RAEs/Corrigendums on account of 'Risk and Cost' Contract will be processed as per procedure laid down for processing RAEs/Corrigendums, provided the case is otherwise in order.
- (C) PCDA(BR) should be immediately informed of any concurrences accorded for any RAEs/Corrigendums/Acceptance of new contract on 'Risk and Cost' basis in respect of 'Risk and Cost' contracts, so as to watch recovery and adjustment of dues from defaulting contractors.
- (D) It should be clearly mentioned in the concurrence accorded that CFA approval for the RAE/Corrigendum should also specifically indicate the recoverable dues amount from the defaulting contractor.


Dy. IFA (BR)