

P.D. Sharma.  
A.E.

GOVERNMENT OF UTTAR PRADESH

IRRIGATION DEPARTMENT

# INSTRUCTIONS

ON

# ACCOUNTS

WITH APPENDICES

*Corrected up to December, 1941*



ALLAHABAD

THE SUPERINTENDENT, PRINTING AND STATIONERY, U. P. (INDIA)

1974

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**PREFACE TO THE 1923 EDITION**

The present Manual of "Instructions on Accounts" has been primarily written to assist upper and lower subordinates, who have not got books of reference at their disposal and are therefore liable to commit irregularities, owing to ignorance of the existing rules. It should also be useful to Executive and Assistant Engineers as a means of ready reference. All the more common irregularities, frequently brought to notice, have been collected, and simple instructions issued to prevent their occurrence. The more useful paragraphs of the Public Works Department Code, Public Works Account Code, Civil Account Code, Volume I and the Irrigation Manual of Orders are attached as appendices, and officers and subordinates are requested to familiarize themselves with them.

It is unfortunate that the present Manual has had to be compiled at a time when the Local Government is engaged in drafting rules which will, to some extent, replace the rules in the codes mentioned above and when the Irrigation Manual of Orders is also under revision and as it is not desirable to postpone the issue of this Manual further this opportunity is taken of enjoining upon all officers to whom copies of the revised rules will be supplied that they should draw the attention of subordinates under them to any radical differences between the rules reproduced in this Manual and the new rules when the latter are issued.

With the passing of the Reforms, accounts irregularities are looked upon as serious commissions and both the Finance Department and the Public Accounts Committee insist that disciplinary action be taken against members who

ignore the rules laid down for the safeguarding of Government interest. Numerous departmental warnings have been issued from time to time, in circulars and orders passed on Accounts Officers' inspection reports, but a number of irregularities still continue, which could, with a little care and forethought, be avoided. All officers and subordinates must now see that the rules laid down are strictly observed, as explanations pleading ignorance or inexperience will not be tolerated.

The four major irregularities which should be guarded against are—

- (1) No work must be started without an estimate.
- (2) No work must be started until an agreement or contract has been entered into.
- (3) No work must be started until funds are allotted for its execution.
- (4) If funds are sanctioned for a particular work the allotment must not be exceeded until further funds are granted.

The annual budget is now passed and funds voted by the council. It stands to reason therefore that under ordinary circumstances no new work can be started until the Council has approved of the same by voting the necessary funds for it. All budgets must therefore be very carefully prepared and should include only such items as have been sanctioned and which it is considered desirable should be constructed during the financial year.

B. D'O. DARLEY, C.I.E.,  
*Offg. Secretary to Government, United Provinces,  
Public Works Department, Irrigation Branch.*

## PREFACE TO THE 1942, EDITION

The Manual of "Instructions on Accounts," first published in 1925 was intended to serve as a small and handy reference book for the use and guidance of sub-divisional officers and subordinates. The Manual embodied examples of accounts irregularities very commonly made and gave instructions on the manner in which they could be avoided : it thus provided a very effective means of reducing audit objections to a minimum.

2. The original Manual contained reference to the Public Works Department Code, Public Works Account Code, and the Civil Account Code, Volume I, which three books have now been replaced by Volumes V and VI of the Financial Handbook. References were also made to the Irrigation Manual of Orders, 3rd edition, which has subsequently been revised. This Manual of "Instructions on Accounts" has accordingly been amended in order to bring it into line with the latest rules and instructions issued by Government.

GERALD LACEY, C.I.E.,  
*Chief Engineer, Irrigation Branch,  
Public Works Department,  
United Provinces.*

*April 12, 1942.*

NOTE

The Instructions issued in this Manual are not intended to replace existing Code rulings and must not be quoted as authority when infringements of such rulings occur.



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**Orders of the Local Government on the subject of accounts irregularities**

The attention of all officers and subordinates is specially drawn to the following orders of the Local Government on the subject of accounts irregularities.

*Note no. 3640-J. M., dated the 28th December, 1922, by F. F. Brox, Esq., Chief Engineer, United Provinces, Public Works Department, Irrigation Branch, on the Irregularities in the Public Works Department, to which special attention has been drawn in the audit report on the accounts of the United Provinces for the year 1920-21.*

In the first place I must invite special attention to the fact that with effect from the report for 1921-22 all audit reports will be placed before the Public Accounts Committee and the Council, who not improbably on the English analogy, will recommend severe measures against officers who may be mentioned for having infringed rules or for not having taken due precaution to protect the interests of Government. This procedure will give the subject a degree of publicity which has not hitherto been the case.

2. I regret to have to acknowledge that I have been painfully impressed with the force of the Auditor-General's observations, and the necessity for more stringent action to prevent the repetition, year after year, of the same irregularities compels me to point out that if improvements in the following principal classes of irregularities are not made, officers will be held personally responsible :

- (1) Commencing work without an estimate.
- (2) Commencing work before an agreement or contract is entered into.
- (3) Commencing work before funds have been allotted for the same.

In regard to (1), the only instances in which relaxation is permissible are in case of damage or threatened damage to existing canal works, such as by floods or other causes, where immediate action is necessary to safeguard the efficiency of a canal system. Even in such cases the Executive Engineers must report the matter at once to the Superintending Engineer, who in turn must immediately inform the Chief Engineer of the liabilities likely to be incurred and the steps that are being taken to have the estimate prepared and funds allotted.

With regard to (2), no excuse will be accepted for not making out agreements when the use of the work order form 10B, or the piece work agreement General P.W.D. form no. 1 is necessary. When the use of the contract form P-2 is required, if delay is anticipated in completing the

Note.—Form P-2 is now included in General Public Works Department forms nos. 8 and 9.

contract papers, work should be commenced on a piece work agreement which should be cancelled as soon as the contract is formally ratified.

Under (5) is included that class of urgent and unexpected work referred to above in paragraph 2(1). With this exception, no other class of work must be started before funds have been duly allotted for its execution. New expenditure requires to be entered in the schedule of demands and passed by the Council and hence it is obvious that work that has not been voted for by Council cannot be put in hand without some definite authority for its commencement. In cases where a work has been approved but insufficient funds have been allotted for it, a re-appropriation from other allotments should be arranged for before the originally sanctioned allotment for the work is exceeded.

2. The following are other classes of irregularities to which special prominence has been given :—

(4) *Discrepancies in counting of stock.*—If sub-divisional officers certify that stock and tools and plant have been counted during the half year by them, or jointly with sub-overseers, and that the balance shown in the return is correct, the sub-divisional officer will be held responsible for the correctness of the count; and if discrepancies are brought to notice, they will have to make good the cost of the same.

(5) If measurement men entered in a measurement book are found incorrect when checked at site the person entering the measurements will, if he fails to provide a satisfactory explanation, be required to make good the monetary equivalent of the discrepancy. In each case the officer checking the measurement must certify that he has checked the measurement in the presence of the subordinate who made it originally, as well as of the contractor.

(6) Entries in measurement books and muster rolls must be made at site and the correct date of entry noted in each case. Entries must not be made by correct particulars from note-books estimates, firms bills or other records. This type of irregularity has frequently been brought to notice and entries in measurement books often show that the overseer or sub-overseer must have made impossible journeys to enter correctly the measurements he certifies to have been made on a particular date. This type of irregularity, unless a satisfactory explanation is furnished, will result in the subordinate at fault being reduced in grade.

(7) If any person is employed in a division without proper sanction, and his salary is incorrectly charged to avoid detection, the officer permitting the irregularity will have to make good the full amount paid.

(8) Manipulation of accounts to avoid audit objections must be strictly guarded against. Special action will be taken against officers who resort to this practice.

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(9) When the reserve limit to stock sanctioned for a division is likely to be exceeded, steps must be taken at once to obtain sanction to the reserve limit being increased before the excess actually takes place ; failure to do so will be taken serious notice of.

(10) Monthly accounts should be accompanied by all necessary vouchers, and cases of slackness in this respect should be reported immediately, so that disciplinary action may be taken against the offenders.

(11) Executive Engineers must see that the annual repairs estimates are prepared, sanctioned and returned to sub-divisional officers before the 1st April of each year. Any failure in this respect should be fully explained at once. In the case of special repairs no work should be commenced before an estimate is sanctioned ; the only instances in which a departure from this order will be countenanced are when damage has occurred from floods or other causes and when delay is likely to endanger the efficiency of a canal system. In such cases work should be started at once and a full report sent explaining the extent of the damage, the expenditure likely to be incurred and what steps are being taken to provide funds and regularize the action taken.

4. All Superintending Engineers should submit on the 20th of each month a list of any irregularities that have been committed in the circle during the preceding month or are outstanding from previous months and should state fully the circumstances under which the irregularities have been committed and what steps have been taken to remove them.

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## INSTRUCTIONS ON ACCOUNTS

### CASH BOOK

#### Reference

For the proper maintenance of the cash book and the issue of cheques the more important procedure is laid down in paragraph 140, 140 to 150, 152, 153, 159 to 165 and 173 to 175 of the Financial Handbook, Volume VI; while paragraph 65 of the Financial Handbook, Volume V, explains the action to be taken when a cheque is lost.

These references will be found in Appendix I.

The cash book is one of the most important records of the department and embodies all transactions relating to money received and paid out. It requires, therefore, to be entered up neatly and carefully, as transactions occur from day to day, and to be free from unnecessary corrections.

#### Irregularities

The more common irregularities frequently brought to notice are given below :—

- (1) Transactions not recorded in chronological order.
- (2) Frequent corrections by interpolating, over-writing and occasional erasures.
- (3) Cash payments made to contractors in excess of Rs. 10.
- (4) No evidence of entries having been checked in detail by disbursing officers.
- (5) Delay in payment of items of receipts into treasuries.

#### Instructions

*Irregularity no. 1.* is due simply to carelessness. The proper procedure is for the cash book to be written up simultaneously from the bills and cheques. In the case of sub-divisional payments the entry in the cash book should be made before the cheque is torn out of the cheque book, while in the case of divisional payments the divisional accountant should arrange the cheques and bills in the order of the cheque numbers before entering them in the cash book.

As cheques are drawn in serial order it is obvious that the cash book should not show cheque no. 1 entered up after cheque no. 2.

*Irregularity no. 2.*—Erasures and overwriting on the cash book are subject to suspicion and must never be indulged in. If an error occurs it should be neatly scored out re-written in red ink initialed and dated.

In this connection attention is specially directed to paragraph 162 of the Financial Handbook, Volume VI.

*Irregularity no. 3.*—As regards this point attention is invited to paragraph 153 of the Financial Handbook, Volume VI, which lays down that, as far as possible, all payments should be made by cheques, while paragraph 140 of the Handbook states that payments below ten rupees should be made in cash. Payments of salaries, etc., are, however, permitted to be made in cash. If for the purpose of pushing on work large payments in cash are considered necessary, then the previous permission of the Executive Engineer should be obtained.

*Irregularity no. 4.*—The cash book being a very important record it is essential that all entries made in it should be carefully checked and any possibility of fraud thus eliminated.

The rules laid down for verification will be found in paragraphs 163 of 165 of the Financial Handbook, Volume VI. Disbursing officers should not sign their cash books blindly.

*Irregularity no. 5.*—In sub-divisions the irregularity referred to usually relates to payments of miscellaneous receipts into treasuries. When an entry is made in the cash book stating that money was sent to the treasury on a certain date it is obvious that the treasury officer should acknowledge receipt of the cheque or cash on the same date. When this is not possible, then action must always be taken in accordance with note 3 of Public Works Account form no. 1 (Appendix 1) and under the date of issue in the cash book the denominator should show the date of actual receipt in the treasury. Money should not be sent on treasury holidays and all officers should be provided with a list of such holidays for the districts in which they operate.

## MUSTER ROLLS

## References

The rules regarding the proper upkeep of muster rolls will be found in paragraphs 430 and 432 of the Financial Handbook, Volume VI.

These references are shown in Appendix 2.

The following orders regarding the payment of muster rolls should be carefully observed :

G. O. no.  
1908 L.M.  
92 II-276V  
dated Feb  
ruary, 12,  
1907.

(1) The marginally noted establishment is authorized to make Rs. payments on muster rolls, up to the extent mentioned against each, with out obtaining the previous sanction of the sub-divisional officer, provided they despatch daily reports to the sub-divisional officer showing the number of labourers employed and the approximate quantity of work done.

(2) The sub-divisional officer is empowered to debit any portion of the expenditure so incurred that they consider extravagant to the disbursing officer concerned and to recover the same from him.

(3) The sub-divisional officer is further empowered to extend the limit of Rs. 25 fixed above to Rs. 50 in the case of selected sub-overseers, overseers, line inspectors and unpaid stipendiary and work-charged engineer students, or, where he deems it necessary, to withdraw the authority entirely in the case of those on whom he cannot rely.

## Irregularities

The more common irregularities frequently brought to notice are given below :

- (1) Written up in pencil instead of in ink.
- (2) No initials to daily attendance.
- (3) Do not show the quantity of work done in the case of works susceptible of measurement.
- (4) Delay in payment.
- (5) Payments as a rule made by lower subordinates and not as contemplated by the rules.
- (6) In cases of daily labour supplied through a contractor omission to maintain daily reports showing the daily attendance, and



## MUSTER ROLLS

payment of the labour on a muster roll instead of on a bill.

(7) In cases of daily labour employed direct by the department (not through contractors) payment of labourers' wages made on hand receipts and bill forms instead of on the muster roll.

(8) The calling in of labourers from long distances to headquarters for payment instead of paying them at site of works.

## Instructions

*Irregularities nos. 1, 2 and 3* can and should be avoided; ordinary care is only required to comply with the rules.

*Irregularities nos. 4 and 5* come under paragraph 430 (d), Financial Handbook, Volume VI. The sub-divisional officer is responsible that muster rolls are passed and paid as expeditiously as possible. Also when a muster roll is passed for a particular work the officer of highest standing available on the work should pay or witness the payment individually or by groups in the last column of the muster roll, should certify to the total payments at the foot of the muster roll.

*Irregularity no. 6* infringes paragraph 432, Financial Handbook Volume VI and must be carefully attended to. The employment of daily labour through a contractor should be avoided as far as possible.

*Irregularity no. 7* can be avoided with ordinary care. When labourers are employed direct by the department, their daily attendance must be entered and payment made on the muster roll form.

*Irregularity no. 8*—This practice should be avoided, as it merely leads to discontent and in many cases causes unnecessary inconvenience to the labourers concerned besides, sometimes involving a temporary stoppage of the work on which they are employed and a loss to Government of their wages for the time spent by them in travelling to and from headquarters. If the subordinate has not the requisite money to pay the wages, a temporary imprest should be granted.

## MEASUREMENT BOOKS

## References

General instructions regarding the upkeep of measurement books will be found in paragraphs 434 to 439 of Financial Handbook, Volume VI, and paragraphs 72 and 73 of the Irrigation Manual of Orders, 4th Edition. Instructions are also printed on the flyleaf of measurement books. These references are shown in Appendix 3 and also paragraph 423 of Financial Handbook, Volume VI, which contains general principles of works accounts and paragraphs 160 and 161 of Financial Handbook, Volume V, dealing with payments.

The object of keeping a neat and accurate measurement book, apart from the question of general appearance and facility offered in checking and looking up references, is that it is often required to be produced as evidence in a court of law and as such should present a clear and accurate record of the work or works entered in it. Entries are subject to suspicion when overwriting, erasures, and numerous corrections are noticeable.

## Irregularities

The more common irregularities frequently brought to notice are given below:

- (1) Contents entered in pencil and subsequently inked over.
- (2) Alteration in, or overwriting of, dates once recorded.
- (3) Reduction in original measurement by sub-overseers when once recorded.
- (4) Reasons for cancellation of measurements not stated.
- (5) Measurements not directly recorded in the measurement book at site of a work but copied into the book from a note-book or some other record.
- (6) References to work orders, piece work agreement or contract bonds, not noted at the top of measurements in a measurement book.
- (7) Pages not utilized consecutively and some times blank spaces and pages left.
- (8) Entering works in measurement books not ordered to be executed by competent authority.
- (9) Large differences found in check measurements.
- (10) Delay in checking measurements.
- (11) Absence of evidence of check measurements by sub-divisional officer and executive engineer.
- (12) Delay in payment of measurements.
- (13) Payment postponed for want of funds.

- (14) Initials of the distributing officer not dated.
- (15) Measurements not crossed off at time of payment and number and date of voucher not quoted.
- (16) Delay in returning measurement books to sub-overseers concerned.
- (17) Transfer not recorded in register of measurement books and in the measurement book itself when a measurement book changes hands.
- (18) Completed measurement books not returned to the divisional office for record in a reasonable time.
- (19) Detailed measurements not checked arithmetically in the divisional office.
- (20) Contents of firms' bills copied direct into the measurement books (sometimes prior to the receipt of articles and sometimes after the receipt of articles) instead of the result of actual verification.

#### Instructions

*Irregularities nos. 1 to 7* can be avoided as their occurrence is mainly due to carelessness. The Financial Handbook, Volume VI, paragraph 435 (f) lays down that entries in the measurement book should, if possible, be made in ink. If this is not possible, the pencil entries should not be inked over. The "Contents or area" column must however always be entered up in ink.

Again, if a mistake is made, the incorrect entry should be scored out, re-written, initialed, and dated. Also when measurements are cancelled the person doing so should record his reasons for the step taken.

If any page of a measurement book is left blank by mistake, a diagonal line should be drawn across the same and a remark duly initialed and dated given as to why the page was left blank.

Also if a portion of a page is left blank, a similar procedure should be adopted.

*Irregularity no. 8* must be stopped. Written orders (except for petty items) should invariably be issued for carrying out a work and no work should be undertaken in the absence of such orders.

*Irregularity no. 9* is frequently brought to notice and must be avoided. When measurements are checked by the executive engineer or subdivisional officer, the check should always be carried out in the presence of the subordinate who made them and of the contractor, if possible. If large differences are noticed which cannot be correctly explained, then the written explanation of the sub-overseer should be taken and the matter referred to the executive engineer or superintending engineer (as the case may be) for orders. A brief note of the facts should also be

entered in the measurement book at the end of the measurements in question.

*Irregularity nos. 10 to 15* relate chiefly to sub-divisional officers and can with ordinary care be entirely done away with.

If systematic touring is done by a sub-divisional officer there should never be any great delay in checking and paying bills for work done. Also when a work is checked at site, the sub-divisional officer should note in the measurement book, that the measurements have been personally checked by him and should sign his name in full and date the same.

*Irregularity no. 13* comes under paragraph 161 of the Financial Handbook, Volume V, which lays down that money indisputably payable should never be left unpaid. Paragraphs 160 and 161 of Financial Handbook, Volume V, are included in Appendix 3, and require strict attention.

Finally, it should be carefully observed that no work must be taken in hand for which allotments are not sanctioned. If any urgent work has to be performed for which funds do not exist, then the matter must be reported at once, stating fully the necessity for the same and what arrangements are being made to find the requisite money. Officers and subordinates are warned against the procedure of commencing a work without funds in the expectation that the necessary allotment will somehow or other be forthcoming.

*Irregularity no. 16* which relates to delay in returning measurement books to sub-overseers, is very often the cause of irregularity no. 3 and this must be guarded against. It should very seldom be necessary for a sub-divisional officer to call in, at one time, all the measurement books with a sub-overseer and if this is necessary then every attempt should be made to return one of them at least at an early date.

*Irregularity no. 19* arises through carelessness. All measurement books should be sent in rotation to the divisional office for careful periodical check and the accountant will be held responsible that all measurement books in use are received for check and *are carefully checked at least once a year*. An index of pages so checked should be maintained on the fly leaf of the measurement book.

*Irregularity no. 20* presents no difficulty in avoiding. No entry must ever be made in the measurement book before articles are actually received. Also when articles are received and verified it is unnecessary blindly to follow the entries in the firm's invoice. Entries should be made as far as possible, in the order of actual verification at site. To correctly check a consignment at site according to a firm's invoice does not however constitute an irregularity.

## IMPREST ACCOUNTS

## References

The rules for the correct maintenance of imprest accounts are found in paragraphs 127, 166 and 169 to 172 of the Financial Handbook, Volume VI, and paragraph 74 of the Irrigation Manual of Orders (4th Edition). These references are shown in Appendix 4.

## Irregularities

The more common irregularities frequently brought to notice are given below:

- (1) Imprests not regularly submitted for reconpment.
- (2) Private money sometimes mixed up with imprest cash.
- (3) Transactions not recorded in chronological order.

## Instructions

*Irregularity no. 1* should never occur, as it is a simple matter to submit imprest accounts at least once a month.

*Irregularity no. 2* infringes paragraph 127 of Financial Handbook, Volume VI, which lays down that "The private cash or accounts of members of the department are not to be mixed up with the public cash or accounts." The irregularity generally arises due to laxness on the part of the subordinate to reconp his imprest at the proper time.

The common practice of submitting several imprest accounts one after the other and very often on the same date must be avoided. It stands to reason that if a subordinate has an imprest advance of Rs. 25, he cannot submit imprest accounts, with vouchers complete, simultaneously aggregating say Rs. 50, without having either used some of his own private money in paying the claims, or submitting vouchers pertaining to payments shown as made, which in reality have not been made. Sub-divisional officers must use their discretion when applying to Executive Engineers for sanction to imprest advances for subordinates and should see that the advances asked for is ordinarily sufficient for the monthly petty payments that such subordinate may be called upon to undertake.

*Irregularity no. 3* is due solely to carelessness and can be avoided if the imprest is written up as soon as payments are made. It is obvious that an entry pertaining to voucher no. 2 should not be shown above the entry for voucher no. 1, and so on.

## ACCOUNTS OF WORKS

## References

The rules regarding the appointment of, and payment to, temporary and work-charged establishments will be found in paragraphs 438 to 463 and 603 to 609 of the Financial Handbook, Volume VI, and paragraph 61-VIII-(1) (c), 62-XI (1) (c) and 49-I (8) of the Irrigation Manual of Orders, those relating to advances payments to contractors are laid down in paragraph 436 of the Financial Handbook, Volume VI while the rules regarding the supply of materials to contractors for use in government work are given in paragraphs 465 to 467, 469 and 470 of the same Handbook. The procedure in regard to the execution of petty original works and repairs is outlined in paragraphs 327, 340 and 375 of Financial Handbook, Volume VI. Rules regarding payment for stores purchased are given in the United Provinces Store Purchase Rules, 1935.

These references are shown in Appendix 5.

## Irregularities

The more common irregularities frequently brought to notice are given below :

- (1) Expenditure incorrectly allocated to avoid excess over estimate and allotment.
- (2) Work establishment charged to work other than that to which it is legitimately debitible.
- (3) Establishment charged to works entertained under wrong designations and employed on clerical duties in divisional and sub-divisional offices.
- (4) Work establishment entertained in the absence of provision for the same in the estimate for the work.
- (5) Remittance transfer receipts in payment of firms' bills purchased before the actual receipt of the article, billed for.
- (6) Rush of expenditure in the closing months of the financial year.
- (7) Expenditure incurred in the absence of estimate or allotment or in excess thereof.

## Instructions

*Irregularity no. 1* is a very serious irregularity and should never be indulged in. Expenditure must never be manipulated to avoid excesses over an estimate or an allotment.



*Irregularity nos. 2 and 3* infringe paragraph 462 of the Financial Handbook, Volume VI, which lays down that "every payment made to a member of the work-charged establishment, whether on account of his wages or in recompense of actual travelling expenses, should be charged to the work on which he is employed." Any officer permitting any irregularity of this nature will be held personally responsible for the same.

*Regarding irregularity no. 4* attention is drawn to paragraph 463 of the Financial Handbook, Volume VI, which specifies that the cost of works establishment must be shown as a separate sub-head of the estimate. If work establishment is required for any particular work it is incumbent on the officer preparing the estimate to see that provision is made for the same. In the absence of sanctioned provision the appointment of work establishment is irregular and requires the sanction of higher authority.

*Irregularity no. 5* infringes article 456 of the Financial Handbook, Volume VI, as a payment of this nature must be looked upon as an advance to a contractor and under sub-paragraph (c), no payment is permissible without the sanction of the Local Government. Attention is also invited to the Government of India, Public Works Department, letter no. 259 A.G., dated the 15th March, 1921, and printed on page 53, Appendix V. This irregularity is generally committed at the end of the official year in order to work up to the grant and must be avoided.

*Irregularity no. 6.* This can be avoided in most running divisions with ordinary care and forethought. When the divisional budget provisions and sanctioned allotments are received at the commencement of the financial year, the divisional officer after studying them should issue clear orders to his sub-divisional officers, stating what works have been sanctioned and what funds have been allotted against each. If new materials have to be arranged for, he should take the matter in hand at once and not leave it solely to his subordinate officers. Also if contracts have to be entered into he should get into touch with the sub-divisional officers concerned without delay and arrange for the preparation of the agreements at an early date. As soon as all preliminary arrangements are completed, the work should be started and the divisional and sub-divisional officers should see that regular progress is made. The same also applies to the annual repairs estimates, the greater part of which work is done during the months of September to November and should be practically all paid for during the month of December or first half of January. Clearance of drains can then be taken in hand during January and February and paid for by the middle of March. In many cases in running divisions rush of expenditure in March is mainly due to apathy and lack of initial *bandobast* on the part of the officers concerned.

When payments are made during the month of March care must be taken to see that they do not involve any financial irregularity, actual loss, manipulation of accounts or relaxation of the prescribed procedure.

be measuring work or supplies, or examining the claims of contractors and supplies before payment.

Finally and as a general rule, work done during the month of March should only be paid for in April.

*Irregularity no. 7* is a very serious one and must be avoided. Strict observance of the rules in the Financial Handbook, Volume VI, paragraph 375, is required.

In this connection attention is also drawn to the orders of this Local Government on the subject of accounts irregularities, paragraph 2, printed on page (ii).

## CONTRACTS

## References

The general rules regarding agreements and contracts will be found in paragraphs 351 to 354 and 356 to 370 of the Financial Handbook, Volume VI, while paragraph 93 of the Irrigation Manual of Orders (4th Edition) defines procedure in regard to alterations in the terms of contracts. Rules regarding the execution of works in lump sum contracts are given in paragraphs 433 and 406 of the Financial Handbook, Volume VI, and those in connexion with "Work orders" in Appendix VII of the Handbook. The general principles to be observed by officers in entering into contracts or agreements on behalf of the Government are contained in Appendix XIX, Financial Handbook, Volume V, Part I.

These references are shown in Appendix 6.

## Irregularities

The more common irregularities frequently brought to notice are given below:

- (1) Execution of and payment for work without any contract agreement being executed.
- (2) Work orders and contracts/agreements issued by sub-divisional officers and executive engineers in excess of their powers of sanction.
- (3) Agreements not approved by competent authority.
- (4) Non-enforcement of penalty clauses in contract agreement.
- (5) Rates paid do not agree with those entered in the agreement.
- (6) Provision for unforeseen items made in work orders and piece work agreements.
- (7) Defects in contract document, such as absence of date, and corrections not initialed by both contracting parties.
- (8) One agreement signed by several contractors.
- (9) Two or more contracts given to one contractor at the same time and for one and the same work to avoid going up to higher authority for sanction.
- (10) Payment of more than one final bill against one work order.
- (11) Entering into contracts without first calling for tenders.
- (12) Agreements filed in the sub-divisional office instead of in the divisional office.

## General Instructions

All contracts and agreement not exceeding Rs. 7,500 are governed by the rules in Appendix VII of the Financial Handbook, Volume VI.

For a contract not exceeding Rs. 7,500 acceptance should be made on the work order form no. 10-B, subject to the provisions of rule 25 of the rules in Appendix VII of the Financial Handbook, Volume VI.

For sums exceeding Rs. 7,500 all contracts should be made on form nos. 111 and 112 and such contracts are subject to the rules laid down in the Financial Handbook, Volume VI, which rules must be strictly followed.

Officers should see that contracts are made out on the correct forms, as inspecting officers have frequently brought to notice the haphazard way in which they are drawn up. Attention is also invited to paragraph 407 of the Financial Handbook, Volume VI, which lays down that "Engineers and their subordinates are responsible that the terms of contracts are strictly enforced and that no act is done tending to nullify or vitiate a contract." All items should be clearly entered in the contract with specific rates against each and no additional items of change in rates should be allowed.

If, during the course of construction, it is found that certain items have been omitted, or that for some very special reason rates are insufficient, then clear orders must be issued by the officer sanctioning the original contract, approving of the items or increase in rates (subject in the case of sub-divisional officers to the approval of the executive engineer for estimates exceeding Rs. 500) and a copy of these orders should be attached to the original contract. No payments should be made for additional items or increase in rates until such sanctioning orders are received. Also, if the orders have retrospective effect, then the date from which they come into force should be clearly stated.

In all cases where additional items or increase in rates due to very special reasons are necessary, sub-divisional officers must work in close collaboration with the executive engineer and in no case should fancy rates be entered which have not been passed and approved by the superintending engineer, in the schedule of rates for the division or sub-division in question.

It is the duty of the sub-divisional officer and clerk preparing the bills to see that items and rates in excess of those agreed upon are not paid until covered by approved sanction.

For contract entered on form nos. 111 and 112 if delay is anticipated in the drawing up and completion of the necessary documents, then work may be started by entering into a preliminary agreement on General P.W.D. form no. 1 specifying a rate only and which should be cancelled as soon as the proper contract documents are ready. By the adoption of this procedure many initial irregularities can be prevented.

No contract should be entered into by an officer of lower standing than the sub-divisional officer.

Executive engineers can accept tenders for contracts for sanctioned original works and repairs, provided that the amount of the tender does not exceed the amount of the sanctioned estimate plus such excess as he is competent to sanction under paragraph 62-III, Irrigation Manual of

Orders (4th Edition) and subject to a limit of Rs 50,000 as a class and Rs. 1,00,000 in the case of officers selected by name. They can also delegate to sub-divisional officers by name, the power to accept tenders not exceeding Rs. 5,000.

Officers must see before accepting a tender that the amount lies within their powers of acceptance and if it exceeds their sanctioning powers, then they must forward the contract to the officer of the department competent to sanction the same.

Also when drawing up a contract any errors or alterations made, must be initialed and dated by both contracting parties.

Under no consideration must a work be started without a contract or preliminary agreement as specified above being entered into.

#### Special Instructions

*Irregularities nos. 1 to 7* can be avoided if proper care is taken and the instruction given above followed.

*Irregularity no. 8* is obvious. A separate contract must always be entered into and signed by each contractor even if the work and conditions are similar.

*Irregularity no. 9* infringes article 569 of the Financial Handbook, Volume VI, and must be guarded against.

*Irregularity no. 10* is due to carelessness, for if a contract is given to a contractor, then one final bill only can be paid to him when the contract is completed or when he terminates work.

*Irregularity no. 11* infringes paragraph 360 of the Financial Handbook, Volume VI. For all important contracts exceeding Rs. 7,500 tenders should invariably be invited, while for contracts under Rs. 7,500 special attention is drawn to rules in Appendix VII of Financial Handbook, Volume VI. When however an urgent work has to be undertaken and if by calling for tenders matters are likely to be unduly delayed and Government interests jeopardized, then the work may be started under the orders of the superintending engineer, who at the same time should submit a full report to Government, explaining the circumstances of the case, so that permission to waive the procedure may be sanctioned. In such cases, however to avoid an initial irregularity a piece-work agreement should be drawn up at once.

Regarding *Irregularity no. 12* original agreements should be filed in the office of the authority sanctioning the same, while agreements accepted by the superintending engineer, or higher authority should be filed in the divisional office.

## CARE OF STORES

## References

The more common rules relating to the care and accounting of stores have been embodied in paragraphs 181 to 192, 194, 219, 230 to 237, 235 and 47a of the Financial Handbook, Volume VI.

These references are shown in Appendix 7, and the rules regarding the purchase of stores are given in the United Provinces Store Purchase Rules, 1935, in Appendix 5.

## Irregularities

The more common irregularities frequently brought to notice are given below :

- (1) Maukavar registers not properly maintained and consisting of a mere copy of the stock registers instead of showing the result of actual transaction at site.
- (2) Stores not counted at proper intervals and certificates of count not signed in the stock and tools and plant returns.
- (3) Surplus materials not promptly brought on to stock on the completion of a work or when discovered at the time of periodical count of stores.

## Instructions

It should be clearly recognized that stock is merely cash in another form and the same care is required in looking after it, as is displayed when actual cash transactions are involved.

When stock is placed under the care of any officer or subordinate, it is his duty to note at once when any transaction occurs and the name of the work on which the same has been used.

As stock is usually scattered about the different sub-divisions, it is essential that maukavar registers be maintained by the subordinates in whose charge the stock actually is, and that they should be kept posted up-to-date. At the end of each month the maukavar registers or copies thereof, should be submitted to the sub-divisional officer, with an abstract of the monthly transactions, and it is the duty of the sub-divisional officer on receipt of the same to scrutinize the entries, post up his schedules, and return the registers within three days of their receipt. In the sub-divisional office a stock register in form no. 11 should be maintained which is an abstract maukavar register and the monthly entries in this register must agree with entries in the different maukavar registers.



The orders on I. B. form no. 1, Stock Tools and Plant regarding the upkeep of mawkwar register must be carefully observed.

No. 350-I.M./89-B-172-W

Dated Lucknow, January 9, 1927

OFFICE MEMORANDUM

The orders contained in G. Os. no. 4-I.M./92B-886W, dated September 25, 1922, no. 2-I.M./92B-886W, dated November 29, 1927, and no. 4976-I-M., dated April 17, 1930 are superseded by the following orders as far as stock is concerned. They are supplementary to the rules in the Public Works Account Code and only supersede the rules in the code where the orders now issued differ from the Code.

Stock

Stock transactions are to be recorded on the forms noted below and in accordance with the instructions given on the forms :

Sl. no.	Number of form	By whom maintained or submitted	Name of register or return
1	2	3	4
		<i>Stock</i>	
1	I. B. Form no. 1	All holders of stock	Daily transaction register.
		<i>T. and P.</i>	
2	I. B. Form no. 2-8	Ditto	Mawkwar register.
3	I. B. Form no. 2-5	All Sub-divisional Officers.	Stock register showing distribution by sections.
4	I. B. Form no. 4-5	All Divisional Officers	Stock register showing distribution by subdivisions.
5	I. B. Form no. 5-5	All Sub-divisional Officers.	Abstract of stock receipts.
6	I. B. Form no. 6-8	Ditto	Abstract of stock issues.
7	Form 07, Suspense register	All Divisional Officers	Record of book value.
8	Form 18, Survey report of stores.	All Sub-divisional Officers.	Report of the survey of unservicable stores.

No. 12431-I.M./89B-172W, dated Lucknow August 26, 1928.

#### OFFICE MEMORANDUM

The orders contained in G. O. nos. 4-I.M./92-B-880-W, dated the 23rd September, 1922, and no. 2-I.M./92B-880-W, dated the 29th November, 1927 concerning stock have been superseded by G. O. no. 350-I.M./89 B-172-W, dated the 9th January, 1927. So far as they relate to tools and plant transactions they are superseded by the following orders. These orders are supplementary to the rules in the Financial Handbook, Volume VI, and only supersede the rules in the Financial Handbook, where they differ from them :

#### B—Tools and Plant

Tools and Plant transactions are to be recorded on the forms noted below and in accordance with the instructions given on the forms :

Sl. no.	Number of form	By whom maintained or submitted	Nature of register or return
1	2	3	4
1.	I. B. Form no. 1 T. and P.	All holders of tools and plant.	Daily transaction register.
2.	I. B. Form no. 2 T. and P.	Ditto	Wear and tear register.
3.	I. B. Form no. 3 T. and P.	All Sub-Divisional Officers.	Tools and plant register showing distribution by sections.
4.	I. B. Form no. 4 T. and P.	All Divisional Officers.	Tools and plant register showing distribution by sub-divisions.
5.	I. B. Form no. 5 T. and P.	All Sub-Divisional Officers.	Receipts of tools and plant.
6.	I. B. Form no. 6 T. and P.	Ditto	Issues of tools and plants.
7.	P.W.A. Form no. 1a	Ditto	Survey reports.

Copy of the last paragraph of G. O. no. 4976-I.M./129-B-4-E-3, dated 17th April, 1930. (United Provinces, Public Works Department, Irrigation Branch).

#### Counting of Stock

Each sub-divisional officer should also maintain a special measurement book and all checking of stock done by him should be entered in this book, exactly the same as measurements for materials supplied, except that the heading of the entry should be "stock-taking," and at

the end of the check-measurements the sub-divisional officer should give an abstract showing the actual quantity of stock at site, the balance according to the stock return, and the excess or deficiency.

All stock and tools and plant should be counted half-yearly and yearly respectively and it is the duty of the sub-divisional officer personally to check all important articles at least once a year. When these returns are submitted to the head office, lists of articles actually checked by each sub-divisional officer and his subordinates and duly signed and dated by them should be attached to them. In this way only can responsibility be fixed if afterwards discrepancies come to light. All officers and subordinates will be held personally responsible, if, after the submission of the returns, on a further check being made, discrepancies are found, and will have to make good the value of all articles so found short. All checking of stock and tools and plant must therefore be carefully and accurately made in the first instance with a view to placing on record the correct and actual state of affairs.

*Irregularities nos. 1 and 2* are due solely to carelessness and can be avoided if ordinary care is taken.

*Irregularity no. 3* infringes article 478, Financial Handbook, Volume VI. If surplus material is found in a division and which is of good quality it should be brought on to stock at once.

## TRAVELLING ALLOWANCE JOURNALS

**Irregularities**

1. Travelling allowance journals sometimes show subordinates to be at stations at a considerable distance from those at which measurements are reported to have been taken on the same date.

**Instructions**

This irregularity is frequently brought to notice and must be stopped. Subordinates have no excuse for committing this fault and if they deliberately enter wrong dates in their measurements books they must bear the consequences. The common excuse that the travelling allowance journal does not show the full particulars of journeys performed each day will not be tolerated in future. Measurements must be recorded in the measurement book at site and the entry in the travelling allowance journal must coincide with the inspection so made.

Subordinates committing this type of irregularity will, if a satisfactory explanation is not forthcoming, be reduced.

## APPENDIX I

## CASH BOOK

Cheques  
P. R. O.  
Vol. VI.

*Para. 146.*—Petty sums under ten rupees should not be paid by cheques and for the disbursement of these and other charges which naturally are paid in cash, e.g., the wages of labourers and of establishment charged directly to works and value-payable postage, it is permissible to draw money from time to time from the treasury by cheque to replenish the cash chest. Whether there be a guard or not, disbursers must draw cheques for the minimum of cash actually required to meet current disbursements, and if it is found at any time that the balance in hand is larger than is required to meet the anticipated expenditure of the next month or of the next fifteen days if the treasury is not situated at an inconvenient distance, the surplus should be returned into the nearest treasury.

*Ditto*

*Para. 146.*—If the currency of a cheque should expire owing to its not being presented at the treasury for payment within three months from the date of its issue (*vide* paragraph 62 of Volume V of the Handbook), it may be received back by the drawer who should then destroy it and draw a new cheque in lieu of it. The fact of the destruction and the number and date of the new cheque should be recorded on the counterfoil of the old cheque, and the number and date of the old cheque that is destroyed should be entered on the counterfoil of the new one. The fact of the new cheque having been issued should be entered on the date of issue in red ink in the cash book but not in the column for payment, a note being made at the same time against the original entry in the cash book.

For procedure relating to lost cheques see paragraph 65 of Volume V of the Handbook.

*Ditto*

*Para. 147.*—When it is necessary to cancel a cheque, the cancellation should be recorded on the counterfoil, and the cheque, if in the drawer's possession, should be destroyed. If the cheque is not in his possession, he should promptly request the treasury officer to stop payment of the cheque and, on ascertaining that payment has been stopped he should write back the entry in his cash book by exhibiting the amount of the cheque as a minus figure on the payment side in the "Bank or Treasury" column. A counter-reference should be given in the cash book against the original, to the second entry of the cheque. A cheque remaining unpaid from any

same for twelve months from the date of its issue should be cancelled and its amount written back in a similar manner.

*Para. 148.*—When money is received by a government servant on behalf of Government it should at once be brought to account in the cash book and a receipt in form no. 1 of Volume V of the Handbook, should invariably be granted to the payer. If, however, the amount be realized by recovery from a payment made on a bill or other voucher setting forth full particulars of the deduction, a receipt should be granted only if specially desired by the payer, but the fact of the recovery having been made by deduction from the payment voucher should be clearly recorded on the receipt. See also rule 1 to paragraph 142.

1. Final acquittance for private cheques and drafts on local banks accepted under proper authority (*vide* paragraph 25 of Volume V of the Handbook) should not be given to the payer until they have been cleared.

2. Before an officer signs a receipt in form no. 1 of Volume V of the Handbook for cash actually received by him, he should see that receipt of the money has been duly recorded in his cash book, and in token of this check the entry in the cash book should be initialed and dated at the same time.

3. As an exception to the rule in this paragraph, earnest money received from and returned to contractors on the same day the tenders are opened need not pass through the divisional accountants provided that the contractors concerned are required to give a stamped receipt for the money in the register of tenders maintained in the divisional office and that the register is to that extent treated as a subsidiary cash book and consequently as an accounts form.

*Para. 149.*—Receipts in form no. 1 of Volume V of the Handbook can be issued by divisional officers, sub-divisional officers, and other government servants specially authorized by Government. All persons regularly or frequently receiving money on behalf of Government should keep a cash book in form no. 1.

1. In the Irrigation Branch divisional accountants are authorized to issue receipts in form no. 1 of Volume V for amounts not exceeding Rs. 500 in each case and *zildars* in vernacular (I. B. form no. 69V) for amounts received by them in accordance with the rules contained in the Irrigation Manual of Orders.

2. In the Buildings and Roads Branch each cashier of a divisional office or a head clerk of a district office is provided



with receipt books with foils in duplicate and he is authorized to grant receipt for the sums received by him. But he should have each receipt issued by him counter-signed by gazetted officer, who will also initial the entry in the cash book. But if no gazetted officer is present in the headquarters, the cashier should on return of the first gazetted officer to headquarters, get the counterfoils of his receipt book and the entries in his cash book initialed by him. The divisional officer should at the time he verifies the cash chest balance ascertain that the entries of all receipts in the cash book have been initialed by a gazetted officer.

*Para. 150.*—If a government servant who is not in charge of a cash book receives money on behalf of Government at exceptional times, he should not mix it up with the imprest or any other cash in his charge but pay or remit it at the earliest opportunity, to the nearest officer having a cash book or direct into a treasury, accompanied by a *chalan* in duplicate (*vide* paragraphs 31, 32 and 34 of Volume V of the Handbook). The acknowledgment of the treasury (with an intimation of the full particulars of the receipt including the date of its realization) should be forwarded immediately to the next superior officer having a cash book, to enable him to make the necessary entries therein. The record of the transaction will be in the correspondence and not in the imprest account of the receiving officer.

Receipt of  
money.  
Disposal of  
receipts.  
P. H. B.,  
Vol. VI.

*Para. 152.*—Cash realized by officers of the department should be paid as soon as possible into the nearest treasury, for credit as miscellaneous receipts of the department. Should a divisional officer or sub-divisional officer, however, require to make use of cash receipts temporarily for current expenditure, he may do so instead of obtaining fresh cash by cheques; but before the end of the month, he must send to the treasury a cheque for the amount thus utilized, drawn in his own favour and endorsed by himself with the words "Received payment by transfer credit to the Public Works Department."

*Note.*—This rule does not apply to receipts realized by short-payment on bills or other vouchers.

Manner of  
payment.  
P. H. B.,  
Vol. VI.

*Para. 153.*—All payments which officers authorized to draw cheques have to make, should, as far as possible, be made by cheques, but see also paragraph 140.

Cash book  
upkeep, P.  
H. B., Vol.  
VI.

*Para. 154.*—An account of their cash transaction should be maintained in the cash book, form no. 1 by all government servants authorized, as a regular arrangement, to receive money on behalf of Government, as well as by those entrusted with making disbursements out of cash received by them in

transfer from the divisional cash chest or obtained by drawing cheques on the treasury. Government servants entrusted with fixed imprests or temporary advances should maintain and render accounts of their disbursements in imprest cash account, form no. 2.

*Para. 160.*—The cash book is one of the most important account records of the department. The detailed instructions prescribed for writing it up are given in the notes on form no. 1, and disbursing officers are required to observe these strictly in practice.

Cash book  
upkeep. P.  
H. B., Vol.  
VI.

*Para. 161.*—The cash book must be balanced on the date prescribed for closing the cash account of the month, but when the transactions are numerous, a weekly or even a daily balance is recommended, and it is advisable to count the cash whenever a balance is struck, or at convenient intervals, as this affords an independent check on the accuracy of the postings. The results of such intermediate counting should be recorded in the form of a note in the body of the cash book (column 8), so as not to interfere with the up-to-date totals; the actual balance of cash in the chest should invariably be stated in the note both in words and figures, and the outstanding balances of imprests and temporary advances should be taken into consideration when certifying the accuracy of the cash chest balance.

Cash book  
balancing.  
P. H. B.,  
Vol. VI.

*Note.*—In divisions to which a cashier is attached, all entries in the cash book whether relating to receipts or to expenditure, must be made by him but they should be reviewed by the divisional accountant before the accounts of the month have been closed to see that the classification has been correctly noted.

*Para. 162.*—An erasure of an entry once made in the cash book is strictly prohibited. If a mistake has been made and it is discovered before the copy of the cash book has been submitted to the divisional office, the mistake should be corrected by drawing the pen through the incorrect entry and inserting the correct one in red ink between the lines. The disbursing officer should initial every such correction and invariably date his initials. When the mistake is discovered too late for correction in this way, an intimation of the necessary corrections should at once be sent to the divisional office, accompanied by a proposed transfer entry, if necessary. Except as indicated above, no correction of an entry once made in his cash book should be made by a sub-divisional officer, unless authorized by the divisional office to do so.

Cash-book  
rectification  
of errors.  
P. H. B.,  
Vol. VI.

The same principles should be observed in correcting errors noticed in the divisional cash book. If the accounts of the

month have been closed, no corrections of errors in amount, classification or name of work, should be made in that book. A suitable remark in red ink (quoting reference to the correction in accounts) should, however, be recorded against the original erroneous entry.

Cash book  
verification,  
F. H. B.,  
Vol. VI.

*Para. 163.*—The disbursing officer is required to check all the entries in his cash book as soon as possible after the date of their occurrence and he should initial the book, dating his initials after the last entry checked. The cash book should be signed by him at the end of the month and such signature should be understood as fixing responsibility for all the entries of the month inclusive of the closing balance.

1. The following are the more important details of the verification to be made :

The disbursing officer should—

(1) compute each entry of payment with the gross amount chargeable as shown in the connected voucher, seeing, at the same time, that it bears (i) a payment order recorded by himself or the divisional officer, and (ii) the certificate of disbursement signed by himself or by an authorized subordinate, and ticking off each voucher as it is passed :

(2) see, whilst examining the postings of vouchers on the payment side, that all deductions shown in the vouchers (other than deductions creditable to the head of account or work to which the payment relates) are posted as receipts on the receipt side of the cash book ;

(3) verify the totalling of the cash book or have this done by some principal subordinate (other than the writer of the cash book) who should initial (and date) it as correct ; and

(4) verify the total of the postings in the "Bank or Treasury" column on the payment side by reference to the memoranda recorded by himself on reverse of the counterfoils of cheques.

*Ditto.*

*Para. 164.*—The actual balance of cash in cash chest should be counted on the last working day of each month, *i.e.* immediately after closing the cash account of the month under paragraph (161), but where this is not possible, the cash balance may be counted on the first working day of the following month before any disbursement is made on that date. A statement of the details of the actual balance should be prepared in form no. 3 and a certificate of the count of cash,

specifying both in words and figures, the actual cash balance (exclusive of imprest and temporary advances), should be recorded below the closing entries in the previous month's cash book. This certificate should be signed by the disbursing officer who should invariably date his signature.

1. Should it not be possible for the disbursing officer, owing to his absence, to make the count on the dates prescribed in this paragraph, he should do so at the earliest opportunity, recording the reasons for the delay on the cash balance report.

*Para. 165.*—Whenever, on the contents of the cash chest being counted, the balance as per cash book is found to be incorrect, it must, unless the error can be detected and set right at once under paragraph 162, be rectified forthwith by making the necessary receipt or payment entry—"To cash found surplus in chest" under deposits, or "By cash found deficient in chest" under miscellaneous Public Works Advances, as the case may be. The administrative action to be taken on the occurrence of a deficiency must depend on the nature of each case.

Cash book  
verification—  
F. H. B.,  
Vol. VI.

*Para. 173.*—Cheque books in the prescribed form required by divisional and sub-divisional officers authorized to draw on treasuries and sub-treasuries are obtained by them from the head treasury concerned, *vide* paragraph 54 of Volume V of the Handbook. Receipt books in form no. 3 of this Volume and form no. 1 of Volume V of the Handbook are similarly obtained by them from the head treasury of the district within which their respective headquarters are situated.

Cheque  
books and  
receipt-  
books.  
F. H. B.,  
Vol. VI.

*Para. 174.*—Cheque (or receipt) books should on receipt be carefully examined by the divisional or the sub-divisional officer concerned, who should count the number of forms contained in each and record a certificate of count on the fly-leaf.

Ditto.

*Para. 175.*—Counterfoils of used books should be returned promptly to the divisional office for record.

Ditto.

*Para. 65.*—If a disbursing officer be informed that a cheque drawn by him has been lost he may address the treasury officer drawn on, forwarding for signature a certificate in the accompanying form\*. If, after search through the lists of cheques paid, the treasury officer finds that the cheque

Cheques  
F. H. B.,  
Vol. VI.

\*Certified that cheque no. \_\_\_\_\_ dated \_\_\_\_\_  
for Rs. \_\_\_\_\_ reported by the disbursing officer to have  
been drawn by him on the treasury in favour of \_\_\_\_\_  
has not been paid, and will not be paid if presented hereafter.

has not been cashed, he will sign and return the certificate, taking care to note the stoppage of the cheque, a board showing the particulars of stopped cheques being hung up before the clerk concerned. If the original cheque be presented afterwards the treasury officer will refuse payment and return the cheque to the person presenting it after writing across it "Payment stopped." The disbursing officer will enter in his account the original cheque as cancelled, and may issue another.

-----*Treasury,*

*Treasury Officer,*

The -----19 .

### FORM 1.—CASH BOOK

(See Chapter VII. paragraphs 159 to 163)

The following notes should be printed on the fly-leaf of the cash book :—

F. H. B.,  
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1. The cash book contains two money columns, headed (1) "Cash" and (2) "Bank or Treasury" on the payment side for distinguishing between payments made by cheques and those made out of the cash in chest. When, however, a cheque is drawn to replenish the chest, its number and amount should be entered on the payment side in the "Bank or Treasury" column nos. 10 and 11, and the amount only on the receipt side as "Cash from Treasury" in the single "cash" column no. 4. The amount of a cancelled cheque should be shown by a special write-back entry, as a minus figure on the payment side in the "Bank or Treasury" column, as laid down in paragraph 127 of the Handbook, Volume VI.

2. Every entry must be concise. The date, the number of voucher, if any, the name of the work, and such a brief narration as will unmistakably indicate the nature of the transaction must be entered against each item. The amount chargeable or creditable to each separate work, head of account, or contractor or other person should be separately entered, and the amounts to be posted by the divisional officer into the abstract book or schedules of account under each prescribed head of account should be distinctly brought out opposite the entries in columns 5 and 12, headed "Classification of receipts" and "Classification of charge." No receipt or payment other than of "Cash" as defined in paragraph 125 of the Financial Handbook, Volume VI and should be entered in the cash book. A deduction made at the time



of payment, creditable to a work or head of account other than that to which the payment itself is chargeable should, however, be entered on the receipt side of the cash book.

3. Transaction must be recorded at the time and on the date on which they actually occur and strictly in the order of occurrence. If, however, owing to the absence of the disbursing officer on tour a cheque issued by him, whilst in camp, is entered in the cash book maintained at his headquarters on a subsequent date, the actual date of issue of the cheque should be noted in the cash book as the denominator of a fraction the numerator of which will be the date on which the transaction is incorporated in the book. A similar procedure should be observed when the double transaction relating to the realization of miscellaneous cash receipts by a subordinate and their payment directly into treasury is incorporated in the cash book of the superior disbursing officer on receipt of the receipted chalan of the treasury from the subordinate, as prescribed in paragraph 139 of the Financial Handbook, Volume VI.

4. It is serious irregularity to draw cheques and deposit them in the cash chest at the close of the year for the purpose of showing the full amount of grant as utilized or to keep the cash book open after the 31st of March and make disbursements in April entering them in the cash book as having been made in March.

5. Acknowledgements of payments should, as far as possible, be taken at the time of payment and on one of the printed forms prescribed for the purpose. They should be numbered in a separate series for each month and the serial number of each voucher should be entered in the cash book as soon as the payment transaction is entered therein.

6. When an imprest is first given the fact should be noted in red ink, in the cash book of the disbursing officer giving it, in the column "To whom paid"; but the amount should not be taken credit for as an actual payment, as it will still form a portion of the cash book balance of the disbursing officer making the advance. If, however, a cheque is drawn, its amount must be shown on both sides of the cash book, *vide* note 1. Any subsequent increases or decreases in the amount should be similarly noted, the increases on the payment side and the decreases on the receipt side.

7. In pasting transactions from imprest accounts the receiving disbursing officer should enter in his cash book only the total for each work or head of account as brought out in the abstract, which should be prepared in his own office, on the reverse of the imprest account.



8. All payments must be charged off at once to the work or service on account of which paid. Money advanced to a subordinate for disbursement to labourers, etc., at a distance should be noted in the cash book in red ink as a temporary advance, in the manner followed when regular imprests are first made; and when the subordinate returns the duly certified muster rolls, etc., with the unpaid wages, if any, the amounts actually paid should be charged off to the works or services concerned, the amount unpaid being returned into the cash balance. A similar procedure should be observed when the disbursing officer removes cash from his chest and takes it with him on tour for making payments.

9. The procedure for dealing with time-expired, cancelled, and lost cheques is prescribed in paragraphs 146 and 147 of the Financial Handbook, Volume VI.

10. The cash balance at end of the month should be detailed thus in a note at foot of the cash book:

	Rs.	a	p.
Cash in chest	—	—	—
Imprest with Mr. R. Johnson	—	100	0 0
Imprest with Mr. Abdul Rahim	—	20	0 0
Total cash balance as above	—	127	0 0

Rupees one hundred and fifty-seven nine annas and five pices.

11. If the disbursing officer draws on note than one district or sub-treasury, the total amount of cheques drawn during the month on each (excluding the amount of cancelled cheques), should be recorded in another note at foot of the cash book.

12. Cash books should have their pages machine numbered. As far as possible, no lines should be left blank, but if any space on a page of the cash book has to be left blank owing to the whole of the other page of the same folio being completely written up, a diagonal line should be drawn to cancel the blank space, so that it may not be possible to make any subsequent entries therein. *Interpolation of entries should be avoided as far as possible, but when it becomes necessary to make any entries between two ruled lines or to make any additions to, or interpolations between, entries already made, such additions should invariably be attested by the dated initials of the disbursing officer.*

## APPENDIX II

## MUSTER ROLLS

*Departmental labour*

*Para. 430.*—Muster rolls should be prepared and dealt with in accordance with the following rules, form no. 21 being used, except in the Buildings and Roads divisions for which a modified form of muster roll of daily labour (in form no. 21-A) has been prescribed.

Payments  
to labourers.  
P. H. B.,  
Vol. VI.

(a) One or more muster rolls should be kept for each work, but muster rolls should never be prepared in duplicate. It is permissible, however, to keep one muster roll for labourers employed upon several small works, in cases in which no harm can result if the total unpaid wages are regarded as relating only to the largest work in the group.

(b) Labourers may be paid more than once a month and the period covered by each payment may be determined locally; but separate rolls must be prepared for each period of payment.

(c) The daily attendances and absences of labourers and the fines inflicted on them should be recorded daily in part I of the muster roll in such a way, as :

(i) to facilitate the correct calculation of the net wages of each person for the period of payment,

(ii) to render it difficult to tamper with, or to make unauthorised additions to, or alterations in, entries once made, and

(iii) to facilitate the correct classification of the cost of labour by works and sub-heads of works where necessary.

(d) After a muster roll has been passed by the sub-divisional and divisional officer, payment thereon should be made as expeditiously as possible. Each payment should be made or witnessed by the official of highest standing available, who should certify to the payments individually or by groups, at the same time specifying, both in words and in figures, at the foot of the muster roll, the total amount paid on each date. If any items

remain unpaid, the details thereof should be recorded in part II, the register of arrears, before the memorandum at the foot of the muster roll is completed by the person who made the payment.

(e) Unpaid items should subsequently be carried forward from muster roll to muster roll until they are paid, the payments being recorded and certified to in part II in the same way as payments of current items. It is optional, however, with divisional officers to adopt any other alternative method of making payments of unpaid wages, provided that a systematic record of items remaining unpaid is maintained on the basis of the original entries made in part II of the muster roll under clause (d), that a systematic record of such payments is maintained and that suitable precautions are taken to prevent double payment. (See also paragraph 503).

(f) Wages remaining unpaid for three months should be reported to the divisional officer, who will decide in each case whether the liability as an amount available for payment should continue to be borne in the accounts of the work concerned as exhibited in the sub-divisional record prescribed in clause (e).

*Note.*—For action to be taken on the completion of the work, see paragraph 505.

(g) In part III of the muster roll form should be recorded the progress of work done by the labour shown therein in all cases where such work is susceptible of measurement. If the work is not susceptible of measurement a remark to this effect should be recorded.

*Note.*—It is not necessary to reproduce the details of measurements in part III, nor need part III be written up if progress is reported once a month or oftener in any other suitable form and such separate report are considered sufficient.

(h) In exceptional and urgent cases, such as urgent silt-clearance of canals or closing breaches, where labourers are employed casually for short periods, payment may be made on a casual labour roll, form no. 22, in which the names of the labourers need not be given, but such payments may not be made by an officer of lower rank than an overseer of the Subordinate Engineering Service. Nor need muster rolls in form no. 21 be used in the case of work done on requisition form no. 32, when the entries of daily labour are few; in such cases the particulars can be endorsed on the form of requisition.

*Para. 432.*— The payment of daily labour through a contractor, instead of by muster roll in the usual way, is objectionable in principle. In a case of great emergency it may sometimes be found impossible to employ labour otherwise than through a contractor. Should it be possible, in such a case, to determine the quantities of work done after its completion or at intervals during its progress, it is expedient to pay the contractor, at suitable rates, on the basis of work actually executed. But if, as in the case of urgent repair of canal breaches, this method of payment is not practicable, it is permissible to pay the contractor on the basis of the numbers of labourers employed, day by day, his own profit or commission being either included in the rates allowed, or paid separately in lump sum or at a percentage rate. When this course is adopted, a report of the numbers of labourers of each class employed day by day should be made by the subordinate in-charge of the work daily to the sub-divisional or divisional officer or to assistant engineer to enable him to keep a check on the expenditure and to deal with the contractor's claim when received. To avoid disputes with the contractors, they should be encouraged to sign the daily reports in token of their acceptance as correct.

The use of the muster roll or the measurement book (paragraph 434) is not permissible in such cases.

Payment to labourers, when engaged, through a contractor, F. H. D., Vol. VI.

## APPENDIX III

## MEASUREMENT BOOKS

Payments to suppliers, contractors, Measurement books. F. H. B., Vol. VI.

*Para. 434.*—Payments for all work done which is susceptible of measurement and for all supplies are made on the basis of measurements recorded in measurement books, form no. 23, in accordance with the rules in paragraph 435. The measurement books should, therefore, be considered as very important account records. All the books belonging to a division should be numbered serially and a register of them should be maintained in form no. 92 in the divisional office showing the serial number of each book, the names of the sub-divisions to which issued, the date of issue and the date of its return, so that its eventual return to the divisional office may be watched.

A similar register should also be maintained in the sub-divisional office showing the name of the sub-divisional officer and sectional officers to whom measurements books are issued. Books no longer in use should be withdrawn promptly even though not completely written up.

Payments to suppliers, contractors, Detailed measurements F. H. B., Vol. VI.

*Para. 435.*—In recording detailed measurements the following general instructions should be carefully observed :

(a) Subject to such subsidiary orders as may be laid down by the Local Government, detailed measurements should be recorded only by executive, assistant executive or assistant engineers, or by executive subordinates in charge of works to whom measurement books have been supplied for the purpose.

1. In the Irrigation Branch where the divisional headquarters are situated outside the sphere of action of the canals concerned, and at which there are no sub-divisional officers or executive subordinates actually stationed, the divisional head clerk and divisional draftsman may record entries in the measurement books for articles debitable to contingencies and for articles of tools and plant respectively ordered by the divisional officer for petty works done at headquarters. In such cases, the divisional officer must check the entries in the measurement books on his return to headquarters from tour.

2. See also rule 1 under paragraph 437.

(b) All measurements should be neatly taken down in a measurement book, form no. 23, issued for the purpose, and nowhere else.

(c) Each set of measurements should commence with entries stating—

(i) In the case of bills for work done—

(a) Full name of work as given in estimate, (b) situation of work, (c) agency by which executed *i.e.* contract, piece work or daily labour (number and date of contract, piece work agreement or work order to be quoted), (d) name of contractor, (e) date of measurement, (f) name of subordinate in charge of daily labour, and (g) reference to last measurement on account of the same contract (number and date of measurement book) in the case of running bills.

(ii) In the case of bills for supply of materials—

(a) Name of supplier, (b) number and date of his agreement or order, (c) purpose of supply in one of the following forms applicable to the case:—

(i) "Stock" (for all supplies for stock purposes),

(ii) "Purchases" for direct issue to (here enter full name of work as given in estimate).....

(iii) "Purchases" for (here enter full name of work as given in estimate).....

..... For issue to contractor..... on .....

..... and (d) date of measurement,

and should end with the dated signature of the person making the measurements; see also paragraph 4.3. A suitable abstract should then be prepared which should collect, in the case of measurements for work done, the total quantities of each distinct item of work relating to each sanctioned sub-head.

(d) As all payments for work or supplies are based on the quantities recorded in the measurement book, it is incumbent upon the person taking the measurements to record the quantities clearly and accurately. If the measurements are taken in connexion with a running contract account on which work has been previously measured, he is further responsible (1) that reference to the last set of measurements is recorded and (2) that if the entire job or contract has been completed the fact is recorded prominently just above his initials. If the measurements taken are the first set of measurements on a running account or the first and final measurements, this fact should be suitably noted against the entries in the measurement book.



(e) The pages of the book should be machine numbered. Entries should be recorded continuously, and no blank pages left or torn out. Any pages left blank inadvertently should be cancelled by diagonal lines, the cancellation being attested and dated.

(f) The entries should, if possible, be made in ink; when this is not possible and entries have to be made in pencil, the pencil entries should not be inked over, but should be left untouched. The entries in the "Contents" or "area" column should, however, be made in ink in the first instance. No entry may be erased. If a mistake is made, it should be corrected by crossing out the incorrect words or figures and inserting the corrections, the correction thus made being initialed and dated by the responsible officer. When any measurements are cancelled, the cancellation must be supported by the dated initials of the officer ordering the cancellation or by a reference to his orders initialed by the officer who made the measurements, the reason for cancellation being also recorded. *A reliable record is the object to be aimed at, as it may have to be produced as evidence in a court of law.*

(g) Each measurement book should be provided with an index which should be kept up to date.

Payments to suppliers, contractors, detailed measurements.  
F. H. R.,  
Vol. VI.

*Para. 436.*—(a) Detailed measurements may be dispensed with in the case of periodical repairs when the quantities are recorded in efficiently maintained standard measurement books, referred to in paragraph 437.

(b) Detailed measurements are also dispensed with in the case of works executed on lump sum contracts. See paragraphs 405, 406 and 534 to 547.

Payments to suppliers, contractors, Standard measurements.  
F. H. R.,  
Vol. VI.

*Para. 437.*—It is usual in the department to maintain standard measurement books of buildings in order to facilitate the preparation of estimates for periodical repairs. Where such standard books are maintained, it is also permissible to utilize them for the purpose of preparing contractors' bills for such repairs, so that it may not be necessary to take detailed measurements on each occasion, *vide* paragraph 436.

The following precaution should be observed in regard to the maintenance and use of standard measurement books:

(i) The measurement books used as standard books should be numbered in an alphabetical series, so that

the numbers may be readily distinguished from those assigned to the ordinary books wherein detailed measurements are recorded whenever work is actually done.

(ii) The entries of measurements (and abstracts thereof) in the standard books should be recorded legibly in ink and certified as correct by a responsible officer.

(iii) An assurance should be obtained periodically of the divisional officer that all the standard books of the division have been inspected by him, that the entries therein have not been tampered with, and that all corrections due to additions and alterations in the building have been made in the books and the latter are reliable and up-to-date records.

(iv) When a payment is based on standard measurements, the gazetted officer or subordinate preparing the bill for payment should be required to certify that the whole of the work (or work since previous running bill, as the case may be) as per standard measurements has been done and that it has not previously been billed for in any shape.

*Para. 438.*—Sub-divisional officers should be required to submit the measurement books in use to the divisional office from time to time, so that at least once a year the entries recorded in each book may be subjected to a percentage check by the divisional accountant under the supervision of the divisional officer. Detailed instructions on check of recorded measurements by the superior officers in the two branches of the department are contained in the respective departmental manuals of orders.

Review of  
measure-  
ments,  
F.H.R.,  
Vol. VI.

*Para. 439.*—The Superintending Engineer is required to make it his special duty during his tours to see that measurement books are carefully kept and measurements properly recorded, and that they are complete records of the actual measurements of each kind of work done for which certificates have been granted. He should also see that any orders of the Local Government regarding check measurements are duly observed.

Measure-  
ment  
books,  
F. H. R.,  
VI. Vol.

*Para. 423.*—Initial accounts and vouchers connected with charges relating to works must invariably specify (1) the full name of the work as given in the estimate, (2) the name of the component part (or "sub-head") of it if separate accounts are kept up for the several component parts, and (3) the charges (if any) which are of the nature of recoverable

Works  
Accounts  
General  
principles,  
F.H.R.,  
Vol. VI.

payments and the names of the contractors or others from whom recoverable.

Inevitable  
payment,  
F.M.R.,  
Vol. V.

*Para. 160.*—The want of provision in the estimate does not operate to prevent payment of any sums really due by Government, nor the want of sanction to prevent record of any actual payment.

*Ditto.*

*Para. 161.*—Money indisputably payable should never be left unpaid; and money paid should under no circumstances be kept out of the accounts a day longer than is absolutely necessary. It is no economy to postpone inevitable payments, and it is very important to ascertain, liquidate, and record the payment of all actual obligations at the earliest possible date.

*Note 1.*—For a fuller explanation of the intention of the orders in paragraphs 129 to 161, see Financial Department, G. O. no. B-713/X-169, dated the 14th February, 1923.

*Note 2.*—The provisions of paragraphs 129 to 161 are applicable not only to contingent charges dealt with in this chapter, but also generally to claims of all kinds against Government.

Initial  
Accounts,  
Measure-  
ments and  
Bills,  
L.M.O.

*Para. 72.*—(1) The measurement book is the basis of all accounts, and it is the duty of the executive engineer to see that the instructions printed on the fly-leaf, and those given below and in the Financial Handbook, volume VI, chapter XIV, are strictly observed. He should himself make a few check measurements and otherwise satisfy himself that the rules are observed by his staff. A note regarding all checks made by him should be recorded in the measurement books concerned, and even in cases where he does not actually check with a tape, he should make a note of his acceptance of measurements of works inspected by him.

(2) The entire responsibility for the correctness of measurements and calculations will rest with the sub-divisional officer who should satisfy himself by inspection, and, where necessary, by measurements, of the correctness of all bills before signing pay orders.

(3) Before the bill is paid the arithmetical calculations must be checked by the sub-divisional clerk, who shall certify at the foot of the measurements "Calculations checked by me." When signing the bill, the sub-divisional officer (whether as officer passing the bill, or as officer preparing it, when he is not the paying officer) should also sign at the foot of the measurements.

(4) If the work has been carried out in accordance with detailed sanctioned plans and estimates or standard repairs estimates, it will suffice if the officer making or ordering payment inspects the work done, and compares it with the entries in the estimate, making measurements only of additions to or deviations from the approved estimates. Foundations should always be carefully checked before they are covered up.

(5) In the case of works for which, owing to their nature, accurate detailed estimates cannot be prepared before they are undertaken, measurements should, as a rule, be made by the sub-divisional officer himself, before paying the bills. In very special cases where the sub-divisional officer cannot make measurements before payment, he shall state the reasons on the bill certificates, and shall satisfy himself by rough check-measurements or otherwise that the work done is approximately, if not exactly, in accordance with the details entered in the measurement book. He shall himself make final measurements as soon as possible thereafter, and shall attach a certificate of final measurements to the original bill.

(6) When it is desirable to make payments for works actually executed before detailed measurements have been taken, such payments may be made on the certificate of a responsible officer (not below the rank of sub-divisional officer) to the effect that not less than the quantity of work paid for has actually been done. The officer granting such a certificate will be held personally responsible for any resultant overpayment. Final payments must not be made without detailed measurements.

*Form.* 7B.—(1) As soon as he receives new measurement books the accountant shall give each a consecutive serial number according to the register of measurement books and shall print this number on the cover in bold figures. When issuing a measurement book, he shall enter in the register the name of the person to whom it is issued and the date of issue. Whenever an officer or subordinate is transferred the name of the person to whom he makes over his measurement book shall also be entered in the register. The sub-divisional officer shall supply this information as soon as a measurement book is transferred to a new holder. The accountant shall leave space between the entries in the register of measurement books to allow of a record of transfers being kept.

(2) When indenting for a measurement book, the sub-divisional officer shall report the name and designation of the person for whom it is required, and the divisional accountant shall enter these in the measurement book before issuing it. He shall under no circumstances

Upkeep,  
custody  
issuing of  
measure-  
ment  
books  
I. M. O.

issue blank spare measurement books to sub-divisional officers. The number of measurement books in use in a sub-division should not be excessive. Without the special orders of the executive engineer no section-holder may have more than two measurement books in use at one time.

(8) In order to keep a check on the measurement books in the sub-division, a certificate in the following form shall be submitted monthly with the sub-divisional accounts :

Sub-division,                      Division,                      Canal.

Return of measurement books for the month of      19 .

Balance at the beginning of the month	Received from divisional office during the month	Total	Returned to divisional office for final record	Balance at the end of the month	Remarks
1	2	3	4	5	6
(Numbers 104, 105, 110, 140 and 160).	(Numbers 163 and 166).		(Numbers) 105.	(Numbers 104, 110, 140, 160, 165 and 166).	*Received with Executive Engineer's no. , dated  †Returned with Sub-divisional Officer's no. , dated

Certified that all completed measurement books with the exception of those required for reference, have been returned for record.

*Sub-divisional Officer.*

Dated \_\_\_\_\_

The sub-divisional officer shall receive a similar certificate from the holder of measurement books under him, along with the monthly stock papers.

(4) The divisional officer shall supply each sub-divisional officer with a roster showing which measurement books will be checked in the divisional office in each month and the sub-divisional officer shall submit measurement books for check every month in accordance with the roster. The accountant shall check a number of pages of each measurement book, recording his dated initials on each page checked. He shall then submit the books to the divisional officer with



a note of any infringement of rules noticed by him, and, when the latter has passed orders, shall promptly return the books to the sub-divisional officer together with his observations and the divisional officer's orders for compliance.

(5) The accountant shall give a receipt for each measurement book received in head office and shall demand a receipt for each measurement book issued.

(6) On the occasion of a change in a sub-divisional charge, it is the special duty of the relieved officer to see that all measurement books in the sub-division are recorded in the transfer papers, and of the relieving officer to see that the entries in the transfer papers correspond with those in the sub-divisional register. It is the duty of the sub-divisional officer to see that measurement books in possession of a relieved subordinate are handed over to and acknowledged by the relieving subordinate, who shall submit a receipt to the sub-divisional officer stating the numbers of the measurement books received by him.

The receipt shall be checked by the sub-divisional clerk, and both he and the sub-divisional officer shall date and initial it. The sub-divisional clerk is responsible for immediately bringing to the notice of the sub-divisional officer all discrepancies in the receipt. The relieved officer shall also obtain a receipt for the books he makes over to his successor. He shall note its transfer immediately after the last entry in each measurement book and shall sign his name. The relieving officer shall sign his name in each book below that of his predecessor, and shall date his signature. When the transfer papers are being checked in the divisional office, the accountant shall certify that the numbers of the measurement books are correctly noted and shall note in the divisional register the name of the officer to whom the books have been transferred.

(7) If a measurement book is lost, the holder shall at once report the loss to the sub-divisional officer, and the latter shall at once make an investigation and send a detailed report to the divisional officer. The divisional officer shall make a further investigation, if necessary, and shall report the case to the superintending engineer. The superintending engineer shall personally investigate the case and report to Government that the loss is or is not due to the negligence of a particular person. Even if the loss is proved to have been beyond the control of the holder, a note of the fact that the measurement book has been lost shall be recorded in his personal register, and if more than one such entry has been made, the fact shall be specially brought to notice in his annual report.



(8) All completed measurement books shall be returned to the divisional office for record. It is the duty of the divisional officer to see that a measurement book is returned for record within a reasonable time of its first issue, and to ensure this he shall periodically examine the register. The recorded books shall be tied in bundles by years. A slip shall be placed at the top of each bundle showing the number of books in each bundle, and the year of return as recorded in the register. The return of any completed book issued for reference must be carefully arranged for.

(9) The superintending engineer, either when he inspects the divisional office, or otherwise, shall examine the divisional register of measurement books at least once a year, and sign it in token of having done so, recording therein any remarks he considers necessary. He shall see that sufficient check measurements are made by divisional and sub-divisional officers.

## APPENDIX IV

## IMPREST ACCOUNTS

*Para. 127.*—Every government servant is personally responsible for the money which passes through his hands and for the prompt record of receipts and payments in the prescribed account as well as for the correctness of the account in every respect. The private cash or accounts of members of the department may not be mixed up with the public cash or accounts.

Cash  
F. H. R.,  
Vol. V.

*Para. 166.*—An imprest is a standing advance of a fixed sum of money given to an individual to enable him to make certain classes of disbursements which may be entrusted to his charge by the divisional officer or the sub-divisional officer. The amount of an imprest should be kept down as far as possible to the amount actually required for current expenses and must not exceed Rs. 1,000 in any case without the special sanction of the Local Government.

Imprest  
Account,  
F. H. R.,  
Vol. VI.

*Para. 169.*—The account of imprest cash should be kept in duplicate in accordance with the instructions printed on form no. 2 imprest cash account. The counterfoil should be retained by the imprest-holder and the original, supported by the necessary vouchers, should be forwarded to the officer from whom the imprest is held, whenever the imprest-holder finds it necessary to have his account recouped, or it is proposed to increase or decrease the amount of the imprest or to close the account altogether. The account must, in any case, be rendered so as to reach the officer from whom the imprest is held, in time to enable him to incorporate the account in his cash book before it is closed for the month on the date fixed for the purpose.

Ditto.

*Para. 170.*—The recouping officer should examine the imprest cash account and the supporting vouchers, initial and date the vouchers in token of approval, and by a formal pay order (*vide* paragraph 49 of Volume V of the Handbook) recorded on the account, authorize the recouping, enhancement, reduction or closing of the imprest, as the case may be. The account should then be abstracted and incorporated in the cash-book in the manner prescribed in notes on forms nos. 1 and 2.

Ditto.

Should any item in an imprest account appear to the recouping officer to be open to objection, the imprest should nevertheless be recouped in full, and the item under objection

should be classified under the head "Miscellaneous—Public Works Advances" for watch under that account until either the objection is removed or the amount is made good by the imprest-holder.

Imprest  
Account  
F. H. R.,  
Vol. VI.

*Para. 171.*—The imprest-holder is responsible for the safe custody of imprest money and he must at all times be ready to produce the total amount of the imprest in voucher or in cash.

Temporary  
advance  
account.  
F. H. R.,  
Vol. VI.

*Para. 172.*—When a disbursing officer makes a remittance to a subordinate officer to enable him to make a number of specific petty payments on a muster roll or other voucher which has already been passed for payment, the amount remitted should be treated as a temporary advance and accounted for in the same way as an imprest. The account of a temporary advance should be closed as soon as possible.

This rule applies also to cash taken out of the chest by the disbursing officer himself for making payment at a distance.

Imprest  
Accounts,  
G. M. O.

*Para. 74.*—(1) An imprest account shall be recouped or closed at intervals not exceeding one month's duration. As far as possible, an imprest should be recouped during or immediately after inspection of the imprest-holder's charge by the recouping officer. In March, the account should be as complete as possible for that month.

(2) A detail of the cash balance should be shown in each imprest account thus :

			Rs.	Rs.
(1) Cash in hand	...	...	...	...
(2) Minor imprest with	...	...	...	...
A	...	...	...	...
B	...	...	...	...
C	...	...	...	...
		Balance	...	...

(3) Minor imprests of small amounts, with the approval of the sub-divisional officer, may be given by the section-holder to chaukidars and others, and will be dealt with in his cash account in the same way as the main imprests are dealt with in the sub-divisional cash book.

(4) For specific transactions, such as collection of labour, and other petty outlay, imprests may be given to mistries, and others who are temporary or permanent employees.

APPENDIX V  
ACCOUNTS OF WORKS

*Para. 327.*—Under paragraph 296 of Volume V of the Handbook an officer of a Civil Department may, in special cases, arrange for the execution of petty works by the Public Works Department. In such cases the following procedure shall be adopted :

Procedure  
in regard  
to original  
petty  
works.  
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I. The requisition will be made by the officer, for whose convenience the work is required, in form no. 32.

II. The divisional officer, or an assistant or subordinate empowered by him to act in such cases, will record on the requisition his opinion as to what work should be done, and give on the face of the requisition a rough estimate of the probable cost.

III. The acceptance by the responsible civil officer of the estimate as sanctioned by the divisional officer will be sufficient authority for the execution of the work.

IV. In case the civil officer is not satisfied with the report of the deputed subordinate of the department, he should refer the matter to the divisional officer.

*Para. 349.*—In the case of building, the cost of the ordinary annual repairs (excluding municipal taxes) to which is less than Rs. 2,500, the superintending engineer may prescribe, subject to revision from time to time, a lump sum limited to Rs. 2,500 (plus the amount of the municipal taxes, if any, payable by Government under paragraph 284 of these rules) for any one building, to cover the cost of maintenance, and within this amount expenditure will be permissible without any detailed estimate being prepared. Such lump sum should be framed after consideration of the cost of maintenance in the past and, in the case of residential buildings, should further be limited to the amount included for this purpose in the rent assessment. If in any working year the estimated cost of maintenance is more than the permissible limit given above, or if the lump sum sanctioned by the superintending engineer is exceeded, a detailed estimate must be prepared in accordance with the ordinary rules and be sanctioned by competent authority. On sanction being accorded to such an estimate, the sanction of the superin-

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tending engineer to the lump sum provision will automatically be superseded for the working year in question.

1.—The sanction accorded to the lump sum provision referred to in this paragraph shall be held to be a sanction to an estimate for the same amount for all purposes of these rules.

2.—Divisional lists of buildings the annual repairs estimates for which are less than Rs. 2,500 each, should be submitted in quadruplicate for the sanction of the superintending engineer early in April each year. One copy of the sanctioned list will be returned to the divisional officer, one retained by the superintending engineer and the other two will be forwarded to the Principal Auditor.

Advances  
to contrac-  
tors.  
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*Para. 450.*—Advances to contractors are as a rule prohibited, and every endeavour should be made to maintain a system under which no payments are made except for work actually done. Exceptions are, however, permitted in the following cases :

(a) Cases in which a contractor, whose contract for finished work, requires an advance on the security of materials brought to site. Divisional officers may, in such cases, make advances up to an amount not exceeding 75 or 50 per cent of the current value (as assessed by themselves) of the materials (as assessed by themselves according to their character), provided that they are of an imperishable nature and that a formal agreement is drawn up with the contractor under which Government secures a lien on the materials and is safeguarded against losses due to the contractor postponing the execution of the work or to the shortage or misuse of the materials, and against the expense entailed for their proper watch and safe custody. Payment of such advances should be made only on the certificate of an officer, not below the rank of sub-divisional officer, that the quantities of materials upon which the advances are made have actually been brought to site, that the contractor has not previously received any advance on that security and that the materials are all required by the contractor for use on items of work for which rates for finished work have been agreed upon. The officer granting such a certificate will be held personally responsible for any overpayment which may occur in consequence. Recoveries of advances so made should not be postponed until the whole of the work entrusted to the contractor is completed. They should be made from his bill for work done as the materials are used, the necessary deduction being made whenever the items of work in which they are used are billed for.

## 1. Divisional officers are responsible that—

(i) When secured advances have been made for materials, recoveries are made regularly from the very first payments made for those items of actual work in which such material have been used.

(ii) No secured advances are made for any materials unless they are to be used within three months at the most.

(iii) Materials are actually measured in detail before making secured advances on them and their value is based on the actual rates for the purpose of determining the percentage at which secured advances on materials should be made.

*Note.*—Imperishable materials include bricks, rolled steel joists, etc., while articles such as lime, sand, kankar, etc., are perishable. Coal is, however, excluded from both the categories and no advance is permissible on this article.

(b) Cases in which, in the interest of works, it is absolutely necessary to make petty advances. In such cases advances up to Rs. 50 may be allowed by subordinates.

(c) In all other cases only with the sanction of the Local Government, who may, in exceptional circumstances, authorize such advances as may be deemed indispensable, taking the necessary precautions for securing Government against loss and for preventing the system from becoming general or continuing longer than is absolutely essential.

*Para. 375.*—(a) It is a fundamental rule that no work shall be commenced unless a properly detailed design and estimate have been sanctioned, allotment of funds made, and orders for its commencement issued by competent authority. Permission, granted by the Local Government in orders on a budget estimate, for the retention of an entry of proposed expenditure during the year on a work, conveys no authority for the commencement of outlay. Such permission is granted on the implied understanding that, before any expenditure is incurred, the above conditions will have been fulfilled. Excepting in regard to petty works, as defined in paragraphs 314 and 327, repairs of the nature contemplated in paragraph 349 and in cases of real emergency to be immediately reported and explained to the authorities competent to accord administrative approval and technical sanction, this injunction may not be infringed. On the other hand, the sanction of design and estimate by the Local Government or any other authority, not excepting His Majesty's Secretary of State

Commencement of work.  
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for India in Council, conveys no permission for the commencement of expenditure on the work, unless such expenditure has been provided for in the budget estimate of the year, or provision has been made for the outlay within the official year either by appropriation or re-appropriation. Similarly, no liability may be incurred in connexion with any work until an assurance has been received from the authority competent to provide funds that such funds will be allotted before the liability matures.

(b) If in any case, whether on grounds of urgency or otherwise, an officer is required to carry out a work for which no estimates have been sanctioned or for which no financial provision exists (whether estimates have been sanctioned or not) the orders of the officer authorizing the work should be conveyed in writing. On receipt of such written orders the officer who is directed to carry out the work should immediately intimate to the Principal Auditor that he is incurring a liability for which there is no provision or inadequate provision of funds and should, at the time, state approximately the amount of the liability which it is likely he will incur by compliance with the written orders which he has received. As the Principal Auditor will hold all such expenditure under objection, it is the duty of the officer incurring the expenditure to take immediate steps by addressing the appropriate competent authority to obtain orders either stopping the work or regularizing its execution.

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charged  
establish-  
ment.  
Pay bill  
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Para. 458.—Wages of members of the workcharged establishment should be drawn and paid on form no. 29, "Pay bill of workcharged establishment," which is a combined pay bill and acquittance roll form. A consolidated bill in this form should be prepared monthly either for the whole division, sub-division or for one or more sections of it, as may be convenient; but the name and claims of the entire establishment concerned, including absentees, should be shown in each bill. Names should be grouped in the bill by works on which the persons are employed; sanction to the entertainment of the establishment should be quoted in each case, and the sub-divisional officer or the assistant engineer should certify, in the space provided for the purpose, that the persons were on duty during the periods shown against their names, each person being employed on the work and on the duties for which the appointment of the person was sanctioned.

1. Deductions on account of fines, income-tax, etc. should be shown by special entries against the names concerned.
2. If the acknowledgment of an individual cannot conveniently be obtained on the bill itself, it may be obtained

separately on a hand receipt form no. 28, which should then be attached to the bill as a sub-voucher.

*Para. 459.*—Pay bills may be signed at any time on the last working day of the calendar month in which the wages are earned, though they are not due for payment before the first working day of the following month. When, however, the services of an individual are dispensed with, it is permissible and advisable to settle up his account at once.

Work-charge establishment. Pay bills. F. H. R., Vol. VI.

*Para. 460.*—Wages remaining unpaid on a passed bill on the date fixed for the closing of the accounts of the month may be paid subsequently when claimed, the procedure described below being observed :

Work-charged establishment. Unpaid wages. F. H. R., Vol. VI.

(a) Items remaining unpaid on the monthly bill should be entered in a simple register, full particulars of the charge, including reference to the bill, being noted in the register.

(b) Subsequent payments should be made on hand receipts, form no. 28 reference to the bill in which the charge was originally included and to the particular item thereof, being quoted in each case.

(c) When making payments of arrears, suitable notes of payments should be recorded against the original entries in the register.

*Para. 461.*—No bills need be prepared in support of claims for travelling expenses. Payments should be made on hand receipts, form no. 28 which should set forth all the necessary particulars of the journey performed and of the expenses claimed and should be countersigned by the divisional officer prior to payment.

Work-charged establishment. Travelling expenses. F. H. R., Vol. VI.

*Para. 462.*—Every payment made to a member of the work-charged establishment whether on account of his wages or in recoupment of actual travelling expenses, should be charged to the work on which he is employed.

Work-charged establishment. Classification of charge. F. H. R., Vol. VI.

*Para. 463.*—The cost of work charged establishment must be shown as a separate sub-head of the estimate.

*Para. 465.*—(a) The issue of materials to contractors who have contracted for completed items of work is generally permissible only in the following circumstances :

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(i) When, under the operation of paragraph 366, it is necessary to retain in the hands of Government the supply of imported materials ;

Issue of material to contractors. F. H. R., Vol. VI.

(ii) when, in the interest of work, or with the object of utilising existing stocks of materials, it is desirable to retain in the hands of Government the supply of certain other materials as well, and a condition to this effect has been inserted in the contract.

(b) In both cases the contract should specify (1) the materials to be supplied by Government for use on the work (2) the place or places of delivery, and (3) the rates to be charged to the contractor for each description of material and the contractor should be held responsible for obtaining from Government all such materials required for the work and for making payment therefor, by deduction from his bills at the rates specified, regardless of fluctuations in the market rates or in the stock rates of the division.

(i) The rates to be charged to the contractor for materials to be supplied should be definitely specified, vague quotations, e.g., "at stock rates" being avoided, and if intending contractors had been told that the materials would be supplied at a certain rate and asked to tender on that assumption, then that rate should be adhered to in the contract.

(ii) Similarly, the rates to be allowed to the contractor for items of work, should be definitely stated.

(c) No carriage or incidental charges are borne by Government for moving the materials beyond the place where the contractor has agreed to take delivery thereof.

*Para. 456.*—(a) As a general rule no other materials should be supplied to such contractors for use on works, but this restriction may be waived by the sub-divisional officer or the assistant engineer in respect of petty issues (at full issue rates) of materials from existing stocks, not exceeding Rs. 50 in any month for any one contract.

(b) If at any time subsequent to the execution of a contract on a through rate basis, the contractor desires the issue to him, for use on a work, of materials which exist in Government stocks but the supply whereof by Government was not provided for in the contract, the materials should not be issued except with the express authority of the divisional officer who should specify in each case the rate to be charged for the materials inclusive of delivery at the place where they are stored. The rate charged should be the market rate prevailing at the time of the supply or the issue rate, whichever may be greater, and no carriage or incidental charges should be borne by Government in connexion with the supply.

The intention of this rule is to prohibit the supply of materials to contractors with the object of giving them financial aid, the grant of which is governed by the rule in paragraph 456, vide paragraph 453.

(c) Issues of stock materials to contractors for *bona fide* use on works are exempt from the usual charge of 10 per cent on account of supervision, storage and contingencies, which is made when stock materials are sold to the public (paragraph 187).

Para. 467.—All materials required for issue to a contractor under any of the provisions of paragraphs 465 and 466, should be made over to him, as soon as they are received, whether from stock or by purchase, manufacture or transfer, and an unstamped, but dated acknowledgment, detailing all particulars of the materials including the rates and values chargeable to him should at once be taken from the contractor.

Para. 469.—On the authority of the contractor's acknowledgment, the cost chargeable to him under paragraph 465 or 466, as the case may be, should be debited at once to his personal account by charge to the suspense head "Contractors—Other transactions" (*vide* paragraph 497) in the accounts of the work concerned. This adjustment should be effected by affording credit to the head concerned, as indicated below :

Source of receipt of material	Head of account to be credited	Value to be credited
I	II	III
(1) Stock (including manufacture).	Stock	At issue rates.
(2) Transfer from another work.	Work concerned.	At a valuation made under paragraph 478. (d).
(3) Transfer from another division or departments.	Purchases	At rates charged by the division or department concerned.
(4) Suppliers	Do.	At rates payable to the suppliers under their contracts.
(5) Obtained through the Stores Department London.	London Stores	The English cost of stores converted into Indian currency in the manner laid down in paragraph 587.
(6) Indian charges on (3)	Head concerned	Actual charges incurred, <i>vide</i> paragraphs 589 and 590.

If the amount thus credited differs from the charge made to the contractors' account, the excess of the former over the latter, should be treated as additional final outlay (plus or minus as the case may be) on the work, a separate sub-

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Debit of cost of materials issued to contractors.  
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head, entitled "Additional charges for materials issued to contractors," being opened for the purpose in the accounts of major estimates.

The object of these rules is to ensure that the full amount chargeable to the contractors is debited to his account as soon as the materials are delivered, so that (1) he may not receive payment at full rates, for the completed items of work, prior to the value of the government materials used by him therein, being charged to his account, or (2) his final bill for the work done may not be settled before the value of materials recoverable from him has been debited to his account.

2. Issues from stock (including manufacture) should be accounted for through the stock returns. For other issues a special transfer entry should be prepared by the sub-divisional or divisional officer in form no. 53 as soon as each transaction taken place.

Method of recovery of cost of materials supplied to contractors  
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*Para. 470.*—The recovery from a contractor on account of the cost of materials issued to him for use on a work should ordinarily be made by deduction from the first bill authorising an advance payment or an on account payment to him for the work. Should, however, a lump sum recovery be undesirable in any case, the divisional officer may permit, for recorded reasons, the recovery to be effected gradually as the materials issued to the contractor are actually used in construction and the items of work in which they are used are paid for whether by an advance payment or by an on account payment.

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*Para. 665.*—In order to meet the demand for extra supervision which may arise from time to time, as well as to ensure that the Public Works establishment shall be capable of contraction as well, as of expansion as the expenditure on works diminishes or increases the permanent establishments may be supplemented by temporary establishments to such extent as may be necessary, and varying in strength from time to time according to the nature of the work to be done. Temporary establishment will include all such non-permanent establishment, no matter under what titles employed, as is entertained for the general purposes of a division or sub-division or for the purpose of the general supervision, as distinct from the actual execution of a work or works. The powers of the several authorities to sanction such temporary establishment will be found in volume I of the Handbook or in the departmental manual of orders.

*NOTE.*—All persons so engaged must be required to sign the declaration indicated in paragraph 666. Petty establishments and establishments whose pay is charged to works under paragraph 667 are exempted from submitting temporary service declaration.



*Para. 666.*—Persons engaged locally will be on the footing of monthly servants, and they must be clearly informed in writing that their employment carries with it absolutely no claim to pension, or to any leave salary beyond those conditionally given to temporary employees under the Fundamental Rules and the rules made thereunder; and they must be required to sign a declaration that this is clearly understood by them. If they are engaged for a special work their engagement lasts only for the period during which the work lasts. If discharged otherwise than for serious misconduct before the completion of the work, they will be entitled to a month's notice or a month's pay in lieu of notice; but otherwise, with or without notice their engagement terminates when the work ends. If they desire to resign their appointments they will be required to give a month's notice of their intention to do so, or forfeit a month's pay in lieu of such notice. The terms of engagement should be clearly explained to men employed in the circumstances mentioned above.

Temporary  
establishment.  
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*Para. 667.*—Work charged establishment will include such establishment as is employed upon the actual execution, as distinct from the general supervision, of a specific work or of sub-works of a specific project or upon the subordinate supervision of departmental labour, stores and machinery in connexion with such a work or sub-works. When employees borne on the temporary establishment are employed on work of this nature their pay should, for the time being, be charged direct to the work.

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*NOTE.*—Subject to the general principles of rules in paragraph 256 and 667 being not infringed, the Local Government may, in consultation with the Principal Auditor, classify as "work-charged" or "temporary" classes of establishment not covered by these definitions, waive the rule which prescribes that "work-charged" establishment must be employed upon a specific work and determine, in such cases, the proportions in which the cost of such establishment shall be allocated between the works concerned.

*Para. 668.*—In all cases previous sanction of the competent authority as laid down in Volume I of the Handbook or in the departmental manuals of orders is necessary, which should specify in respect of each appointment (1) the consolidated rate of pay, (2) the period of sanction, and (3) the full name (as given in the estimate) of the work and the nature of the duties on which the person engaged would be employed.

Work-  
charged  
establishment.  
Conditions  
of employ-  
ment.  
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*Para. 669.*—Members of the work-charged establishment are not entitled to any pension, or to leave salary or travelling or other allowances, except in the following cases:

Ditto.

(a) Wound and other extraordinary pensions and gratuities are in certain cases admissible in accordance with the rules in Part VI of the Civil Service Regulations.



(b) Actual travelling expenses may be allowed by the divisional officer for journeys performed (1) within the United Provinces or to and from a district or foreign state or settlement adjoining his division and (2) in the interest of the work on which the persons are employed.

(c) Grain compensation allowance if sanctioned by the Local Government for other establishments under rules framed by them under Fundamental Rule 44, is also admissible.

1. This rule is not intended to interfere with the discretion of the sub-divisional or divisional officer to grant short casual leave on full pay or on reduced wages, subject to the general rules regarding the grant of casual leave to ordinary establishment.

2. This rule does not apply to members of the temporary establishment whose pay is charged to works under paragraph 667. The leave salaries, travelling and other allowances of such establishments are regulated by the rules applicable to temporary establishments.

3. For rules relating to payments to works-charged establishment, see paragraphs 458 to 463.

*Powers of Sub-Divisional Officer, Mirzapur*

Employment of work-charged establishment  
I. M. O.

*Para. 61-VIII (1) (c).*—To appoint works establishment on pays not exceeding Rs. 100 per mensem, provided provision exists in a sanctioned estimate to cover the cost of such establishment. Works establishment for which there is no provision in the estimate may also be appointed, subject to the limit of pay of Rs. 50 for each person so employed; but action should be reported to the superintending engineer.

*Power of Divisional Officers*

Ditto.

*Para. 62-XI (1) (c).*—To appoint men possessing necessary qualifications to works establishment on salaries not exceeding (i) Rs. 100 per mensem provided provision exists in the sanctioned estimate to cover the necessary cost, or (ii) Rs. 50 per mensem, if no such provision exists.

*Power of Superintending Engineers*

*Para. 63-I (B).*—To appoint men on works establishment posts on salaries not exceeding (i) Rs. 250 per mensem, provided provision exists in a sanctioned estimate to cover the cost of such establishment, or (ii) Rs. 100, if such provision exists.

*Copy of letter no. 259-A. G., dated Delhi, the 15th March, 1921 from Mr. A. IRIBNER, C.I.E., Under Secretary to the Government of India, Public Works Department, to the Secretary to the Government of the Punjab Public Works Department, Buildings and Roads Branch.*

I AM directed to refer to your letter no. 3297-G., dated the 30th November, 1920, enquiring whether it is possible to alter the existing rules so as to permit of final payment being made in cases where a contractor undertakes to supply materials free on rail, on receipt of the railway receipt showing that the goods have been made over to the railway.

2. In reply I am to say that the Government of India are averse from making any such change in the existing rules which are designed to guard against losses due to the action of fraudulent or unscrupulous contractors. They consider that the practice of deferring payment until the consignment has been received and surveyed should continue to be followed as a general rule and that contracts for the purchase of goods should ordinarily contain a stipulation in this sense. Payments prior to verification of quantity and quality of materials should, in their opinion be restricted to only in very exceptional cases. Payments of the latter kind would be of the "nature of advances" and in such cases an agreement should be made beforehand with the contractors to ensure Government against all losses in the event of the materials received being short or defective.

#### THE UNITED PROVINCES STORES PURCHASE RULES, 1935

##### PREAMBLE

The policy of the Government of the United Provinces is to make their purchases of stores (including paper and stationery) for the public service in such a way as to encourage the development of the industries of the country in general of the United Provinces in particular to the utmost possible extent consistent with economy and efficiency, and the following rules are prescribed in accordance with this policy.

2. In order to give effect to the above policy preference in making purchases will be given in the following order :

(1) Firstly, to articles which are produced in India in the form of raw materials, or are manufactured in India from raw material produced in India, provided that the quality is sufficiently good for the purpose.

(2) Secondly, to articles wholly or partially manufactured in India from imported materials, provided that the quality is sufficiently good for the purpose.

(3) Thirdly, to articles of foreign manufacture held in stock in India, provided that they are of suitable type and requisite quality.

(4) Fourthly, to articles manufactured abroad which need to be specially imported.

3. Subject to the above, and to such limitations as may be prescribed by the Government, the Director of Industries may, when he is satisfied that such a measure is justified, allow a limited degree of preference in respect of price, quality, or finish, to articles produced or manufactured in India either wholly or in part.

4. Purchases shall be made through the Stores Purchase Section of the Industries Department, except when otherwise provided in the rules or where the Director of Industries authorizes the direct purchase of any article which in his opinion can most conveniently or cheaply be purchased by indenting officers.

NOTE.—For instruction relating to the Proviso, see Appendix A.

#### RULES

*Rule 1*—Save as provided in rule 7, all articles required to be purchased for the public service shall be purchased on the condition that delivery shall be made in India for payment in rupees in India.

*Rule 2*—Tenders shall be invited—in India, and abroad also when considered desirable—for the supply of all articles which are purchased under rules 1, 3 and 4, unless the value of the order to be placed is small or sufficient reasons to be recorded exist which indicate that it is not in the public interest to call for tenders. No tender which fails to comply with the condition as to delivery and payment prescribed in rule 1 shall be accepted.

*Rule 3*—All articles, whether manufactured in India or abroad, shall be subject to inspection before acceptance, and articles for which specifications and/or tests have been prescribed by competent authority shall be required to conform to such specifications and/or to satisfy the prescribed test or tests which may be carried out during manufacture or before or after despatch from the suppliers' premises.

*Rule 4*—(1) Except as provided in rule 7 (1) of these rules, all plant and machinery shall be purchased in India, through the Director of Industries, under an agreement that no payment shall be made till the plant and machinery have been erected and fully tested under full working conditions. In exceptional cases, however, where any part payments are necessary before requisite tests are complete, the previous

approval of Government in the Finance Department should be obtained.

(2) Other important iron and steel works shall be obtained only from firms approved by the Director of Industries and entered in a list as corrected from time to time by him.

(3) Purchases referred to in sub-rules (1) and (2) above shall be made or arranged for by the Director of Industries in agreement with the indenting officer. In case of disagreement, the former may refer the matter to the Head of the Department concerned, and if the Director of Industries and the Head of the Department cannot agree, he should refer it to the Government in the Industries Department.

*Note 1.*—By "important iron or steel works" are meant articles of iron or steel which form important components of the project in hand, e.g., bridge girders and roof trusses, built up in the firm's workshops and supplied for erection, in such section as may be convenient, and rolled steel beams, rails or other section cut to length or otherwise prepared at the firm's workshops to suit the indenting officer's requirements. The intention of the rule is to ensure that parts, the accurate preparation of which is essential to the security of the project, shall be obtained only from firms which possess workshops and appliances capable of turning out work of the desired standard. The raw materials used may be either imported or of Indian manufacture, subject to the usual specification.

*Note 2.*—Applications for inclusion in the list of contractors under this rule should be made to the Director of Industries direct by the firm with a full statement of the reasons which in its opinion justifies such inclusion. The inclusion should be considered by the Director of Industries in consultation with the Chief Engineers, Public Works Department Buildings and Roads and Irrigation Branches. If the Director of Industries does not agree with the Chief Engineer concerned, he should refer the matter to Government in the Industries Department.

*Rule 5—(i)* In the case of works let out on contract, provision should be made in the contract agreement (a) that the contractors must obtain articles required for the construction of such works from the firms with which the Director of Industries has made arrangements, and (b) that in the case of articles for which the Director of Industries has made no arrangements, but has, in consultation with the consuming departments prescribed specifications and/or tests, they conform to such specifications and/or such tests.

(ii) The contracting officer shall be free to allow contractors to make their own arrangements to his satisfaction and without reference to the Director of Industries, for such articles required for the construction of works for which the Director of Industries has made no arrangements or for which no specifications and/or tests have been prescribed at the time of issuing tender notices.

(iii) The contracting officer shall be free to reject any articles supplied which may not be up to the specifications/samples under which the articles were supplied. Copies of these specifications/samples shall be supplied to the contracting officer by the Director of Industries. The contracting firm shall have a right of appeal to the Director of Industries.

*Rule 6*—Nothing in these rules shall be deemed to prohibit the purchase of articles by one department from another.

*Rule 7*—(1) In special cases where suitable purchases cannot be made in India, plant and machinery may, with the previous sanction of Government, be obtained from abroad provided the following conditions are satisfied :

(a) The supplying firm is borne on the list of the Government of India and has been exempted from furnishing a security deposit or has responsible agents in India who are borne on the list of the Government of India as being exempt from furnishing a security deposit.

(b) In the case of supplies from England inspection and test are arranged for wherever possible through the experts employed by the High Commissioner for India.

(c) The orders for well-known types of machinery and plant costing more than Rs. 5,000 approximate as nearly as possible to the standard types of recognized engineering firms.

(d) The orders shall ordinarily be placed through the Indian Stores Department of the High Commissioner for India, but in special cases with the sanction of Government an order may be placed direct.

(2) The articles enumerated in Appendix B, or any other articles of a special or unusual character, may, when suitable and economical purchases cannot be made in accordance with the preceding rules, be obtained by the officers specially authorized as mentioned in Appendix C without reference to those rules subject to the condition that the purchasing officer may at his discretion either obtain the article that he requires by indent on the India Store Department, London, or purchase it direct from manufacturers or dealers abroad. Where resort is had to direct purchase from manufactures or dealers abroad, tenders shall, whenever practicable, be first obtained.

(3) When orders are placed on the basis of delivery free on board vessel at port of despatch, arrangements for the



shipment of the stores shall be entrusted to the Director General, India Store Department, London.

(4) When articles are purchased abroad under this rule through the agency of the India Store Department, London, payment shall be made by that department. In other cases payment shall be made—

(i) in countries other than Great Britain and Northern Ireland, direct to the suppliers by the purchasing officer ;

(ii) in Great Britain and Northern Ireland, through the High Commissioner for India.

Note.—The procedure mentioned in Appendix D shall be followed in making payments.

Rule 8.—In cases of emergency, when inconvenience to the public services is likely to be caused by waiting to obtain an article through the Stores Purchase Section, a competent authority may purchase in India, articles not manufactured in India, up to a limit of Rs. 500. For purchases between Rs. 500 and Rs. 5,000 he must obtain the sanction of the head of his department. The authority sanctioning such purchase must, within fifteen days, inform the Director of Industries of the reasons which led him to exercise these emergency powers. For purchases over Rs. 5,000 the sanction of Government in the administrative department must be obtained.

Rule 9.—The following articles may be purchased direct :

(1) Articles of a perishable and fragile nature, and inflammable and volatile articles.

(2) Spare parts of machinery or articles urgently required to effect repairs.

(3) Cheap articles in common use when the value of the entire quantity of each article purchased for an individual work does not exceed Rs. 100.

Note.—The foregoing exception does not apply to local purchases stationery which are governed by the Stationery Manual.

The Superintendent, Printing and Stationery, may purchase for the Stationery Office any one article, or any number of similar articles, purchased at one time, included in the list of printing stores, up to Rs. 1,000 in each case, subject to a maximum of Rs. 5,000 per annum.

(4) Livestock and fodder for livestock.

(5) Material such as bricks, sand, common timber, kankar, stone ballast, lime, country tiles, etc.

Rule 10.—The Government in the Industries Department will sanction departures from these rules if the public



interests so require. All applications for sanction to such departures should be made with full reasons through the Director of Industries.

**Rule 11**—Recoveries made from contractors on account of—

- (a) delay in the supply of stores.
- (b) excess cost of the re-purchase when it is found necessary to cancel a contract, and
- (c) withdrawal by the contractor of the tender before the expiration of the time specified in the form of tender should, in the first instance, be credited to a suspense head. When the amount is eventually determined it should be credited as revenue of the department concerned, or, in the case of departments not having a corresponding receipt head under the head "XXXV—Miscellaneous."

Recoveries may, where stores are indented for on capital account, be adjusted in reduction of expenditure under the capital major head concerned.

**Rule 12**—(1) As a general rule, payment for supplies is not permissible until the articles have been received and surveyed. But in cases in which supplies are, under competent authority, ordered free on rail at the station of despatch, payment may, when desirable, be made on production of railway receipt.

(2) No payment of advances to suppliers is permissible except as provided in rule 4(1) or paragraph 3 of Appendix D.

#### APPENDIX A

##### Instructions relating to the Preamble

1. The revised rules express a definite preference for articles which are produced in India in the form of raw materials or are manufactured in India from raw materials produced in India, and also for articles wholly or partially manufactured in India from imported materials. They also extend a preference (but not in price) to articles of foreign manufacture stocked in India over those which have to be specially imported.

2. The difference in the character of the preferences which may be given should be carefully noted. In the case of the first two categories mentioned in the preamble the condition is that the quality is sufficiently good for the purpose, and for the third category that the articles are of suitable type and requisite quality. This means that articles coming under the first two categories should be accepted, unless it is considered that the quality is definitely not up to the

standard required, even though imported articles may be considered to be of better quality.

3. The other kind of preference referred to in the revised rules is a price preference, and it is enjoined that a limited price preference may be given to articles produced or manufactured in India either wholly or in part. It should be noted that no price preference should be given to articles falling in the third category over those which come within the last category.

4. A strict comparison with prices prevailing abroad is not required, but the underlying principle is that the preference to be accorded to Indian products is to be tempered by the consideration of economy and should discriminate between articles made from Indian and from imported raw materials.

5. Ordinarily a limited degree of price preference in favour of articles produced or manufactured in India will be justified for one or other of the following reasons :

(a) When the industry in question is expected to fill a vital gap in the economic life of the country and is likely to take a firm root in the soil in the near future.

(b) To prevent any sudden dislocation of the labour market on a large scale.

(c) To regulate and control foreign competition especially during periods of temporary trade depression abroad.

(d) To counteract the advantage to foreign industries arising from the depreciation of the currency of the country in question.

6. Price preference may be given by the Director of Industries, subject to such instructions as may be issued to him by Government in the Industries Department ; provided that in the case of contracts for a specific article required by one department only, such price preference may not be given by the Director of Industries without the consent of the officer who controls the budget.

#### APPENDIX B

[See rule 7 (2)]

List of articles that may be purchased by officers mentioned in Appendix C without reference to rules 1 to 6.

(i) Seeds.

(ii) Cinchona bark.

(iii) Articles for experimental or research purposes, including instruments and apparatus required by the Excise Department.

(iv) Articles required for Government Houses.

(v) Such articles as Superintendents of Vaccine Depots may require for the preparation of vaccine lymph (e.g. lanoline and glycerine).

#### APPENDIX C

[See rule 7 (2)]

List of officers who are authorized to obtain direct from manufacturers or dealers in England or in any other foreign country articles mentioned in Appendix B or other articles referred to in rule 7 (2).

1. Chief Conservator of Forests.
2. Chief Engineer, Public Works Department (Buildings and Roads Branch).
3. Chief Engineers, Public Works Department (Irrigation Branch).
4. Director of Agriculture.
5. Director, Civil Veterinary Department.
6. Director of Industries.
7. Director of Public Health.
8. Director of Public Instruction.
9. Excise Commissioner.
10. Inspector General of Civil Hospitals.
11. Inspector General of Prisons.

#### APPENDIX D

[Vide note to rule 7]

#### Procedure for making payments for purchases made from overseas

Subject to the provisions of rule 7, the following procedure shall be observed in making payments for purchases made from overseas :

##### 1. Purchases through the High Commissioner, whether in the United Kingdom or elsewhere—

(1) The officer making the purchase should send the usual indent to the High Commissioner, and should at the same time intimate to that officer the details of the budget allotment in the Indian grant concerned to which the cost will be taken, and place the requisite funds at his disposal.

(2) The officer should also provide the Accountant General with full details of each indent placed with the High Commissioner.

(3) On receipt of the monthly statements of expenditure in England, the Accountant General will enter this expenditure on stores against the Indian budget appropriation concerned.

(4) Indenting officers are responsible for watching expenditure on account of indents against budget allotment.

In respect of the budget each estimating officer should divide the provision for stores into—

- (1) Stores from England—
- (2) Stores in India ; and
- (3) Customs duty.

Special care should be exercised by the purchasing officer in differentiating the articles purchased through the agency of the High Commissioner from those merely delivered to or shipped through his agency. In the former case, payment cannot be made from India, whereas in the latter case, the procedure prescribed for purchase of articles direct from suppliers should be observed.

2. *Direct purchases for delivery of stores in India for purchases made in the United Kingdom—*

(a) The officer making the purchase should report direct, with the necessary vouchers, to the Accountant General, who will then pre-audit the payment.

(b) At the close of each month the Accountant General will prepare a consolidated statement of the payments to be made, and purchase a sterling draft in favour of the Secretary of State for India in Council and forward the draft, with the necessary details of payment to be made to suppliers, to the Secretary to the High Commissioner for India.

(c) The Accountant General will then bring the cost of the sterling draft finally to account against the Indian budget appropriation concerned.

This procedure does not permit a purchasing officer to make a payment himself by bank draft or otherwise.

In the case of really urgent payment, the Accountant General will authorize the High Commissioner by the telegram to disburse the amount in question, and will include it in his next monthly sterling draft, making a suitable note in the statement accompanying the sterling draft. The High Commissioner will take this portion of the remittance against

the payment already made by him on the authority of the telegram.

**NOTE 1.**—Particular care should be taken to ensure that no double payment is authorized in respect of the same claim.

**NOTE 2.**—The Accountant General when forwarding the sterling draft to the High Commissioner, should also endorse a copy of his communication to the officer concerned in India.

3. *For purchases made elsewhere than in the United Kingdom*—Payments for direct purchases made elsewhere than in the United Kingdom may be made by the purchasing officers direct to the suppliers *whether by bank draft, postal order, or otherwise.*

4. *Direct purchases on the f. o. b. system, whether in the United Kingdom or elsewhere*—Under clause (a) of rule 7 (1) if orders are placed on the basis of delivery free on board vessel at port of despatch, arrangement for the shipment of the stores shall be entrusted to the Director General, India Store Department, London. With a view to avoid delay in payment to suppliers in such cases the purchasing officer may, if he considers such a course desirable, authorize the suppliers to submit their bills direct to the Director General who will certify that the stores referred to in the bills have been inspected by him and despatched under his arrangements. After verification the Director General will pass the bills to the High Commissioner for payment. The amount paid will be debited to the Accountant General through the Remittance Account in the usual manner, supported by the suppliers bills duly certified by the Director General, India Store Department, London. In cases in which it is desired to adopt this method of payment, the purchasing officers in India will give complete instruments to suppliers and the Director General, India Store Department, London. If more than one copy of a bill is required, the fact will be stated in the order, and if bills are required to be submitted on any special forms, the necessary forms will be supplied.

5. *Special provisions for payment of advances for purchases of plant and machinery*—When in the case of supplies from abroad payment of advances to the contracting firm is unavoidable, they shall be regulated as follows :

(a) In the case of contracts including erection, 80 per cent of the price of the plant may be advanced in rupees in India against the railway receipt covering the despatch of the material from an Indian port. 10 per cent of the price may be advanced when the plant is taken over after satisfactory completion of tests and the remaining 10 per cent may be paid at the end of the maintenance period. The payment on account of erection of the plant shall be made separately in proportion to the progress of the work.

(b) In the case of contracts independent of erection, 80 per cent of the price may be advanced in rupees in India against the railway receipt covering the despatch of the material from an Indian port and 20 per cent may be paid upon delivery and check at the site, or within one month of delivery, whichever is earlier; provided that if in any case the check of material cannot be carried out within one month of its delivery, the matter shall be referred to the Government in the Finance Department for sanction of the advance payment.

NOTE.—This direction shall also apply to similar cases in which purchases are made through the Indian Stores Department of the High Commissioner for India; but in such cases sterling payment should be avoided as far as possible, and arrangements should ordinarily be made for payment in India. In any case provision for sterling payments requires the previous approval of the Finance Department.



## APPENDIX VI

## CONTRACTS

Contract  
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*Para. 351.*—The recognised systems for carrying out work otherwise than by the employment of daily labour, are "piece-work" and "contract work."

Piece-work is that for which only a rate is agreed upon without reference to the total quantity of work to be done, or the quantity to be done within a given period. The term "contract," as used in these rules, does not include agreements for the execution of work by piece-work, nor does it include mere ordinary purchases of materials or stores.

All other work, done under agreement, is termed "contract work," and in agreements for such work, which should invariably be in writing, there should generally be a stipulation as to the quantity of work to be done, and the time within which it is to be completed.

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*Para. 352.*—In the Irrigation Branch of the department a system of execution of works on "work orders" is in force. Rules on the subject are contained in Appendix VII.

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*Para. 353.*—Rules regarding the execution of works in lump sum contracts, will be found in paragraphs 403, 406 and 533 to 547.

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*Para. 354.*—A manual for the guidance of officers of the department in their relations with contracts has been published for the general guidance and assistance of executive officers. The instructions contained in it must, however, be followed subject to a reference to competent authority before entering upon legal proceedings.

Contract  
documents  
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*Para. 355.*—Before a work is given out on contract the divisional officer must prepare "contract documents" to include—

- (1) A complete set of drawings showing the general dimensions of the proposed work and, so far as necessary, details of the various parts.
- (2) A complete specification of the work to be done and of the materials to be used, unless reference can be made to some standard specification.
- (3) A schedule of the quantities of the various description of work.
- (4) A set of "conditions of contract" to be complied with by the person whose tender may be accepted.

*Para. 357.*—If the amount of the tender is likely to be beyond the divisional officer's power of acceptance, or to be of an unusual character, he should, before publicly inviting tenders, submit the contract documents to the superintending engineer for his approval or remarks, together with a copy of the proposed advertisement for tenders, and the form in which tenders are to be submitted. If the amount of tender is likely to exceed the superintending engineer's power of acceptance or to be of a very special nature, that officer should, in like manner, submit the contract documents to the Chief Engineer for approval.

Contract documents  
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*Para. 358.*—In works of great magnitude the contract deeds should be specially prepared by the Government law officers, but for ordinary contracts, including all such as are based on tenders which a superintending engineer is competent to accept, such ordinary forms as may have been approved by the Local Government will generally suffice.

Contract documents  
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*Para. 359.*—Estimates and amounts of sanctions are to be treated as strictly confidential and officers of the department are forbidden from communicating them to any contractor, piece worker or prospective tenderer.

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*Para. 360.*—Tenders, which should always be sealed, should invariably be invited in the most open and public manner possible, whether by advertisement in the *Government Gazette* or local newspapers, or by notices in English and the vernacular posted in public places, and tenders should have free access to the contract documents. The notice should in all cases state—

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(1) The place where, and the time when, the contract documents can be seen and the blank forms of tender obtained; also the amount, if any, to be paid for such forms of tender.

(2) The place where, the date on which, and the time when, tenders are to be submitted and are to be opened (in the case of large contracts this should be at least one month after the date of first advertisement or notice).

(3) The amount of earnest money to be deposited, and the amount and nature of the security deposit required in the case of the accepted tender.

(4) With whom, or what authority, the acceptance of the tender will rest.

*Authority should always be reserved to reject any or all of the tenders so received without the assignment of a reason, and this should be expressly stated in the advertisement.*

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*Para. 361.*—At the advertised time and place all tenders received for the same contract should be opened by the divisional officer or other officer, in person, in the presence of such of the intending contractors or their agents as may choose to attend. No tender should be accepted from any person directly or indirectly connected with the Government service.

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*Para. 362.*—As a rule no tender for the execution of works of any description should be entertained unless accompanied by earnest money paid to the extent which has been notified as necessary by the divisional engineer or other officer. But in the case of work costing less than Rs. 10,000, the divisional or other officer may, at his discretion, demand earnest money only from the contractor whose tender has been accepted.

Tenders for road metal collections costing less than Rs. 5,000 may be accepted without earnest money at the discretion of the divisional officer.

Tenders  
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*Para. 363.*—The amount of earnest money to be deposited should be sufficiently large to be a security against loss, in case of the contractor failing to furnish the required security within the appointed time after the acceptance of his tender, or until the sums due to him form a sufficient guarantee, as the case may be.

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*Para. 364.*—Usually the lowest tender should be accepted, unless there be some objection to the capability of the contractor, the security offered by him or his execution of former work. At the same time the acceptance or rejection of tenders is left entirely to the discretion of the officer to whom the duty is entrusted, and no explanation can be demanded of the cause of the rejection of his offer by any person making a tender. In selecting the tender to be accepted the financial status of the individuals and firms tendering should be taken into consideration in addition to all other relevant factors.

Security  
performance  
of contracts  
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Tenders  
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*Para. 365.*—Security for the due fulfilment of the contractor should invariably be taken. This security may take the form of a cash deposit, a deposit of interest bearing securities, a deduction of 10 per cent from the payments to be made on account of work done, or a personal bond of two persons of known probity and wealth.

1. When earnest money tendered under paragraph 363 is converted into security deposit, it should be taken into account for the purpose of the deduction made under this rule, e.g., when 10 per cent of the first monthly payment is less than the amount of earnest money no deduction will be made from it the deduction will come from the subsequent payment but when it is more, only the difference between it and the earnest money will be deducted from the bill towards the security deposit.

2. Fixed deposit receipts of Messrs. Bhagwan Dass and Company Bankers, Dehra Dun, should if offered be accepted as security from contractors who are required to furnish security to ensure the proper execution of government work that may be entrusted to them subject to the conditions laid down in paragraph 514 (c).

*Para. 366.*—In framing contracts of any description care should be taken to retain in the hands of Government the supply of imported materials, if required to any considerable extent, and to arrange the terms accordingly. Such stores should either be supplied from the existing Government stock or be obtained in accordance with Stores Purchase Rules. In the case of important construction work let out on contract such stores may be supplied by the contractor, subject to the conditions given in the Stores Purchase Rules.

Provision  
in contracts  
for imported  
stores.  
F. H. B.,  
Vol. VI.

*Para. 367.*—Engineers and their subordinates are responsible that the terms of contracts are strictly enforced, and that no act is done tending to nullify or vitiate a contract. All contract deeds must be executed on one or other of the standard forms, but they may be modified to suit local requirements after consultation with the legal advisers of Government. All agreements or security bonds entered into with the department by contractors for the execution of work or for securing the due performance of contracts are exempt from stamp duty.

Enforce-  
ment of  
terms of  
contract.  
F. H. B.,  
Vol. VI.

*Para. 368.*—No authority lower than an assistant engineer or the officer in-charge of a sub-division may accept any tender or make a contract for public works. The officers legally empowered to execute on behalf of the Secretary of State the different classes of deeds, contracts, and other instruments are detailed in Appendix VIII. This power is, however, in each case subject to the departmental rules laying down the powers of officers to enter into contracts.

Officers  
empower-  
ed to execute  
contracts.  
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*Para. 369.*—It is not the intention to prevent the officers mentioned in the preceding paragraph from giving out to different contractors a number of contracts relating to one work even though such work may be estimated to cost more than the amount up to which they are empowered to accept tenders. But no individual contractor may receive a contract amounting to more than this sum, nor, if he has received one contract, may he receive a second in connexion with the same work or estimate while the first is still in force, if the sum of the contracts exceeds the power of acceptance of the authority concerned.

Officers  
empowered  
to execute  
contract.  
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*Para. 370.*—Departures from the rules contained in paragraphs 351 to 369 will be permitted by the Local Government only in unavoidable circumstances. The following point should be very carefully noted :

Officers  
empowered  
to execute  
contracts.  
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I. No authority may enter into a contract into which he is not empowered to enter under paragraph 368 and Appendix VIII or which infringes the rule in paragraph 369.

II. No authority may accept any contract for a work until an assurance has been received from the authority competent to provide funds for the same, that such funds will be allotted before the liability matures [vide paragraph 375 (a)].

III. No authority subordinate to the Local Government may waive the provisions of paragraphs 360 where the purchase of imported materials contravenes the provision of the Stores Purchases Rules.

Note. Attention is drawn to the fact that the above does not apply to piece-work agreement which are not contracts within the meaning of these rules, vide paragraph 351.

Lump sum contract, F. H. R., Vol. VI.

Para. 405.—In a lump sum contract, the contractor agrees to execute a complete work with all its contingencies in accordance with the drawings and specification for a fixed sum, the following being the essential characteristics :

(i) A schedule of rates is specified in order to regulate the amount to be added to or deducted from the fixed sum on account of additions and alteration not covered by the contract.

(ii) Except as provided in clause (i), no allusion is made in the contract to the departmental estimate of the work, schedule of rates or quantities of work to be done.

(iii) Detailed measurements of the work done are not required to be recorded except in respect of additions and alterations.

1. In the hill districts of the Kumaun Division the system of auctioning contracts of work of slip clearance may be adopted subject to the conditions (1) that the auction will be held by the district or assistant engineer and (2) that it will be one of the conditions of the contract that no concession in rates, etc., will be allowed after a contract has been given out at the bid of the contractor.

Lump sum contract, F. H. R., Vol. VI.

Para. 406.—Before a work is given out on contract on a lump sum basis, the procedure prescribed for ordinary works for inviting tenders and entering into agreement with the contractor, vide paragraphs 360 to 367, should *mutatis mutandis* be followed. Otherwise also the rules regulating ordinary



works apply so long as they are not inconsistent with any special rules relating to lump sum contracts.

**NOTE 1.**—In drawing up a contract document, the essential conditions mentioned in paragraph 402 must be observed closely.

**NOTE 2.**—The form of contract is prescribed by the Local Government in consultation with their law officers. The special account rules for such works contained in Section II of Chapter XIV, are based on the assumption that the essential conditions will be observed in drawing up contracts; it is therefore desirable that, before a form is finally determined, the advice of the Principal Auditor should be sought on the question whether the proposed form meets the requirements of audit.

**NOTE 3.**—Security deposits should be kept for not less than six months after the work is complete or for any longer period mentioned in the contract. During this period the divisional officer should adjust any expenditure in which the contractor may become liable under the conditions of his contract.

**Appendix VII—1.** These rules apply to only all contracts and agreements not exceeding the sum of Rs. 7,500 which cannot be completed and settled up forthwith.

2. (a) No work shall be performed under any such contract or agreement, unless the conditions to be fulfilled are reduced to writing in English and signed by the contractor and the officer competent to enter into the contract or agreement.

(b) No authority lower than the officer in-charge of a sub-division may enter into any contract or agreement for public works.

(c) When work has to be performed within five miles of the headquarters of a Civil district where it is possible to call for tenders as laid down in paragraphs 360 to 364, Public Works Accounts Rules, the full instructions in those rules must be observed for all contracts exceeding Rs. 1,000.

(d) For works other than those mentioned in sub-clause (c) above, where such formalities are difficult to carry out, it is left to the discretion of the officer entering into any contract not exceeding Rs. 7,500 to follow or dispense with them as seems most suitable for the purpose of the work concerned.

(e) Contracts not exceeding Rs. 7,500 should be drawn up on the prescribed work order form (Irrigation Branch form no. 10-B) and clear instructions and specifications, signed by the divisional or sub-divisional officer and by the contractor, should be entered in English. These instructions and specifications must be precise as to what is to be done, the time to be allowed, and the penalty which may be inflicted in case of failure. When the contractor does not understand English he should be supplied with a translation of the contract order, but he should be made to understand the

Work  
orders for  
the execution of  
work  
P.H.D.



Government will not be answerable for any inaccuracy in this translation.

3. For sums exceeding Rs. 7,500 all contracts should be drawn up on forms nos. 111 and 112 prescribed for the purpose and the full instructions laid down in the Public Works Account Rules must be strictly followed.

When, however, the urgency of a project requires the work to be commenced forthwith and before the tender and contract documents have been accepted by competent authority the work may for recorded reasons and under the written orders of the divisional officer, be started temporarily on a piece-work agreement prescribed for the purpose which should be immediately cancelled as soon as the proper contract bond is completed and signed. The sub-divisional officer and the divisional officer (except in cases where the sub-divisional officer is empowered to deal with the contract finally) will be held personally responsible for getting the bonds completed and signed with the least possible delay.

*General*

4. No individual contractor may receive more than one contract at one time in connexion with the same work.

This, however, will not prevent a divisional or sub-divisional officer giving to the same contract more than one contract in several sections of the same work in different localities (e.g., earthwork or silt clearance in different reaches of the same channel) or in connexion with different types of work (e.g., repairs to banks and masonry works under the annual repairs estimate).

Moreover, this restriction does not apply to entering into a supplementary contract to cover items of work inadvertently left out of the original contract or which could not be foreseen when the latter was drawn up. See also paragraph 369.

5. Divisional officers may accept tenders up to the limit of a sanctioned detailed estimate in cases where the conditions of contract in the printed form approved by the Local Government are sufficient and applicable. They may also delegate to sub-divisional officers selected by name the power to accept tenders not exceeding Rs. 5,000. An officer before accepting a tender or agreement must see that the total is within his powers of acceptance and, if not, he is responsible for forwarding the same to his superior officer for approval and signature. Special attention is invited to paragraphs 368 to 370.

6. Special attention is also invited to the first section of paragraph 367 and to the necessity of either enforcing

penalty for failure to finish the work within the time-limit laid down in the contract or of getting proper sanction of competent authority in writing to its extension. In such cases where the sub-divisional officer accepted the contract, the power to extend the time-limit or enforce the penalty lies with him. In other cases sub-divisional officers should submit the case with their recommendations to the divisional officer for orders. The orders passed on the case, which should give the reason for the decision, should be filed with the contract documents.

Whenever it is necessary to extend the time-limit of a contract an application in writing from the contractor should be obtained before the original time-limit expires, and this application with the orders of the divisional or sub-divisional officer noted thereon should be attached to the contract papers.

**Appendix XIX : General principles to be observed by government officers in entering into contracts or agreements on behalf of the Government.**

**GENERAL**

1. The main duty of officers entering into contracts is to see that the Government get a fair return for the money to be spent.
2. Every precaution must be taken to prevent any official from having a personal interest, direct or indirect, in a tender, contract or agreement, or from assisting a contractor in the preparation of tenders or from standing as security for him.
3. In works of great magnitude the contract deeds should be specially prepared by the Crown law officers, but for ordinary contracts, including all such as are based on tenders which a superintending engineer or other subordinate authority is competent to accept such ordinary forms as may have been approved by Government will generally suffice.
4. Even in cases where a formal written contract is not made no order for supplies etc. other petty purchases up to Rs. 50 should be placed without at least a written agreement as to price.
5. If the amount of the tender is likely to be beyond an officer's power of acceptance, or to be of an unusual character, he should, before publicly inviting tenders submit the contract documents to the next higher authority for his approval or remarks together with a copy of the proposed advertisement for tenders and the form in which tenders are to be submitted. If the amount of the tender is likely to

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exceed that authority's power of acceptance, or to be of a very special nature, that authority should in like manner submit the contract documents to the next higher authority.

6. No contract may be entered into with or on behalf of a minor, but if a contractor dies, his legal representative, even though a minor, is bound by the terms of the contract.

7. When a contract has been made with a person for a work a second contract in connexion with the same work while the first is still in force may not be given to the same person if the sum of the contracts exceeds the power of acceptance of the authority concerned.

8. Officers will be personally responsible for any irregular engagements entered into by them in opposition to, or in contravention of, the rules or orders issued by Government.

#### TENDERS

9. Whenever practicable and advantageous, contracts should be placed only after tenders have been invited. In regard to contracts for "works" or "repairs" tenders should subject to the exception noted below, invariably be invited for those estimated to cost Rs. 7,500 or more in the Irrigation Branch or Rs. 1,000 or more in other departments. In cases of contracts for "supplies" reasons for not inviting tenders should be recorded if the cost of supplies exceeds Rs. 1,000.

*Exception.*—Executive engineers in the Buildings and Roads Branch of the Public Works Department may, at their discretion, dispense with, in really urgent and exceptional cases, the necessity for calling for tenders for work costing up to Rs. 7,500. An executive engineer exercising this discretion must, however, report his action to the superintending engineer with the least possible delay.

10. Tenders should ordinarily be invited on standard forms prescribed for the purpose. (See also rule 33).

11. Sealed tenders should be invited in the most open and public manner possible, e.g. by advertisement in the *United Provinces Gazette*, circular communications to reputed dealers and contractors, etc. The advertisement should state the place where, the date on which, and the time when, the tenders are to be submitted and will be opened. In the case of large contracts, at least one month's time from the date of advertisement or notice should be allowed. Tenders should

be opened by a responsible officer and not by subordinates, in the presence of such intending contractors as may choose to attend.

12. Before giving out a minor or petty work on contract, it should be decided whether the articles included in the estimate, apart from those mentioned in rule 9 of the Stores Purchase Rules contained in Appendix XVIII of the Financial Handbook Volume V, will be supplied departmentally or by the contractor. If the articles are to be supplied departmentally they shall be purchased in accordance with the Stores Purchase Rules mentioned above, the contractor being paid only the hoisting and erecting charges, if necessary. If the contractor is permitted to supply the articles, the permission should be subject to the conditions laid down in rule 3 of the Stores Purchase Rules.

13. If departmental purchase of articles for which no detailed specifications exist are to be made in conformity with the Stores Purchase Rules, the Director of Industries in the case of purchases in India and the High Commissioner for India or the supplying firm as the case may be, in the case of purchases abroad, should be informed of the approximate quantities and expected qualities of the required articles. If it is considered desirable in any particular case, samples of the required articles may be demanded before the actual order for supply is placed and the samples should be kept carefully in sealed receptacles. In such cases the subsequent order for supply should stipulate that the full quantities of the required articles should be similar in all respects to the deposited samples.

*Note.*—The rule is not applicable to purchases outside the Store Purchase Rules.

14. Before inviting tenders, every officer should estimate his requirements for the period involved, as far as he can foresee, and regulate the time of his purchases according to the state of the market.

15. The approximate quantities of articles likely to be required should be specified in the invitation for tender.

16. Materials which are likely to depreciate or deteriorate should not be purchased long in advance of the requirements.

17. All tenders must be submitted on the prescribed form which can be obtained on application and payment where this is required. No tender should, as a rule, be considered

unless it is accompanied by earnest money which should be as follows :

Amount of tender	Earnest money
	Rs.
(1) Up to Rs. 2,000	50
(2) Above Rs. 2,000 but not exceeding Rs. 5,000	100
(3) Above Rs. 5,000 ditto Rs. 10,000	200
(4) For each addition Rs. 5,000 or part thereof, a further sum of	100

Contracting officers may fix the amounts of earnest money at rates lower than those prescribed above, if for any particular reason they consider it advisable to do so, but, in no case should the earnest money be less than 1/2 per cent of the estimated value of the work.

NOTE 1.—An Executive Engineer of the Buildings and Roads Branch has the discretion to accept tenders without earnest money for road metal collection costing less than Rs. 5,000; and in the case of works costing less than Rs. 10,000 an executive engineer or other officer may, at his discretion, demand earnest money from all tenderers or only from the contractor whose tender is accepted.

NOTE 2.—No earnest money is necessary in the case of tenders received by the Store Purchase Department.

18. Earnest money may be furnished either in cash or landed property (excluding house property), or in interest bearing securities, viz., Government promissory notes or in fixed deposit receipts of banks recognized by Government, as well as in municipal debentures, port trust bonds and treasury receipts. The amount of earnest money to be furnished should be stated in the notice calling for tenders, which should also contain a direction that, instead of furnishing cash, tenders should themselves deposit the amount in the treasury or sub-treasury which is convenient to them and attach to their tenders the treasury receipt in support of the payment of the earnest money. In special cases, where it would be inconvenient for tenderers to deposit earnest money into a treasury, may tenderers be permitted to deposit the earnest money with the officer inviting the tender in cash or currency noted up to a limit of Rs. 500, instead of into a treasury. Such deposits will be treated as Public Works Department deposits or revenue deposits, as the case may be.

19. A proper receipt should be given for the amount of earnest money received and the earnest money of unsuccessful tenderers should be refunded to them as soon as possible after the disposal of tenders, a stamped receipt being obtained. A register should be maintained showing the receipt and refunds of earnest money and security deposits prescribed in rule 28.



20. Tenders should be properly filled in before acceptance or submission to superior officers for disposal, as the case may be. As the tender along with the agreement and connected papers form the documents on which a court's decision is based in case of a disputed claim brought by a contractor, it is absolutely necessary to draw up the papers correctly in the first instance and to see carefully that there are no omissions. Special attention should, therefore, be paid to the close scrutiny of all such documents before finally accepting of all such documents before finally accepting them or submitting them to superior authority.

21. Other conditions being equal, the lowest tender should ordinarily be accepted, but the acceptance or rejection of any or all of the tenders received is left entirely to the discretion of the officer empowered to accept the tender for the work. No tenderer can demand to know the reasons for the rejection of his tender, and this should be expressly stated in the notice calling for tenders. Such an explanation may, however, be called for by a superior authority; and therefore, the reasons for which the lowest tender has not been accepted should always be recorded.

22. In selecting the tender to be accepted, the respectability and financial status of the tendering firm or individual must be taken into consideration in addition to other relevant factors.

23. Security should in all cases be taken for the due fulfilment of a contract. This security may be furnished in one of the forms mentioned in paragraph 71 of the Financial Handbook, Volume V, or in paragraph 365 of the Financial Handbook, Volume VI, as well as in municipal debentures and port trust bonds. With the exception of contracts of less than Rs. 7,500 security deposits should not be refunded till at least six months after the completion of the work without the express sanction of the head of the department.

NOTE 1.—The limit of six months laid down in this rule does not apply to refund of security deposits in the Public Works Department, Buildings and Roads Branch, in the case of kankar, brick or stone ballast collection for road work.

NOTE 2.—In the case of contracts entered into by the Stores Purchase Department, security need not be taken except in cases in which the Director of Industries considers it to be necessary.

24. Long-term contracts should, as far as possible, be avoided. A fixed price should always be settled for each article to be supplied and agreements should not provide for rates fluctuating with the market.

25. Provision must be made in contracts for safeguarding Government property entrusted to a contractor.



26. Ordinarily no cash advances should be made to contractors for supplies under a contract, unless specially provided for in the tender or allowed by a standing rule or order of the Government.

27. Clear and specific penalties should be attached to a breach of the contract or agreement.

28. Provision should be made for preventing the subletting, assignment or transfer of the whole or part of the contract except with the written permission of the Government officer giving the contract.

#### RATIONS AND FODDER

29. In calling for tenders for articles the contractor should whenever possible, and except in the case of perishable articles, be required along with his tender to deposit a sample, and the contract should be to the effect that the full quantity of the articles contracted for should be in accordance with the sample. The sample should be carefully preserved in a sealed receptacle.

30. A sufficient stock should be laid in at the cheapest season, and it will probably be advantageous to call for tenders just after the harvest season. It may also be advisable to enlist the assistance of the Revenue Department officers in obtaining tenders of articles of diet as those officers are likely to be in close touch with the conditions of the grain market.

31. Before accepting a tender the officer should ascertain, by a comparison of the rates offered and by inquiries in the local market, the current market rate of the articles and see that no ring has been formed against the Government.

#### DOCUMENTS

32. Bonds or agreements should be drawn up in connexion with contracts. Standard forms should be adopted, as far as possible, and the terms should be subjected to adequate prior scrutiny. The advice of the Crown law officers should be taken whenever found necessary about the forms of deeds and agreements.

33. The terms of a contract or agreement must be precise and definite and there should be no room for ambiguity or misconstruction.

34. The terms of a contract once entered into should not be varied except in accordance with the instructions in the

departmental Manuals or Codes. Where any material variation is proposed, which is beyond the scope of the instructions, the previous consent of the Government in the Finance Department should be obtained through the ordinary channel.

35. The forms prescribed by the Buildings and Roads Branch of the Public Works Department for the invitation of tenders and the execution of agreements should be used by civil officers for building works unless other forms have already been specially authorized, or unless the use of a special form is found to be necessary in any particular case. Very good reasons should exist for introducing a new form of contract and the sanction of Government in the Finance Department should be obtained before such a form is brought into use. If any doubt is entertained as to the legal phraseology or the suitability of the new form for the purpose for which it has been drawn up, it should, before submission to the Finance Department, be forwarded to the Government Comptroller for scrutiny, and the fact that the form has been approved by him should be reported to the Finance Department. Copies of the Buildings and Roads Branch forms are obtainable from the Superintendent, Printing and Stationery, United Provinces, and the forms prescribed by the Director of Industries can be obtained from that officer.

36. Deeds or agreements should be adequately stamped except when the stamp duties chargeable on them are specifically remitted under clause (e) of section 9 of the Indian Stamp Act, 1899, and where necessary, registered, under the rules in Chapter LXXX of the Manual of Government Orders, Volume II, and in Appendix C of the United Provinces Stamp Manual Part I, as amended from time to time.

#### MISCELLANEOUS

37. Subject to the above general principles, heads of departments may, with the approval of the Administrative Department of the Government, supplement these instructions and prescribe forms of documents where necessary.

38. The Auditor General and, under his direction other Audit authorities have power to examine contracts and to bring before the Public Accounts Committee any cases where competitive tenders have not been sought, or where high tenders have been accepted, or where other irregularities in procedure have come to light.

#### *Para. 38. 1.—Revision of rates during the execution of works—*

(1) The officer competent to accept a tender or enter into an agreement has power to revise any of the rates of that tender or agreement so long as such revision does not raise

Alterations  
in terms of  
contracts  
L.M.C.

the total amount to be paid in connexion with that agreement or tender beyond the sum to which his powers of accepting tenders or entering into agreements are limited, and provided that it does not necessitate a revised estimate or cause an excess over a sanctioned estimate which is beyond his powers of sanction. Otherwise, the previous approval of the competent sanctioning authority should be obtained before the rates are revised.

(2) In the case of agreements or tenders for the execution of annual repairs, sub-divisional officers may not sanction or revise rates beyond the limits laid down in the schedule of rates, which must be approved by the superintending engineer concerned and maintained in every division, without the previous approval of the divisional officer concerned and subject also to the conditions laid down in paragraph 98-1 (1) above.

(3) The authority sanctioning the revision of rates should also fix the time during which or the quantity of work for which the revision is to be operative. It must, however, be borne in mind that the revision of rates with retrospective effect during the execution of the work is reprehensible and should not be ordinarily countenanced. Such revision should only be allowed on sufficient justifications being shown and for reasons which should be recorded in writing.

*II—Authority competent to extend the time-limit laid down in a contract document and to reduce or remit the penalty in the case of failure on the part of the contractor to fulfil his obligations under the contract—*

The officer competent to accept a tender or to enter into an agreement has full powers to alter the time-limit and to remit or reduce the penalties provided in the contract, subject to the restriction that these powers may not be exercised by sub-divisional officers who have held charge of a sub-division for less than three years. Such officers must first obtain the sanction of the divisional officer before permitting an amendment of, or deviation from, the conditions of the contract of agreement.

## APPENDIX VII

## CARE OF STORES

*Para. 181.*—The manufacture or collection of material involving an outlay of Rs. 10,000 or upwards must in all cases be covered by an estimate showing the proposed outlay and the material to be received.

Manufacture of store  
F. H. B.,  
Vol. VI.

*Para. 182.*—If the material be for a work already duly sanctioned, or for reserve stock within the sanctioned limit for the division, the estimates will merely require the approval of the superintending engineer, but in all other cases the estimate must be duly sanctioned by competent authority, as though for an original work.

Manufacture of  
F. H. B.,  
Vol. VI.

*Para. 183.*—To avoid delay that might occur in manufacturing and procuring various materials stores may be collected and kept in reserve. As these stores cannot be debited at once to any specific work, since it is not known on which work they may be used, they are accounted for in suspense account of stock.

Reserve of stock.  
F. H. B.,  
Vol. VI.

*Para. 184.*—Ordinarily, materials should be purchased only for works in progress, and no reserve of stock should be kept except with the specific sanction of, and to the money limit prescribed by, the Local Government. If such a reserve has been sanctioned, the divisional officer is authorized, subject to the approval or sanction of the estimate therefor where required by the provisions of paragraph 182, to purchase or manufacture stock to an extent sufficient to keep it up to that limit. The fixed money limit should be kept at the lowest point compatible with efficiency, and the stock returns of divisions should be carefully scrutinized by superintending engineers, from time to time with reference to this point.

Reserve of stock.  
F. H. B.,  
Vol. VI.

*Para. 185.*—All losses of stock should be immediately investigated and steps taken to obtain the sanction of competent authority to their write-off, if necessary. See also paragraph 82 of Volume V of the Handbook.

Loss of stores.  
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*Note.*—In the case of serious losses the divisional officer should hold a departmental inquiry and record the evidence and his findings thereon including a finding as regards the responsibility and culpability of the persons concerned.

*Para. 186.*—An immediate report of the loss of stores must also be made to the police and all proper steps taken for the recovery of the property. When an enquiry is held either by the police authorities or others, divisional officer must, in

Loss of stores.  
F. H. B.,  
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cases where he is not himself authorized to write off the value of the property, obtain and forward as soon as possible, to the superintending engineer, a copy of the proceedings.

Sale of stores.  
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*Para. 187.*—When stock materials are sold to the public or other departments, an addition of 10 per cent must be made to cover charges on account of supervision, storage and contingencies. This addition may, however, be waived by the officer empowered to sanction the sale in the case of surplus stock which in his opinion, would otherwise be unsalable.

*See also paragraph 608.*

*Note.*—The overhead charges recovered under this paragraph should not be treated as receipts on account of stock, but as revenue receipts, or receipts on capital account, as the case may be.

Sale of stores.  
F. H. B.,  
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*Para. 188.*—When any serviceable stores, including tools and plant, except those instruments which are returnable to the Survey and Mathematical Instrument Office, have been declared as surplus to requirements by competent authority, they should at once be reported by the divisional officer to the Stores Purchase Officer, United Provinces, for notification in the Stores Purchase Supplement to the *United Provinces Gazette*. If the notification does not result in a sale to a member of the public or in transfer to another department within six months from the date of publication, the surplus stores shall be surveyed and disposed of in accordance with departmental rules.

Sale of stores.  
F. H. B.,  
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*Para. 189.*—When stores of any kind become unserviceable, a report thereof should be made in form no. 18. This should be done at once on discovery of the fact.

Sale of stores.  
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*Para. 190.*—Except as provided in paragraph 187, no public stores may be sold otherwise than by public auction, without the permission of the superintending engineer. Commission, which should ordinarily not exceed 5 per cent, may be allowed to the auctioneer, not being a departmental subordinate, but no commission can be allowed on private sales.

*Note 1.*—When stores are sold by auction, a responsible officer or subordinate should attend and record the final bids, in order that the sale accounts rendered by the auctioneer may be checked.

*Note 2.*—Only the net sum received from the auctioneer for sale of stores after deduction of his commission should be credited as sale proceeds in government accounts.

Sale of stores.  
F. H. B.,  
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*Para. 191.*—Ordnance stores not required by officers of the department must be returned by them into the nearest magazine.

Mathematical Instruments  
F. H. B.,  
Vol. VI.

*Para. 192.*—All new instruments required for the department, which have been provided for in sanctioned scale, should be obtained by indent from the Mathematical Instrument Office, Calcutta. A normal scale of Mathematical in-



struments is sanctioned for each division or circle. Instruments must not be indented for in excess of that scale without the sanction of the superintending engineer if the excess is not more than Rs. 100 or of the Local Government if the excess is over Rs. 100. An estimate is required if the cost of the instruments required exceeds Rs. 500. All indents on the Mathematical Instrument Office should be countersigned by the superintending engineers accompanied, if the amount exceeds Rs. 500, by a certificate to the effect that the supply of the articles detailed therein is covered by a sanctioned estimate. The specific reference numbers of the instruments shown in the price list of that office should always be quoted on all indents. Instruments requiring repair should ordinarily be sent to the Mathematical Instrument Office, Calcutta, or to the depot from which they were supplied for the purpose, unless there is any Government workshop more conveniently situated where the repairs can be properly executed, or in cases of urgency, when the work may be entrusted to a local firm.

Surveying and mathematical instruments should not be stocked in excess of requirements and surplus instruments should be returned either to the Mathematical Instrument Office, Calcutta, or to the depot from which they were obtained.

The Stores Purchase Officer will make arrangements in accordance with the Stores Purchase Rules for the supply of mathematical and drawing instruments such as drawing boxes, levelling staves, chains, straight edges, set squares, etc. which are manufactured in India where the samples have been approved by the chief engineers of the two branches of the department.

*Para. 194.*—A store-keeper is appointed with the sanction of the competent authority if the charge of stores is sufficiently large. His duties will be confined to the custody preservation and issue of the store under his charge, and to keeping the required returns relating to them and he will have nothing to do with the disbursement of cash, the supply of material or the preparation of bills.

store-keepers  
F. H. B.,  
Vol. VI.

*Para. 219.*—(a) The sub-divisional officer is responsible that the value of materials sold to municipalities local funds and the public, and of issue made to contractors for private use, is recovered in cash at the earliest opportunity.

Mode of recovery,  
F. H. B.,  
Vol. VI.

*NOTE.*—A sale account in form no. 19 should be prepared in support of every such sale.

(b) All adjustments of the value of stock issued on sale should be made by the divisional officer as in the case of



receipts (*vide* paragraph 215). The sub-divisional officer is, however, responsible for the clearance from works accounts, of all outstanding against contractors on account of the recoverable value of materials issued to them by charge to works.

Stock-taking  
F. H. B.,  
Vol. VI.

*Para.* 230.—Divisional officers are to have stock taken throughout their divisions at least once a year.

Stock-taking  
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*Para.* 231.—It is not necessary that all the stores of a division, or even of a sub-division, should be checked and counted at the same time, and the stock-taking may be arranged so as to go on gradually in the manner most convenient to the officers concerned. It is, however, essential that the greatest possible precision and accuracy should be maintained in the store returns, and the divisional officer should make such arrangements as are calculated to secure this result, and superintending engineers are responsible that this is done. The dates on which articles are taken stock of are to be entered in the store returns.

A certificate of check specifying clearly the issues personally checked by each government servant should be recorded under his dated signature.

Stock-taking  
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*Para.* 232.—Important stores should, as a rule, be counted by a member of the Indian or United Provinces Engineering Service, but this duty may, at the discretion of the Local Government, be entrusted to a senior member of the subordinate engineering service when holding charge of a sub-division. The superintending engineer, when he thinks proper, may depute an officer from one division to aid in the stock-taking of another.

Stock-taking  
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*Para.* 233.—All articles of stock (not including tools and plant) which are not likely to be required during the following twelve months should be reported to the divisional officer, who will, if necessary, take the superintending engineer's orders as to their disposal.

Stock-taking  
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*Para.* 234.—The results of all verifications of stock should be reported to the divisional officer for orders, but as soon as a discrepancy is noticed, the book balance must be set right by the verifying officer, a surplus being treated as a receipt and deficit as an issue, with a suitable remark.

Stock-taking  
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*Para.* 235.—(a) The value of stores found surplus should be credited at once as a revenue receipt or a receipt on capital account, as the case may be.

(b) The value of a deficit should, however, not be charged off finally, but kept under "Miscellaneous P.W. Advances."

pending recovery or adjustment under orders of competent authority. When the loss is declared to be irrecoverable and its write-off ordered, a transfer entry should be prepared clearing the head "Miscellaneous P.W. Advances" by debit to—

(i) the works for which the stores were specially collected, if the accounts thereof are still open, or

(ii) the general head "Losses on stock" under one or more major heads, as may be decided by competent authority, on a consideration of the objects for which the stores were stocked.)

*Para. 236.*—Under paragraph 231, stock-taking of a sub-division may go on gradually throughout the year. The stocks of an article in a sub-division may, however, be scattered, and it may, therefore, not be possible in such a case to test the aggregate book balance of any article for the sub-division by an actual verification of all the stocks of it at the same time. Where such conditions prevail the following expedients should be adopted :

Stock-  
taking  
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(a) Sectional officers may be required to maintain quantity accounts of receipts, issues and balances (in a form similar to the half-yearly balance return) of stock materials in their charge. These accounts should be posted monthly from the registers of stock receipts and stock issues before the latter are submitted to the sub-divisional or divisional officer.

(b) These accounts should be submitted to the sub-divisional or divisional office at the close of each half-year for record after reconciliation with the half-yearly balance return of the sub-division.

(c) As far as possible, the various stocks in charge of a sectional officer, of each article, should be verified at or about the same time, so that the difference between the sectional book balance and the actual balance may at once be known. This difference should be adjusted in the manner prescribed in paragraph 234, without waiting for the results of verification of stocks in other sections.

1. Before the adjustment of a difference is accepted finally by the sub-divisional or divisional officer, he should test the correctness of the sectional officer's book balance by reference to the records of his own office.

2. The sectional officers should be required, at the time of the stock-taking, to bring to account all issues to works made since the closing of the previous month's accounts.

Stock-taking  
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Vol. VI.

*Para. 227.*—The procedure of verification outlined in the foregoing paragraph is suitable primarily for divisions executing ordinary works. In the cases of special stores depots or divisions, or of construction divisions where there may be large concentration of stores, their physical verification should be the duty of the executive authorities and should be performed by such agency and in such detail as may be decided by the Local Government in consultation with the Principal Auditor.

Recovery for sales and transfers.  
P. H. R.,  
Vol. VI.

*Para. 235.*—The sub-divisional officer is responsible that when tools and plant are disposed of by sale or otherwise, with the sanction of competent authority, the amount recoverable from the parties concerned is realized at the earliest opportunity. If the amount is not recovered within the month in which the articles are delivered, it should be charged to "Miscellaneous P.W. Advances" as a sale transaction by the issue of a transfer entry.

A sale account in form no. 19 should be prepared in support of every transaction.

Disposal of surplus materials  
P. H. R.,  
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*Para. 478.*—(a) Materials issued to works in excess of requirements may be transferred to stock, provided that they are serviceable and certain to be required.

(b) All surplus materials at site of works which have been completed or stopped or on which outlay has been prohibited for any considerable length of time, should, if likely to be of use at other works within reasonable time, be transferred to works in progress or brought on to the stock account, their value being credited to the work to which they were originally issued and debited to the work to which they are transferred or to the stock account, as the case may be.

(c) No credit should be allowed to a work on account of surplus materials if they are unlikely to be of any use within a reasonable time, but a list of all surplus materials should be maintained in the sub-divisional and divisional offices as a supplement to the half-yearly stock returns, unless the superintending engineer considers this unnecessary.

(d) Materials returned to store or transferred to other works should be priced within current market rates, any resultant loss being borne by the work to which they were originally issued.

These rules do not apply to surplus materials which were originally procured by contractors for themselves or were issued to them and charged off to their accounts under paragraph 467. See paragraph 472.

## VIII—GENERAL APPENDIX

## IMPORTANT MATTERS NOT MENTIONED ELSEWHERE

*Para. 28.*—Public money in the custody of a department or office should, as a rule, be kept in strong treasure chest and secured by two locks of different patterns. In the absence of any precise orders from Government, the head of the office in-charge of the chest should make such arrangements for the custody of the key and the proper disbursement of all moneys as he considers requisite. All the keys of the same lock must, except where the procedure prescribed in the note to this paragraph is adopted, be kept in the same person's custody, and, as a general rule, the keys of the one lock should be kept apart from the keys of the other lock, and in a different person's custody, when practicable. When there is a police guard, the havildar or other petty officer of the guard should usually be the custodian of one set of keys. The chest should never be opened without both custodians being present. The non-commissioned officer or *dafadar* of the guard should always be present when a treasure chest is opened and until it is again locked. Whenever a cashier is attached to an office the keys of one of the locks of the treasure chest will necessarily remain in his possession.

Custody  
of cash  
F. H. B.,  
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*Note.*—If considered desirable the duplicate keys of each chest may be placed, under the seal of the officer in-charge, in the custody of the treasury officer. In the event of this practice being adopted, a duplicate key register should be maintained and once a year in the month of April, the keys should be sent for, examined and returned, under fresh seal, a note being made in the register that they have been found correct.

*Para. 158.*—No government servant may without previously obtained an extra appropriation incur expenditure in excess of the amount provided for contingent charges under the head of the account concerned, and when a government servant exceeds the annual appropriation he will be held personally responsible for the excess. In the case of contract contingencies, disbursing officers have full liberty to expend the sanctioned grant under each major head, but excess expenditure over a contract grant can only be permitted by the Local Government. It must be distinctly understood that when a contract allowance is once fixed, it cannot, under any circumstances whatever, be exceeded without the previous sanction of the Local Government, and that this will only be given in case of extreme necessity. It will not be sufficient to show that an *unavoidable or unforeseen* expenditure has to be incurred in excess of the provision under one or two

Contingent  
charges  
General  
rule  
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items; it must be provided to the satisfaction of the Local Government that the contract sum, as a whole, was insufficient; and that the excess could not be met by strict economy under other heads. When a number of items are included in a lump grant, saving, with good management, will always be possible under some heads; and government servants must learn to limit their expenditure by the sum placed at their disposal. An additional appropriation, even if made, is liable to be retrenched from the appropriation of the following year.

Responsibility of different authorities.  
F. H. B.,  
Vol. VI.

*Para. 169.*—Every public officer should exercise the same vigilance in respect of expenditure incurred from government revenue as a person of ordinary prudence would exercise in spending his own money. The drawing officer is responsible for seeing (1) that vouchers are prepared according to rules, (2) that money is either required for immediate disbursement or has already been paid from the permanent advance, (3) that the expenditure is within the available appropriation, (4) that all steps have been taken with a view to obtain an additional appropriation, if the original appropriation has either been exceeded or is likely to be exceeded, and (5) that in the case of contract contingencies, the proposed expenditure does not cause any excess over the amount fixed for these contingencies.

Responsibility of Controlling authority.  
F. H. B.,  
Vol. VI.

*Para. 171.*—It is the duty of a countersigning officer to see (1) that the charge made in a contingent bill are of obvious necessity, and are at fair and reasonable rates, (2) that previous sanction for any item requiring it is attached (3) that the requisite voucher are all received and in order, (4) that the calculations are correct, specially (5) that the appropriation have not been exceeded or are not likely to be exceeded; and (6) that the Principal Auditor is informed either by a note on the bill otherwise of the reason for any excess over the monthly proportion of the appropriation. If expenditure be progressing too rapidly, he should communicate with the disbursing officer and insist on its being checked. He should also arrange with his subordinate officer for reporting to him monthly expenditure to enable him to exercise a check on the total expenditure against the total appropriation under his control.

Issue of duplicate bills  
F. H. B.,  
Vol. VI.

*Para. 331.*—When satisfactory evidence has been given that a bill has been either lost or destroyed, and application is made within a reasonable period after issue and of course, therefore, before it has lapsed, a duplicate may, without reference to the Principal Auditor, be granted to the party who obtained the original, or to the payee, or the legal representative of either, but to no other person. If the bill should not have presented for payment within three months, it will be necessary for the applicant to produce a certificate of non-



payment from the drawee; the issue of this certificate will, of course, be no bar to the payment of the lost bill if presented the duplicate is paid.

#### CAMP FURNITURE

87. Only articles which are indisputably intended for office use may be purchased from government money; furniture of descriptions required by officers in their private capacity or merely because such furniture is necessarily used by them in the course of their official tours should not be charged to Government. Purchase of camp furniture out of government funds should be strictly confined to the articles enumerated in the undermentioned list. Officers incurring expenditure on this account in no case buy the article specified below in greater number than is necessary.

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Part I  
Appendix  
X.

List of articles purchase of which from government funds is permissible:

- (1) Tables for office use.
- (2) Small tables or teapoys.
- (3) Bookshelves or racks.
- (4) Travelling cases for books.
- (5) Chairs (Office).
- (6) Stationery cases.
- (7) Boxes for files, stationery and miscellaneous items.
- (8) Baize table covers.
- (9) Kajwas, salitahs and camel trucks where camels are used (for conveyance of government property).
- (10) Dak sacks.
- (11) Despatch boxes.
- (12) Waterproof sheets (in the hills only for the use of coolies or ponies employed on government work).
- (13) Hand lanterns.

NOTE 1.—The principle that officers should, as a rule, use in their residences only such furniture as is essentially intended for office use governs also the existing stocks of furniture and articles not included in the above list which were purchased at the expense of Government before such purchase was forbidden by G.O. no. 908/XVIII-400, dated the 26th April, 1923. It is the duty of heads of departments to elaborate and enforce this principle.

NOTE 2.—Heads of departments may relax the application of the above principle in any particular case in which hardship would, in their opinion, result from rigidly enforcing it. Such relaxation, however, must only be for limited periods and the power to permit it must not be delegated. There will be no restriction, however, on the use in tents during official tours of camp furniture purchased before the issue of the Government order referred to in note 1 above although it be of a kind intended for private rather than official use.



1. Only responsible persons should be entrusted with the carriage of public money. For this purpose the term "responsible person" should be deemed to include the following government servants subject to the limit specified in each case up to which money can be entrusted to them :

- (1) A peon in permanent government service, up to Rs. 100.
- (2) A peon of over 20 years' service, up to Rs. 200.
- (3) A peon who has furnished security of not less than Rs. 50 or two ordinary peons in permanent government service, up to Rs. 500.
- (4) Two peons who have furnished security as in clause (3) above or an official in permanent government service of not less than two years' standing whose pay is Rs. 25 per mensem or over, up to Rs. 2,000.
- (5) An official in permanent government service whose pay is not less than Rs. 50 per mensem and a peon, in all other cases.

*Exception 1.*—In the case of the divisional and sub-divisional officers of the Public Works Department, Irrigation Works, the following should be considered the minimum escort required for the conveyance of money :

- (1) One dafadar, or if not available, one barkandaz who has furnished a security of Rs. 50 for sums not in excess of Rs. 200.
- (2) One dafadar or barkandaz who has furnished a security of Rs. 50 and one barkandaz of chaprasi for sums in excess of Rs. 200 but not in excess of Rs. 500.
- (3) (i) Dafadar and two barkandazes, or  
(ii) one dafadar or barkandaz who has furnished a security of Rs. 50 and a clerk or munshi in permanent government service of not less than two years' standing and whose pay is Rs. 25 per month or over, for sums in excess of Rs. 500 but not in excess of Rs. 1,000.
- (4) (a) One dafadar and three barkandazes or  
(b) one dafadar or barkandaz who has furnished a security of Rs. 50, one barkandaz or peon and one clerk or munshi in permanent government service of not less than two years' standing and whose pay is Rs. 25 per month or over, for sums in excess of Rs. 1,000 but not in excess of Rs. 2,000.

For the above purpose except where otherwise stated it is unnecessary that the barkandazes should be permanent men or that they should have furnished any security. The dafadar should be a permanent man who has deposited his full security of Rs. 50. No sums exceeding a total of Rs. 1,000 should however be in transit at any one time except in very special circumstances or in the case of salary bills. In no case shall sums in excess of Rs. 2,000 be in transit at any one time.

*Note.*—Temporary divisions and subdivisions shall be exempted from the operation of the rules so far as the word "permanent" is concerned. When a temporary clerk or musafir has to be employed his pay should not be less than Rs. 45. In case there is no clerk or musafir on Rs. 45 or more in the division a sub-divisional clerk or musafir drawing the highest pay should be employed.

*Exception 2.*—In the case of divisional offices of the Public Health Department, public money may be entrusted to the following government servants subject to the limit specified in each case :

(1) A temporary peon of two years' service, up to Rs. 200.

(2) A temporary peon and an official in temporary service of not less than two years' standing, whose pay is Rs. 45 per mensem or over, up to Rs. 2,000.

(3) The accountant of a divisional office and a temporary peon, in all other cases.

2. In special or emergent cases, the responsible authority may deviate from the above rule, but in all cases he will be responsible for taking such precautions for the safety of the money as are possible in the circumstances.

*Para. 281.*—(1) The amount of rent to be paid for office accommodation for superintending engineers will be fixed by the Local Government.

(2) When it is necessary to hire a separate building for the accommodation of offices of superintendents of works or divisional officers, the amount of office rent to be paid by Government will be fixed by the superintending engineer, up to a maximum of Rs. 100 per mensem, any higher rent being fixed by the Local Government.

(3) When divisional officers and superintendents of works provide accommodation for their offices in the building (not being a government building) in which they reside, they may, under the orders of the superintending engineer, be allowed to draw office rent up to Rs. 20 a month, chargeable in the monthly coarctant bill. In special cases the office rent may, at the discretion of the superintending engineer, be increased to a maximum of Rs. 45 a month; but in no case should it

Hire of  
office ac-  
commoda-  
tion for  
officers.  
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exceed half the rent of the whole house subject to the same maximum.

(4) When a sub-divisional office is necessarily accommodated in the sub-divisional officer's residence (not being a government building), the sub-divisional officer may, under the sanction of the superintending engineer, be allowed a fair proportion of the rent actually paid for the house he occupies on account of the accommodation which he necessarily has to provide for the office establishment attached to his sub-division, up to a maximum of Rs. 20 per mensem. The fixation of any higher rent requires the sanction of the Local Government, which may be accorded subject to the following conditions:

(i) In calculating the accommodation set apart for office purposes, no allowance should be made for a separate room, apart from the office, to be occupied by the sub-divisional officer.

(ii) The sub-divisional officer's immediate superior must certify both as to the amount of necessary accommodation and that it is actually available and suitable in the house in question.

(iii) He must also certify that no government building is available, and that no suitable separate building can be hired for the purpose at a less cost.

If the building is a private one, the rent to be paid by Government should be limited to one-third its actual rent and to Rs. 20 per mensem. In the case of a building hired specially as a sub-divisional office, the rent to be paid will be fixed by the superintending engineer up to a maximum of Rs. 20 per mensem, any higher rent being fixed by the Local Government.

(5) The municipal tax assessed on the annual value of buildings in which office accommodation is provided, or on the land appertaining to them should be treated as separate from the rent. If it is the local rule or custom for the tax to be chargeable to the owner, tax for the entire building will be paid by Government, otherwise the officer concerned should pay the share of such tax corresponding with the share of the rent, payable by him, and Government should be debited with the difference. (See paragraph 28).

NOTE.—The orders contained in clauses (1) to (4) of this paragraph are special for the Public Works Department, and override the general orders regarding the scale of rent for office accommodation which are applicable to other departments.

Para. 288.—Each superintending engineer will keep a register (in Public Works Department Form 130) of all buildings in charge of the department within his circle, and each

divisional officer a similar register of all the buildings within his division. In these registers the value of the land comprised in a property will be shown separately from the value of the building or buildings thereon, the value of each separate structure being also shown separately. In the case of a purchased property the price paid will be apportioned between the various items comprising the property, e.g., land, main building, servants' quarters, compound wall, well, etc.

*Para. 577.*—Verbal orders for the commencement of work are to be deprecated as being liable to misapprehension, but in cases where such orders are given they should ordinarily be confirmed in writing as soon as possible thereafter.

Commencement of work.  
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*Para. 523.*—To facilitate the preparation of estimates, as also to serve as a guide in settling rates in connexion with contract agreements, a schedule of rates for each kind of work commonly executed should be maintained in the division and kept up to date. It should be prepared on the basis of the rates prevailing in each locality and necessary analyses of the rates for each description of work and for the varying conditions thereof should, so far as may be practicable, be recorded.

Schedule of rates.  
F. H. B.,  
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The rates entered in estimates should generally agree with the scheduled rates but where, from any cause, the latter are not considered sufficient, the deviation should be explained in detail in the report on the estimate.

*Para. 733.*—If the divisional officer has set a limitation on the drawing of any sub-divisional officer or an assistant or assistant executive engineer on a treasury for any month, he should intimate the same to the treasury officer, and specify the date of commencement and termination of the account month of the sub-divisional officer. The divisional accountant while examining the cash-book of the sub-divisional officer, should see that the total amount of cheques drawn by him during that month does not exceed the prescribed limit. (*See paragraph 145.*)

Scrutiny of accounts.  
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6. The principles to be observed in deciding whether an item of expenditure should be charged to Capital or to Revenue are as follows :

(a) Capital bears all charges for the first construction and equipment of a project, as well as charges for maintenance on sections not opened for working and charges for such subsequent additions and improvements as may be sanctioned under rules by competent authority. It may also bear charges on account of restoration of damages caused by extraordinary casualties, such as flood fire, etc., and such charges should be

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Statement A  
Main classification of expenditure.  
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recorded under a separate minor head "Extraordinary Replacement."

(b) Revenue bears all charges for maintenance and working expenses, which embrace all expenditure for the working and upkeep of the project, as also for such replacements and minor additions or improvements as it may be considered desirable to charge to Revenue instead of increasing the capital cost of the undertaking.

(c) In the case of renewals and replacements of existing works, if the cost really represents an increase in the capital value of the system and exceeds the cost of the original work by Rs. 1,000 the cost of the new work should be divided between Capital and Revenue, the portion, debited to the latter account being the cost of the original work, which should be estimated if the actual cost is not known, and the balance charged to Capital. In other cases, the whole cost of the new work should be charged to Revenue. Thus, a renewal which does not represent a substantial improvement of the original work, but which is in all material essentials the same as the latter, although it may exceed the cost of that work by more than Rs. 1,000, should not be charged to Capital but to the Revenue account.

(d) When the construction estimate of a project for which a separate Capital account is kept, is closed, the expenditure on works of extensions will be charged thus :

(i) Estimates exceeding Rs. 1,000, for (1) works which are in themselves directly remunerative, such as new distributaries, mills or works for increasing the canal discharge, and (2) works which are necessary for the full development of a project, but which are not in themselves directly remunerative, shall be charged to the capital account.

(ii) Estimates amounting to Rs. 1,000, or under shall be charged to the Revenue account.

(iii) All estimate for works which are neither remunerative in themselves, nor considered necessary for the development of the project, shall be charged to the Revenue account.

(e) Where outlay is of a nature which under these rules does not appertain to Capital, it is not, under any circumstances and whatever its magnitude, to be charged to Capital.

NOTE.—The limit of Rs. 1,000 prescribed in the rule may be modified by the local Government.



*Detailed classification of Works expenditure pertaining to irrigation, navigation, embankment and drainage works*

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Works expenditure of irrigation, navigation, embankment and drainage major heads, other than XVII, 18(1) and 19, falls under one or other of the minor heads "Works," "Extensions and Improvements" and "Maintenance and repairs." Each of these minor heads is divided into (1) Headworks, (2) Main canal and branches, (3) Distributaries, (4) Drainage and Protective Works, (5) Watercourses (for "Works" only), (6) Special tools and plant (for "Works" only), and (7) Losses on stock. Under the minor head "Maintenance and repairs" an eight head "Compensation" should be opened. The detailed heads subordinate to these heads are enumerated in Statement C.

2. In the case of heads (2) and (3) a separate account may be opened for the main canal and for each important branch and distributary. In the case of projects sanctioned after June, 1929, the works expenditure relating to Main Canal and Branches will be divided into (1) Main Line of a Canal, and (2) each of its branches separately, that relating to distributaries will also be grouped for the distributaries belonging to the main line of the canal and to each of its branches separately.

3. The following points should receive special attention:

(a) When land is taken up for two or more of these sub-divisions at the same time its cost must be divided into the best way practicable.

(b) In the case of Storage Projects all works connected with supply channels to feed the head reservoir come under Headworks.

(c) Water-power installations at the headworks of a canal, head locks and head regulators of main and branch canals fall under "Main canal and branches."

(d) When a canal or distribution channel therefrom, and a drainage in connexion with it, are planned simultaneously and the two works intersect, the cost of the crossing should be charged to "Drainage and Protective Works."

(e) Buildings required for the general purposes of a canal system, such as workshops, headquarters station, etc., are chargeable to "Main canal and branches."

4. For rules relating to watercourses, special tools and plant and losses on stock, see Appendix X and paragraph 196

and 234, respectively. The head "Watercourses" is not necessary in the case of the minor heads "Extensions and improvements" and "Maintenance and repairs." The head "Losses on stock" is intended for all general losses on stock which cannot be attributed to any work the accounts of which are open.

Appendix I.  
Statement  
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*Enumerating the detailed heads referred to in paragraph 1 of Statement B and detailing the works and services the charges whereon are classified thereunder.*

*General remarks.*—(1) The detailed heads in this list may be varied, under the orders of the Local Government to suit the circumstances of each project.

(2) Combined works falling under two or more heads e.g., combined bridges, and falls or combined falls and regulators should be classified according as to which aspect of the work predominates.

#### *A.—Preliminary expenses*

*Surveys and preliminary investigations.*—This head does not appear under "Extensions and improvements" nor under "Maintenance and repairs."

#### *B.—Land*

*Compensation for taking permanent or temporary possession of land required for the purposes of the work.*—The term "Compensation" includes the following besides the payment for the land itself :

- (1) payments for buildings, trees, crops, etc. and
- (2) cost of special land acquisition establishment when it is chargeable to the Public Works Department under paragraph 268 of Volume V of the Handbook. Sale-proceeds of wood, building materials, etc., obtained on clearing land taken up should be taken in reduction of the charge if realized before the accounts of the estimate for the acquisition of the land have been closed, *vide* clause (b) of statement E. If any buildings acquired with the land are used as residences or otherwise let, they should be brought on the Register of Rents, Form no. 49, and rents realized should be treated as ordinary rent receipts.

#### *C.—Works*

All construction works, whether of earthwork or of masonry, etc., excluding work falling under the heads L.—Navigation and K.—Buildings in all cases and under L.—Earthwork where this is maintained as a separate detailed

head. Ordinarily the grouped head C.—Works takes the place of such of the heads D, E, F, F (1), G, H, J, and L, as are not separately provided for.

*D.—Regulators*

Works (other than escapes and escape heads) for the regulation of supply.

*E.—Falls*

Falls and rapids other than those required to maintain the depth of water for navigation purposes.

*F.—River and hill torrent works*

Aqueducts, superpassages, culverts, syphons, inlets, outlets and cross-drainage works generally when such works are in connexion with river and hill torrents.

*F. (1)—Other cross-drainage works*

Cross-drainage works of the classes referred to under the head "F.—River and hill torrent works," when such works are in connexion with drainage other than that from river and hill torrents.

*G.—Bridges*

Bridges, both road and railway, for crossing the canal, including subsidiary works, *e.g.*, approach roads, fencing gates, ghats, steps *etc.*

*H.—Escapes*

Masonry and earthwork connected with escapes (including escape heads).

*I.—Navigation*

Locks at headworks and on the canal; separate navigation channels and weirs designed for maintaining the requisite depth of water for navigation purposes.

*J.—Mills*

Water-power plant (if a permanent fixture) and buildings in connexion with such plant; also sluices and channels conducting water to and from the same.

*K.—Buildings*

Permanent and temporary buildings (including staff quarters, offices, workshops, stations, *etc.*, but excluding buildings for water-power) and station drainages, roads, gardens, enclosure walls, conservancy work, *etc.*, pertaining to buildings individually or collectively. In the case of maintenance and repairs, this head includes also taxes pay-

able by Government and rents of buildings hired by Government.

*L.—Earthwork*

Excavation and embankments for the channel and its side roads and service roads; protective works for the bed and sides; trimming, turfing or rivetting slopes, retaining walls for embankments.

*L. (1)—Boundary and Service Roads*

This new head may be opened to record the expenditure on side roads and service roads separately if it is not proposed to classify it under "L.—Earthwork."

*M.—Plantations*

All regular plantations, including the cost of clearing land, transplanting soil and planting trees. Gardening charges in connexion with buildings do not fall under this head.

*N.—Tanks and reservoirs*

Earthwork, masonry, etc., on tanks and reservoirs (e.g. tail tanks) in connexion with canals other than tanks chargeable to "Headworks" in the case of storage projects.

*O.—Miscellaneous*

Works and services not falling under any other detailed head. Includes (1) experiments; (2) works in connexion with irrigation outlets not debitible to the head "Water-courses"; (3) distance marks; (4) boundary pillars. Also minor works constructed in the banks of canals or distributaries for the direct delivery of water. Includes also in the case of original works and of extensions and improvements, charges for compensation not debitible to any other detailed head.

*P.—Maintenance*

All repair works prior to the opening of the revenue account for the project or the section concerned. This head appears only under "Works."

The following service and departmental heads have been prescribed by the Local Government under the major head GS-A—Capital—Loan Fund—Productive works—Works for the Ganges Canal Hydro-electric Scheme and Irrigation by Hydro-electric pumping:

Minor heads—Works.

Service heads—Hydro-electric works—

- (a) Power generation.
- (b) Transmission.
- (c) Transportation.

*(d) Losses on stock.*

Irrigation by Hydro-electric pumping.  
Departmental heads—

- A. Preliminary expenses.
- B. Land.
- C. Works
- K. Buildings.
- O. Miscellaneous.
- P. Maintenance.
- Q. Equipment.

*Para. 227.—(a)* The Finance Department of a provincial Government acting as an agent of the Central Government has power to write-off finally the irrecoverable value of stores or public money lost by fraud or the negligence of the individuals or other causes, but must report, such losses to the Government of India when the loss exceeds Rs. 10,000. It may also delegate to Heads of departments or other subordinate authorities the power to write-off losses under this rule; provided that (1) the amount of the write-off in any individual case shall not exceed such maximum limit or limits, not higher than Rs. 1,000, as the Provincial Government may prescribe for each such subordinate authority, and (2) the loss does not disclose (i) a defect of system the amendment of which requires the orders of higher authority or (ii) serious negligence on the part of some individual officer or officers which might possibly call for disciplinary action requiring the orders of higher authority.

Write-off of  
losses.  
C.A. Code.

*Note.*—This rule does not apply to losses of cash in treasuries, whether in the course of receipt or out of treasury balance small coin deposit, or currency chest. Individual cases of such losses should be reported to the Government of India and their specific approval obtained before any item of loss is written off to Central Revenue.

*(b)* A department of the Government of India has power to write-off finally the irrecoverable value of stores or public money lost by fraud, etc., up to a maximum limit of Rs. 10,000 in any individual case. It may also delegate to Minor Local Governments and Heads of departments or other subordinate authorities the power to write-off losses under this rule subject to the provisos mentioned in clause (a) of this article.

*Exception 1.*—The Chief Commissioner, Baluchistan exercises the powers of a provincial Government as defined in clause (a) of this article.

*Exception 2.*—The Auditor General in India may sanction the writing off finally of irrecoverable advances and of the



irrecoverable of the stores or public money lost by fraud or the negligence of individuals or other causes up to a limit of Rs. 5,000 in each case.

*Exception 3.*—The Chief Engineer, Central Public Works Department, may (in respect of works other than provincial works in the Delhi Province) sanction the final writing-off of the irrecoverable value of stores up to a limit of Rs. 5,000, of the loss of public money by fraud, etc., up to a limit of Rs. 1,000 and of the losses of revenue and irrecoverable advances up to a limit of Rs. 250, subject, in each case, to the restrictions imposed by clause (a) of this article.

*NOTE 1.*—This rule does not apply to the Army and Railway Departments of the Government of India whose powers in this matter are regulated by separate orders.

*NOTE 2.*—Subject to proviso (2) in clause (a) of this Article, the powers under Article 227 (b) have been delegated to the Central Board of Revenue to write off finally irrecoverable value of stores or public money lost by fraud, etc., up to a maximum limit of Rs. 25,000 in any individual case.

(c) Officers of the Income-tax Department have power to write-off irrecoverable balances of income-tax demands as shown below—

1. Commissioners of Income-tax.	Unlimited powers.
2. Assistant Commissioners of Income-tax Bombay and Calcutta Cities.	Power to write-off sums not exceeding Rs. 1,000 in each case.
3. Other Assistant Commissioners of Income-tax.	Power to write-off sums not exceeding Rs. 250 in each case.
4. Income-tax Officers.	Power to write-off sums not exceeding Rs. 50 in each case if empowered to do so by the Commissioner of Income-tax.

*NOTE.*—The above-mentioned powers of the Commissioners of Income-tax in regard to the write-off of irrecoverable demands of income-tax are not Central Board of Revenue of the Government of India.

(d) All applications to write-off under this article excepting those falling under clause (c) should be communicated to the Accountant General who will scrutinize in each case and bring to notice any defect of system which appears to require attention.

*NOTE 1.*—This article applies also to losses of revenue and irrecoverable advances, but Provincial Governments acting as agents of the Central Government are authorized to write-off advances made from Central Revenue up to a limit of Rs. 300 inclusive of principal and interest, in each individual case and all cases of write-off of such advances beyond this amount, amount, whether irrecoverable or not, should be submitted to the Government of India for sanction. Remissions of irrecoverable advances to cultivators are governed by Article 131.

**NOTE 2.**—Provincial Governments may redelegate to Heads of Departments and Commissioners of divisions the powers to write-off advances made from Central Revenue subject to a limit of Rs. 100 and the conditions specified in clause (e).

**NOTE 3.**—The limits laid down in notes 1 and 2 above are applicable only to advances the write-off of which is debitabie to Central Revenue. They do not apply to cases of write-off the incidence of which is accepted by the local Government as a provincial charge.

**NOTE 4.**—[Deleted].

**NOTE 5.**—The expression of "value of stores" used in this Article should be interpreted as meaning "book value" where priced amounts are maintained, and "replacement value" in other cases.

**Para. 63.**—(1) Receipts and expenditure will be classed as laid down in Financial Handbook, Volume VI, Appendix I, and explanatory notes and statements attached thereto. See also rules in Chapter XIV of the same handbook.

(2) "Ordinary" and "Special" tools and plant are differentiated in Chapter VIII of the Financial Handbook, Volume VI, and instructions regarding the classification of expenditure on them are also given in the same chapter. The detailed subordinate heads of tools and plant charges are given in explanatory note (16) of Appendix I of Financial Handbook, Volume VI. Details of the various articles, the expenditure whereon is classified under these subordinate heads, are given below.

Classification  
of  
revenue and  
expenditure  
I. M. O.

*Scientific instruments and drawing materials*—Includes mathematical and surveying instruments of all kinds, e.g., theodolites, levels, etc.

*Plant and machinery*—Includes all permanent or temporary way, rolling-stock, and boats purchased for the transport of materials for construction; also all workshop and other machinery, mill-stones, and all mill work purchased for water-mills.

*Tools*—Includes all miscellaneous instruments or tools used in the construction or maintenance of irrigation works.

**NOTE.**—Spirit levels, measuring tapes, patrol's boxes, measuring-rods, leather bags for carriage of dak, padlocks not required for office use, and other articles of a similar nature are classed as "Tools."

*Navigation plant*—Includes steamers, boats, and all plant and gear purchased for navigation, excepting component parts of the detailed head I—Navigation works, which are included under that head.

*Camp equipment*—Includes tents, camp furniture and equipment.

*Liee-stock*—Includes the purchase or hire and maintenance of draught, pack or saddle animals required for other than construction purposes.

*Office furniture*.—Includes articles (except stationery and perishable articles) required for use in executive offices which can be brought on numerical lists like tools and plant.

*Repairs and carriage*.—Includes the cost of maintaining, repairing or transporting any article of tools and plant that may not actually be in use on or required for, any work in hand at the time.

(a) Plant and machinery.

(b) Navigation plant.

(c) Camp equipage.

Deprecia-  
tion of tools  
and plant  
L. M. O.

*Para. 77.*—(1) A register should be maintained in each sub-division and division in the form given on the next page for calculating the value of each article on the 1st of October every year. The register should be submitted by the sub-divisional to the divisional officer along with the tools and plant returns :

Register showing values of  
 (1) Plant machinery,  
 (2) Navigation, plant,  
 (3) Camp equipage.

Serial number	Name of article	Date of purchase	Value on date of purchase	Rs.	For year 19-55		Rs.	For year 19-56		Rs.	For year 19-57		Rs.	For year 19-58		Rs.
					Rate and amount of depreciation	Revised value		Rate and amount of depreciation	Revised value		Rate and amount of depreciation	Revised value		Rate and amount of depreciation	Revised value	

Note—The depreciation should be calculated on the revised value.

(9) Depreciation should be calculated at the following rates :

	When in use Per cent	When stand- ing idle Per cent
(a) Prime Movers, dynamot, electrical motors ... ..	12	6
(b) Mortar mills, trucks, pumps, work- shop machinery, and all ordinary tools and plant ... ..	10	5
(c) Railway track, cranes and lifting gear ... ..	5	5
(d) Camp equipage ... ..	20	10

An article will be considered to have been in use if used for more than two months in the year.

(8) Before a machine is lodged in a canal workshop or godown it should be thoroughly overhauled, and should then be valued at a fair price by the divisional officer in charge of the workshop or godown in consultation with the superintending engineer. Thereafter no depreciation need be debited so long as the machine remains in thorough working order. The price so fixed should be reviewed every second year.

Transfer of  
tools and  
plants from  
one division  
to another  
I. M. O.

Para. 78.—(1) Articles which are not in good condition must not be transferred till the receiving officer has been informed of their condition, and has agreed to take them.

(2) Every article must be properly examined by a responsible officer or subordinate before despatch and, in all cases of large consignments, the examination must be made by the sub-divisional officer himself. All parts or articles which are fragile or small should be carefully packed in cases. The condition of the articles, together with complete details, must be entered on a list and certified by the examining officer. In the case of engines and similar items, the number, description and condition of loose parts such as brasses, etc., should be carefully checked, and a note made of any parts missing. The list should be forwarded in good time to enable the receiving division to check the consignment on arrival before taking delivery. If the above instructions are not attended to, the despatching division will be held responsible for all items not received, or received in a damaged condition.

(3) If a machine part is missing the book value of the machine must be reduced by the market cost of the missing part. Allowance for wear and tear of working parts, such as brasses, which, though worn, are still serviceable, is included under the depreciation percentages fixed in paragraph 77 (2)



above. All railway materials should be measured in miles of complete track, and the price of sleepers, fish plates, bolts and nuts missing at the time of transfer should be deducted from the total value at current market transfer.

(4) In the case of a difference of opinion between two executive engineers with regard to the working condition of a machine transferred from one division to the other, the matter should be reported to the superintending engineer for orders. If two circles are involved and the two superintending engineers concerned do not agree, the case should be referred to the Chief Engineer.

(5) The rules given above govern transfers of tools and plant in all ordinary cases. In special cases, orders of higher authority should be obtained. The guiding principle should invariably be that a work receiving material from another work should pay a reasonable price for it, at the market rates prevailing at the time of the transfer.

(6) Articles of tools and plant may be transferred from one division to another free of cost unless the capital and revenue account of the receiving division is classified separately from that of the issuing division, in which case the latter division shall issue a transfer debit to the former.

*Para. 79.*—(1) Contractors ordinarily will provide all the tools and plant required for the execution of works contracted for by them.

Loan of  
tools and  
plant to  
contractors.  
I. M. O.

(2) If any tools and plant are to be supplied by Government, the contract agreement shall specify them, and unless they are to be supplied free of cost, shall state the charges that will be levied for hire and depreciation.

(3) During the progress of a work it may be found necessary or advisable to supply the contractor with tools and plant not provided for in the contract. Should the rates have been based on the assumption that materials will be carted by the contractor at his own expense, and, if, subsequently, he is supplied by Government with railway lines and tip trucks on loan, in order to facilitate his work, he should be required to pay for their hire and depreciation at the following rates :

(a) Prime movers, dynamos and electric motors.	12 per cent per year or part of a year.	
(b) Mortar mills, trucks, pumps, workshop machinery and all ordinary tools and plant.	10	Ditto.
(c) Railway track, cranes and lifting gear.	5	Ditto.
(d) Camp equipage	20	Ditto.

(4) The contractor will be responsible for the carriage to site of the tools and plant supplied, the laying and maintenance of all railway tracks, the erection and working of all machinery, and for the dismantling and carriage back at the conclusion of the work.

(5) The contractor must return, at the site fixed by the executive engineer, all tools and plant supplied to him, in good condition, due allowance being made for fair wear and tear, and must replace, at his own expense, all broken and missing parts, such as fishplates, axle boxes, etc.

Correspondence with  
contractors,  
I. M. O.

Para. 95.—In order to safeguard the interests of Government, and to avoid troublesome law-suits, officers should have a general acquaintance with the provisions of the law affecting contracts, and with such laws as the Indian Evidence Act and the Indian Limitation Act, a general knowledge of which is required in most cases of disputes over contracts. Officers are advised to read the Contract Manual\* published by the Government of India. It would, of course, be out of place for executive officers to attempt an elaborate study of the law, but most disputes can be avoided if officers take elementary precautions :

1. *In the selection of contractors*—(a) The contractor should (i) be of good character, (ii) possess adequate funds and command of labour, (iii) be competent as regards knowledge of the work, (iv) have the necessary health and leisure to attend properly to the work, (v) preferably tender in his individual capacity. The labour expended by an officer in verifying these particulars is labour well bestowed, and to ignore them is to court disputes and disaster. This seems a platitude, but concrete cases have occurred in the past, in which large contracts have been given to unsuitable persons, resulting in expensive law-suits and large losses to Government.

(b) If a person tenders as an agent for an absent principal, or for a firm, it is still more necessary to verify the above particulars. The officer must satisfy himself that the person has legal authority to bind those whom he purports to represent. It is a good plan to insist on an interview with the principals or absent partners before deciding if they are suitable parties to the proposed contract. Speaking generally, it is not desirable to give contracts to petty "firms."

\*A Manual for guidance of officers of the Public Works Department in their relation with contractors by E.P. Henderson Esq., I.C.S. Part I, published by the Superintendent, Government Printing, India, Calcutta, 1910.

2. *In the issuing of contracts*—(a) Officers are forbidden to issue contracts except on the prescribed form suitable to the class and value of the contract.

(b) Some of these form contain a great deal of legal phraseology, and if the contractor does not know English, the purport of each clause should be explained to him, and a note should be made that contractor apparently understood the provisions.

(c) In the case of contracts which refer to samples—e.g., supply of kankar to a sample, or supply of building stone to sample—the custody and identity of the samples demand careful attention especially when officers are transferred. The issue of such contracts is deprecated. Contracts should be by specification as far as possible.

3. *During the performance of contracts*—(a) In their relation with contractors officers must always bear in mind the danger of possible chicanery on the part of the contractor. If it is necessary to give an order to a contractor in connexion with his work, the officer must fully consider whether or not the order is a modification of the contract. For example, if according to the original contract the whole work has to be completed by a certain date under heavy penalties, and a modification is introduced which increases the amount of work to be done, without doubt the serious question will subsequently arise whether the modification did not tacitly amount to an abandonment of the time-condition. Accordingly, it must be agreed and recorded in explicit terms by what period, if any, the time clause is to be extended.

(b) It is important that contractors should be promptly called to account if they are seen to be deviating from the contract. Inaction is likely to be interpreted as acquiescence. Forbearance is not to be confused with acquiescence, but if it is desired to make a concession to a contractor, no room should be left to twist it into a waiver of legal rights. Whatever concession of any sort is made should be categorically limited in clear written terms to its true extent and be clearly specified as without prejudice to the right to enforce the contract in its other elements and the contractor must be made to understand that, unless the concession is accepted on these terms, it must be deemed to be withdrawn altogether.

(c) The greatest practicable warning of enforcement of a penalty should always be allowed. A contractor may be honestly desirous to do well, but may himself be deceived by his agents. Timely warning may enable him to set matters

straight. It is never expedient to threaten vainly. If the contractor has been fairly warned that in a certain event he will lose his contract, the threat should be enforced if the event occurs.

(d) It is important that all orders and communications to contractors should, as far as possible, be in writing or recorded. It is advisable to make a brief note in a note-book at the time of every fact which materially bears on the contractor's present and future legal position. It is not suggested that every common-place remark to every contractor at the site of works should be noted down or that a detailed record of every interview should be kept. In law-suits over contract Government are often in a very weak position owing to the lapse of time and transfer of officers. All sorts of issues may be raised and statements made by the contractor which may be false, but which cannot be rebutted by officers relying on memory alone. The importance of having contemporary record of some kind of every material fact cannot be too strongly emphasized.

(e) The above notes must not be taken to mean that officers should not be accessible to contractors. They are simply meant to safeguard the interests of Government in the event of disputes. Divisional Officers should make themselves accessible to their contractors at their offices and make their sub-divisional officers do likewise. At the same time the divisional officers should be most careful at such interviews not to weaken unduly the sub-divisional officers authority.

4. *On completion or abandonment of contracts—(a)* If the contractor has any claims, he should be asked to put them in writing, specifying the amount and the grounds of each item. It is often desirable, for the sake of peace, to make propositions of settlement to the other side. An offer of compromise, however, not expressly protected from disclosure in court, would be regarded as some evidence of liability. The same construction might be put on other acts never really intended by the doer to imply any admission. All offers of compromise, and all correspondence in connexion therewith must be headed "WITHOUT PREJUDICE," or one of the forms of letter in the Contract Manual, appropriate to the case, should be used.

(b) Before definitely admitting or partially admitting one item of a claim, the officer should consider if the action will have any indirect effect on other items of the claim, or lead to new claims being put forward.



(c) Progress of work liable to be washed away should be noted in the note-book of the officer in charge, so that claims afterwards made can be checked, e.g., collection of materials in a river bed, or river training works.

(d) When a contractor does not accept his final bill within a reasonable time, a memorandum of the case should be drawn up, and this together with all documentary and other evidence should be carefully preserved and locked up.

(e) It is a well-known device of dishonest contractors to wait until an officer is transferred or until the period prescribed in the Indian Limitation Act has nearly expired, in the hope of obtaining some admission from an officer unfamiliar with the case and thereby extending the period of limitation, in the hope that towards the end of that time Government will not be in a position to produce evidence to rebut extravagant claims. It is most important therefore that all communications should be headed "WITHOUT PREJUDICE."

(f) All correspondence between Government officers in connexion with disputes is confidential—particularly the opinions given by the legal advisers of Government—and must not be divulged to contractors or other persons.

(g) For the conduct of suits to which Government is a party See Chapter VII.

*Para. 96.*—In order to avoid the accumulation of claims by a contractor and their production at a time when check is impossible, the following directions should be observed :

Claims by  
contractors,  
I. M. O.

(a) In all cases on the occasion of the transfer of a sub-divisional officer all contractors who have not been settled up finally should be asked to put in a statement of their claims. The relieved officer will report on the claims, and the divisional officer should pass orders stating if the claim is established or not, and the amount due to the contractor on each item.

(b) In the case of construction works such statements should also be taken at the conclusion of each working season, and the divisional officer should pass orders before the opening of the next working season.

*Para. 97.*—(1) In case of shortage or loss of goods in transit a complaint should first be addressed to the traffic manager or superintendent of the railway company or administration which controls the receiving railway station, and correspondence with the railway in connexion with the case should normally be addressed to this officer.

Claims  
against rail-  
way com-  
panies or  
administra-  
tions,  
I. M. O.



(2) Although railway companies do sometimes meet claims made on their traffic superintendents, officers must to meet a possible defence of invalid notice, serve a formal notice of claim on the agent within six months of the delivery of the goods to the railway company, *i.e.*, within six months of the date in the railway receipt. In the case of goods passing over more than one railway system, a separate notice of claim should be served on the agent of each system.

(3) Officers who have to deal with the receipt and despatch of railway consignments should take special care that claims are preferred without any avoidable loss of the time. Any delay resulting in a claim becoming time-barred will render the officer liable to make good any loss that may occur.

(4) If the claim is not met, and it seems desirable to institute a suit, the procedure given in Chapter VII should then be followed.

(5) Subordinates taking delivery of goods should be warned against giving up railway receipts and signing the station master's delivery book without previous examination of the goods. If any packages are broken or missing or if the goods do not otherwise appear in order, they should be weighed in the presence of a responsible railway official and an appropriate remark should be made both on the railway receipt and in the station master's delivery book. Neglect to observe this elementary precaution means that the railway company will plead that the goods were delivered under clear receipt, and any case against them will fail.

Inspection  
House  
furniture.  
I. M. O.

Para. 101.—(1) The scale of furniture for 1st and 2nd class inspection houses shall be as below. This shall not be exceeded unless with the special sanction of Government. The full scale of furniture need not be purchased for inspection houses which are seldom used or do not require so much furniture :

Names of articles	Number	Remarks
1	2	3
Beds ...	2	...
Chairs (ordinary) ...	6	...
Chairs (easy) ...	2	One without long arms.
Tables (large) ...	3	...
Tables (small) ...	2	...
Dairies ...	3	Four for double inspection houses, and Narra pattern 1st class inspection houses. Two for old pattern 2nd class inspection houses.

Names of articles	Number	Remarks
1	2	3
Commodore ..	2	..
Chamber stools (enamelled) ..	2	..
Tubs ..	2	..
Wash-hand basins (enamelled) ..	2	..
Hat racks ..	6	Sets. ..
Enamel jug ..	1	Per bathroom.
Trays ..	2	..
Mirrors ..	2	..
Door parlour ..	3	..
Charpoy (for use of camp establishment).	Average of 10 per I. II.	The executive engineer shall allot charpoy to inspection houses in accordance with their importance. The total number of charpoy in any division shall not exceed the number permissible at the rate of 10 per inspection houses.
Wooden box with padlock ..	1	The box shall be large enough to accommodate the inspection house duties when folded up.
Pictures ..	Reasonable number	To be provided from annual repairs grant.

(2) The scale of electric table fans and table lights in electrified inspection houses shall be as below :

1	Table fans		Table lights	
	2	3	4	5
Ordinary inspection house ..	2	1	2	1
Special ..	2	2	2	2
Administrative quarters ..	2	2	2	2
Double administrative quarters—each set ..	2	2	2	2

(3) Divisional officers shall sanction, subject to the above scale, estimates for furniture to the extent of the powers

vested in them as regards original works and repairs. The estimate shall be debitable to the head XVII A—the cost of a first furnishing being charged to Extensions and Improvements, K—Buildings, and all subsequent expenditure to Maintenance and Repairs, K—Buildings. The estimate shall not include the cost of *gharas* and *chicks*, which are chargeable to establishment contingencies.

(4) Estimates for furniture required for temporary buildings shall be submitted to Government for sanction.

(5) All inspection house furniture shall be treated as "special" tools and plant, *vide* Chapter VIII of the Financial Handbook, Volume VI. A correct list of the furniture shall be hung up in each inspection house. All transactions affecting receipt and issue of such furniture shall be shown in P. W.A. forms 13 and 14, grouped under the head of account to which its cost was originally debited. The tools and plant register shall show furniture at each inspection house separately to facilitate check by the Accountant General with the sanctioned scale.

#### Office furniture

Office  
furniture.  
I. M. O.

*Para. 102.*—All furniture in the divisional, sub-divisional and ziladari offices, telegraph and telephone offices, and the office of the deputy revenue officer shall be classed as office furniture, and charged to tools and plant. Office furniture shall be used only in the offices for which it is purchased. An officer may use part of it in his residence if it is necessary for him to do office work at home. The scales for the various offices shall be as below :

Furniture  
for Vernacular  
offices  
I. M. O.

(a) Furniture for vernacular offices—divisional, sub-divisional and deputy revenue officers :

Name of articles	Number		
	Divisional office	Sub-divisional office	Deputy Revenue office
1	2	3	4
Desks ... ..	4	...	...
Wooden chaukis (3' x 4' x 1½')	4	...	...
Durries ... ..	2	1	1
*Queens 2' x 2½'	4	1	1

\*Cost not to exceed Rs. 7.5 each.

Name of article	Number			
	Divisional office	Sub-divisional office	Deputy Revenue officer's office	
1	2	3	4	
Wooden boxes (3' x 14" x 24")	...	1	1	...
Office boxes (18" x 12" x 9")	...	...	...	1
Patrol boxes (22" x 12" x 10")	...	2	1	2
Diets lanterns	...	2	1	2
Swords	...	...	...	2
Gong with tripod	...	...	...	1
Time-piece	...	...	...	1
Paper tray	...	...	...	1
Folding book case (24" x 24" x 12")	...	...	...	1
Stamp punch	...	...	...	1
Padlocks of various sizes	...	1	1	1
Folding table	...	...	...	1
Folding chairs	...	...	...	2

(b) Furniture for telegraph, telephone and ziladari offices :

Names of articles	Telephone office	Telegraph office	Ziladari office	
			1	4
Large table	...	1	...	1
Small	...	...	1	1
Desk	...	...	...	1 for maharaja.
Ordinary chairs	...	2	...	2
Durries	...	...	...	2 one for centre room and one for maharaja's room.
Patrol box	...	...	...	2
Cash chest	...	...	...	1

Furniture for telegraph, telephone and ziladari offices.  
I. M. O.

Names of articles	Telegraph office	Telephone office	Zildari office
1	2	3	4
Almirah	1 for battery	...	1 for records.
Padlocks	2	1	4
Box for records	1	...	...
Clock	1	1	...
Small box	1	1	...
Stool	...	1	...
Newer bed	...	...	1
Hat rack	...	...	1
Charpoys	...	...	6
Lanterns	1	1	2

Zildaris, signallers and telephone constables shall be responsible that these articles last a reasonable time.

Camp furniture.  
I. M. O.

*Para. 103.*—For rules regarding camp furniture, see paragraph 37 of Appendix X, Financial Handbook, Volume V.

Government tents.  
I. M. O.

*Para. 104.*—(1) Divisional officers shall be responsible for taking proper care of all government tents in their divisions. They shall periodically inspect the tents to see that they are kept in thorough repairs, are provided with gunny packing covers and are carefully looked after whether in use or not, and that the date of issue is clearly marked on each tent. Superintending engineers, when inspecting offices and divisions, shall note the state of government tents and whether proper care appears to have been taken of them.

(2) Tents and shouldaries should last about ten years. When submitting estimates for tents, divisional officers shall report the dates of purchase of the tents which they wish to replace. No estimates for replacing a tent that has been in use for less than seven years, shall be sanctioned unless the divisional officer gives special reasons for doing so.

(3) The following shall be the maximum scale of tents allowed for touring officers. Superintending engineers may cut down the allowance at their discretion whenever neces-



sary. Executive engineers may reduce the number and size of tents allowed to camp establishment, as required :

- |   |  |
|---|--|
| <p>I.—(a) Personal use of super-intending engineer.</p>   | <p>{ Two Swiss Cottage tents 14' x 14'.<br/>                 { Two Swiss Cottage tents 12' x 12'.<br/>                 { One light shikar tent 12' x 12'.<br/>                 { Four shouldaries, 15' square.</p>   |
| <p>(b) Camp office establishment.</p>   | <p>{ One shouldari 15' square.<br/>                 { Two shouldaries 12' square.</p>  |
| <p>II.—Personal use of divisional officers on survey or construction when tents are necessary.</p>                        | <p>{ On Swiss Cottage tent 14' square, with square ends and double fly to both verandah and bath room.<br/>                 { One Swiss Cottage tent, 12' square, as above.<br/>                 { One Swiss Cottage or "shikar" pattern, double fly sleeping tent, about 10' square.<br/>                 { Two necessary tents, 4' square.<br/>                 { Two shouldaries, 12' square.</p> |
| <p>III.—(a) Personal use of divisional officers in revenue divisions when specially sanctioned by the Chief Engineer.</p> | <p>{ One Swiss Cottage tent 14' square as for II.<br/>                 { One Swiss Cottage or "shikar" pattern, double fly sleeping tent, about 10' square.<br/>                 { One necessary tent, 4' square.<br/>                 { Two shouldaries 12' square.</p>   |
| <p>(b) Camp office establishment for II, III and IV.</p>  | <p>{ One shouldari 10' x 12' and one 12' square.</p>   |
| <p>IV.—Sub-divisional officers in construction divisions if required to tour in tents.</p>                                | <p>Same as in III.</p>   |
| <p>V.—Camp office establishment of sub-divisional officers in revenue sub-divisions.</p>                                  | <p>One shouldari 10' x 15' and one 12' square.</p>   |
| <p>VI.—Deputy revenue officer's camp office establishment.</p>  | <p>One shouldari, 10' x 15'.</p>   |

(4) One division may lend tents temporarily to another division when required, but such tents shall continue to remain on the books of the former.

*Para. 105.*—(1) When petty articles of tools and plant, such as phaoorals, kudals, pick-axes, rammers, axes, lanterns, measuring tapes, etc. become unfit for further use, the executive engineer shall not sell them by auction but shall have them thoroughly broken up: his presence and dispose of them in such manner as to make it impossible for any one to substitute them for serviceable articles of tools and plant.

(2) Office furniture and tents which have become unfit for further use shall be sold by auction.

(3) Old arms shall be returned to the District Magistrate.

Disposal of tools and plant.  
 J. M. O.

Correspondence and reports.  
L. M. O.

*Para. 111.*—(1) No officer shall correspond direct with an authority superior to the officer under whom he is immediately serving, or with the local Government or the Government of India, except in a case of extreme emergency when he shall send copies of his correspondence to his immediate superior.

(2) All officers are responsible for the matter and style of official letter and reports issued in their names.

(3) (a) All official letters shall be in the following form :

"FROM

A. B. SMITH, Esq.,  
*Executive Engineer,*  
*Anupshahr Division,*  
*Ganges Canal.*

TO

The Superintending Engineer,  
*1 Circle, Irrigation Works, Lucknow.*  
SUBJECT : *Rampur Distributary Project.*

Reference : Superintending Engineer's No. 1583, dated May 4, 1931.

SIR,

- I have the honour to say that—  
1. \_\_\_\_\_  
2. \_\_\_\_\_  
3. \_\_\_\_\_

I have the honour to be,

Sir,

Your most obedient servant,  
*Executive Engineer.*"

(b) Notes, reports or copies of letters submitted as enclosures shall be headed as follows :

Note or report No. \_\_\_\_\_, dated \_\_\_\_\_ by (name) \_\_\_\_\_, (rank) \_\_\_\_\_ (division and canal) \_\_\_\_\_, on the (subject) \_\_\_\_\_.

or  
Letter No. \_\_\_\_\_, dated \_\_\_\_\_, from (name and rank) \_\_\_\_\_ to the (rank) \_\_\_\_\_.

The number and date of the forwarding letter, to which a note or report is an enclosure, shall be quoted on the last page of the report.

(c) Post-cards shall be used for reminders and brief communications on matters of routine.

(4) All officers shall sign their letters in their own handwriting unless physically incapacitated or absent from head quarters, in which case subordinate shall sign for them. When a subordinate signs such a letter, he shall specify below his signature the name and designation of the officer for whom he signs as well as his own designation. Signatures shall be written by hand and not typewritten or stamped.

(5) Letters containing proposals concerning other departments shall be accompanied by references to the opinion of the officers concerned.

(6) It is the duty of head clerks of circle and divisional offices to see that these instructions are carefully observed in their respective offices.

Para. 125.—(1) The divisional accountant shall inspect the accounts records of sub-divisional offices and check a percentage of the initial accounts at least twice in the year in the case of an ordinary sub-division and four times in that of a headworks sub-division. See paragraph 101 of the Financial Handbook, Volume VI.

Inspection  
of offices,  
I. M. O.

(2) The deputy revenue officer and the sub-divisional officer shall inspect the zildari offices at least once a year, and submit copies of their inspection reports to the divisional officer. The interval between inspections by the two above-named officers of the same zildari shall be about six months.

(3) The deputy revenue officer shall inspect the Vernacular section of the divisional office at least once a year, and submit a copy of his inspection report to the divisional officer.

(4) The divisional officer shall inspect the office of the deputy revenue officer at least once a year.

(5) The divisional officer shall inspect the sub-divisional officer at least once a year, and submit a copy of his inspection report to the superintending engineer.

(6) The superintending engineer shall inspect the divisional officer once a year, and submit a copy of his inspection report to the Chief Engineer.

(7) Appendix V gives the questionnaires prescribed for the inspections mentioned in sub-paragraphs (4), (5) and (6) above. That for the inspection of zildari offices is given in Irrigation Branch form no. 11-B.

(8) The Accountant General shall send a signed copy of his report of inspection, together with a few spare copies, in half margin to the divisional officer. He shall also send

copies to the superintending engineer and the Secretary to Government, Irrigation Branch. He shall ordinarily not appeal to Government for immediate interference except in very serious and important matters. The executive engineer shall submit his remarks and explanations to the superintending engineer within six weeks of the receipt of the inspection report. The superintending engineer shall transmit the explanation within three weeks to the Accountant General with his own observations and remarks, and the latter shall submit them with his final remarks to Government for orders within five weeks of receipt in his office. The Government will communicate their orders in original to the divisional officer through the Accountant General and the superintending engineer, and the statement of remarks and orders shall be filed in the divisional office.

Safe carriage of Government money and other valuables  
I. M. O.

Para. 181.—For rules regarding the safe carriage of government money see Appendix XVII of the Financial Handbook, Volume V (reproduced on pages 91-97 of this book).

(1) The sub-divisional officer or the senior officer present shall be responsible for nominating on each occasion a sufficiently strong guard for the carriage of government money, and shall personally make over any cheque for encashment to the defdar. The latter shall send or take out the full strength of the guard ordered. Any neglect on the part of the defdar to do so shall be punishable by dismissal.

(2) The officer referred to in paragraph (1) shall maintain a register in the following form, and shall, in every case, record his initials and signatures of the guard nominated or their left thumb-impressions, in the columns provided for the purpose :

Cheques				Note		Initials of the detailing officer	Signature or left thumb-impressions of the guard
Date	Names of individuals comprising the guard	Number	Date	Treasury which drawn	of any special instructions given to defdar of the guard		
			Vertically				

Rs.

(3) The guard, when carrying money, shall, as a rule, use the most public roads in preference to shorter but less frequented routes, and shall convey the money to its destination as far as possible on the same day that it is drawn from the treasury. The guard shall not travel by night unless it is absolutely necessary.

(4) Cash, cheques, promissory notes or other valuables shall on no account be despatched by casual dak. Cheques, notes or valuable deeds shall be sent by special messengers or by post in a registered cover. Private arrangements shall be made for the delivery of valuable articles belonging to government officials in camp.

Para. 134.—(1) The officer in charge of a government building shall make some person of his establishment answerable for its general condition.

Government  
buildings.  
I. M. O.

(2) The sectional officer shall be responsible for reporting direct to the executive engineer as well as to the sub-divisional officer, any case of occupation of an inspection house by an officer, or of servants' quarters by a servant, who has suffered from fever for more than a week, or who is suffering from any infectious or contagious disease. The executive engineer shall either order the disinfection of the inspection house or the servants' quarters occupied, or report the case to the civil surgeon and ask him if disinfection is necessary. If the executive engineer on his own initiative or as a result of the advice from the civil surgeon decides that disinfection is necessary, it shall be carried out as follows:

For every 100 cubic feet of room space, eight ounces of sulphur shall be burnt. The sulphur shall be placed on an iron plate supported for protection against fire over a tub of water. The sulphur shall be set on fire by putting live coal on it. Doors, chimneys and windows shall be tightly shut and *pankha* holes blocked. *Darries* and *pardahs* shall be hung on rods in the room, which shall be kept closed for four hours. Thereafter doors and windows shall be opened and kept open for three days. After disinfection in this way, *darries* and *pardahs* shall be washed and all furniture scrubbed with a solution of carbolic acid diluted with 50 parts of water.

(3) As a theatre is peculiarly liable to fire, no government building in which government stores, etc., are kept, shall be used for theatrical purposes.

(4) Before a government building is sold by or on behalf of any department, the district officer shall certify that he has ascertained, to the best of his knowledge, after due inquiry,



that the building is not wanted by any other department, or for any public purpose. The divisional officer shall obtain this certificate before recommending the sale of any building in his charge.

Execution  
of works.  
L. M. O.

*Para. 132.*—In the execution of works the safety and convenience of the public shall be duly attended to, and all operations shall be carried on in such a manner as to interfere as little as possible with traffic or the ordinary pursuits of the people. Temporary roads and bridges shall, when necessary, be provided; and the occupation of land, when practicable, be so timed as not to lead to the destruction of standing crops. Brick and lime kilns shall not be erected so close to the inhabited part of any town or cantonment as to become a nuisance.

Ditto

*Para. 133.*—No religious edifice shall be destroyed or injured in the execution of works without the full and free consent of the persons interested in it, or without the concurrence of the principal civil or political authority on the spot, except under the orders of Government.

Ditto

*Para. 134.*—Should the carrying out of any work necessitate the temporary closing of any district road or canal road open to the public the officer in charge of the work shall be responsible for taking the following precautions to avoid accidents :

(1) An earthen bund or brick wall two feet high shall be constructed right across the road and white-washed.

(2) A notice reading "Road Blocked" in letters legible at a distance of twenty yards shall be placed above the bund or wall and at a height of five feet from the ground.

(3) A red lamp by night shall be kept lit above the bund or wall and a height of five feet from the ground.

(4) A watchman shall remain on duty throughout the night to see that the red lamp is kept burning.

Ditto

*Para. 135.*—For rules regarding sanitary arrangements at large labour camps see paragraph 135 of the Manual of Professional Orders.

Where large bodies of workpeople are congregated for the execution of government work, a reasonable outlay of expenditure, chargeable to the work concerned, shall be authorized for providing them with any necessary temporary cover, making sanitary and hospital arrangements, and employing one or two policemen or any other small temporary establishment that may be necessary.

*Para. 141.*—Serious accidents shall be reported to the superintending engineer and also, at the discretion of the divisional officer, to Government Survey. Divisional and other officers or subordinates in charge of works shall furnish immediate information to the proper civil authorities on the occasion of a serious accident; and in the case of a death on the spot, they shall not allow the body to be removed till an inquiry has been held by the police.

Execution  
of works.  
I. M. O.

*Para. 142.*—Female labourers shall not be employed, as far as possible, on works in the neighbourhood of soldiers' barracks.

Ditto

*Para. 143.*—Carriage of any description, employed for purposes connected with public works, shall be as liable to be impressed for military purposes as carriage employed by private individuals.

Ditto

*Para. 147.*—If the Irrigation Branch require any land lying within limits of reserved forests, the superintending engineer shall submit an application for the transfer of the land, together with a plan and a schedule, to the chief engineer for orders of Government. If Government approve of the transfer, the Chief Engineer shall request the conservator of forests to transfer the land to the Irrigation Branch by an executive order, and a formal notification de-foresting the land under section 26 of the Forest Act shall not be necessary. The divisional canal officer, on receiving possession of the land, shall enter the date thereof in his register of land, and shall forward, through the superintending engineer, a plan and a schedule of the land duly certified by the divisional forest officer, to the chief engineer for record, retaining a copy for record in his own office.

Acquisition  
of land  
belonging to  
Forest De-  
partment.  
I. M. O.

*Para. 148.*—(1) If the Irrigation Branch require any land in an Indian State for the purpose of any proposed scheme, they shall first obtain the consent of the Chief of the State through the local Government. On receipt of such consent plans and schedules of the land shall be prepared in the same manner as for land in British territory and forwarded to the State through Government. Thereafter the local civil officer shall enter into correspondence with the political officer attached to the State regarding details of acquisition, payment of compensation, etc. and the political officer shall make all the necessary arrangements for obtaining possession of the land.

Acquisition  
of land  
belonging  
to Indian  
State  
I. M. O.

(2) The State will make over the land according to its own usage, and the British Government will pay compensation in accordance with regulations in force in the State. The

amount paid shall form part of the general expenditure on the works concerned.

(3) The commissioner of the Jhansi Division shall represent the Government of the United Provinces for the purpose of acquiring land for the Irrigation Branch in the Bundelkhand Indian States, and may delegate to any of his responsible local subordinates all functions in this regard except those of awarding compensation. The commissioner of the Agra Division shall similarly represent Government with regard to land in the Bharatpur State. Should any difficulty arise, or should exorbitant demands for compensation be made, the Commissioner shall refer the matter for the orders of Government.

(4) Complete land plans and records shall be prepared and maintained for all land acquired in an Indian State in exactly the same manner as for land acquired in British territory.

Relinquish-  
ment of  
land.  
L. M. O.

Para. 142.—(1) The divisional officer shall from time to time review all unoccupied lands or lands unnecessarily retained by the department with a view to their relinquishment. If he proposes to relinquish any land, he shall submit a report, giving reasons why the land should be relinquished, to the superintending engineer, together with a plan and a schedule of the land. If the latter approves of the proposal, he shall forward the plan and the schedule to Government for sanction. On receipt of sanction, he shall instruct the divisional officer to make over the land to the collector of the district for disposal in accordance with the rules laid down in the Manual of the Revenue Department, Volume I, Chapter XX. If the land is cut up with channels or encumbered with spoil heaps, the superintending engineer may, if he thinks proper, direct the executive engineer, to level it up before making it over to the collector. A proper estimate of the cost of the necessary work involved shall first be prepared and sanctioned.

(2) Before handing over the land to the collector, the divisional officer shall carefully mark off any adjacent land which is to be retained, and shall correct the land registers and the record land plans and *shajras*. He shall also forward a statement, showing the corrections and alterations, to the superintending engineer for the information of Government.

#### Mill leases

For all canal mill leases, action must always be taken in accordance with the instructions given on L. B. form no. 114.

2. Before the auction is held, the conditions of lease must be fully made known, so that intending bidders may realize exactly the terms and penalties attending the sale.

3. When a bid has been finally accepted by the executive engineer, the purchaser, as a measure of good faith, must deposit at once the sum laid down by the executive engineer (usually 4 months full rental), and must enter at once into an agreement, marked A, acknowledging that he has purchased the lease and agrees to complete the said purchase according to the conditions of sale.

4. After this the purchaser must, within the period fixed by the executive engineer (usually one month), execute an agreement marked B, on stamped paper, and which must be registered and recorded in the divisional office.

5. If the purchaser fails to execute the agreement within the period specified, and is unable to give a satisfactory explanation to justify his action, then the deposit money should be forfeited and credited to Government. Another auction should be held and the defaulter made liable for any deficiency in price on the second sale and all expenses attending it.

6. No officer below the rank of a deputy revenue officer or if a division has no deputy revenue officer, a *amiladar*, should conduct an auction for a mill lease, and when possible the executive engineer or sub-divisional officer must always endeavour to be present.

7. No lessee should be allowed to enter into possession of a mill until he has deposited the necessary security deposit and signed the agreement marked A. When possible auction should be held one month in advance to enable the successful purchaser to complete the registration and deposit of his agreement before his leases actually commence.

8. A new contractor, when first leasing a mill, should be allowed seven days' grace, to enable him to get things into working order.

9. Mill stones, wheels, and all other plant and materials required for working the mills, except shots, must be supplied by the contractor, and who must repair them at his own cost.

#### *Land leases*

I. B. form no. 115 is the standard form approved by Government, for lease of lands for agricultural purposes. Orders and this form must invariably be used and the conditions laid down strictly enforced.

In the schedule provided at the end of this form, correct details must always be entered. The attention of executive engineer is specially drawn to this as complaints have often been received, to the effect that areas and conditions at site do not agree with the entries in the schedule, and that if found correct naturally vitiates the contract and renders it void.

2. Before the auction is held the conditions of lease must be fully made known, so that intending bidders may realize exactly the terms and penalties attending the sale.

3. When a bid has been finally accepted by the executive engineer, the purchaser must deposit, within ten days, the fixed sum (usually one year's rent) laid down by the executive engineer, and must within the period specified by the executive engineer (usually one month), return the agreement duly stamped and registered for record in the divisional office.

4. Any failure on the part of the purchaser to complete the agreement, as specified in paragraph 3, within the period laid down, unless a satisfactory explanation is forthcoming, renders him liable to the forfeiture of his security deposit.

5. No officer below the rank of a deputy revenue officer, or, if a division has no deputy revenue officer, a gildat, should conduct an auction for land, and when possible, the executive engineer or sub-divisional officer must always endeavour to be present.

6. No lessee should be allowed to enter into possession of any land until he has deposited the necessary security deposit and, where possible all auction should be held one month in advance, to enable the successful purchaser to complete the registration and deposit of his agreement before his lease actually commences.