

ANNEXURE-IA*(Referred to in Paragraph 1.9)***Position of outstanding ATNs****Ministry of Defence - excluding Ordnance Factory Board****(i) Pending for more than ten years**

Sl.No.	Report No. and Year	Para No.	Subject
1.	Audit Report, Union Government (Defence Services) for the year 1985-86	34*	Loss due to delay in pointing out short/ defective supply.
2.	No.2 of 1988	9**	Purchase of Combat dress from trade.
3.	No. 2 of 1989	11**	Purchase and licence production of 155mm towed gun system and ammunition
4.	No.12 of 1990	9**	Contract with Bofors for (a) purchase and licence production of 155mm gun system and (b) Counter Trade
5.		10*	Induction and de-induction of a gun system.
6.		19*	Import of ammunition of old vintage.
7.		46**	Ration article-Dal.
8.	No.8 of 1991	10*	Procurement of stores in excess of requirement.
9.		13*	Central Ordnance Depot, Agra.
10.		17**	Infructuous expenditure on procurement of dal chana.
11.	No.8 of 1992	20**	Procurement of sub-standard goods in an Ordnance Depot.
12.		28**	Avoidable payment of maintenance charges for Defence tracks not in use.
13.	No. 8 of 1993	15**	Non-utilisation of assets.
14.		22**	Over-provisioning of corrugated card board boxes

Sl.No.	Report No. and Year	Para No.	Subject
15.		29*	Import of mountaineering equipment and sports items
16.		31*	Avoidable payment of detention charges
17.	No. 7 of 1997	18*	Management of Defence Land
18.		23**	Avoidable expenditure on Demurrage charges
19.		27**	Non-realisation of claims from the Railways.
20.		69**	Defective construction of blast pens and taxi track
21.	No. 7 of 1998	30**	Avoidable payment of container detention charges
22.		32*	Infructuous expenditure on procurement of substandard cylinders
23.		36**	Procurement of batteries at higher rates
24.	No. 7 of 2000	52***	Repowering of Vijayanta Tank
25.	No. 7 of 2001	15**	Procurement of an incomplete equipment
26.		19**	Infructuous expenditure on procurement of entertainment films
27.		32***	Wrongful credit of sale proceeds of usufructs to regimental fund
28.	No.7A of 2001	@Entire Report (ATN for 8 out of 42 paras yet to be received even for the 1 st time)	Review of Procurement for OP VIJAY(Army)
(ii) Pending more than 5 years upto 10 years			
29.	No. 6 of 2003	2*	Exploitation of Defence lands
30.		11**	Recoveries effected at the instance of Audit
31.		14***	Irregular recruitment of personnel
32.	No. 6 of 2004	3.2*	Recoveries/Savings at the instance of Audit.

Sl.No.	Report No. and Year	Para No.	Subject
33.	No. 6 of 2005	3.2*	Recoveries/savings at the instance of Audit
34.	No.18 of 2005 (Performance Audit)	Standalone Report*	Performance Audit of the Directorate General of Quality Assurance
(iii) Pending more than 3 years upto 5 years			
35.	Report No. 4 of 2007	2.1 ^{@@}	Delay in execution/renewal of lease
36.		2.4**	Follow up on Audit Reports
37.		3.3**	Unauthorised use of Defence assets and public fund for running educational institutes
38.		3.5*	Recoveries/savings at the instance of Audit
39.		6.2**	Irregular payment of counter insurgency allowance
40.	Report No. CA 4 of 2008	2.8*	Follow up on Audit Reports
41.		3.2**	Avoidable extra expenditure in procurement of blankets
42.		3.3**	Recovery and savings at the instance of Audit
43.		3.4*	Avoidable loss due to acceptance of defective ammunition
44.	Report No. PA 4 of 2008 (Performance Audit)	Chapter I*	Supply Chain Management of General Stores and Clothing in the Army
(iv) Pending upto 3 years			
45.	Report No. CA 17 of 2008-09	2.7***	Non-renewal of lease of land occupied by Army Golf Club
46.		3.4***	Unauthorized use of A-1 Defence land by Army Welfare Education Society
47.		3.5***	Utilisation of Government assets for non-governmental purposes
48.		3.6**	Misuse of special financial powers by Army Commanders
49.		3.10***	Recoveries and savings at the instance of Audit
50.		4.1*	Irregular diversion of savings of a project for execution of new works

Sl.No.	Report No. and Year	Para No.	Subject
51.	Report No. 12 of 2010-11	2.1***	Defective import of SMERCH Multi Barrel Rocket Launcher System
52.		2.2**	Procurement of low capability missiles
53.		3.2*	Irregular procurement of Punched Tape Concertina Coil
54.		3.6***	Recoveries and savings at the instance of Audit
55.		3.9*	Non-identification of imported stores
56.		4.1***	Irregular sanction and construction of accommodation for a Golf Club
57.		4.3***	Additional expenditure on execution of a work due to indecision by the users
58.		5.1***	Hasty procurement of segregators
59.		5.2***	Misappropriation of Government stores
60.		5.3***	Additional cost due to delay in opening of commercial bids
61.		6.2*	Loss due to damage to imported equipment
62.	Report No. 6 of 2010-11 (Performance Audit)	Standalone Report***	Supply Chain Management of Rations in Indian Army
63.	Report No. 14 of 2010-11 (Performance Audit)	Standalone Report***	Canteen Stores Department
64.	Report No. 35 of 2010-11 (Performance Audit)	Standalone Report***	Defence Estates Management
65.	Report No. 11 of 2011-12 (Performance Audit)	Entire Report*	Special report on Adarsh Co-operative Housing Society, Mumbai
66.	Report No. 24 of 2011-12	2.1***	Delay in induction of State-of-the-Art Artillery Guns
67.		2.2***	Delay in establishment of repair facilities (Mini Depot) and unwanted import of Trailers
68.		2.4***	Non-realisation of Revenue due to non-revision of rent of land

Sl.No.	Report No. and Year	Para No.	Subject
69.		2.5***	Deficient pre-despatch inspection
70.		3.1***	Extra expenditure due to acceptance of higher rates
71.		3.2*	Diversion of funds from Government into non-Government account for procurement of Personal Kit items
72.		3.3***	Irregular payment of field area allowance
73.		3.4***	Irregular de-hiring of house constructed on leased land
74.		3.5***	Deficiency of fire fighting staff at Central Ammunition Depot
75.		3.6***	Loss of ₹ 1.19 crore due to irregularities in the accountal of Hay
76.		3.7*	Non-conclusion of contract resulted in extra avoidable expenditure of ₹ 59 lakh
77.		3.8***	Avoidable expenditure due to rejection of a valid tender
78.		3.9***	Loss due to non-inclusion of laid down clause-in wheat grinding contracts
79.		3.10**	Injudicious procurement of Tippers
80.		3.11***	Irregular payment to Civil Hired Transport Contractors
81.		3.12***	Avoidable provisioning of tyres of Scania Vehicles
82.		3.13***	Procurement of defective spares from foreign vendor
83.		3.14***	Recoveries and savings at the instance of Audit
84.		4.1**	Overpayment in Electricity Bills
85.		5.1***	Loss due to collapse of a bridge
86.		5.2***	Non-completion of bridge after twelve years of sanction
87.		5.3***	Avoidable procurement of core drilling machine
88.		6.1**	Blockage of public money due to take over of unusable land

Sl.No.	Report No. and Year	Para No.	Subject
89.		6.2**	Procurement/receipt of equipments after the closure or at the fag end of a project
90.		7*	Project Management in Armament Research and Development Establishments

* **Action Taken Notes examined by Audit but yet to be finalised by the Ministry in the light of Audit remarks – 25**

** **ATNs vetted by Audit but copy of the finalised ATNs awaited from Ministry – 28**

*** **Action Taken Notes not received even for the first time - 35**

@ **Part ATN received – 01**

@@ **Observation on final ATR -01**

ANNEXURE-IB

(Referred to in paragraph No 1.9)

Ministry of Defence - Ordnance Factory Board

Action Taken Notes which have not been received even for the first time

Sl. No.	Report No & Year	Para No.	Subject
1	No. 12 of 2010-11	7.4	Undue benefit to a firm in procurement of Oleum
2	No.24 of 2011-12	8.1	Performance of Ordnance Factory Organisation
3		8.3	Extra expenditure due to purchase of spares at higher cost

ANNEXURE-IC

(Referred to in paragraph No 1.9)

Ministry of Defence - Ordnance Factory Board

Action Taken Notes on which Audit has given comments/observations but revised ATNs were awaited from the Ministry/Department

Sl. No.	Report No & Year	Para No.	Subject	Date of Return
1	6 of 2004	7.11	Non recovery of inspection charges	13 June 2005
2	CA 4 of 2008	6.3	Abnormal delay in execution of Ordnance Factory Project Nalanda	17 June 2010

ANNEXURE-II

(Referred to in paragraph 8.1.4.1)

Details of Spillover Issues in Ordnance factories for the year 2010-11

(₹ in crore)

Sl No	Name of the Factory	Cost of Production ¹	Spill over Issues					Total
			Army	Navy	Air-Force	MHA incl State Police	R&D/other Def Dept	
1	Vehicles Factory Jabalpur	1164.15	779.83	Nil	Nil	8.14	Nil	787.97 ²
2	Ordnance Factory Badmal	757.91	388.54	Nil	Nil	Nil	Nil	388.54 ³
3	Ordnance Factory Khamaria	1096.56	282.22	Nil	Nil	0.16	Nil	282.38 ⁴
4	Ordnance Factory Varangaon	310.15	Nil	0.43	7.94	96.98	69.89	175.24 ⁵
5	Ordnance Equipment Factory Kanpur	318.40	44.46	4.79	9.72	Nil	Nil	58.97 ⁶
6	Ammunition Factory Kirkee	671.15	15.98	Nil	Nil	34.65	Nil	50.63 ⁷
7	Ordnance Factory Chanda	1240.37	362.31	Nil	8.04	4.29	Nil	374.64 ⁸
8	Ordnance Factory Dehu Road	223.56	20.93	Nil	Nil	13.58	Nil	34.51 ⁹
9	Ordnance Clothing Factory Shahjahanpur	237.32	23.16	Nil	9.17	Nil	0.13	32.46 ¹⁰
10	High Explosive Factory Kirkee	140.74	0.80	Nil	Nil	1.56	1.86	4.22 ¹¹
11	Ordnance Parachute Factory Kanpur	118.29	10.54	Nil	Nil	Nil	Nil	10.54 ¹²
12	Ordnance Clothing Factory Avadi	237.32	6.54	Nil	Nil	Nil	Nil	6.54 ¹³
13	Ordnance Equipment Factory Hazratpur	53.37	3.84	Nil	Nil	Nil	Nil	3.84 ¹⁴
	Grand Total	6965.64	1939.15	5.22	34.87	159.36	71.88	2210.48

¹Data of Cost of Production taken from Annual Accounts of Ordnance & Ordnance Equipment Factories in India Vol-II for the year 2010-11

²Data extracted from production status of stallion, LPTA and MPV vehicles of VFJ as on 1.4.2011

³Data extracted from SQAE (Armt) Badmal letter No. BL/QA/CAG/PA/09/1 dated 4.1.2012

⁴Data extracted from details of ammunition issued by OFK between June 2011 and October 2011 but shown in the year 2010-11

⁵Data extracted by IDEA from the database provided by Ordnance Factory Varangaon

⁶Data extracted from the records of Ordnance Equipment Factory Kanpur

⁷Data extracted from the details of P. Issue Voucher of Ammunition Factory Kirkee during the year 2010-11

⁸Data extracted by IDEA from the database provided by Ordnance Factory Chanda

⁹Data extracted from the records of P. Issue Voucher during the year 2010-11 and connected gate pass details of Ordnance Factory Dehu Road

¹⁰Data extracted from OCF Shahjahanpur letter No. P&P/1906/Misc/Audit dated 13.7.2011

¹¹Data extracted from the records of P. Issue Voucher during the year 2010-11 and connected gate pass details of HEF Kirkee

¹²Data extracted from the records of P. Issue Voucher during the year 2010-11 and connected gate pass details of Ordnance Parachute Factory Kanpur

¹³Data extracted from the records of P. Issue Voucher during the year 2010-11 and connected gate pass details of Ordnance Clothing Factory Avadi

¹⁴Data extracted from the records of P. Issue Voucher during the year 2010-11 and connected gate pass details of Ordnance Equipment Factory Hazratpur

ANNEXURE-III

(Referred to in paragraph 8.1.6)

Details of Direct/Indirect labour charges and supervision charges

(₹ in crore)

Division	Year	Direct Labour	Indirect Labour	Percentage of Indirect Labour to Direct Labour	Total Labour Charges	Supervision charges	Percentage of Supervision charges to Total Labour Charges	Percentage of Supervision charges to Direct Labour Charges
Material & Components	2006-07	106	117	110	222	137	62	129
	2007-08	116	125	108	241	143	59	123
	2008-09	137	190	139	327	205	63	150
	2009-10	198	193	97	391	267	68	135
	2010-11 ¹⁵	221	159	72	380	249	66	113
Weapons, Vehicles and Equipment	2006-07	177	179	101	356	222	62	125
	2007-08	188	185	98	373	236	63	126
	2008-09	224	292	130	516	342	66	153
	2009-10	298	312	105	610	433	71	145
	2010-11	355	250	70	605	419	69	118
Ammunition and Explosive	2006-07	153	154	101	306	233	76	152
	2007-08	168	156	93	324	246	76	146
	2008-09	205	250	122	455	380	84	185
	2009-10	299	243	81	542	477	88	160
	2010-11	349	194	56	543	489	90	140
Armoured Vehicles	2006-07	64	60	94	124	96	77	150
	2007-08	73	63	86	136	98	72	134
	2008-09	97	101	104	198	172	87	177
	2009-10	137	100	73	237	229	97	167
	2010-11	162	100	62	262	210	80	130
Ordnance Equipment	2006-07	113	54	48	166	51	31	45
	2007-08	111	54	49	165	53	32	48
	2008-09	136	93	68	229	99	43	73
	2009-10	186	117	63	303	102	34	55
	2010-11	233	66	28	299	114	38	49
Total	2006-07	612	564	92	1176	738	63	121
	2007-08	655	583	89	1238	776	63	118
	2008-09	800	926	116	1726	1199	69	150
	2009-10	1118	965	86	2083	1508	72	135
	2010-11	1320	769	58	2086	1480	71	112

¹⁵ Annual Production Accounts of Ordnance & Ordnance Equipment Factories the year 2010-11

ANNEXURE-IV*(Referred to in paragraph 8.1.12)***Statement showing factory-wise abnormal stock holding****(₹ in crore)**

Sl No	Name of Factory	Consumption of direct and indirect Stores in 2010-11	Consumption per day	Stores in hand as of 31 March 2011	Holding in number of days consumption	Authorised holding in terms of days	Excess holding in terms of days
1	Opto Electronic Factory Dehra Dun	212.09	0.589	257.08	436.36	180	256
2	Heavy Vehicles Factory Avadi	1870.73	5.20	2058.19	396.07	180	216
3	Ordnance Factory Dehra Dun	16.77	0.046	16.95	363.86	180	184
4	Ordnance Factory Kanpur	209.21	0.58	151.94	261.45	120	141
5	Machine Tool Prototype Factory Ambarnath	29.51	0.82	21.24	259.11	120	139
6	Ordnance Factory Trichy	59.54	0.165	36.77	222.32	120	102
7	Ordnance Clothing Factory Shahjahanpur	86.23	0.239	36.94	154.22	90	64
8	Gun and Shell Factory Cossipore	231.07	0.642	117.14	182.50	120	63
9	Ordnance Factory Chanda	1094.10	3.04	520.04	171.11	120	51
10	Ordnance Factory Dum Dum	31.92	0.088	14.78	166.69	120	47
11	Ordnance Factory Ambajhari	302.34	0.84	139.43	166.02	120	46
12	Grey Iron Foundry Jabalpur	34.04	0.095	15.13	160.01	120	40

(Details of excess stock holding at Ordnance Factories prepared by Audit from Annual Production Accounts and Annual Store Accounts of Ordnance Factories for the year 2010-11)

ANNEXURE-V

(Referred to in paragraph 2.2)

