

MADRAS STATE HOUSING BOARD WORKS CODE

CHAPTER I

ORGANISATION AND ACTIVITIES OF THE ENGINEERING BRANCH

A. INTRODUCTORY

1. This code contains the detailed procedure for the preparation of estimates, obtaining administrative and technical sanctions, the invitation of tenders for works or supplies and execution of agreements the execution and measurement of works, payment of claims of contractors custody and accounting of stock, tools, and plant, the maintenance and compilation of works accounts, the duties, responsibilities and powers of engineering Officers and other allied matters this code should be read in conjunction with the relevant provisions of the Madras State Housing Board Act, and the rules or regulations made thereunder.

B. ACTIVITIES OF THE ENGINEERING BRANCH

2. The Engineering activities of the Board may be broadly classified as follows :
 1. Framing and execution of housing or Improvement schemes. Besides framing and executing schemes of its own, the Board may
 - (i) take over the execution of any scheme undertaken by a local body: or
 - (ii) execute any scheme transferred to it by the Government.

The Board is one of the agencies for the implementation of a Number of housing schemes assisted by the Central or State Government, such as the Low-Income Group

Housing Scheme, Middle Income Group Housing Scheme, Slum improvement Clearance Scheme, Land Acquisition and Development Scheme, Subsidised Industrial Housing scheme, Rental Housing Scheme, etc.

II PLANNING AND CO-ORDINATION

It is the duty of the Board to plan and co-ordinate all housing activities in the State and to ensure expeditious and efficient implementation of housing or improvement schemes in the State (Section 66 (1) of the Act.)

III SCRUTINY AND PROCESSING OF SCHEMES

It is the duty of the Board to provide technical advice and scrutinies all projects under housing or improvement schemes sponsored or assisted by the Central or State Government (Section 66 (2)).

IV RESEARCH ON HOUSE BUILDING

The Board may conduct research for the purpose of expediting the construction of and cheapening the cost of buildings (Section 66 (4)).

C. DUTIES OF OFFICERS OF THE ENGINEERING AND ACCOUNTS BRANCHES

I. The Chief Engineer

3. The Chief Engineer is the Chief Technical Officer of the Engineering Branch, and is responsible to the Chairman for the efficient working of that branch. As the Chief professional adviser on all technical matters his rank and status will be analogous to that of a Chief Engineer in the Public works or Highways and Rural works Department of the Government. He will exercise the powers of a Chief Engineer, subject to the provisions of the Act and the rules in this Code.

4. He will exercise efficient control over the duties of all subordinates in the Engineering Branch of the Board, as well as of the Units. He may correspond directly with the heads of departments of Government or local bodies, or the Administrative Officers of Units, on technical matters concern in the execution of works, but all matters involving finance, policy, etc., should be transmitted through the Chairman.
5. It is his duty to inspect all the important works to satisfy him-self that the system of management is efficient and economical and that all rules, regulations, and instructions as regards the execution of works, the custody of stock, tools and plant and other materials, and the maintenance of initial accounts are strictly observed. He will also inspect each Executive Engineer's office once a year and report there on to the Chairman. The questionnaire to be answered for the inspection as contained in Appendix 1.

II. Superintending Engineer

- 5A. The administrative unit of the department is the circle, in charge of a Superintending Engineer, who is responsible to the Chief Engineer for the administration and general professional control of housing works etc., in charge of officers of the department with in his circle.

The Superintending Engineer shall inspect the important works in his circle, to satisfy himself that the system of management is efficient and economical that regulations as regards works, stock and accounts are strictly observed, and that the executive and administrative works of the circle is satisfactorily performed.

Whenever large construction work is sanctioned in a circle for which no special staff is allowed the Superintending Engineer may with a view to avoid delay, detach one or two subordinates from within his circle for some definite period

and put them to the work in question. In other words, there should be some elasticity in the sectional and sub-divisional charges and the superintending Engineer should not hesitate to call upon the services of one or two officers under him for such special work they should freely resort to those methods in order to accelerate construction work.

NOTE : 1 Superintending Engineers should review the works in progress periodically and at any rate, at intervals of not less than one month from the date of commencement of all works costing over Rs. 5 Lakhs.

NOTE : 2 The Superintending Engineers should specifically state in each case of review which should be submitted to the concerned Chief Engineer whether a revised estimate is necessary or not and whether the work is executed economically and in accordance with rules. In case a revised estimate is found necessary, he should take immediate and prompt action to submit it for obtaining revised administrative approval of Government well-in advance.

It will be his duty to watch and control the rates paid for work and he may require an Executive Engineer to report to him such details of expenditure as he may desire

It is his duty to satisfy himself that the staff employed is actually necessary and adequate and that the divisional and sub-divisional officers attend personally to their primary accounts: he will inspect each divisional office once in a year and report there on to the Chief Engineer.

The Audit officer and Superintending Engineer should assist each other in rendering the management of departmental accounts as perfect as possible. To this end, during his inspections of divisional offices, the Superintending Engineer will examine the divisional registers and other accounts and measure books, the mode of preparation of estimates, contractors' accounts

and agreements, the system of recording plans and papers and office work generally. He is expected to communicate freely and personally with Executive Engineers and to advise them in the performance of their duties.

The Superintending Engineers are empowered to transfer and post Assistant Engineers and Subordinate Engineers within their circles. In the case of office and petty establishments borne on divisional scales it should be seen that these scales are not exceeded without proper authority. It will also be their duty to recommend removals and transfers of Executive Engineers. Assistant Executive Engineers. Assistant Engineers and Subordinate Engineers from their own circles.

All reports on engineer and subordinate establishments will be noted on by the Superintending Engineer before submission to the Chief Engineer.

He will bring to the notice of the Chief Engineer cases of incompetence or disqualification for public duties. In like manner he will bring prominently forward all instances of extraordinary zeal and ability.

The Superintending Engineer should generally follow designs approved by C. E. and process estimates prepared by E. E.'s. The Executive Engineer will be responsible for the engineering features of all designs prepared by him. His Personal Assistant will be responsible for the calculations and for the accuracy of the rates.

When submitting to the Chief Engineer any report design or estimate, he will invariably state his own opinion and recommendations.

The Superintending Engineer should generally supervise and control the correct assessment and realisation of such rental revenue as is assessed or collected in T N H B.

III. Executive Engineer

A Superintending Engineer is authorised to correspond direct with any of the Head of Local authorities within his circle.

6. the Executive Engineer is incharge of the execution and management of all works entrusted to him. It is his duty to see that, in the execution of works, the provisions of the Act or the rules and regulations thereunder and the various instructions of the higher authorities are not violated.
7. He is prohibited from commencing any work or incurring liability without the sanction of the competent authority or from making any (other than trifling) deviations from sanctioned designs in the course of execution.
8. He is responsible, inter-alia,
 - (a) for the proper care, custody and disposal of all stores, tools and plant and materials at site and for the maintenance of correct record and preparing correct returns there of.
 - (b) for the engineering features of designs and the rates in estimates prepared or sanctioned by him.
 - (c) for assisting the Accounts Branch for the proper and expeditious disposal of audit objections and for the conduct of any local inspection.
 - (d) to ensure that the initial accounts of works stock, tools, and plant, and contractors are maintained correctly and in accordance with rules.
 - (e) for keeping a watch over the progress of expenditure against sanctioned estimate, and taking prompt action to regularise any excess over the estimate or the administrative approval.
 - (f) to ensure that the claims of contractors and suppliers are presented correctly and promptly for payment.

(g) for the maintenance of all accounts and subsidiary registers, with the assistance of the Accountant and for the punctual submission of the returns for the Accounts Section.

9. It is an important function of the Executive Engineer to keep a constant watch over the progress of expenditure and to keep himself informed of such circumstances as may affect the progress of expenditure in order to take early steps to obtain in time extra funds or to surrender probable savings as may be necessary.
10. The Executive Engineer in the Housing Units will be under the control of the Chief Engineer in technical matters the Secretary in Administrative Matters and the FA & C A O in Accounts matters. In all technical matters the decision of the Executive Engineer will be final Subject to technical control by the Superintending Engineer. The Executive Engineer may address the Chief Engineer, through the superintending Engineer demi officially in all technical matters, and the Secretary and FA & CAO in Administrative and Accounts matters respectively.

IV. Chief Accounts Officer

11. The Chief Accounts Officer is the head of the Finance and Accounts Branch of the Board under the administrative control of the Chairman, and is responsible for assisting him to control and co-ordinate all accounts matters in the Board, and to ensure that a sound financial and accounts organisation is maintained, He will have administrative control over the staff in the Financial and Accounts organisation of the Board.
12. He is responsible, inter-alia.
 - (i) for the proper scrutiny of all proposals involving financial implications or the application of the financial rules and regulations generally.
 - (ii) for compiling the Board's budget and exercising budgetary control.

- (iii) for conducting an internal audit of all financial transactions of the Board's and for reporting to the Chairman, all cases of financial irregularities and breach of financial rules and regulations.
- (iv) for the proper maintenance of the accounts of the Board and for their prompt submission to the Board, Government or the Auditors as the case may be.
- (v) for the expeditious disposal of all audit objections and to report to the Chairman cases in which prompt or adequate action has not been taken by the Engineers or other officers responsible for the regularisation of the objections.

The responsibility for the correct and proper maintenance of the initial accounts of works and stock will devolve upon the Executive Engineers, but the Chief Accounts Officer will be responsible to ensure by periodical total inspections, that they are kept in accordance with rules or order in force.

- 14. He will undertake annually, under orders of the Chairman, a Financial Stock-taking of big projects under execution and report the results to the Chairman.
- 15. He may correspond direct with the Units. He may deputise for the Chairman in correspondence on routine matters entered into with the Auditors or Heads of Department, or the Government on accounts matters. In all other matters of importance he will act under the orders of the Chairman.

V. Accounts Officer

- 16. The Accounts Officer will be under the administrative control of the Chief Accounts Officer. In accounts, finance and pre-check matters, he will be under the technical control of the Chief Accounts Officer and will report direct to him and take instructions from him.

- 17. He is responsible, inter alia,

- (i) for the efficient functioning of the accounts branch of the Board and for conducting an efficient internal audit of all financial transactions and for reporting to the Chief Accounts Officer all cases of financial irregularities and breach of financial rules and regulations.
- (ii) for the scrutiny of all sanctions accorded by the officers of the Board and its Units
- (iii) for the expeditious disposal of all audit objections pertaining to the Unit, and to report to the Chief Accounts Officer cases in which prompt or adequate action has not been taken by the officer responsible for the regularisation of the objections.

VI. Divisional Accountant

- 18. A Divisional accountant will be posted to the Executive Engineers to assist them in the discharge of their responsibilities.

- 19. The functions of the Divisional Accountant are three fold.

- (i) as an Accountant, in charge of the compilation and maintenance of works accounts and other subsidiary registers.
- (ii) as a general assistant and adviser to the Executive Engineer in all matters relating to the accounts, budget estimates or to the operation of financial rules generally.
- (iii) as an internal auditor charged with the responsibility of conducting a pre-check of all payments, initial accounts etc.

- 20. He is responsible, inter-alia,

- (a) for assisting the Executive Engineer in the proper maintenance of all accounts and subsidiary registers

prescribed under the rules and for the punctual submission of all returns to the Accounts Section and for scrutinising the tender schedules prepared by the by the Technical or Executive Staff of the Divisions with reference to sanctioned estimates for ensuring their correctness and also the form of contract proposed for adoption.

- (b) for conducting a pre-check of all bills before their presentation to the Accounts Section.

Note :-The arithmetical accuracy of the entries in Measurement Books should be checked cent per cent under his supervision, though not personally by him self.

- (c) for carrying out the instruction of the Chief Accounts Officer or the Accounts Officer concerned in regard to accounting and pre-check matters.

21. He is responsible to see that the rules and orders in force are observed in respect of all transaction. If he considers that any transaction contravenes any of the provisions in the Code or orders in force, it is his duty to bring this fact to the notice of the Executive Engineer with a statement of his reasons and to obtain his orders.

If the Executive Engineer does not agree with the Accountant, the former shall record his views and forward the file to the Chief Accounts Officer for his orders. If the Chief Accounts Officer agrees with the Executive Engineer, he shall pass final orders. If he agrees with the Accountant, he shall record his views and forward the file to the Chief Engineer for his orders. If the Chief Accounts Officer and the Chief Engineer differ, the orders of the Chairman shall be obtained.

The divisional accountant is, however, not entitled to challenge any sanction or orders passed by an officer higher than the Executive Engineer.

Chapter II

WORKS

A. GENERAL.

22. The term 'Works' covers not only works of construction, repair or maintenance of building roads etc., but also the manufacture, Supply, carriage and repair of tools and plant and other stores required in connection with works and other works incidental to them.

B. CLASSIFICATION OF WORKS

23. The operations are primarily classified under two categories, 'Original works' and 8 'Repairs and Maintenance'.
24. Original Works' include all new constructions, whether of entirely new works or of additions and alterations, to existing works, reconstruction entire structure owing to the occurrence of fire, flood or other calamity or owing to wear and tear and all repairs to newly purchased or previously abandoned buildings required to render them usable.
25. The term 'Repairs and Maintenance' includes all the operations required from time to time to maintain the existing properties in proper condition and make good the damage due to wear and tear.

C. PRE-REQUISITES FOR EXECUTION OF WORKS

I. GENERAL

26. For every work (including petty works and repairs and maintenance), it is necessary :-
- to obtain, in the first instance, the administrative approval or sanction of the competent authority for incurring the expenditure.
 - to obtain the technical sanction of the competent authority for a proper detailed estimate, and
 - to secure provision of funds ill the Budget.

II. Administrative approval and technical sanction

27. The term 'administrative approval' denotes the, formal sanction of the competent authority indicating the acceptance of any proposals for incurring expenditure. It is in effect, an order to the Engineering Branch to execute certain specified work or works at a specified cost.
28. The term 'technical sanction' denotes the Sanction of competent authority for a detailed estimate of the work proposed to be carried out. Such sanction, which implies that the proposals are structurally sound can be accorded only by the Engineers. The sanction accorded for a work by any other Officer or authority is to be regarded only as administrative approval. The reference to administrative approval should be, invariably, quoted in the estimate technically sanctioned.
29. The following procedure should be adopted for obtaining the administrative approval and technical Sanction:
 - i. WORKS OR PROJECTS COSTING UPTO Rs. 50,000/
Detailed plans and estimates may be prepared in the first instance and submitted to the competent authority for administrative approval along with a report elucidating the proposal and the necessity for the work. The estimate should be got technically sanctioned after the administrative approval is accorded.
 - ii. WORKS OR PROJECTS COSTING ABOVE Rs. 50,000/-
Sketch plans and approximate estimates, based on approved type designs, may be prepared in the first instance and submitted for administrative approval along with a detailed report elucidating the proposal, the necessity for the work and a statement showing the financial implications of the proposals. After administrative approval is accorded, action should be taken to prepare the detailed estimates and plans for obtaining the technical sanction.

30. It is a waste of money to prepare in the first instance, detailed plans and estimates for big projects which are not likely to be administratively approved by the competent authority for any reason.

III. Revised administrative approval

31. If in the preparation of the detailed estimates it is seen that the cost will exceed the estimate as administratively approved, by more than ten per cent, revised administrative approval of the competent authority must be obtained before technical sanction is accorded. If the detailed estimate is only for the component work of major project and the detailed estimates for the other component works have not been prepared, the revised administrative approval may be applied for subsequently as soon as the estimates for all the component works have been prepared and the total excess for the whole project is ascertained. In such cases, if the excess in the detailed estimate of a component part is more than 10% of the amount provided for such component part in the project estimate administratively approved and if the excess cannot be met from savings under other component parts, the approval of the Chairman should be obtained for the excess and action taken subsequently to apply for the revised administrative approval as provided above. The revised administrative approval should also be obtained when the expenditure on a work or project exceeds or is found likely to exceed the amount administratively approved for it by more than 10% before technical sanction can be accorded. For purposes of administrative approval and technical sanction, a group of works which forms one project shall be considered as one work and the necessity for obtaining the approval or sanction of higher authority to a project which consists of such a group of works is not avoided by the fact that the cost of each particular work in the project is within the powers of approval or sanction of the Officer concerned.

IV. PROCEDURE FOR EMERGENT WORKS

32. It is a fundamental rule that no work shall be commenced or liability incurred in connection with it until the administrative approval has been obtained, a properly detailed design and estimate have been sanctioned and allotment of funds made. If in any case, whether on grounds of urgency or otherwise, an executive officer is forced to carry out a work or incur a liability which involves an infringement of this condition, the officer may proceed, to carry out the work under the specific orders of the Chairman (which shall also be communicated to the Auditor), subject to any limits imposed by him. The executive Officer concerned shall be, responsible to see that there is no delay in initiating action for securing the fulfilment of the requirements of the rules.

V. SCOPE OF SANCTION

33. The administrative or technical sanction to an estimate must on all occasions be looked upon as strictly limited to the precise objects for which the estimate was intended to provide. Accordingly any anticipated or actual savings in a sanctioned estimate should not, without the special orders of the authority which accorded the administrative approval, be applied to carry out additional work not contemplated in the original scheme or not fairly contingent on its actual execution.
34. Savings due to the abandonment of a substantial part or section of any project should not be utilised for work on other items or parts without the special sanction of the authority Which accorded the original administrative approval.

Note :- A Substantial part or section of a project shall be considered to have been abandoned if the estimated cost of the work in such section or part is not less than five percent of the total sanctioned cost of the project.

VI. LAPSE OF SANCTION

35. The administrative approval or technical sanction to an estimate for any original work shall unless Such work has been commenced cease to operate after a period of five years from the date on which it was accorded.

VII. SUPPLEMENTARY ESTIMATE

36. Any development of a project or work considered necessary while it is in progress, which is not fairly contingent on the proper execution of the work as first sanctioned, should be covered by a Supplementary estimate sanction by the authority competent to accord administrative approval for the total expenditure The supplementary estimate should be accompanied by a full report of the circumstances which render it necessary and should also show the amount of the original estimate and the total amount of the original amount including the supplementary estimate.

VIII. REVISED ESTIMATES

37. A revised estimate must be submitted and got technically sanctioned when the sanctioned estimate is likely to be exceeded by more than five percent for any cause whatever or when material developments or deviations or account of important structural alternatives in design, have necessitated revised administrative approval. If the amount of the revised estimate does not exceed the amount administratively approved by more than 10% no revised administrative approval is required and the revised estimate may be technically sanctioned by the competent authority.

Note :- In respect of a project consisting of a group of works or a number of component works which are covered by individual technical sanctions and are taken up for execution separately, the revised estimate for the component part should be got technically sanctioned as soon as possible after the excess is foreseen and if

as a result of similar excess in the other components parts, the amount administratively approved for the whole project exceeds or is likely to exceed by more than 10% the revised administrative approval of the competent authority should be obtained.

38. The revised estimate must be accompanied by a report showing the progress made to date and explaining fully the cause of revision. The revised estimate need not contain details of items which are not altered but merely a note to this effect, but the altered items should be shown in a comparative statement.
39. It is the duty of the Executive Engineer to see that a revised estimate is prepared and submitted to higher authorities as soon as possible after the necessity arises and before the completion of the work.

Note :-

1. Officers empowered to accept tenders in excess of estimate rates should, as soon as possible after the tenders are accepted, obtain the sanction for a revised estimate and/or the revised administrative approval, as the case may be, in accordance with the procedure laid down in this Code.
2. When excess occurs at such an advanced stage in the construction of a work as to render the submission of a revised estimate purposeless, the excess should be explained in the completion report and got passed by the competent authority.

D. MATERIAL ALTERNATIONS DURING CONSTRUCTIONS

40. Where important structural alterations are contemplated though not involving an increased outlay, the orders of the Chairman should be obtained. A revised estimate should also be got technically sanctioned if there is substantial change (increase or decrease) in the total cost of the work or project as originally sanctioned.

It would suffice if the prior approval of the Chief Engineer is obtained when important structural alternations are contemplated during construction instead of seeking Chairman's specific orders as contemplated hitherto as amended. (Vide O. O. No. 125 dated 20-7-1965.)

E. COMMUNICATION OF SANCTIONS

41. A copy of the proceedings conveying administrative approval should be sent to the Auditor as and when it is accorded, As regards technical sanctions a monthly statement of all detailed estimates, including Working Estimates and Revised Estimates technically sanctioned by the Chief Engineer or the Executive Engineers should be communicated to the Auditor, the Accounts Branch and the Chief Accounts Officer by the 5th of the month following.

E. PREPARATION OF ESTIMATES

1 General

42. The detailed estimate for a project or work shall consist of a report, specification and a detailed statement of measurements, quantities and rates with an abstract showing the total estimated cost in rupees for each item. All these documents comprise the estimate as contemplated in this code. In the case of a project consisting of several works, the report may be a single document for all the works and likewise the specification; but details of measurements and abstracts may conveniently be prepared for each work supplemented by a general abstract bringing the whole together. The report should state clearly the purpose of the work estimated for and explain any peculiarities which require elucidation. In the case of ordinary annual maintenance estimate the report, specification or plan is not required.
43. In cases where it is proposed to supply all the materials departmentally and to employ only labour for construction, as in the case of laying pipe lines, the abstract of the estimate

should be so framed as to show separately for each distinct item of work. (i) the quantity and cost of work to be done by the contractor and (ii) the quantity and cost of materials to be supplied departmentally

II SCHEDULE OF RATES

44. A Schedule of rates of each kind of work commonly executed in the Board shall be prepared annually and got approved by the Board. This scheduled not only facilitates the preparation of estimates but also serves as a guide in settling the rates in contract agreements. The rates adopted in an estimate should generally conform to the approved schedule of rates. But where for any cause, these are considered not sufficient or in excess in any particular case, a detailed analysis must be given in the data sheet showing the manner in which the rate is arrived at. When rates and prices are changing rapidly, the Chief Engineer may issue orders at any time that a certain percentage should be added or deducted from all the rates or from certain specified rates or from rates for specified classes of items. Such orders shall be placed before the Board for ratification and they shall not be apply to any existing contract based on previous rates.

Note :- The Board has decided that the Schedule of rates of each District as approved in the Conference held for the purpose by the officers of the various Engineering Departments of the State Government, be adopted by the respective Units. Whenever it is proposed to differ from these District schedule of rates such cases should be brought to the Board for approval.

III PREPARATION AND CUSTODY OF ESTIMATES

45. Important structural designs shall, as far as possible, be prepared in the Board's Secretariat together with the schedule of quantities, the remaining designing work of less important items being left to the executive staff. The responsibility for

the technical features of a design lies with the office of origin. Subordinate officers should always bring to the notice of their superiors any unsuitability or technical defect in a design.

Note :- Estimates after being sanctioned by competent authority should be returned to the Executive Engineer for record.

46. All incidental expenditure which can be foreseen, such as expenditure on temporary sheds for stores etc., should be separately provided for in the estimate. In addition, a provision of 2½% of the estimated cost of works portion may be made for 'contingencies' which cannot be foreseen. This provision may not be diverted to any new item which is not provided for in the estimate and the cost of exceeds Rs.5,000/-without the sanction of the Chief Engineer. Resolution 462 dt. 26-10-73.
47. A provision of 2½% on the estimated cost of works portion may ordinarily be made for petty supervision in respect of estimates for original works. This provision should in no case be diverted to meet expenditure on other items of work.
48. In the estimate for projects, provision upto 2½% of the estimated cost of the Works portion may, ordinarily, be made for unforeseen works when found necessary, this prevision may be utilised for new items of works which are essential for the due fulfilment of the precise object for which the estimate for the main work is intended. This provision may be utilised by the Executive Engineer upto a limit of Rs.5,000/and by the Chief Engineer beyond this limit.
49. The supervision or centage charges leviable as per rules should be included in the estimate as distinct items.
50. As far as possible, no lumpsum provision should be made in a detailed estimate except for sundry items. Where for unavoidable reasons, such provisions are made. a working estimate should be got approved by the competent authority before execution of the items.

51. In respect of non schedule items, the rates adopted for materials in the data should generally conform to the prevailing market rates as ascertained by quotations. The basis on which such rates are determined should invariably be indicated in the data sheet
52. For purpose of preparation of estimates, the final unit rates for each item of work should be rounded to the nearest five naya-paise while the amounts may be rounded to the nearest rupee.
53. All Board servants should treat the rate and the amount of cost entered against each item in an estimate and the abstract as strictly confidential. No information concerning them may be communicated on any account to any contractor or prospective tenderer.

IV WORKING ESTIMATES

54. The term 'Working estimate' refers to a properly detailed estimate approved by the competent authority in respect of a specific item or items for which only lumpsum provision was made in the technically sanctioned estimate or in respect of new items which are proposed to be executed out of the provision for unforeseen works, contingencies, etc., The powers of the officers for approving the working estimates, will be the same as for technical sanction of estimates. The expenditure shall be booked against the main estimates technically sanctioned, the expenditure against the working estimate being treated as a separate subwork where necessary.

G REPAIRS

1. General

55. Repairs may be divided into two classes - ordinary and special. Ordinary repairs include those which, as a matter of regulation, are carried out periodically such as painting, white washing etc., and other occasional petty repairs Special repairs are repairs which are not periodical or frequent such as

re-roofing a building, renewal of flooring, doors and windows etc.,

II SANCTION OF ESTIMATES

56. The estimates for ordinary and special repairs require administrative approval of competent authority as in the case of all original works.

III LIMIT FOR EXPENDITURE ON REPAIRS

57. The annual expenditure on ordinary repairs to Board's buildings (residential and non-residential) should be limited to a maximum of 1½% of the capital cost exclusive of municipal taxes and service charges if any, borne by the Board. If, in any year the expenditure on ordinary repairs to any building exceeds this limit, the reasons for the excess should be explained to the Chief Engineer and his approval obtained.
58. As regards special repairs no limit is prescribed with reference to the capital cost of any building as such repairs are not annual or strictly periodical. Such estimates should be carefully scrutinised and sanctioned by the competent authority, as occasions arise.

IV REPAIRS ESTIMATES'

59. Repair estimates should besides providing for all items of work namely removal of all rubbish accumulation, filling in unsightly pits round the building etc include provision for property taxes payable by the Board, all work charged Establishment employed specially on a particular work etc, when the pay and allowances are debatable to the estimates. The maintenance estimates for working of heavy machinery should include provision towards pay and allowances of crew, operating expenses etc.

V LUMP SUM ESTIMATE

60. If the cost of ordinary annual repairs excluding municipal taxes to a building (residential or non residential) is less

than Rs. 1,500/- the Chief Engineer may prescribe subject to revision from time to time. A lumpsum limited to Rs. 1,500/- (plus the municipal taxes, if any, payable by the Board) to cover the expenditure on ordinary annual repairs and within this amount, it is permissible to incur expenditure, year after year, without any detailed estimate being prepared. The Executive Engineer enjoys similar powers upto Rs.500/- for each building, such lumpsum estimates should be framed after due consideration of the cost of maintenance in the past. If in any working year) the lumpsum amount is exceeded, a detailed estimate should be prepared in accordance with the ordinary rules and got sanctioned by the competent authority.

61. The sanction to an ordinary repair estimate lapses on the 31st March each year. If, however, inconvenience would arise in any exceptional case from the stoppage of work on the fixed rate, the repairs may be carried on to completion, the expenditure after that date being treated as expenditure against a fresh repair estimate.
62. Estimates for special repairs remain current till the completion of the repairs in the same manners estimates for original works.

H. Sanction of detailed estimates for sub works or component works included in a project

63. In cases where it is desirable to begin a work (already administratively approved) before the detailed estimate for the whole project is sanctioned, the authority competent to accord technical sanction for the whole project may accord technical sanction to the particular sub works or competent works proposed to be started. If the amount of the estimate for the sub work or component work exceeds the amount provided for the estimate administratively approved and no savings are anticipated on the other sub works action should be taken to regularise the total anticipated excess over the administrative approval wherever necessary.

I. Sanitary, water supply and electrical Installations

64. All works and repairs in connection with sanitary and water supply to Board's buildings should be carried out by the Engineering branch except in cases (eg. works in municipal areas etc) where such works have to be executed by the local body. Payment in such cases shall be made on bills presented by the local bodies *and certified by their Officers or in advance if the local bodies *so demand suitable adjustment being made at the time of final payment on completion of work.
65. As soon as administrative approval is accorded, the officers entrusted with the construction of buildings, the provision of sanitary water supply and electrical installations should prepare detailed estimates for the respective items under their charge and obtain the technical sanction of the competent authority. In cases where the buildings and other works are executed by different executive officers, the officer entrusted with the construction of the buildings, should ensure that there is close co-ordination between the work of the officers concerned so that the construction of buildings and the provision of sanitary, water supply and electrical installations are taken up in proper time and there is no delay in the beneficial use of the building on account of any failure on the part of the sanitary or electrical contractors to complete their works in time.

CHAPTER III

EXECUTION OF WORKS

L. Methods of Execution of works

66. The works shall be carried out by one or more of the following three methods.
 - i) Departmentally, by the employment of daily labour.
 - ii) by contract on a piecework agreement.
 - iii) by contract on an agreement based on a lumpsum tender

system as defined in the, Madras Detailed Standard specifications but payments being made on detailed measurements at unit prices.

67. Method (i) is to be adopted in cases where no contractors are available or where for other reasons, it is found more economical. Under this method, the department procures all the materials required for the work and employs the necessary labour for execution. Officers who are empowered to accord administrative approval may, upto the respective money limits, approve the departmental execution of works.

This para lays down the limits upto which departmentally works could be executed by engaging labour under method.

- (i) Once the principle of execution viz., departmentally through labour is decided, there is no need to impose an monetary limit with regard to the extent of labour charges which could be incurred, as such charges would automatically be governed and regulated by the detailed estimate sanctioned for the purpose. Therefore the last sentences of para 67 defining the limits may be deleted (vide 0.0.125, dt, 20-7-65 of S.H.B)
68. Under method (ii) the piece-worker merely agrees to execute a specified work at specified rates without reference to quantity or time. The piece worker usually possesses little professional knowledge or Capital and employs no supervising staff The department is responsible for the supervision of the work. It should also arrange for the setting out and measurement of all works, any labour required for the purpose being supplied by the piece-worker. The condition of the contract and the security to be taken from the piece-worker for the due fulfilment of the contract are set forth in the form of agreement. The schedule attached to the agreement should show rates for each item of finished work or for labour and materials as the case may be, even for items for which lumpsums have been provided in the sanctioned estimates. The piecework system

should ordinarily be confined to works costing not more than Rs. 5.000 If in any case, due to non-availability of good contractors or for other reasons, it is considered preferable to adopt this system for a work costing more than Rs. 5.000/- the reasons should be recorded.

69. Under method (iii) the contractor agrees to execute a complete work in accordance with the departmental specifications, plans and drawings for a payment to be determined on the basis of detailed measurements at unit rates. This methods should generally be adopted in the case of all works (original works or repairs) costing more than Rs.5.000/- except in any case, it is considered more advantageous' to adopt one of the other methods. The details of this method are set forth clearly in the Preliminary Specifications to the Madras Detailed Standard specifications as amplified in the Standard forms of the Articles of Agreement.

B. Award of works contract

I GENERAL

70. As a rule competitive tenders should be called for whenever it is proposed to carry out any work on contract exceeding Rs. 2.500/- In respect of works costing Rs. 2,500/- or less the Executive Engineer may, at his discretion, call for tenders or not. If it is proposed in any case whether for urgency or other reasons to depart from this rule, the previous approval of the authority competent to dispense with the tender call should be obtained.

II. CONTRACT DOCUMENTS

71. Before a work is proposed to be given out on contract the Contract Documents' which should include the following must be prepared and got approved by the competent authority.
- (i) a complete set of drawings showing the general dimensions of the proposed work and the details of the various parts as may be necessary. (The items of works

to be done under lumpsum rates in the schedule to the agreement should be clearly defined by specifications and drawings as may be necessary).

- (ii) a complete specification of the work to be done and of the materials (including the specified quarries) to be used unless reference can be made to specifications contained in the Madras Detailed Standard Specifications. (in the case of items of work for which there are already standard specifications, the numbers of the relevant specifications should be indicated in the schedule attached to the agreement.

Note :- Items (i) and (ii) above are necessary for both forms off contracts:

- (iii) a schedule of quantities of the various descriptions of work, in the case of contracts based on the lumpsum tender (payment being made on detailed measurements at Unit rates) system.
- (iv) a set of 'Conditions of Contract' to amplify as necessary. the preliminary and other specifications' of the MDSS or of the State Housing Board for execution of works form in part of contracts based on the lumpsum tender (Payments being made on detailed measurements at unit rates) system. (In the case of piecework, contracts, the conditions considered necessary for any particular case. 'in addition to those printed in the piece work agreement should be attached separately.)

III Invitation of Tenders

72. Tenders which must always be sealed, should be invited as publicly as possible. The notice inviting tenders should always state

- (a) when and where the contract documents can be seen and the blank forms of tender obtained and also the amount to be paid therefor;

- (b) when and where the tenders are to be submitted and are to be opened;
- (c) the amount and nature of the earnest money deposit that should be sent with the lender, as well as the amount and nature of the security deposit to be made by the successful tenderer
- (d) that the authority competent to accept the tender reserves to himself the powers to reject any or all the tenders received without assigning any reasons therefor.

IV Method of Publicity

73. Publicity in the following manner should be given while calling for tenders for execution of works:

a. Works costing upto Rs.25,000

Tender Notices should be prominently displayed on the notice board of the Board's Secretariat and of the Units concerned.

b. Works costing above Rs.25,000/- but not exceeding Rs.50,000/-

The Tender Notices should be sent to all the registered contractors of the Unit in which the works are to be executed, with a copy to reach the other Units (including the Board's secretariat) for display on notice boards.

Note :- The notices to registered contractors should be sent by 'Certificate of posting'

C. Works costing over Rs. 50,000/-

Notice calling for tenders should always be published in prominent newspapers. In addition, the tender notices should be sent by 'Certificate of posting' to all registered contractors in that category.

Note :-

1. The Chief Engineer may in his discretion, publish the tender notices of works costing over Rs. 25,000/- in the newspapers if he considers such works to be of sufficient

importance. Even in such cases, tender notices should be communicated to the registered contractors individually.

2. The estimated value of work to be awarded on tender excluding contingencies, supervision charges, etc. should be the criterion to decide the cost of work under this rule.

V. Time Limit for Submission Of Tenders

74. The following minimum time should invariably be allowed for tendering, in fixing the last date for submission of tenders

A. WORKS COSTING UP TO Rs. 25,000/-

Atleast two weeks from the date of display of the tender notice on the notice board.

B. WORKS COSTING ABOVE Rs.25,000/- BUT NOT EXCEEDING Rs.50,000/-

Atleast two weeks from the date of despatch of tender notices to the registered contractors

C. WORKS COSTING OVER Rs. 50,000/- OR WHEN OPEN TENDERS ARE INVITED BY ADVERTISEMENT.

Atleast three weeks from the date on which the advertisement appears in the papers.

- Note :-
1. In respect of works of great magnitude or importance, where the tenderers are asked to submit alternate designs a clear minimum time of one month should be allowed.
 2. The authority calling for tenders may for recorded reasons reduce the above time limits in exceptional cases for urgency or other causes; but in no case, the period should be unrealistic.

VI. Earnest Money Deposits

75. As a rule no tender for the execution of a work should be treated as valid or acceptable unless the tenderer has deposited the earnest money notified as necessary in the tender notice,

in one of the approved firms. The earnest money is the guarantee of the tenderer to deposit the required security and to enter into the necessary agreement on intimation of the acceptance of his tender. It is forfeited in case of default.

76. The amount of earnest money should be fixed at 1½% of the estimated value of the work put to tender, in the case of both piecework and lumpsum tenders

Notes: - In the case of contractors who have furnished the special lumpsum deposit, the earnest money shall be limited to 1%.

77. The earnest money deposit may be accepted in anyone of the following forms :-

- (a) a challan or receipt in token of remittance of the amount in cash in the office of the Board's Secretariat or the Unit as the case may be.
- (b) a crossed demand draft on the State Bank of India in favour of the authority calling for tenders (by designation)
- (c) A bank guarantee in the form prescribed by the Board from any Schedule Bank.
- (d) Prize bonds issued by the Government of India which should as far as possible, be tendered in higher denominations.
- (e) Fixed Deposit (BR No.48 dt. 22-2-62)

Note :- Except as provided above cheque or cash shall not be accepted towards earnest money.

VII. Rules Relating To Tenders

78. As a rule, only scheduled tenders i.e., item rate tenders should be called for. The calling for percentage tenders is prohibited.
79. In respect of a project consisting of many buildings in one or different localities, it may frequently be advantageous to split up the project into sub-works for purposes of invitation of tenders, in order to induce maximum competition and to

enable speedy execution of works. In order to ensure that the sub-works are of a distinct and independent nature, so as to avoid any possible interference among the different contractors the previous approval of the Chief Engineer should be obtained for the adoption of the above procedure. Such splitting can, however, be done only before the call of tenders but not afterwards.

80. No tender should be accepted from any person directly or indirectly connected with service under the Government or the Board.
81. The detailed instructions for the preparation of tender schedules, the accounting and sale of tender forms, the receipt and opening of tenders, the preparation and scrutiny of comparative statements. etc.. prescribed in Appendix II should be carefully observed.

VIII. Disposal of Tenders

82. If the acceptance of the tenders is beyond the powers of the Executive Engineer, 'the comparative statement and the tenders should be submitted to the competent authority accompanied by a proforma in form W.C.2. The remarks of recommendation of the Executive Engineer should be contained in a covering letter and not incorporated in the comparative statement. Any defects, omissions or peculiarities in the tenders should be brought out in the covering letter.
83. In selecting the tender to be accepted, the financial status of the tenderer their capability and their past performance should be taken into consideration. Other conditions being equal the lowest tender should be accepted.
84. In cases where a tender other than the lowest is accepted. a confidential record should be kept of the reasons for doing so. This confidential record should be produced for perusal by Audit, if required to do so The departmental inspecting

officers should also examine every case of acceptance of tenders other than the lowest, and report to higher authorities any such case for which, in the opinion of the inspecting officer, there was no sufficient justification.

85. The acceptance or rejection of a tender is a matter within the discretion of the officer to whom the duty is entrusted and no tenderer should be told the reason for rejecting his tender. The officer who dealt with the tenders may however, be called upon by Audit or a superior officer, to justify the manner in which he exercised his discretion, and to state the reasons for rejecting any particular tender.

C. Negotiations With Contractors

86. It may sometimes be necessary, in the interests of the Board, to negotiate with the tenders before final acceptance of the tenders Such negotiations may be divided into the following categories.
 - (i) Negotiations with the lowest tenderer whose tender is under consideration in pursuance of the notice issued to him in the form prescribed in Appendix II(b) to the Madras Detailed Standard Specifications, in order to bring down the rates for particular item or items in the tender schedule for which the tenderer has quoted abnormally high rates.
 - (ii) Negotiations with the tenderer to bring down his rates, in cases where only a single tender has been received' for the work and where a retender is not considered desirable.
 - (iii) Negotiations under circumstances not covered by (i) and (ii) above,
87. The negotiations contemplated in (i) and (ii) above may be conducted or authorised by the officers competent to accept the tenders upto those monetary limits. For all cases of negotiations not covered by (i) and (ii) above, the

prior approval of the authority next above the officer who is competent to accept the tender should be obtained. The following procedure should be adopted in such cases:-

- (a) While according his approval to the negotiation, the competent authority should also fix the ceiling or maximum which is acceptable to the department.
- (b) The negotiations should be started with the lowest tenderer, and, if he gives his consent to execute the work at or within the ceiling so fixed, the work may be awarded to him without further approval of the higher authority, provided the acceptance of the tender is within the powers of the lower authority. If the lowest tenderer does not, agree, then negotiations should be started with the next higher tenderer and so on. The willingness or otherwise should always be obtained in writing. If none of the tenderers is agreeable action should be taken to call for fresh tenders. If however on reconsideration it is felt that the ceiling has to be raised, the orders of the higher authority should be obtained provided the total excess over estimates is within the powers of that authority.
- (c) Negotiations should be conducted by an officer not below the rank of an Executive Engineer, who should keep on file suitable records of negotiation.
- (d) The file relating to the original call of tenders should be closed, (legally and literally), before starting the negotiations, though the negotiations may be conducted with the knowledge obtained from those tenders.

Note :- The above procedure should be followed also in cases where the lowest tender is not acceptable for valid reasons, and the next higher tender is very much above the estimates and it is proposed to negotiate with him to bring down the rates.

88. If after a tender call is in accordance with the rules, all the tenders received are found to be too high or otherwise unsatisfactory, and it is considered that a call for fresh tenders will be fruitless or is undesirable, the officer competent to accept the tenders may after obtaining the prior approval of the higher authority, negotiate with the contractors in accordance with the procedure prescribed above.

Note.1. In cases where there is no response to the first tender call or where all the tenders received are to be summarily rejected either on the ground that they are defective, or for other reasons such as failure to furnish the required earnest money deposits, fresh tenders should be called for again before resorting to negotiation in accordance with the procedure prescribed above.

2. In cases where there is no response even in the second call, and it is proposed to negotiate with the contractors short notice quotations should be obtained from a few reliable contractors, and the negotiations conducted after getting approval for the ceiling or maximum based on the quoted rates.

D. Execution of Agreements

1. General.

89. After the tenders are accepted by the competent authority but before the starting of the work, a written contract or agreement should be got accepted, by the competent authority. This written agreement between the contractor and the Board will be the foundation of the rights of both the parties and the contract is not deemed to be complete until the agreement is first signed by the contractor and then by the proper officer authorised to enter into contracts on behalf of the Board.

Note :- No formal contract or agreement is necessary in regard to petty works when the value of the work to be done is

Rs. 500/- or less. A written understanding in Form W. C. 3 should be taken in such cases except where First and Final Bills not exceeding Rs.100/- only are to be paid.

II Security For Performance of Contracts

90. The contractors entrusted with the execution of works should be required to furnish, before entering into the contract or agreement, the prescribed security deposit for the due performance of the contract. Suitable provision regarding the security deposit should be incorporated in the agreement.

91A. The extent of security deposit to be collected is indicated below:

(a) AGREEMENTS BASED ON THE PIECEWORK TENDER.

The earnest money of one and a half percent of the successful tenderer should be treated as security deposit. Whenever the value of work done exceeds 20 times the amount of the earnest money, a sum equal to 5% on the excess should be withheld from intermediate bills.

(b) AGREEMENTS BASED ON LUMPSUM TENDER.

In addition to the earnest money deposit of 1 1/2% of the successful tenderer, a further additional security of 1 1/2% should be collected. The withheld amount contemplated in clause 68 of the Preliminary Specifications to the M.D.S.S. should be deducted at a uniform rate of 3% in both intermediate and final bills instead of 5% and 2 1/2% provided in that clause. A special condition to this effect should be inserted in all agreements.

91B. The chairman may however, order the release of such withheld amounts and stop withholding of amounts in future, at any stage of progress of the work, provided he is satisfied that the timely completion of the work is likely to be appreciably delayed for reasons beyond the control of

the contractor and if he considers that the security deposit collected is adequate for the due fulfilment of the Contract." This concession shall apply also to the contractors governed by paragraph 93 below. (File M.H.U. B2-23753/63)

91C. Registered contractors of Housing Board who hold degree or diploma in Engineering are permitted to tender for works upto Rs.2,00,000 (Two lakhs only) and Rs. 1,00,000 (One lakh only) respectively and that they may be exempted from the payment of earnest money deposit. As regards Security Deposit and retention from interim bills a percentage of 1% or 2 1/2% respectively should be adopted. Resolution No. 202/23-3-78.

92. The security should be obtained in one of the approved forms prescribed in Chapter XI.

III Special Lumpsum Deposits

93. The Chairman may permit standing contractors of repute to make a special lumpsum deposit of Rs.25,000/- and to execute an indemnity bond. In such cases the following reduced percentages of earnest money and security deposits will apply:-

- (i) Earnest money is waived Resolution No: 149 dt 8-5-75
- (ii) Additional security for agreements based on lumpsum tender 1% instead of 1 1/2%
- (iii) Withheld amount in Intermediate bills against agreements executed on L.S. tender as per clause 68 of the P.S. to M.D.S.S. 2% instead of 3%

IV Rules Relating to Contracts

94. The detailed rules execution of agreements are embodied in appendix III

95. Engineers and their subordinates shall ensure that the terms of contract are strictly enforced and that no act is done tending to nullify or vitiate a contract. On no account, should payments not covered by the terms of contract or in excess of those provided in the contract be made as such payments would nullify the contract.

96. All agreements entered into with the Board by contractors are subject to stamp duty which shall be borne by the contractors. A copy of the agreements should, if required by the contractor, be supplied free of charge duly attested by the Executive Engineer.

97. The revision of rates in accepted agreements of any kind is prohibited. In exceptional cases where there is sufficient justification for a revision due to a bonafide error or omission, the approval of the Board should be obtained for the revision.

98. When a contractor who has entered into an agreement based on the piecework tender system, refuses to execute work at the rates provided in the agreement, then the agreement, should be terminated and the work measured up and paid for at the rates in the accepted agreement enforcing the forfeiture of the security deposit provided in the agreement, unless the forfeiture of the security deposit is waived by the Chief Engineer. The work should not then be given out at higher rates unless tenders have been called for and the most favorable rates obtained. If, however, it is found necessary in any case to give out the balance of work at higher rates to another contractor without calling for tenders, the previous approval of the Chief Engineer in cases where the original cancelled agreements were accepted by the Executive Engineer or the Superintending Engineer and of the Chairman, in other cases, should be obtained. This procedure should be followed in the case of termination of piecework agreements for any other reasons with reference to the relevant conditions in the agreement.

V. Custody of Accepted Tenders and Other Documents

99. The originals of tenders and agreements for execution of works whether accepted by the Executive Engineer or by higher authorities should be kept in the personal custody of the Accountant attached to the Executive Engineer. Copies of agreements accepted by the Executive Engineer or higher authorities should be sent to the Chief Accounts Officer or the Accounts Officer as the case may be, by the Executive Engineer as early as possible but before the bills for the work are submitted. The Executive Engineer should see that the copies are correctly transcribed from the original and should sign them himself.

VI Register of Agreements

100. Each Executive Engineer should maintain a 'Register of Agreements' in form W.C. 4 incorporating all agreements accepted by him or by higher authorities. A similar register should be maintained in the Accounts Branch for the whole unit, the entries in the register being made on receipt of copies of the agreements from the executive Engineers.

VII Registration of Contractors

101. A 'Register of Contractors' shall be maintained by each Executive Engineer in form W.C.5 consolidated Register shall be maintained in the Technical cell of the Board's Secretariat. The Register should be treated as confidential and should be kept upto date with reference to additions cancellations etc., ordered by competent authorities from time to time. The rules regarding registration of contractors are contained in Appendix-IV.

CHAPTER - IV

BUILDINGS

A. GENERAL

102. The rules in this chapter apply to the Board's buildings (residential and non-residential), including Government buildings, if any, under the maintenance control of the Board. The Engineering Branch will be responsible for the proper upkeep and for conducting periodical inspections of the buildings.

Note :- The responsibility for renting the buildings and realising the rents devolves upon the Revenue Branch.

B. REGISTER OF BUILDINGS

103. Each Executive Engineer should maintain a register in form W.C. 6 in respect of buildings under his maintenance charge grouping under separate categories, the buildings owned by the Board and Government buildings entrusted to the Board for maintenance. The register should be kept up to date in respect of subsequent additions, alternations etc., and submitted to the Chief Engineer for review on 1st June and December every year.

C. REGISTER OF FIXTURES

104. A register showing all fixtures, electric and sanitary fittings etc., in each building should also be maintained and the fixtures, fittings etc., verified with the register once a year.

D. INSPECTION OF BUILDINGS

105. Every building borne on the Register of Buildings' should be inspected by the Engineering Officers as indicated below atleast once a year, such inspection being made in respect of its general condition and soundness of the roof etc.,

Junior Engineer/
Assistant Engineer : All Buildings the individual capital cost of which does not exceed Rs.2,500/-

Assistant Exe.
Engineers : All Buildings the individual capital cost of which does not exceed Rs. 2,500/-

Executive Engineers : All other buildings. In addition, the Executive Engineer should inspect as often as possible, buildings which show cracks or definite signs of deterioration and take suitable steps to remedy the defects in time.

106. The notes on such inspection as also any remedial action taken (such as, sanction of estimates for special repairs etc.,) Should be recorded in a separate register which should be submitted to the Chief Engineer by the 1st June each year.

E. PURCHASE SALES OR TRANSFER OF BUILDINGS

107. No building may be purchased for Board's purposes and no Board's building may be sold or transferred without the prior approval of the Board. If any building, owned by Government, Local Body or a private person is proposed to be purchased for Board's purposes, a detailed survey and valuation report by an officer of Executive Engineer's rank should be submitted to the Board while applying for sanction.

F. DISMANTLEMENT OF BOARD'S BUILDINGS

108. When an entire building belonging to the Board is proposed to be demolished or dismantled the approval of the Board should be obtained. The Chairman may approve the demolition or dismantlement of a portion of building which is in a dangerous condition or' past repairs in cases where the value of the entire building (and not the portion) does not exceed Rs. 50,000/-

G TAXES ON BUILDINGS

109. The Executive Engineer or other officer concerned shall give due intimation to the local body concerned about the construction of new buildings and its beneficial use as required under the provisions of any law. In some cases, remission of tax can be obtained for a part of the half year in which the construction of a building is completed, provided the intimation is duly given in time. Any Board servant who fails to give the required intimation when he should do so, and thus causes the Board to lose any remission of tax will be held responsible for the loss. Similarly the officer paying the tax for the vacant building should ascertain from the Revenue Officer that remission of tax has been claimed for the period the building was vacant.

110. In order to avoid delays in the assessment and payment of municipal taxes on new buildings, the local body may be informed by the Executive Engineer through the Chief Accounts Officer of the cost of as new building within six months of its completion. In cases when it is not possible to close the accounts of a work within six month of its completion, provisional figures of cost, so far as can be made out at the time may be given so that the assessment may be calculated on these figures subject to revision when the final figures of cost are available.

CHAPTER V

Powers of Sanction

A. POWERS OF OFFICERS

III. The powers of the various officers under this code are in the tabular statement below :-

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
1.	(a) Powers to accord administrative approval for original works and repairs (other than" additions and alterations to existing residential buildings)	Nil	5,000	20,000	50,000	-	A single work or 'Project' should not be spilt up into parts with a view to avoid the administrative approval of a higher authority. vide See 28 of TNHB Act 1961.
2.	(b) Powers to accord administrative approval for original works and repairs (Additions to and alterations to existing residential buildings)	Nil	5,000	20,000	50,000	-	

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
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(c) Powers to accord administrative approval for maintenance of hire purchase houses/Hats.

Full

-

C. E. can accord Administrative approval only if the estimate is within the maintenance cost collected from allotments per year. Bd. Resln, No. 169 dt 27-6-81.

2. (a) Powers to accord technical sanction to estimates and approval of working estimates (other than electrical works)

Nil

5,000

20,000

50,000

-

(2 a&b) The powers can be exercised by the E.E. only in respect of works not more than Rs. 1 lakh or in cases where L.S. provision is made in a project estimate sanctioned by competent authority. In case of working estimates the amount of L.S. provision should not be exceeded without the approval

(b) Powers to accord technical sanction to estimates and approval of working estimates (Electrical works)

15,000

40,000

Full

-

(for building works)

42

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
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of the CE/ES respectively. Except as provided above the EE/SE cannot technically sanction estimates for component works covered by a project even though the amount of such component part may be well within their powers.

3. Powers to approve draft tender notices and schedules

2,00,000

10,00,000

Full

The limit applies to the total estimated value of works or sub-works covered by one project, for which tenders are invited at a time.

4. Powers to accept tenders for works upto Rs. 2 lakhs with (5) 5% excess over vide also item (5) 5% excess over estimate below.

The limits refer to the total value of the tender inclusive of the cost of materials to

43

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
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3.	Powers	Technical sanctioned estimate value	over Estimate	ate Between Rs.10 &	Between Rs. 25 lakhs and 5% excess	25 lakhs with above	be supplied departmentally.
			Between Rs.2 lakhs and Rs.10 lakhs	with 5% excess over technically sanctioned estimate	1 lakhs and 5% excess		b) The limits also refers to the maximum value of contracts in force at any time with a particular contractor in any one project awarded by an officer on tenders vide B Reslu No. 39.

dt 30-7-82

5. Powers to accept tenders in excess of the sanctioned estimate rates vide circular T4/98215/73 dated 20-12-73.

Upto 5% Upto 5% Upto 5% Upto 5% Full

a) The percentage has to be computed on the sanctioned estimated value of work put to tender including the cost of materials to be supplied departmentally, b) The total amount of tenders Including the excess percentage should not exceed the

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
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limits prescribed in Serial No.4 above.

c) The accepting authority should take action as early as possible for obtaining sanction to revised estimates where the sanctioned estimate is likely to be exceeded by more than 5% and also revised administrative approval where the amount administratively approved exceeds or is likely to exceed by more than 10%

The limit refers to the amount of each contract inclusive of the cost of materials to be supplied departmentally. All contracts

6. Powers to execute contracts or agreements on Standard form on behalf of the Board for work or supplies after the tenders or

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
	award of works has been approved by competent authorities.	1,00,000	Full	---	---	-	the value of which exceeds Rs. 10,000/- will be reported to the Board under Sec. 32(4) of the Act.
7.	Powers to grant extension of time for the contract for works deal with supplies	The authority who has accepted the agreement is fully competent to					
8.	Powers to dispense with tender for execution of works.	50,000	25,000	50,000	Full	-	a) A major work or project should not be split up for purpose of waiver of tender calls. expect by the Chairman. b) The limits refer to the estimated value of works (excluding contingencies, super-vision charges etc) for which tender calls are

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
							proposed to be disposed with
							c) The following explanatory note be added: The approval of Chairman contemplated in condition a) is not necessary if It IS proposed to float tenders by splitting up as major work or project. However the power to dispense with the tender call provided in this item without limit for the Chairman is intended to apply to the specific parts of a major works split for the purpose of a waiver of tender call. In respect of other parts which are not covered by such orders the normal procedure

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
9.	Powers to award works on nomination to a selected contractor (in cases where the Chairman has sanctioned the splitting up of a major work or project and the entrustment of the split portions on nomination without call of tenders)	5,000	25,000	50,000	1,00,000	-	for execution of work floating tenders etc., shall be applied (vide O.O. No. 125 dt. 20.7.75 TNHB) a) The limits refer to the maximum amount of contracts awarded on nomination to a particular contractor under anyone project, which are in force at a time. b) The amounts are inclusive of the cost of materials to be supplied departmentally c) The rates allowed to the contractor should not exceed the estimate rates by more than the percentage

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
							prescribed in S No.5 vide also condition (c) against serial No.5 Any particular work has to be awarded on nomination. dispensing with the call of tenders on ground of urgency or for other reasons it can be so awarded only at or below estimate value Nomination above the estimate rates can be resorted to only after calling of tenders, as laid down in para 88 of the works code (Vide circular No T6/110 36/73 dated 28-2-73 As per BR.588 dt 12.12.79 the Chairman can accept

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
10. (a)	Powers to award extra or supplemental items of work to the original contractor without call of tender	Nil	Upto 10,000 for agreements executed by EE	Upto limit Rs. 25,000	Full	-	nomination above one lakh and get ratification of Board in its subsequent meeting.
b)	Powers to approval supplemental rate and enter into Agreement	1,00,000 (including value of supplemental items)	5,00,000 (including value of supplemental items)	Full	---	-	Subject to the Condition that i) The additional items are really necessary and they are not susceptible of being separated from original work. ii) The rates are to be decided as per para 59 under general conditions of contract TNS (former PS 63 of MDSS)
	Powers purchase stores	1,000	10,000	1,00,000	Full	-	With a view to have a financial control over these purchase currency for these say that CAO's concurrence for these proposals exceeding a

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
							certain limit for purchase of stores should be obtained. The EE (T & M) should put up all the proposal for purchase of stores exceeding Rs. 50,000 at a time through the CAO for his concurrence before obtaining sanction of the competent authority Vide circular No. T4/ 10609/74 dated 7-12-74. Board Resolution No. 9 2 dt. 26-3-76.
							The purchase powers of the E. E's may be enhanced from Rs. 1,000 to Rs. 3,500 at a time for purchase of spares and sick tools and plants alone

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
			---			-	as regards the procurement of other stores, the existing powers of Rs. 1,000 may be allowed to continue. The Board desired that in respect of city powers may be given to E.E. (Ashok Nagar Dvns and in respect of Mofussil the concerned Superintending Engineers
12.	Powers to sanction petty Local (Cash) Purchases of Stores for sanctioned works.	Rs. 50 at a time	Rs. 100 at a time	Rs. 500 at a time	Rs. 2500 at a time	-	These powers should be exercised very sparingly in exceptional cases where the normal system of purchases on credit could not be resorted to for reason to be recorded. The purchases should however be made after obtaining competitive quotations.

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
13.	Powers to sanction advance payments for stores against Railway receipts' or shipping documents.			Upto Rs. 1,00,000 in respect of anyone supply order or contract	Full	-	a) No advance payment should generally be permitted except in respect of costly materials or controlled articles ordered from firms of established repute, b) Except in Special cases, the advance payment should not exceed 80% of the value of stores covered by the R.R. c) Sufficient precautions should be taken to safeguard the interests of the Board. d) The payment of any advance deposit to a supplier or any advances otherwise than against proof of dispatch of articles should be got approved by the Board.

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
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Chairman's note dt. 13-3-73 requesting the Board for permission to authorise the E.E. to make advance payments to companies for the supply of cement and steel 'Approved vide Rs. No. 48 dt. 23.2.73.

14. Passing of excess 5% or Rs. 5% or Rs. 5% or over estimates. 750 which ever is higher 1500 which ever is higher Rs. 5,000 which ever is higher May approve all excesses on completed sub-works or component works of a project subject to regularisation of the total excess if any over the amount

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1. The EE/CE may alternatively pass excess expenditure upto Rs. 500/- 3,000/- irrespective of the amount of estimate.
2. The E.E. cannot pass any excess over a revised estimate approved by the CE.
3. If the total revised cost of a project originally administratively

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
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administratively approved for the whole project by the competent authority when all the work covered by the project are completed, Same as for E.E. but upto Rs.20,000

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15. To approve the Survey Reports of Stores, T & P. machinery and other articles which have become unserviceable (after full use) cost due to normal wear and tear and to approve the disposal by sale or otherwise
- In cases where the original cost (or if this is not known, the cost of replacement of the articles to be surveyed) is more than Rs. 500, the same shall be referred to the Board for approval. Same as for E.E. but upto Rs.5000

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
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ported at a time does not exceed Rs. 250/-

16 Powers to approve the adjustment of losses in departmental manufacture or adjustment of losses on stock account due solely to adoption of incorrect issue rates.

Nil

upto Rs. 1000 in each case upto Rs. 10,000 in each case

17. (a) To write off irrecoverable value of stores due to loss by fraud, theft or other causes, unprofitable outlay on works, demurrage charges on stores etc.,

upto Rs. 1000 in each case

upto Rs. 5000 in each case with the occurrence of the C.A.O Board Res. No. 267 dated 23-7-76.

Provided the loss does not disclose

(a) defect of system or in rules, the amendment of which requires the orders of a higher authority.

(b) serious negligence on the part of some individual officer or officers which might possibly call

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S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
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18. To write off loss of cash (Board's funds) by fraud, or other causes.

upto Rs. 500 in each case

Same as above.

19 To write off loss of M. Books N.M.R's etc.

Full

If any payments have to be made for items based on the entries in the M.Books lost and the items are not susceptible of measurements subsequently, the a p ro v a l of the Chairman should be obtained in respect of payments upto Rs. 500/and of the Board in other cases.

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S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
20.	Hiring of private accommodation for p.m. in any month storing material at site course for a (when the expenditure period not is chargeable to 'Woks' exceeding 6 and b) to locate office months	Rs.25/-	Rs. 100 per month	Full	---		
21.	Hiring out Board's T&P and machinery to Local bodies, Govt., Departments and private persons when they can be spared without determined to Boards' works.	---	---	for a period not exceeding six months in any case	for a period not exceeding one year in any case	-	The full hire charges should be recovered as per rules. In the case of hire to private persons, suitable security deposit should be obtained.
22.	To approve the sale of dismantled materials retrieved from works or temporary structures when the purpose for which they were erected has been served	Full	---	---	---		

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
3.	To approve the issue of materials to contractors (not covered by agreements) for bonafide use on works.	When the book value of materials (excluding storage charges) issued in respect of a particular contract does not exceed Rs. 500/-	---	Full	---	-	The full issue rates plus storage charge or the prevailing market rate which sever is higher, plus sales tax at the rates in force should be recovered from the contractors.
24.	Disposal of Stores		---	Full	---	-	The C./E. CHAIRMAN may waive the 10% supervision charges in the case of surplus stock materials which in his opinion would, otherwise, be unsaleable.
	a. To sanction the issue of any materials from stock to private persons at full issue rates plus storage charges plus a supervision charges of 10% when the sale can be made without inconvenience to execution of works	---	---	Upto Rs. 2,500 book value at a time	Upto Rs. 5,000 book value at a time		

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
	b. To approve the disposal of surplus (Serviceable) Stores (Including stock, T & P and material at-site)	---	---	When the difference between the book value and the amount realised by the disposal of the articles at a time does nottime does not exceed Rs. 500/-	When the difference between the book value and the amount realised by the disposal of the articles at a time does nottime does not exceed Rs. 1000/-		
25	Powers to accept lump sum deposits from selected contractors of repute	---	---	---	---	---	
26.	Condonation of irregularities						The limit applies to the total value of the set of measurements
	a. Cases of payment made without check						

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
	measurement due to ignorance or wrong interpretation of rules	---	---	Upto Rs. 500/-	Upto Rs. 1000/-	-	omitted to be check measured.
	b. Cases of payments made or to be made without check measurement due to check measurement becoming impossible after a certain stage	Nil	250/-	Upto Rs. 500/-	Upto Rs. 1000/-	-	Same as for 26 (a) above
	c. Cases of non-test-check of attendance of labourers and other irregularities in the maintenance of NMRS	---	---	upto the limit of his powers to sanction write off of losses		Full	The aggregate payment to be made on a muster roll should be the criterion for determining the authority competent to condone the irregularity.

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
	d) Payment in cash for bills exceeding Rs.25/-	---	---	---	Full	-	
	e) Irregularities connected with the opening and closing of imprests and temporary advances	---	---	---	Full	-	
	f) Failure to check measure 24 works in a year by the EE'S	---	---	---	Full	-	
	g) Belated verification of materials at site T & P stock etc.	---	---	---	Full	-	
	h) Cases of acquisition of materials in advance of or in excess of actual requirements resulting in locking up of capital.	---	---	---	Full	-	In cases where the amount involved does not exceed Rs. 1.00.000 and the period does not exceed two years.

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
26. i)	Defects/irregularities in the maintenance of imprest cash accounts, log books, M. Books or other initial records	---	---	---	Full	-	Provided no monetary loss is involved and the defects/irregularities (do not disclose:- a) a defect of system or in rules, the amendment of which requires the orders of a higher authority. b) serious negligence on the part of individual subordinate or subordinates which might possibly call for disciplinary action requiring the orders of a higher authority.
j)	Cases or violating on non-observance of the rules in the Works code and other procedural irregularities.	---	---	---	Full	-	

S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
27.	Maintenance and Special Retaris. a) The Maintenance for TNGRH Flats. Housing Bard Flats/ houses for financial year b) Maintenance estimate for ordinary tools and plant for (plant per financial year) c) Maintenance estimate for special tools and plant for lorries and rollers per plant for financial year.	1,00,000 2,000 20,000	5,00,000 25,000 50,000	Full 50,000 1,00,000	--- Full Full	- - -	1) Should not exceed the prescribed percentage over the capital cost under individual parts. Chairman powers have been fixed based on the powers of C.E. Full the powers of C.E.
28.	Purchase of office furniture (Subject to budget provision)	1,000	2,500	5,000	Full	-	Chairman powers have been fixed based on

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S. No.	Nature of powers	E.E	S.E	C.E.	Chairman	Board	Remarks or Conditions
29.	Law suits: To accord sanction for the institution of law suits to the value of	---	---	Rs. 1000/- in each case	Rs. 5,000/- in each case	-	Full the powers of C.E.
30.	To sanction entertainment of work establishment	Nil	Nil	May sanction entertainment of work establishment subject to limit of pay Rs. 450/- p.m. for each person so employed.	the	Full	On par with G.O. 874 OP.W.D. 30-5-73.
31.	Powers to sanction disputed claims of contractors on Arbitration,	Nil	10,000	50,000	50,000	---	Claims over Rs. 50,000/- should be decided by Court. Bd. Resolution No. 472 dt.27-12-80

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E.E.: Executive Engineer
C.E.: Chief Engineer,
TPK. 1/9/79.

S.E. : Superintending Engineer
M. Books: Measurement Books

CHAPTER VI

INITIAL RECORDS OF ACCOUNTS OF WORKS

A. GENERAL

112. The initial records upon which the accounts of works are based are :

- (a) The Muster Roll. and
- (b) The Measurement Book.

B. MUSTER ROLL

113. The 'Muster Roll' (Form W.C. 7) is the initial record of the labour employed each day on a work and must be written up daily by the subordinate in charge of the work. The sanction of the Executive Engineer should be obtained in advance indicating the number and the period during which laborers have to be engaged for departmental purposes. The rates for various categories of skilled and unskilled labour will be fixed by the Housing Board Engineer from time to time.

114. One or more muster rolls may be kept for each work, but they should never be prepared in duplicate.

Note :- Entries in muster rolls should be made in ink or indelible pencil.

115. Labourers may be paid monthly or at more frequent intervals as may be found convenient: but a separate rolls should be prepared for each period of payment.

116. The daily attendance and absence of labourers and the fines inflicted on them should be recorded daily in the muster roll in such a way as

- (i) to facilitate the correct classification of 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.

Note :-

1. The subordinate in charge of the work should submit to the Assistant Engineer, a daily report of all labour actually engaged on each work for the day. When the muster roll is submitted for payment the Assistant Engineer should have it checked with reference to the daily labour reports and record a certificate to that effect in the muster roll.
2. The Assistant Engineer should test check the attendance of the labourers as frequently as possible. In cases where it is anticipated that the payment to be made on any muster roll will exceed Rs.200 it should invariably be test checked by the Assistant Engineer

117. After a muster roll has been passed payment there on should be made as expeditiously as possible, by or in the presence of 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 figures at the foot of the muster roll, the total amount paid on each date, The Assistant Engineer himself should pay the labourers or witness the payments as frequently as possible. Unpaid items should be recorded in a Register of unpaid Wages' quoting reference to the roll in which they were not paid. Subsequent payments should be noted in this register.

118. In all cases where ate work done by labour is susceptible of measurement, tile quantity of work done (covered by each roll) should be furnished, quoting reference to the measurement book in which it was measured. If, however, the work is not susceptible of measurement, a certificate to that effect should be recorded.

119. The employment or payment of daily labour through a contractor, instead of by the department on muster rolls in accordance with the above instructions, is objectionable in principal and should not be resorted to.

C. MEASUREMENT BOOK

1. GENERAL

120. The 'Measurement Book' is the original record of actual measurement or count of all work done or of supplies made. It is a most important record since it is the basis of all accounts of quantities, whether of the work done by daily labour or by contract, and payments are based on the measurements recorded there in. It should be considered as a very important record and may have to be produced in a Court of Law, if required. The descriptions in it must be lucid so as to admit of easy identification and check

II Instructions Regarding Custody and Use

121. The following instructions regarding the custody and use of measurement books should be carefully observed :

a. General Custody of Measurement Books

1. The books should be numbered serially and the pages of each book machine numbered:
2. They should be entered in a register in Form W. C. 8 showing the Serial Number of each book, the names of the section officers to whom issued, the date of issue and the date of its return, so that its eventual return to the office for record may be watched: Before any book is brought into use, the pages should be examined and any serious defect such as tearing off or the substitution of pages brought to notice at once.
3. Whenever they change bands from one office or section to another, an acknowledgment should be obtained from a responsible person.
4. Such of the completed books as contain measurements of the works executed by the contractors, having running accounts should be sent to the office for record after the final bills are paid to the contractors. Until then, such books, if not required for reference, should be sent to the office for 'temporary record' to be taken back when payments have to be made. The accountant should make frequent enquiries regarding all measurement books which have not been returned for record after two years of their issue.

5. Any loss of measurement books should at once be reported to the Housing Board Engineer, who will take disciplinary action against the persons responsible, where necessary, and write, off the loss.

b. Record of Detailed Measurements

6. Detailed measurements should be recorded only by Executive Engineers. Assistant Engineers or Junior Engineers and supervisors in charge of works.

Note :-

In respect of supplies to stores, the Chief Engineer may permit the Stores Superintendent to record measurement of supplies in measurement books.

7. All measurements should be neatly taken down in a measurement book issued for the purpose and now where else. Copying into measurement books from a note book or other source is strictly prohibited. The top most lines under columns 1 to 4 on each page of a measurement book should immediately be filled in the field. None of the lines should be left blank. Any lines not required should be carefully scored through in order to prevent any entries being made later on.
8. All entries should as a rule, be made in ink or if this is not possible in any particular case, they should at least be written in indelible pencil. The entries in the 'contents' or 'are' column should invariably be made in ink in the first instance. The use of ball point pens in the record of measurement is strictly prohibited.
9. At the head of each set of measurements, there should be entries stating:
 - I. In the case of bills for work done :
 - (a) the reference to the estimate and the full name of the work and sub work, if any.
 - (b) the name of contractor and reference to agreement.
 - (c) the date measurement.

II. In the case of bills for supply of materials :

- (a) Name of suppliers.
- (b) Reference to the agreement or supply order.
- (c) Purpose of supply viz., for stock or for work (to be detailed).
- (d) Date of measurement.

The measurement should end with the dated signature and designation of the officer recording the measurements. The reference to the last set of measurements, if any, relating to the work or contract should also be noted. In the case of measurements for work done, a suitable abstract should be prepared to collect the total quantities of each distinct item of work relating to each sub-head. The reference to pre-measurement if any should be furnished while recording the final measurements in all cases where such pre-measurements are required (e.g. jungle clearance grills for R.C.C works etc.)

10. 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.
11. The signature of the Contractor or his agent should be obtained in the measurement books after each set of measurements with the addition I accept the measurements. In the case of illiterate men, their marks should be attested by an independent witness.
12. The date of commencement of work or handing over of site and the date of completion work should also be indicated in the measurement book in respect of contracts based on the lumpsum tender system payments being made on detailed measurements.
13. The reference to the departmental supply of materials, if any, should also be indicated in the remarks columns.
14. Entries should be recorded continuously in the measurement book. No blank pages may be left and no page to turn out.

Any pages left blank inadvertently must be cancelled by diagonal lines the cancellation being attested.

15. No entry may be erased. "If a mistake is committed, it should be corrected by the officer who made the entries indicating reasons for the same. When any measurements are canceled, the cancellation must be supported by the dated initials of the officer ordering the cancellation or by a reference to his order initialed by the officer who recorded the measurements. In either case, the reason for cancellation should be recorded.
16. Each measurement book should be provided with an index which should be kept upto date.

III Check-Measurements

122. The measurements of work or supplies recorded by officers below the rank of an Assistant Engineer should, as a rule, be check-measured by the Assistant Engineer or the Executive Engineer before the bills are paid for.

Note :-

As an exception bills for work or supplies the gross value of which does not exceed Rs.250/- may be paid without check-measurement.

123. The following instructions should be followed carefully in this connection:-
 - i) Each set of measurements (i.e.) measurements recorded on each day should be check measured, if the aggregate value of items covered by the recorded measurements in that set exceeds Rs. 100/-
 - ii) The object of check-measurement is to detect errors in measurement and to prevent fraudulent entries. Check measurement should, therefore be contacted with discretion and method, those items being selected which appear obviously incorrect or which would be most easily susceptible of fraud or which would most seriously affect the total amount of the bill. If inaccurate. While the officers have the discretion to select the particular items for check measurement, it should be seen that at

least not less than 50% (judged by money value) of the items measured, are covered by the Check-measurement in order to ensure that the check-measurement has been done adequately. Further, the Assistant Engineers should, where ever possible record the measurements themselves for items carrying 'high unit rate, such as R.C.C. etc .

iii) The entry 'measured in any presence' by an officer does not amount to a certificate of check measurement. When measurements are taken jointly by officers or subordinates, the measurements should always be recorded and signed by the senior.

124. In addition to check-measurement by the Assistant Engineer it is an important duty of the Executive Engineer to frequently check-measure works which are in progress and to maintain a register of such check-measurements in Form W. C. 9. The number of check-measurements by the Executive Engineer should be at least 24 in a year evenly spread during the year at 2 per calendar month. For this purpose, works costing Rs.10,000/- and more should, ordinarily be selected, Other works may be chosen if there are no works costing Rs.10,000/- or more due for check measurement during the month.

125. The fact of check-measurement by the Assistant Engineer or the Executive Engineer should invariably be noted in the measurement book at the time of check-measurement and the Items check-measured should be indicated by the initials of the checking officer which should be placed on the left side of the column "particulars" in line with the item check-measured.

126. The rules relating to check-measurement also apply to any pre-measurements recorded in respect of jungle clearance, dismantling work or grills for R.C.C. works etc.

IV Standard Measurement Book

127. "Standard Measurement Book" are those measurement books in which a detailed record of measurements of

building, certified as correct by an Executive Engineer, is kept, in order to facilitate the preparation of estimates of periodical repairs Where such measurement books are maintained, it is permissible to adopt the quantities of each item of work as per the standard measurements for the purpose of preparing, 'contractors' bills for such repairs so that it may not be necessary to take detailed measurements on each occasion.

128. The following instructions regarding the use and up kept of 'Standard Measurement Books' should be strictly observed :

- (i) All the Standard Measurement Books should be numbered in a separate series so as to readily distinguish them from the ordinary measurement books and a register of all Standard Measurement Books kept in the office. (Form W.C. 8)
- (ii) The original Standard Measurement Books should be kept in the personal custody of the Executive Engineer or the Accountant, certified copies alone being given to the Assistant Engineers and Section Office, to be kept in their personal custody for guidance.
- (iii) The Executive Engineer should ensure that the entries in the Standard Measurement Books are not tampered with. If there are any corrections to be made owing to subsequent additions or alterations to the building, they should be carried out in the Standard Measurement Books by the Executive Engineer in his own handwriting with proper attestations.
- (iv) On the 30th April of each year, the Executive Engineer should furnish a certificate to the Chief Engineer (i) that all the Standard Measurement Books in his charge have been inspected by him, (ii) that the entries therein have not been tampered with, (iii) that all corrections due to additions or alterations in the buildings have been made in the books and (iv) that the latter are reliable and upto date records.

- (v) When payment has to be based on standard measurements, the Assistant Engineer should certify in ordinary measurement book and the bill that the work as per standard measurements in a book the number of which should be quoted, has been done and that it has not been previously billed for in any shape. Separate measurement books should be set apart for noting the details of such bills so as to facilitate the review of payments based on Standard Measurements.

129. The entries recorded in each/Books should be subjected to a percentage check by the Accountant under the supervision of the Executive Engineer. The following are the detailed rules on this subject :-

- (a) Each Section Officers should maintain a register in Form W.C.10 indicating the number of pages of measurement books written up during a month (for detailed measurements, pre measurements or abstract of bills.) At the end of the month, an extract of this register should be sent to the Accountant who should post them in a register showing the progress of review of measurement books by the Accountant in Form W.C.11 and watch the receipt of books from the Section Officer for review.
- (b) The measurement books should be sent to the Accountant in convenient batches so that the entries for a month are reviewed by the Accountant within the following four months and there is an even flow of measurement books.

Note :- If, in any month, the number of pages written up in a measurement book is less than ten, the book may be sent to the Accountant in subsequent months, after more pages are written up.

- (c) The Accountant should review atleast 25% of the pages written up in each measurement book in a month. He should in addition personally check the arithmetical accuracy in 50% of the pages reviewed under the above rule.

- (d) The review conducted under these ruled will be in addition to that conducted by the Accountant while the bills are scrutinised for payment. The review should be conducted generally with reference to the rules regarding the writing up of measurement books prescribed in this code. The payments based on the entries reviewed should be traced in to the various accounts and verified. Similarly, supplies and issues of materials should be traced into the material" at-site accounts contractors' ledger etc, and verified'
- e) Every page reviewed should be initialled and dated by the Accountant with the remark 'Reviewed' and a corresponding entry made in the prescribed progress register. In pages where the arithmetical accuracy checked' should also be added. The progress register should be submitted to the Executive Engineer for review every month.

D Permanent Imprests

130. The permanent imprest is a standing advance of a fixed sum of money given to an officer or subordinate to enable him to make certain classes of disbursements pertaining to sanctioned works which may be entrusted to his charge. As the imprest constitutes permanent retention of the Board's funds outside the Public Account, the amount of the imprest should be fixed as low as possible with reference to the reasonable needs in each case. The following rules should be observed :

- i) The amount of imprest for each officer shall be fixed by the Chief Engineer in consultation with the Chief Accounts Officer by a general or special order. Subsequent changes such as enhancement, reduction etc. will be similarly sanctioned. The amount should in no case exceed Rs.1,000/-without the specific sanction of the Chairman.
- ii) The imprest is intended for incurring petty cash expenditure not exceeding Rs.25/- in each case.

(Pertaining to sanctioned works) with the approval of the Executive Engineer. In exceptional cases, if so authorised by the Chief Accounts Officers, muster rolls and other claims exceeding Rs.25/- can be paid without precheck by the Accounts Section, out of the permanent imprest and the paid rolls sent to the Accounts Section at the time of recounment .

- iii) Though for the sake of convenience, the imprest is opened with Assistant Engineers or Section Officers, no expenditure should be incurred without the approval of the Executive Engineer, who should, at the time of renouncement examine each voucher and admit the expenditure.
- iv) The imprest holder is responsible for the same custody of the imprest and he must at all times be ready to produce the total amount of the imprest in vouchers or in cash,
- v) Each imprest holder should maintain an Imprest Cash Account in Form W.C.12. The instructions printed on the flyleaf should be carefully observed.
- vi) The imprest should be got recouped periodically, at least once a month, by submitting to the Accounts Section, the imprest account supported by paid vouchers.

E Temporary Advances

131. A temporary advance may be opened to enable a subordinate officer to make a number of payments on vouchers already passed for payment or on other than passed vouchers. with the sanction of the competent authority, to incur expenditure on a specific purpose. The temporary advance should be accounted for in the same way as an imprest and the amount adjusted in full without any delay by the submission of the temporary advance account supported by the paid vouchers. Unspent balance, if any should be refunded to the cash section. The account of the temporary advance should be kept separate from that of the permanent imprest held by an officer and should not be mixed by under any circumstances.

132. The opening of a temporary advance on other than passed vouchers is generally permissible in the following cases :-

- i) To make cash payments for railway freight or deposits for registration of wagons:
- ii) For the purchase of petrol and other incidental charges on route when the Board's vehicle have to be sent to distant places.
- iii) Other cases of advances not exceeding Rs.1,000/- in each case requisitioned by the Executive Engineer for specific purpose which should be stated. If, in the case of an advance exceeding Rs.500/- the Accounts Officer is of the opinion that the advance is not necessary or that the amount asked for is high, He may obtain the orders of the Chief Engineer or the Administrative Officer as the case may be.

133. The Chairman may sanction the grant of temporary advance in cases where he is satisfied that the insistence on passed vouchers is impracticable or would cause much inconvenience,

Note :-

The Chairman may also sanction, in exceptional cases, the grant of temporary advances for cash payments towards cost of stores purchased from dealers who refuse to allow the payments provided that the purchases are made after obtaining competitive quotations.

Materials to be, taken out of their premises without prior cash.

F Works Charged Establishment

I. GENERAL

134. The term 'Workcharged establishment' refers to such establishment as is employed upon the actual execution. as distinct from 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 connection with such a work or sub works. Such establishment can be entertained only against specific provision in the estimate and under such conditions as may

be laid down by the Board or the Chairman. In case of doubt whether a particular post is to be treated as works charged establishment or not, the orders of Chairman should be obtained.

135. The scales of pay for the different categories of work charged establishment usually to be entertained in connection with the execution of works should be got approved by the Board. The Chief Engineer may sanction the entertainment of the work charged establishment subject to the condition that the provision in the estimate is not exceeded and that the establishment is entertained on the time scales of 'pay approved by the Board.

II PAY BILLS

136. Wages of the members of work charged establishment should be drawn and paid on Form W C.13. which is a combined pay bill and acquittance roll form. Names should be grouped in the bill, by works on which the men are employed. The sanction 'to the entertainment of the establishment should be' quoted in each case and a certificate recorded by the Assistant Engineer that the men were on duty during the period shown against their names, each man being employed on the work and on the duties for which his appointment was sanctioned.

Note :- If the acknowledge of an individual cannot conveniently be obtained on the bill itself, it may be obtained separately on a band receipt in Form W. C. 50 which should be attached to the bill 'as a sub voucher.

III CLASSIFICATION OF CHARGE

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

Note :- If, in any case, certain establishment is entertained for a group of works, the Chief Engineer may determine in consultation with the Chief Accounts Officer the proportions in which the cost of such establishment should be distributed among the works concerned.

G Transfer Entries

138. Transfer entries intended to transfer an item of receipt or charge from one head of account or work to another head of account or work. They are necessary.
- In order to correct an error of classification in original accounts .
 - In order to adjust, by debit or credit to the proper head of account an item outstanding in a suspense account or under a debit head.
 - In order to bring to account certain classes of transactions which do not pass through the cash or stock account.
 - In order to response to a remittance transaction advised by one unit to another.
139. For every transfer entry, there must be an authority in Form W.C.14 'Transfer Entry Order', All transfer entry orders should set for the such explanation of the correction or adjustment proposed' to be made as would establish clearly the corrections and necessity of the entry. In the case of corrections of misclassifications, the full particulars of vouchers and accounts as also the circumstances in which the transactions were erroneously classified. should be clearly stated.

Note :- There is no objection to a transfer entry covering a number of adjustments and corrections provided that all the necessary particulars are set forth in respect of each.

140. All transfer entry orders should be entered in an Adjustment Register in Form W.C. 15 maintained by the Executive Engineer and the Accounts Section. Entries should be grouped separately for each month in the accounts of which they are incorporated in the Accounts Section The Executive Engineer is responsible to see that a Transfer Entry is proposed as soon as it becomes necessary. Before the adjustment register is closed monthly, the Accounts Officer should ensure that no adjustments which are required to be made under any rules are omitted.

H Contractors' Ledger

I GENERAL

141. The accounts relating to contracts for execution of works should be kept in the Contractors Ledger in Form W. C. 16 a separate folio or set of folios being reserved for all the transactions with each contractor for whom a personal account is maintained. A personal account should/opened in the ledger for/be every contractor in connection with the execution of works except in cases where only a first and final bill is paid on completion of the work. Even in such cases, if any materials are issued to the contractor or any payments are made on his behalf a ledger account must be opened where a single contractor has entered into a number of contracts the ledger should show transaction against each agreement or contract.

II POSTING

142. The debit and credit columns of the ledger constitute the account proper while the suspense account indicates the amounts due from the contractor towards cost of materials issued departmentally and its recovery from bills. The debit entries in the ledger should be made only on the basis of transactions recorded in the accounts, the postings being made from the supporting cash, stock or adjustment vouchers liabilities not yet liquidated should 'be excluded altogether. The value of materials issued to the contractor, for which cost is recoverable should be debited to his account. at the rates provided for in the agreement, on the authority of the acknowledgment obtained from him.

Note :- Amounts withheld from the contractors' bills towards additional security should be credited to the deposit account irrespective of the amount involved. Such amounts, if any, should therefore be shown as paid to the contractor in the debit column (by transfer credit to Deposit Account)

143. Credit entries in the ledger representing the value of work done by the contractor should be made on the basis of the paid voucher, except in cases where due to the refusal of the contractor to receive the payment, the amount is adjusted to deposits under paragraph 298

144. When a deduction made from a contractor's bill for one work is creditable to the accounts of another work such credit is in connection with his contract for the latter work, two distinct sets of entries should be made in the ledger, one for the payment made on account of former work and the other for the recovery creditable to the latter, as if that recovery has been made in cash.

145. Columns 1 to 3, 5, 6 and 10 are self explanatory and need no explanation, instructions for filling in the other columns are given below :

a) Column 4 'Contractors' - Other Transactions :

The cost recoverable from the contractor for materials issued 'departmentally as well as any other amount recoverable from the contractor in connection with the work as per the terms of the agreement should be posted in this column as a plus figure. When recovery is effected from the bill, the amount recovered should be noted in this column as a plus figure. When recovery is effected from the bill, the amount recovered should be noted in this column as a minus.

b) Column 7 Debits :-

The actual payment made by cheque should be posted in this column. In addition, the amounts recovered from the bill creditable to other works or heads of account should also be posted as a separate entry.

c) Column 8 Credits :

The value of work done since previous bills posted in this column. In the case of intermediate bills posted in this column. In the case of intermediate bills on lumpsum contracts, the credit should be given for the net amount after deduction of the withheld amount.

d) Column 9-Total value of work done :

The upto date value of work done should be noted' in this column. While checking the bill, the Accountant should ensure that the figure shown in the bill against, Deduct value of work done on previous bill' agree with the last entry in this column in respect of this work.

III BALANCING AND RECONCILIATION

146. The ledger account should be closed and balanced monthly. The closing balance of each personal account should be detailed so as to show, in respect of each separate agreement, the amount outstanding, if any under the suspense account, 'Contractors - Other Transaction' (Column-4) quoting reference to the number and the date of the unstamped receipt or cash or adjustment voucher number in respect of amounts due from the contractor.
147. The accountant is responsible, for the correctness of the contractors' ledger and for securing agreement month by month, between the balance detailed in the worst registers under the suspense head 'Contractors - Other Transactions' and the corresponding balance in the ledger.

IV SCRUTINY OF ACCOUNTS

148. Periodically, all the personal accounts in the ledger should be examined by the Accountant and the Executive Engineer to ensure (1) that the balance do not remain outstanding for a long time without justification and (2) that, the cost of running accounts, bills are prepared at reasonable intervals.
149. A contractor requiring an extract from his account in the ledger may be furnished with the same.

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CHAPTER VII

STORES

A Introductory

150. The accounts of the stores are based on the fundamental principal that the cost of their acquisition should be debited to the final head of account concerned' or the particular work for which they are required, if either of these can be determined at once; otherwise, it should be kept in a suspense account pending clearance, as the materials are actually issued, by charge to specific heads of account or works.
151. All Board servants entrusted with the care, use or consumption of stores are responsible for proper precautions against deterioration or loss and for maintaining correct records and preparing correct returns in respect of them. All transactions of receipts and issues should be recorded strictly in accordance with the rules, in the order of occurrence and as soon as they take place. Fictitious stock adjustments are strictly prohibited such as for example. (1) the debiting to work of the cost of materials not required or in excess of actual requirements, (2) the debiting to a particular work for which funds are available, of the value of materials intended to be utilised on another work for which no funds are available (3) the writing back of the value of materials used on a work to avoid excess over budget provision etc., Any breach of this rule will be viewed seriously and will be brought to the notice of the Chairman by the Chief Accounts Officer.
152. The stores fall' under two broad categories as shown below:-
 1. Stores charged to final heads :-
 - i) Tools and plant.
 - ii) Materials-at-site (i.e.) Materials charged to works.
 - iii) Road-metal

2. Stores charged to suspense account :

Reserve Stock

153. In respect of the first category, only a numerical or quantity account of receipts, issues and balances has to be maintained with a view to control the balances efficiently until the stores are finally utilised either by consumption or use on works or otherwise/of In respect/the second category, both numerical and value accounts should be kept with a view to have an effective control over the quantity balances and the clearance of the suspense account.

B Tools And Plant

I GENERAL

154. The tools and plant are of two kinds

- 1) Ordinary or general tools and plant (i.e.) those required for the general use of the departmental staff; and
- 2) Special tools and plant (i.e.) heavy plants and machinery which are obtained to meet the special requirements of a particular project or a group of projects.

In cases of doubt, the Chief Engineer will decide, in consultation with the Chief Accounts Officer, whether any tools and plant should be classified as ordinary or special.

155. The expenditure on the purchase, repairs and maintenance of both categories of tools and plant should be covered by specific administrative approval and technical sanction of the competent authority in the same way as expenditure on works.

II ORDINARY TOOLS AND PLANT'

(a) Definition

156. The term, 'Tools and Plant' refers to all petty tools, and mathematical, scientific and drawing instruments required for use on works or by the engineering officers and subordinates.

Note :-

Other imperishable articles such as, office furniture, fixtures, typewriters, bicycles, duplicators, clocks etc., which are intended for office use will not be treated as tools and plant though numerical accounts have to be maintained for these articles also by the authority entrusted with custody of the articles.

b. CLASSIFICATION OF EXPENDITURE

157. The expenditure on the purchase and maintenance of all ordinary tools and plant should be debited to the revenue account Expenditure on the bulk purchase of tools and plant exceeding Rs 25,000/- at a time may, if so ordered by the authority sanctioning the expenditure, be debited to the capital account in the first instance and the amount distributed to the revenue account over a period of ten years.

'c' REGISTER OF TOOLS AND PLANT

158. A Register of tools and plant, showing the consolidated account of receipts issues and balances of tools and plant should be maintained by each Executive Engineer in Form W.C. 17 in respect of all tools and plant under his direct charge as well as those under the charge of Assistant Engineers or other subordinates working under him. The account should embrace the transactions in financial year from april to march.

159. The register should be kept in three parts.

Part I Articles of hand.

Part II Articles temporarily lent or sent out for repairs etc.,

Part III Shortages awaiting adjustment.

160. In part 11, only articles which are lent to contractors or other than Assistant Engineers and subordinates working under the Executive Engineer, should be posted. In respect of articles in part I, the Executive Engineer shall maintain a

distribution statement showing the designation of the officers in whose charge the various articles are kept, together with the acknowledgments of the officers. The articles with the subordinates should be inspected periodically by the Executive Engineer and the Chief Engineer during their inspections.

161. In part I of the register should be posted the total receipts and issues during a month. If any article is sent out for repairs or lent to the contractors, a further posting should be made in part II with suitable details the articles lent or sent out being shown under debits and those received back under 'Credits', Part III should be brought into use, only if any shortages come to notice.
162. As soon as the transactions for the month of march have been posted, the account should be closed and balanced and the closing balances should be carried forward to the next year's return. The register should be sent to the Accounts Branch for review once a year by the Chief Accounts Officers or the Accounts Officer as the case may be.

'd' SALES AND TRANSFERS

163. The Executive Engineer should ensure 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 realised before the articles are delivered. A 'sale account' in Form W.C.18 should be prepared in support of every transaction.
164. When tools and plant under the charge of one Executive Engineer or Unit is permanently transferred to another Executive Engineer or Unit, the articles should be shown as 'issue' in the register of the former and as receipts' in the register of the latter. An intimation of the transfer of articles should be sent to the Accounts Branch by the Executive Engineer or Unit transferring the articles. No adjustment of cost is necessary in these cases.

'e' ANNUAL PHYSICAL VERIFICATION

166. The Executive Engineer should have all the articles as per the register verified atleast once a year, by an officer not below the rank of an Assistant Engineer. The results of such verification should be reported to the Chief Engineer and the Chief Accounts Officers or the Accounts Officer, but as soon as the discrepancy is noticed the book balance should be set right by the verifying Officer as indicated below :
 - 1) Articles found surplus should be shown as 'receipts' in Part I of the Register with a suitable remark.
 - 2) Articles found deficit should continue to be shown as balance in Part I till the recovery is effected or its write off sanctioned. They should however, be posted in Part III of the register of 'tools and plant' under 'debts'.
167. If the deficiencies are made good in kind, the articles received should not be entered in part I of the register or tools and plant but directly posted in Part III as a credit in clearance of the debit outstanding there in. If the deficiencies are made good by recovery of cost of their write off is sanctioned, the articles should be shown as issued in Part I of the register with a suitable remark and also posted in Part III as a credit, thus clearing the debit outstanding therein. The sanction of the competent authority for the write off should be obtained on a survey report.

III. SPECIAL TOOLS & PLANT

168. The rules prescribed for the maintenance of numerical accounts of ordinary tools and plant apply also for the special tools and plant.
169. The detailed rules for administration, control and accounting of special tools and plant are embodied in Appendix V.
165. If any plant is considered unserviceable, it should be condemned and the sanction of the competent authority obtained on a survey report in Form W.C.19 for its disposal either by auction or otherwise.

C. Materials At Site

I GENERAL

170. The cost of materials brought to the site of the work either for use on works or issue to the contractor should be debited to the work concerned as a final charge in the manner indicated below ;

Source of receipt of materials	Head of account to be credited	Value to be credited	Mode of effecting adjustment of cost
1. Stock	Suspense Stock	At issue rates plus storage charges	Through stock accounts at the end of each Month
2. Manufacture	Suspense Manufacture	At rates fixed for the purpose	By a Transfer Entry at the end of each Month
3. Direct purchase not passing through stock account	Suspense purchases	At rates payable to the suppliers as per supply orders.	By a transfer entry at the end of the month
4. Transfer from an other work	Work from which transferred.	At the original issue rate if however, the articles are surplus to the former work than the amount to be debited to the new work should not exceed the market rates.	By a transfer entry as soon as the transfer is effected

II Numerical Account

171. A numerical account of materials-at site should be maintained by the Assistant Engineer, in charge of the work in an annual register (in Form W.C.20) giving a continuous record of the receipt, issue and balances of all material, for the work for all the months of a year. In the case of receipts brief reference to the source of receipt indicating the T.E.No. etc. should be given. In the case of issues, the reference to unstamped receipt or voucher number for labour payments should be given. The register should be reviewed by the Accountant and the Executive Engineer every month.

172. Materials belonging to a contractor should never be mixed up with departmental materials. The annual register is intended to account for departmental materials only. Materials should be obtained only when actually required for use and to the extent of actual requirements. Transfers of materials to another work or stock should be shown as minus receipts in the annual register.

173. The annual register also provides for the noting of the estimated quantities of all materials so that in the case works executed departmentally and also in case where any or all the items of contract are for labour, both the acquisition and the actual use of materials can be controlled with reference to the estimated requirements. In the case of works executed by contracts, the record of estimated requirements applies only to materials, the supply of which is made by the department. It is important that the estimated requirements should be duly corrected whenever a revision or the original estimate renders it necessary,

III Issues of Materials

174. Issues of materials to works, whether from stock or by purchase transfer of manufacture, are divided into two classes :-

- a) Issues to contractors :- Issues of materials to contractors with whom agreements in respect of completed items,

of works (i.e.) for both materials and labour, have been entered into.

- b) Issues direct to works:- Issues of materials for works executed departmentally or by contractors whose agreement are for labour only.

(a) Issues to Contractors

175. The issue of materials to contractors executing works is generally permissible when in the interest of work, it is considered desirable to retain the supply in the hands of the department and a condition to the effect has been incorporated in the agreement. In such cases, the tender notice and the agreement should, specify, (1) the materials to be supplied by the department for use on the works (2) the place of delivery to the contractor and (3) The rate to be charged for each description of material (The rate should be specifically stated without any vague phrases such as stock rates, usual rates etc.) the contractor, should be withheld responsible for obtaining from the department, all such materials required for the work and for making payment therefore by deduction from his bills at the rates specified in the tender. notice and agreement, regardless of any fluctuations in the market rates or in the stores issue rates.

176. As a rule, the contractors should be asked to quote through rates for all the items inclusive of cost of materials supplied departmentally.

Note :

In the case of laying of pipes where all the materials such as pipes and specials are supplied departmentally the tender may be called for labour only, the materials being supplied free of cost.

177. No sales tax need be levied on the cost of materials supplied to the contractors and actually used on the work under the provisions contained in the above paragraph.

178. No carriage or incidental charges should be borne by the department for moving the materials beyond the place where the contractor should take delivery of the materials as per terms of the agreement.

179. As a general rule, no other materials should be supplied to the contractors for use on works. If however, the contractor desires the issue to him for use on a work, materials which exist in departmental stores but the supply where of by the Department was not provided for in the agreement, the materials should not be supplied without the specific sanction of the competent authority in each case. The rate to be charged in such cases should be either the stock issue rate (including storage charges) or the prevailing market rate whichever is greater. In the case of materials applied to the contractor at his request and not provided for his contract, sales tax should be levied at rates in force and the amount credited to Government.

Note :-

The intention of this rule is to prohibit the supply to the contractors of materials not provided in the agreement as it amounts to unintended financial aid to the contractor.

180. As the issue of materials to contractors is permissible solely for the bonafide requirements of works, the Executive Engineers should make such arrangements as may be found suitable for limiting the total issues to a contractor in connection with a particular work to the reasonable needs of that work. This precaution is particularly necessary when the rates at which any materials are issue lower than the prevailing market rates or the latter are expected to rise appreciably. It can be watched with the help of the annual register of materials-at-site that the aggregate of the quantities of any material issued to the contractor from time to time for use on a work is within the estimated requirement.

181. The Board does not undertake to take over from the contractors, whether before or after the completion or determination of contracts surplus materials which were originally procured by the contractors for themselves. As regards materials supplied departmentally to the contractors

the Executive Engineer may, if required, take over the surplus materials, if any, left on completion of the work. The credit to be allowed to the contractor will be the original issue rate excluding the storage charges or the prevailing market rate whichever is less. Contractors are, however not at liberty to remove from site of works, without the permission of the Executive Engineer, materials which have been issued to them for use on a work.

Note :-

The contractors should be required to keep a detailed account of the receipts, issues and balance of all materials supplied departmentally and show the account to the departmental officers, when demand. Suitable provision should be included for this in the agreement.

182. The materials required for issue to a contractor should be made over to him as and when required for actual use on the work and an unstamped (dated) receipt in Form W.C.21 should be taken. The issue of materials should be entered in the annual register,
183. On the authority of the contractor's unstamped receipt, the cost chargeable to him should be debited to his personal account by charge to the suspense head 'Contractors other transactions' in the works accounts and corresponding minus debit to the final head, so that the net debit to the work is nil (The debit to the work will be afforded through the stock accounts of the month vide para 170). Any difference between the amounts charged to the contractor and those debited to the work as per stock issue rates will be borne by the work concerned.

Note :-

The object of this rule is to ensure that the full amount chargeable to the contractor is debited to his account as soon as the materials are delivered so that he may not receive payment without recovery of the cost of materials issued to him.

184. The recovery from the contractor on account or the cost of materials issued to him for use on a work should be made by deduction from the first bill authorising a payment to him for the work. If in any case, a lumpsum recovery would result in much hardship to the contractors, the Executive Engineer may for reasons to be recorded permit the recovery to be effected proportionately, as the materials to the contractor are actually used up in construction and the items of work in which they are used are billed for.

(b) Issues direct to works

185. As the cost of materials brought to site is charged finally to the work, no further adjustment is necessary when materials are actually used upon the work. The detailed control over the actual utilisation of the materials should be exercised by means of the annual register of materials-at-site.

IV Disposal of Surplus Materials

186. On the completion of a work, the surplus materials-at-site if any, should be disposed of without delay and in any case, before the completion report of the work is finalised, in the manner indicated below :-
 - i) If the materials are serviceable, they should be transferred/ to other works on which they are required or to the stock account, the cost of materials so transferred being credited to the work by debit to the other work concerned or the stock account. This adjustment should be made at the original issue rate or the prevailing market rate whichever is less so that any resultant loss is borne by the work for which the materials were originally drawn.
 - ii) If the materials are unserviceable, the sanction of the competent authority should be obtained on a survey report and the articles disposed of by auction or otherwise, as directed by the competent authority, the amounts realised or recovered being credit to the work.

V. Verification of Unused balances

187. The Executive Engineer should arrange for a physical verification, by an Assistant Engineer, of the unused

balances of materials - at site at the end of each year. A similar verification should also be conducted (1) on completion of work and (2) when the subordinate in direct charge of work is transferred. A report of each verification indicating the book balance, actual verified balance and surplus or shortage, if any, should be submitted by Assistant Engineer to the Executive Engineer with copy to the Chief Accounts Officer. In addition to the verification prescribed above, the Executive Engineer should, as frequently as possible conduct a surprise check of the physical balances and report the discrepancies if any, to the Chief Engineer/Chief Accounts Officer.

188. Any surplus found during the physical verification should, at once, be entered as a receipt in the materials-at-site account with a suitable remark. Deficiencies or losses if any should not however, be shown as issues until they are fully investigated and recoveries effected from the persons responsible or the orders of write off obtained.

D. ROAD METAL

I. Quantity Account

189. As metal is usually stocked at the road side before being laid down, a quantity account of it should be maintained by the Assistant Engineer in Form W.C. 22 and a Statement of Receipts Issues and Balances of Road-Metal for each month check and record for should be submitted to the Executive Engineer.
190. The statement should show mile by mile the receipt disposal and balances of road-metal of each kind. The balance of metal in each mile should be shown whether there are any transactions on it during the month or not.
191. The statement should also show the total metal received and issued in respect of each mile giving reference to the measurement books in the case of receipt of metal and the paid voucher for labour charges for spreading in the case of issues.

II VERIFICATION

192. Balances of road metal left unused shall be verified annually in the same manner as the verification of unused balance of material at site and report of the verification prepared by each Executive Engineers showing the balances as per Form W.C. 22 and the actual verified balances, with explanations for discrepancies and proposals as to their utilisation in the case of excesses.
193. The verification should invariably be done in the event of transfer of the Officer responsible for the balance of road-metal.
194. Metal found surplus should at once brought to the quantity accounts. Defects should, however not be removed from the quantity accounts till they are written off the accounts or their value recovered from the person concerned, In such cases suitable entry of the quantity found deficient should be made in the accounts and continued to be recorded as such from month to month until the discrepancy is set right.

Note :-

The procedure indicated above applies also to the collection of gravel sand etc.

E STOCK

1 GENERAL

195. The general administration of the reserve stock with the Board is vested in a Stores Officer (under the administrative control of an Executive Engineer nominated for the purpose) on whom primarily devolves the duty of arranging, in accordance with the rules, for (1) the acquisition of stores and (2) their storage custody and distribution according to the requirements of works. The Executive Engineers entrusted with the execution of works are responsible for sending timely intimation of their periodical requirements to the Stores Officers.
196. The sanction of the Board should be obtained annually, in March every year, for the maintenance of the reserve stock,

in the ensuing year upto a maximum value to be prescribed and if this is done, it is permissible to procure the materials to an extent sufficient to keep the stock upto that limit, subject to the powers of officers to purchase stores. This reserve limit should be kept at the lowest point compatible with efficiency thus avoiding unnecessary locking up of the Board's funds. Within the approved reserve limit, the Chief Engineer shall fix the maximum and the minimum stock of each kind of article to be 'stored in the general stores or the sub-stores attached to the Units during the year and the Stores-Officer is responsible to report to the Chief Engineer as and when the stock of any article exceeds or falls below these limits.

197. The reserve stock of the Board may be kept under the general charge of the Stores Officers at the head quarters of the Board or in the sub-stores at suitable places. The physical custody of stock in the general stores will rest with the Stores Superintendent who will be responsible to the Stores Officer for the custody, preservation and issue of the stores and for keeping the required returns relating to them. If there are any articles borne in the reserve stock account but which are not stored in the stores, the Stores Officer may, with the approval of the Chief Engineer, nominate a subordinate who will be responsible for keeping the proper accounts and returns in respect of those materials until they are issued to works or otherwise disposed of.

II QUANTITY ACCOUNTS

(a) RECEPITS

198. Materials may be received on stock from the following sources :-
- 1) Suppliers.
 - 2) Departmental manufacture
 - 3) Works
199. All materials received should be examined and counted, weighed or measured as the case may be, when delivery is taken.

The record of the detailed count or measurement and check measurement should be kept in the measurement book. The full details of supplies should be simultaneously recorded in the Stores Received Book in Form W.C.23, in duplicate by carbon process, one copy being sent daily to the Accountant attached to the Stores Officer. There should, ordinarily, be no delay in the verification and accounting of the materials received in the Stores.

(b) ISSUES

200. Materials may be issued from stock for the following purposes ;
1. For use on works either direct or by issue to contractors.
 2. For occasional sale.
201. The following procedure should be adopted for the issue of materials from stores:
1. The Assistant Engineer in charge of the work should place an indent in Form W.C.24 specifying the following particulars :-
 - a) The head of account, full name of the work or sub work and estimate number.
 - b) A full and correct description of the articles to be issued indicating the quantity against each item.
 2. The Stores Superintendent shall, if the indent is in order, prepare a Delivery Note in Form W.C.25 indicating the articles and the quantities actually supplied from stores and obtain the dated signature of the S.O./A.E.E. in charge Of the work concerned,

Note :-

The delivery note shall be in triplicate, one copy of which will be retained by the Stores Superintendent. The other two accepted copies (after pricing) should be sent to the Divisional Accountant of stores division to raise debits against the divisions concerned. One of them should be enclosed in support of the T.D.A.

3. The issues shall be simultaneously recorded by the Stores Superintendent in a Stores Issued Book in Form W.C.26 in duplicate, a carbon copy of which should be sent daily to the Accountant supported by the copies of the delivery notes.

Note :-

1. The Assistant Engineer placing the indent is responsible for seeing that the issues are authorised only for sanctioned works and that the quantities are limited to the immediate actual requirements.
2. Generally, all issues from Stores should be before 2 p.m. each day except in really emergent cases.

III VALUE ACCOUNTS

A Issue Rates

202. An issue rate should be fixed by the Stores Officer in respect of each new articles as it is brought on stock, based on the 'average pricing method' - (i.e.) by dividing the total value of stores by the total quantity in stock. The rate should be revised whenever fresh stock is received, and the issue rate calculated afresh for the entire quantity. The issue rate fixed from time to time should be prominently noted in the stores ledger and also communicated to all, the Executive Engineers for guidance.

B Storage Charges

203. The storage charges represent the charges levied on all issues of stock, in addition to the issues rate, to cover such actual expenditure as is incurred, after the acquisition of the stores on handling and keeping initial accounts, maintenance of godown etc., A storage rate should be got approved by the Chief Engineer annually, in consultation with the Chief Accounts Officer on the basis of the actual direct expenditure on storage incurred in the previous year compared with the total issues made in the year. For the purpose of working the

storage rate, only the direct expenditure actually incurred on handling and watching the Stores and other incidental charges which do not enter the issue rate should be taken in to account.

Note :-

No portion of the pay and allowance of the Stores Officer, store keeper or the other members of the establishment, should be taken into account for the purpose of calculation of the storage rate.

C. Valuation of Quantity Account

204. The quantity accounts of receipts and issues should be valued by the Accountant, under the supervision of the Stores Officer by filling up the relevant columns of the Stores Received and issued Books received from the Stores Superintendent. Receipts should be valued on the basis of the cost including sales tax and other extras paid or payable to the suppliers as per the supply orders. Issues should be valued at the issue rates fixed for the article and storage charges should be added separately. Any difference in the valuation of receipts or issues may be adjusted subsequently in the Stores Received Book or Stores Issued Book without affecting the quantity columns.

D. Intimation of Cost of Issues to Indenting Officers

205. The Stores Officer shall send to each Executive Engineer a weekly statement of indents complied with by the stores in respect of works under the charge of the Executive Engineer concerned showing the name of the work, indent no, description of materials, the rate and the total cost debatable to the work as per stock account so that the Executive Engineer may await debits therefore through inter unit suspense.

Note :-

The recovery of cost from the contractors will be made by the Executive Engineers concerned as per the terms of Agreements on the authority of the unstamped acknowledgments taken by them.

e Adjustment in Financial Accounts

206. After all the entries in the stores received and issued books received for the month from the Stores Superintendent have been valued, the following adjustments should be Proposed by the Stores Officer to secure agreement of the Value balances between stores and financial accounts.

1. Receipts :- The total value of receipts should be debited to stock by credit to the suspense detailed head 'purchase' (The payment made to suppliers should be debited to 'Purchase' in accordance with the procedure indicated in para 260)
2. Issues :- The value of issues should be debited to the divisions concerned through the 'Inter unit suspense' by per contra credit to stock under the relevant 'sub head'.

207. A Classified Account of stock in Form W.C.27 showing the opening balance, receipts and issues during the month and the closing balance should be furnished to the Chief Accounts Officer along with the monthly accounts.

IV CLOSING OF ACCOUNTS

208. A Stores Ledger in Form W.C.28 should be maintained both by the Stores Superintendent and the Accountant. The Ledger should be posted daily from the stores received and issued Books, the Stores Superintendent posting only the quantity column and the Accountant posting both quantity and value columns. The general principle in the maintenance of the stores account is that only numerical accounts will be kept by the stores superintendent while the value accounts will be kept by the Stores Officer with the assistance of the Accountant.

209. The Accounts of the general stores for the months, should be closed on the last working day of the month, while those of the sub-stores should be closed on such date as may be prescribed by the Chief Engineer in consultation with the Chief Accounts Officer.

210. After the stores accounts of the month are closed the Stores Superintendent should write up the stores Abstract Book in Form W.C. 29 and submit it to the stores officer not later than the 15th of the succeeding month for check by the Accountant. After checking the correctness of the numerical accounts the Accountant should fill up the value columns of the Abstract Book and return it to the Stores Superintendent before the end of the month.

211. After the Stores Abstract Book for a month has been posted and checked, the Accountant should reconcile the total debits and credits during the month as worked out in the Stores Abstract Book with the corresponding figures in the financial accounts under the suspense detailed head 'Stock' and take action to set right the discrepancies if any. A monthly certificate of reconciliation together with a statement of discrepancies and action taken therefore should be furnished to the Chief Accounts Officer on such date as may be prescribed by him.

V RECEIPTS ISSUE AND ACCOUNTING

212. The following instructions regarding the receipt, issue and accounting of stores should be carefully observed;

- i) Normally, only articles which are commonly or frequently required for works will be stored in the stores. The Executive Engineers should ensure that these articles are obtained only from the stores. In respect of articles which are not stocked in the stores, the Executive Engineer concerned should take action for their procurement direct to the work.

- ii) All items of reserve stock should be passed through the stores accounts even though in some cases, for the sake of departmental convenience the materials may be consigned to a place other than the stores. In such cases, the receipts and issues should be passed through the stores account. The cost of materials which are intended for specific works will, however, be debited to the work concerned and accounted for direct in the materials-at-site accounts of the work concerned.
- iii) The stores officer should ensure that proper arrangements are made for the unloading and transport of materials from the railway stations of destination. Any discrepancies in weight or description noticed between the actual consignments delivered and as entered in the suppliers' dispatch advice note should be examined and, if necessary, proper, 'remarks made in the railway delivery registers. Where there are any outward indications of extraction damage or loss, 'open delivery' of the consignment should be applied for and a certificate of damage or loss obtained from the Railways.
- iv) The Stores Officer is responsible to ensure that the railway receipts from the suppliers are carefully watched and prompt action is taken for the clearance of the consignments. Any recoveries from the suppliers on account of railway freight paid by the department when the rate is F. O. R. DESTINATION or on account of any demurrage charges paid due to the fault of the suppliers should be indicated in the bill. If any advance payment is made before the receipt of the materials, the ultimate receipt of the stores should be carefully watched.
- v) Brief account of damages or defects should be mentioned in the measurement book and in the stores received book. In addition to the remarks made in the despatch advice note of the suppliers, the damages or defects should be

intimated to the suppliers, immediately. The replacement of the article or the rectification of defects should be made before the bills of the suppliers are paid in full. If the damages are minor and can be rectified by the department, the fact should be stated and suitable deduction proposed in the bill.

- vi) The certificate to be furnished in respect of the receipt of the stores should be in the following form.

Received the articles in good condition and duly recorded in page of Measurement Book and accounted for in stock ledger folio of Volume Railway freight of Rs was paid by the firm / the Board.

- 213. Small surplus or deficit in the quantities supplied against supply orders can be accepted by the Stores Officer or other purchasing officers provided the surplus quantity can be utilised and the deficit does not affect the execution of works.
- 214. Any delays in the supply of materials by the firm which necessitates the enforcement of the penalty clause should be reported to the officer, who placed the order for his decision and the responsibility for this lies with the stores officer the Executive Engineer concerned.
- 215. Under no circumstances, should any corrections be made by the Stores Superintendent in the indents except under the initials of the indenting officer; nor should materials differing from those specified in the indent be issued. If the material as per exact specification of the indent are not available, the stores superintendent should indicate against those items that they are 'not in stock'.
- 216. The primary responsibility for the correct delivery of materials as per delivery note devolves on the indenting officer, who should check up the stores issued with the entries in the delivery note received from stores.

217. A Bin-card should be hung up outside each bin or rack in the stores. The minimum and maximum quantities to be stocked in respect of the materials as fixed by the Chief Engineer should be noted in it. Each time articles are placed into or taken out of a bin or rack an entry should be concurrently made in the bin card and the balance struck. Where materials are stored in yards, the bin card should be separately kept with the Stores Superintendent and the receipts and issued noted in it. The bin card should show the balance at any moment and this should tally with the numerical account.
218. The Stores Officer should ensure that all empty containers such as barrels, drums, cans, gunny bags, etc., and other packing materials are accounted for numerically (without values) in the stores ledger and disposed of periodically by public auction. Similar articles with the Executive Engineers may be handed over to the stores for arranging for periodical disposal.

VI. STOCK VERIFICATION

A Instructions

219. The Chief Engineer should have the stock verified by an officer not below the Executive Engineer atleast once a year. The Chairman may also have the stock verified by an independent agency under the supervision of the Chief accounts Officer at least once in two years. In addition, the Chief Engineer will conduct as frequently as possible (either personally or through an officer nominated by him a surprise check of some important items of stock. The following instructions should receive special attention :-
1. Before counting of stores, it should be ensured that the stores ledger has been posted upto date.
 2. The verifying officer should not refer to the stores superintendent's ledgers before verification but should ascertain the quantity physically available.

3. Articles of a like nature should be verified at the same time.
4. All stores should be counted or weighed by or in the presence of the verifying officer. Where weightment of large quantities is involved, it may be determined, as an alternative, on the basis of the average sample weight of quantities selected at random. If such method is adopted, petty difference if any, noticed between the actual balance and the book balance may be ignored.
5. The quantities actually verified should be entered by the verifying officer himself in ink in the report of verification. The balances as per the Stores Superintendent's ledgers should then be noted against each item from the entries in the stores received book or the stores issued book as the case may be, and the book balance of each item on the date of verification struck.
6. If any articles are found damage or unserviceable, the fact, should be mentioned in the report indicating the nature of damage or defect.

B Results of Verification

220. The reports of stock verification should be sent immediately after completion, to the controlling authority with a copy to the Chief Accounts Officer in a tabular statement indicating the actual verified balance, the book balance, the surplus or deficit with suitable remarks wherever necessary. The Stores Officer is responsible for taking prompt action to account for the discrepancies mentioned in the report and for the final adjustment in the numerical and value accounts. Any serious defect or discrepancy reported by the verifying officer should be taken to the notice of the Chairman by the Chief Accounts Officer, who will also report to the Chairman, cases in which adequate action has not been taken or any inordinate delay in the rectification of the defects etc.

C Adjustment of Surplus or Deficits

221. Stores found surplus as a result of stock verification or otherwise should be immediately entered in the stock account as a receipt with the remark - 'Excess found on verification'. As value accounts are kept for stock, the value of the surplus at current market rates should be debited to stock by credit to the revenue account. No special orders are necessary for this. In the case of deficits, the accounts should be examined to see if the deficiency is due to any error in deficit should be shown as issues, the value being debited to Advances Recoverable - other advances - pending recovery from the persons responsible for the deficiency or sanction to write off of the competent authority, as the case may be. The same procedure should be adopted in the case of loss of stores due to theft, fire or other causes.

Note :-

In the case of Tools and Plant etc for which the value accounts are not kept, the deficiency should be continued to be included in the numerical account until the quantity is ordered to be written off the account by the competent authority.

VII UNSERVICEABLE STORES

222. When stores of any kind (including Tools and Plant) become unserviceable, a report must be made at once on the discovery of the fact together with a survey report; as it is undesirable to keep worthless materials on stock. The report should state the period during which the articles have been in store or in use and the cause of deterioration. The survey report should also contain proposals as to their disposal (i.e.) by sale in public auctions or by total destruction etc.; All sanctioned survey reports should be recorded in a Register of Survey Reports in Form W.C. 30 and the original survey report should be submitted to the Accounts Branch with a certificate that the article has been disposed of sanctioned by

the competent authority. In cases where the article has been sold or auctioned, the survey report should be accompanied by a sale account and the papers relating to the sale or auction.

VIII LOSS OF STORES

223. The Stores Officer shall, in the case of loss of stores due to theft, destruction by fire or otherwise submit immediately a report to the Chief Engineer with copy to the Chief Accounts Officer, A report should also be made to the Police for Investigation wherever necessary. A detailed report indicating the circumstances leading to the loss should be submitted to the competent authority as early as possible, for orders whether the loss should be recovered from the persons responsible in the case of loss due to carelessness or negligence or by write off as may be decided on the merits of the case, a register of 'Losses and write off' in Form W.C.31 should be maintained by the Stores Officer and the Executive Engineer giving a record of all losses and action taken for their recovery or write off. A consolidated register should be maintained by the Accounts Branch also.

IX SURPLUS STORES

224. Simultaneously, with the annual verification of stores, a list of stores which are not utilised for a period of one year should be prepared by the Stores Office and submitted to the Chief Engineer after check by the verifying officer. The Chief Engineer should review the list in consultation with the Executive Engineers and report to the Chairman the circumstances in which the article have remained unutilised and the steps proposed to be taken for their disposal.

F Procurement of stores

I GENERAL PRINCIPLES

225. The purchase of stores required for the Engineering Branch falls under the following categories :-

1. Purchase of materials for reserve stock.
 2. Purchase of tools and plant (ordinary and special) including spares.
 3. Purchase of materials for sanctioned works.
226. The purchase of stores of the above categories should be governed by the following general principles.
1. The Purchase should be covered by a general or special sanction of the authority competent to administratively approve the incurring of expenditure and also by necessary provision in the budget. The purchase of materials required for works which are administratively sanctioned by the competent authority or for reserve stock within the limits laid down by the Board does not, however require further sanction.
 2. Frequent purchases of the same articles in small quantities should, as a rule, be avoided, It should be seen that the requirements of the Board are carefully estimated and consolidated before resorting to purchases. It should, however, be ensured that articles which are likely to depreciate or deteriorate during storage are not procured long in advance of requirements. The purchase of stores much in advance of requirements involves the locking up of the Board's funds (which could, otherwise, be more profitably utilised) and is therefore, not desirable unless it is reasonably expected that the advantages accruing from such a purchase with regard to price etc, will fully compensate the loss due to locking up of Board's funds.
 3. Tenders or competitive quotations shall, invariably, be invited in accordance with the procedure laid down in this chapter, except where the competent authority, for recorded reasons, considers that it is not in the Board's interest to call for tenders.

4. The powers delegated to the Officers for purchase of stores should not be exceeded. Orders for purchase should not be split up merely with a view to bring parts of the same demand within the powers of purchase of a subordinate authority.
5. Where the Board has laid down by a general or special order that certain stores should be procured in a particular manner, the instructions should be strictly observed.
6. Purchases should, as a rule, be made on the condition that payments will be made after the articles are received and checked with specifications. If any advance payment is proposed to be made, "the prior approval of the competent authority should be obtained. No purchase involving any unusual condition, such as variation in prices etc., should be made without the approval of the Chairman. If the materials require any test or interval of service to be pronounced satisfactory, the" purchasing officer should ensure that a suitable amount is withheld pending receipt of test certificate or a certificate of satisfactory performance.
7. When the conditions regarding quality and price are equal, preference in making purchases should be given in the following orders:
 Firstly, to articles which are produced in India in the form of raw materials or are manufactured in India from raw materials produced in India;
 Secondly, to articles wholly or partially manufactured in India from imported materials;
 Thirdly, to articles of foreign manufacture held in stock in India; and
 Fourthly, to articles manufactured abroad which need to be specially imported.

II TENDERS

A General

227. Tenders should be invited in anyone of the following methods:
1. Single tender (i.e.) by invitation or enquiry to one form only:
 2. Limited tender (i.e.) by direct invitation or enquiry to selected firms:
 3. Open tender (i.e.) by public advertisement.

B Single Tender System

228. This system may be adopted in the case of small order or when the articles required are of a proprietary character and competition is not considered necessary. For this purpose, a small order means an order; the value of which does not exceed Rs. 500/- or if more than one kind of article is ordered at one time an order the total value of which does not exceed Rs.1000/-.

C Limited Tender System

229. This system may be adopted whenever the estimated value of the order does not exceed Rs. 50,000/-. This system may also be adopted instead of the open tender system when the value exceeds Rs. 50,000/- in cases where the purchasing officer considers that the demand is so urgent that any additional expenditure involved in the elimination of open competition must be incurred in order to avoid delay. The nature of the urgency and the reasons why the demand could not have been anticipated earlier should be placed on record.
230. For purpose of both the single and limited tender systems, the purchasing officer should maintain an upto date list of approved suppliers for each class of articles duly approved by the Chairman, after taking into consideration, the financial standing of the firm, the capacity, past performance, etc., When adopting the limited tender system, enquiry should be sent to all the firms in the approved list in respect of that

particular class of article. The purchasing officer may adopt a suitable form of tender or enquiry for supply of stores.

D Open Tender System

231. This system should be adopted when the estimated value of the order to be placed is above Rs. 50,000/-.
232. The instructions relating to the invitation and receipt of tenders for execution of works apply, mutatis mutandis to the tenders for supply of stores. There should ordinarily be no delay of more than a month in the scrutiny and acceptance of tenders or quotations for supply of stores. All incidental charges such as railway freight and sales tax should be taken into account in deciding the lowest quotation.

III EARNEST MONEY DEPOSIT

233. (i) No earnest money deposit need, generally be insisted in cases where the estimated value of the order to be placed at a time does not exceed Rs. 50,000/- and the period of supply does not exceed six months. If, however, the purchasing authority considers that earnest money is necessary in the interest of the Board in any particular case, he may fix the amount of the earnest money, not exceeding 1% of the estimated value of the order.
- (ii) In other cases (i.e.) where the estimated value of the order exceeds Rs.50,000/- or the period of supply exceeds six months, an earnest money equal to one percent of the estimated value should be insisted, unless in any case, the purchasing officer, for recorded reasons, considers this not necessary.

IV EXECUTION OF AGREEMENT

234. As a rule, no order should be given for any stores without obtaining atleast a written undertaking from the supplier. in the form of quotation etc., as to the price, period of delivery and other conditions of supply. If the value of the order does not exceed Rs. 50,000/- and the period of supply does not exceed six months, the execution of agreement in the

departmental form is left to the option of the purchasing officer. In other cases, an agreement should be executed in the departmental form setting forth all relevant conditions. unless the execution of written agreements is dispensed with by the Chairman in any case. The agreements for supply of stores are subject to stamp duty which shall be borne by the suppliers.

235. In cases, where the agreements in the departmental forms are not taken, a supply order in the prescribed form should be placed on the firms and got acknowledged by them. The supply order should specify inter alia, a brief specification or descriptions of the materials to be supplied, the quantity the unit rate, the place and due date of delivery penalty, if any, for late or non-delivery, the terms of payment the amount if any to be withheld pending satisfactory performance of the articles etc. copies of the supply orders should be furnished to the Stores Superintendent or other consignees and the Accounts Branch
236. The time within which delivery of materials should be made should be specified in all important and urgent cases and a clause as to the levy of penalty for late delivery inserted in the relevant agreements or supply orders. The officers who place the orders are authorised to sanction extension of time for valid reasons and also to waive the operation of the penalty clause so long as there is no inconvenience and consequential monetary loss to the Board

A REGISTER OF ORDERS FOR STORES

237. A register of supply orders shall be maintained in Form W.C.32 by the Stores Officer or Others Purchasing Officer to watch the disposal, from start to finish of all orders for stores placed by him on the firms. This register should be reviewed periodically to see that in cases where the materials are not supplied within the stipulated time, action is taken promptly to remind the firms or to cancel the order, as the case may be.

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WORKS ACCOUNT

A General Principles

238. Expenditure on the construction or maintenance of a work may be broadly divided into three classes viz., (I) Cash, (2) Stock charges and (3) Adjustment. These charges are recorded in the cash account, stock account and adjustment register respectively All these transactions pass into the general accounts of the Housing Units or the Board's Secretariat and are hence consolidated into the accounts of the Board. As, however, the units of classification adopted in the general accounts are certain heads of accounts and not individual estimates for the work or contract accounts, it is necessary for the Executive Engineer to maintain separate accounts for recording (i) the cost of individual works and (ii) the transactions of individual contractors. These are known as Works Accounts.
239. Although the primary object of the 'Works Accounts' is to exhibit simply but accurately, the cost of work done; it is essential to keep separate' accounts for the several component parts of a work or project. These are two main reasons for this. In the first place, it is desirable to have details for statistical information and for analysis of the comparative cost of various types of buildings etc., The more important reasons, however, is that in the case of a big project consisting of many component works and where the period of construction is a prolonged one, it would not be possible for the Executive Engineer to exercise efficient financial control over the recorded transactions of the cost of a work if only the total cost of the whole project is recorded in the works accounts. The Executive Engineers' personal knowledge of the actual progress of work must be supplemented by a comparison, monthly, of the cost as recorded in the accounts with the value recovered in the

shape of work done. This monthly comparison is obviously impossible unless the total cost is split up into convenient parts in such a way that, as far as possible, the cost of each distinct part may be compared with the work done there on.

240. In recording the cost of an individual work in the works accounts, the supervision or centage charges towards establishment, ordinary tools and plant etc. should be included.

B Works Abstracts

241. An Account of all the transactions relating to a work during a month, whether in respect of cash, stock or adjustment should be prepared in a work abstract in Form W.C.33. There should be one works abstract monthly for each sub-work covered by a separate working estimate.
242. The works abstracts should be posted from the connected bills of contractors etc. the stock account and the adjustment registers and the figures got verified from the accounts branch every month.
243. A suspense account, 'Contractors-Other Transactions' is provided in the works abstract for recording:
- a) The cost of materials issued to the contractor for which cost is recoverable and its subsequently recovery from bills.
 - b) The hire charges recoverable from the contractor and its subsequent recovery from bills, and
 - c) Any other expenditure relating to the work recoverable from the contractor and its subsequent recovery.
244. The Executive Engineer is responsible for keeping a strict watch over the balances in the suspense account with a view-to effect prompt adjustment by recovery or settlement of account.

C Register of Works

245. The 'Register of Works' (Form W.C.34) is a permanent and collective record of the expenditure incurred during a year in respect of each work or a subwork, It should be posted monthly from the works abstracts, after the figures are verified by the accounts branch. In respect of subworks or parts of a big project, the transactions relating to each subwork or part of a work should be posted separately and in abstract for the entire project should be prepared on a separate folio for working out the total expenditure against each project.
246. For facility of reference, the register should be supplied with an index which should be sub-divided under the prescribed heads of account classification.
247. The monthly postings of each work on which there has been expenditure during the month should be initialed by the Executive Engineer in the column prescribed for the purpose, in token of having examined the entries and found them correct.

D Closing the Accounts of Works on Completion

I GENERAL

248. It is an object of great importance to close the accounts of works as soon as possible after the actual work of contraction is completed. If there is necessarily an] delay in closing the accounts, it should be ensured by the Executive Engineer that further charges are not incurred against the estimate for the work.
249. Before the accounts of a work can be closed on its completion, it should be seen that the balances under the works suspense account, 'Contractors Other Transaction' have been cleared and that all liabilities not originally brought to accounts have either been liquidated or since brought to account.

II COMPLETION REPORTS OF WORKS

250. The completion reports are of two kinds:

- a) Completion reports of individual component works or sub-works forming part of a project,
- b) Consolidated completion report of project s as a whole.

Note :-

The term/project' refers to a group of works covered by one administrative approval.

251. The following procedure should be observed in the submission and record of completion reports:

A Individual Completion reports of Sub-works

- i) A completion report of each sub-work (covered by a separate estimate) should be prepared by the Executive Engineer as soon as the work of construction is completed, and sent to the Accounts Section for verification. The report should be prepared in Form W.C.35 in respect of all repair works and in respect of original works costing not more than Rs. 10,000/- and in Form W. C. 36 in respect of original works costing more than Rs.10,000/-. If the excess is within the powers of the Executive Engineer, to pass, the words 'excess passed by me', should be added and the completion report will be recorded in the accounts section under intimation to the Executive Engineer.
- ii) If the excess is beyond the powers of the Executive Engineer to pass, the completion report should, after verification by the accounts section, be submitted to the Chief Engineer, explaining the excess and quoting authority for deviations etc., so that the approval of Chairman may be obtained if the excess is beyond the powers of the Chief Engineer.

Note :-

1. The completion report should also be entered in the Register of Project Estimates (Vide para 252) and the excess or savings adjusted in the progressive totals.
2. In addition, each Executive Engineer should send to the accounts section concerned and the technical cell of the Board's secretariat, a monthly statement of such component works completed, together with the excess or savings etc.. and the technical cell / account section should periodically review the total savings or excess for the whole project and report to the Chief. Engineer/ Chairman cases in which the project administrative approval has exceeded or is likely to exceed.

B Consolidated Completion Reports

251. After all the component works are completed, each Executive Engineer should prepare a consolidated completion report, based on the figures in the individual completion reports of subworks verified by accounts section, and submit it to the authority which accorded the administrative Approval. The over-all excess for the whole project should be got passed by that authority, if the excess over the amount administratively approved is more than 10% (Vide para 31)

Note :-

In the case of projects where the component works are executed by different Executive Engineers, the consolidated completion report, should be prepared by the Executive Engineer nominated by the Chief Engineer.

E Register of Project Estimates

252. In the case of projects consisting of a number of component works or sub works, where technical sanctions are accorded separately for each component work with reference the provisions made therefor in the estimate administratively

approved, a 'Register of Project Estimates' in Form W. C. 37 should be maintained by each Executive Engineer so that all sanctions to estimates in respect of works expenditure may be watched against the provision in the project estimate. The following instructions should be observed in this regard :-

1. For every project, a set of pages should be set apart for each head such as Buildings, Water supply, electrification etc. against which the sanctions to working estimates are to be watched. Every sanction to a detailed or working estimate should be noted in the register.
2. As and when each sanction is noted, the progressive total should be struck against it so that the total sanctions to date against the project provision under the head concerned may be available and it should be seen that the provision is not exceeded.
3. The register should be corrected by plus or minus entries in respect of savings and excesses, from time to time as the account of detailed or working estimates are closed.
4. If a substantial portion of a work has been abandoned, the estimated cost of the abandoned portion should be deducted from the total cost administratively approved so that the net operative amount may be worked out. The actual expenditure on the work should thereafter be watched against this reduced limit.
5. Whenever the total sanctions accorded as entered in the register are summarised to bring out the total liability on the project, any excess over estimates should also be taken into account.

F Closing Entries in the Works Register

253. When the completion report of a work (or a subwork) is submitted by the Executive Engineer, a closing entry should be made in the register of works in red ink and an

endorsement work completed in and completion report submitted in No..... Should be added under the signature of the Executive Engineer. The reference to the orders of the competent authority passing the excess should also be noted subsequently.

G Corrections in Works Accounts

264. An error or omission in the recorded expenditure of a work may be rectified at any time before the closure of the accounts of the work by a formal transfer entry. If, however, the error or omission comes to light after the accounts of the work have been closed, the accounts of the work may be re-opened in order to rectify the error unless the amount involved is not more than Rs.100/-. In cases where the re-opening of the accounts is not permissible, it is sufficient to make a suitable note of it in the accounts concerned.

H Record Drawings

255. Record drawings showing the work as actually constructed, should be completed as soon as, the possible by the Executive Engineer in respect of every new work or alteration of an existing work. Completion plans, consisting of copies of the record plans of the most important works and alterations should if required to elucidate the report or if otherwise so directed by the Chief Engineer be prepared by the Executive Engineer to accompany the completion report.

I Intermediate Progress Report

256. The Executive Engineer should submit monthly (by the 5th of the month) a report on the progress of each project costing over 2 lakhs in the prescribed form, for the information of the Chief Engineer and the Chairman. In respect of a project consisting of a number of component or sub-works, the actual progress of each sub-work, should be indicated.

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CHAPTER-IX
Suspense Accounts
A GENERAL

257. The following classes of suspense accounts are prescribed for recording the transactions pertaining to the Engineering Branch:

1. Purchases,
2. Stock,
3. Departmental manufacture,
4. Service advances,
5. Stores advances
6. Other advance

B PURCHASES

258. This suspense account is intended for recording the liabilities on account of stores purchased by the Board. When stores are received from the suppliers, or other divisions their value should be credited to 'Purchases' by a transfer entry at the end of the month, by per contra debit to the 'Work' or 'Stock' according as the purchases are made for a specific work or stock.

Note :-

Petty purchase upto Rs.50/- each case made by in cash payment or other-wise need not be passed through this suspense account but may be debited to the final head direct.

259. When the actual value of the materials is not known, it will suffice if an approximate value is adopted, any difference being adjusted, as soon as known, by a plus or minus credit to purchases, as the case may be.

260. When the price of the materials is paid, in cash or b) adjustment the payment should be debited to 'purchases' and the outstanding thus cleared. If the amount admitted in payment exceeds the amount credited to purchases, the difference should be debited direct to stock or the work concerned. If the amount of payment is less, the excess credit under purchases should be withdrawn by per contra credit to stock or work concerned.

261. Unclaimed balances in the purchases accounts should be dealt with in accordance with the procedure prescribed for lapse of deposit balances.

262. A detailed account of purchases should be kept by the Executive Engineer in a Register of Purchases in Form W.C.38.

C STOCK

263. This head is intended for recording the transactions pertaining to 'Reserve Stock'. This head is debited with all expenditure connected with the purchase of stock materials and the expenditure incurred on storage. It is credited with the value of materials (including storage charges) issued to works, sold or otherwise disposed of so that the balance represents the book value of materials in stock plus the unadjusted charges under 'storage'.

264. The subheads of stock accounts are (1) Building materials (2) Timber (3) Pipes and specials (4) Machinery spares (5) Electrical stores (6) Miscellaneous stores and (7) Storage.

Note :-

The Chief Engineer, may, in consultation with the Chief Accounts Officer, modify the -above subheads as and when necessary.

265. The balance under the sub-head 'storage' should be finally

adjusted at the end of each year as a surplus or deficit (i.e.) as a profit or loss on stock according as it is a minus or plus balance.

266. The subsidiary accounts of stock, comprising the numerical and value accounts should be maintained in accordance with the instructions in chapter VII-E.

D DEPARTMENTAL MANUFACTURE

267. This head is intended for recording the transactions pertaining to the departmental manufacture undertaken from time to time. This head is debited with the expenditure incurred on the manufacture operations and credited with the value of the finished products transferred to stock or a work. The general account of the debits, credits and balance under this suspense head should be maintained in a suspense register in Form W.C.39. The detailed subsidiary accounts of each manufacture operation should be maintained in accordance with the instructions in chapter-X.

E SERVICE ADVANCES, STORE ADVANCES AND OTHER ADVANCES

268. The suspense head, 'service advances' is intended for recording the lumpsum advances paid to local boards or other agencies towards estimated cost of subworks executed through them. On receipt of the final bill from the local body on completion of work adjusting the advance, the gross amount should be debited to the work or other final head concerned and the suspense head cleared.
269. The suspense head 'stores advances' is intended for recording all the advance payments, (i.e.) before the materials are actually received, measured and check-measured if any, made under the orders of competent authority. The suspense head should be cleared by a transfer entry after the materials are received and accounted for.

270. The head, 'other advances' is intended for recording all other advances given to engineering officers for works expenditure such as permanent imprest, temporary advance, advances for payment of nominal muster roll work charged establishment etc. This head also accommodates all debits, which cannot be adjusted until recovery or settlement is effected or write off ordered. Except permanent imprests which is a standing imprest given to the subordinates for petty works expenditure, the other advances should be adjusted in full, by submission of adjustment bills with relevant vouchers, as soon as the expenditure has been incurred or the amounts disbursed.
271. The details accounts of these advances should be maintained in a suspense register in Form W.C. 39 separate set of folios being reserved for each class of advance and the items under each class being detailed so that their clearance may be watched individually. An abstract should be prepared at the end to show the totals of all the classes of advances separately under the three suspense heads.

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CHAPTER-X

Manufacture and work shop accounts

A MANUFACTURE ACCOUNTS

272. When materials are manufactured departmentally, either for a particular work or project or for a group of works or projects, a separate account called 'Manufacture Account' should be kept of the transactions connected with each manufacture. The detailed accounts of the expenditure on a manufacture should be maintained in the same way as the accounts of a work and in addition, an account should be kept of the quantities and values of the products of the manufacture. The two sections of the accounts are known, respectively, as the 'operation' and the 'outturn' accounts. The account should be maintained in Form W.C.40. (Register of Manufacture).
273. The accounts of a manufacture should not remain open indefinitely. If the operations are seasonal, the accounts of each season should be kept separate and closed as soon as operations are over. In cases in which operations are continuous, the accounts should, never the less, be closed periodically, atleast once a year.
274. The following rules should be observed in the maintenance of the manufacture account:

I Operation

The manufacture account should be charged with (1) the value of raw materials. (2) the cost of labour employed and (3) other incidental charges connected with the operation.

Note :-

Capital charges, such as the cost of special tools and plant, kilns etc., incurred in connection with a manufacture should be debited to the manufacture account in full, if the operation does not exceed one season. If it extends, the amounts should

be a debited proportionately to the operation accounts of the several seasons, the amounts charge able for each season being fixed by the Chief Engineer in consultation with the Chief Accounts Officer on the merits of each case.

II Outturn account

The outturn account should show, I month by month, the quantities and values of each class of articles manufactured. The rates for valuing manufactured articles should be so fixed as to represent, as accurately as possible, the actual cost of manufacture per unit, but should not exceed the market rates.

III Adjustment of difference

The 'manufacture account' is essentially a suspense account, as the cost of the operations cannot be cleared finally until they are closed. Manufacture transactions are, therefore, recorded under a distinct sub-division 'Suspense-Manufacture' in the Capital Account. The value of the outturn shall be credited to this account by corresponding debit to stock or work according as the manufactured articles are transferred to stock or work as the case may be. The difference between the 'operation' and 'outturn' should be adjusted under the orders of competent authority before the accounts of a manufacture are closed, as a loss or gain, as the case may be, so that the operation and outturn accounts equal each other.

Note :-

As an alternative, the value of the finished products may be borne under the suspense head 'manufacture' and credits afforded to this head as when the articles are issued to works. If this procedure is adopted, a detailed numerical account of the receipts, issues and balance of the finished articles should be kept in accordance with the instructions for the maintenance of numerical accounts of stock.

B WORKSHOP ACCOUNTS

275. When any workshop is established either for purely departmental purposes or to function as a quasi-commercial undertaking, the system of accounts will be prescribed by the Chief Accounts Officer with the approval of the Chairman.

(A circular letter issued in No. IAPHQ III 20871/77 dt 4-10-77 prescribed that the two manufacturing units viz.; C. C. P. and W. W. Unit should prepare proforma accounts actually besides the Regular accounts.)

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CHAPTER XI

Deposits

A INTRODUCTORY

276. Deposits transactions of the Board are of two kinds:

- a) Deposits which pass through the regular accounts of the Board viz Provident fund deposits. Deposits of contractors and subordinates, etc.
- b) Deposits which do not pass through the regular accounts of the Board (e.g.) Interest bearing securities.

Deposits of the first kind comprise transactions of the following classes which are incorporated in the deposit account of the Board :

- i) Provident fund deposits;
- ii) Deposits of contractors and subordinates.
 - a) Earnest Money Deposits.
 - b) Security deposits of contractors.
 - c) Sums due to contractors on closed accounts.
 - d) Security deposits of subordinates.
- iii) Other deposits
 - a) Housing deposits.
 - b) Deposits for conveyance of sale deed.
 - c) Rental deposits.
 - d) Miscellaneous deposits.

B SECURITY DEPOSITS

277. Security deposits of subordinates and contractors whether made in cash or in any of the approved forms of security referred to in paragraph 282 should be covered by a bond or agreement. as the case may be setting forth the conditions

under which the security is held and may be ultimately refunded or appropriated.

278. Without the special orders of the Board, 'no security deposit should be repaid or re-transferred to the depositor or otherwise disposed, of except in accordance with the terms of his agreement or bond.,

C DETAILED ACCOUNT

279. The accounts of the Provident fund deposits shall be maintained in accordance with the Provident Fund Regulations'.
280. A record of the transactions relating to other classes of deposits shall be maintained in the accounts section in a register of deposits in Form W. C. 41 showing, month by month, the total receipts, adjustments and the closing balance of each separate deposit item, grouped under the difference classes. Each Executive Engineer shall maintain a similar register relating to each class of deposits pertaining to him.

D LAPSE OF DEPOSIT

281. In the accounts of march each year, the following classes of items in the register of deposits shall be credited to the 'Revenue account' of the Board as lapsed deposits:

- i) Original Deposits not exceeding one rupee in each case remaining outstanding for one whole account year.
- ii) Balances not exceeding rupee one of items partly cleared during the year when closing.
- iii) Balances unclaimed for more than three complete account years.

Note :-

For the purpose of this rule, the age of a repayable item or of a balance of it, is to be reckoned as dating from the time the item or the balance, as the case 'may be, became first repayable.

Deposits credited to the Board as lapsed or forfeited shall not be refunded without the sanction of the Chairman in each case. The amount repaid should be treated as a refund of receipts in the Revenue Account.

E INTEREST BEARING SECURITIES

282. The recognised forms of interest bearing securities and the rules governing their acceptance are indicated below:

- | | |
|---|---|
| (i) 'Promissory notes' of the Central or State Governments, 'Municipal debentures' or 'Port Trust Bonds' or Madras Electricity Board Bonds. | These securities should be accepted at 5% below the market price or at the face value, which ever is less and should be duly endorsed in favour of the Board. |
| (ii) Stock certificates of the Central or State Governments. | These securities should be accepted at 5% below the market price or at the face value, whichever is less and should be duly endorsed in favour of the Board The contractor or subordinate who furnishes these certificates as security should transfer them in the name of the Board by registration in the books of the Public Debt Office and produce evidence of such registration before the certificates are accepted as security deposit. |
| (iii) Post Office Savings Bank Deposits | A pass book for a deposit made under Rule 45 (b) of the Post Office Savings Bank Rules may be accepted as security provided that the contractor or subordinate has |

signed and delivered to the Post Master a letter in the prescribed form as required by Rule 45 (f) of these rules. Alternatively, the contractor or subordinate may offer security in the form of cash with a request that it be deposited in the Post Office Savings Bank in the name of the Board.

(iv) Post Office cash certificates' and 'Savings Certificates' issued by the Government.

The certificate should be formally transferred to the Board with the sanction of the Head Postmaster and should be accepted at the surrender value at the time of tender. In the event of security given in the form of savings certificates being forfeited within the period during which the certificates are not encashable the certificates should be retained by the Board for the minimum period required and then encashed for the purpose of appropriating to the Board. the amount due.

(v) Deposit receipts of the State Bank of India or any Scheduled bank.

1. Deposit receipt should be made out in the name of the pledge or if it is made in the name of the pledger, the Bank should certify on it that the deposit can be withdrawn only on the demand or with the sanction of the pledge,

2. The depositor should agree in writing to undertake any risks involved in the investment.

3. The Bank should agree that on receiving a signed withdrawal order from the pledge in respect of the

deposit or any part of it, it will at once remit the amount specified to the Board.

4. The responsibility of the pledge in connection with the deposit and the interest on it will cease when he issues a final withdrawal order to the contractor and sends an intimation to the Bank that he has done so.

These certificates should be accepted at their surrender value.

(vi) Treasury Savings Deposit certificates and National Plan certificates.

(vii) Treasury Savings Deposit certificates Government of India Prize Bonds.

1. A record showing the details of the series and No. of the prize bonds tendered should be maintained by the Board and the contractor or subordinate. As far as possible, only bonds of higher denominations should be tendered.

2. A receipt in the prescribed form should be issued to the contractor or subordinate who tendered in Prize Bonds.

3. The contractor or the subordinate shall be eligible for the prize, if any declared in favour of the bonds held as security, and the prize winning bond may be taken back by them, provided they replace on equivalent security in other recognized forms.

4. In the event of the security given in the form of prize bond being forfeited to the board, within the period during

which the bonds are not encashable, the prize bonds should be retained, by the Board for the minimum period required and then encashed for the purpose of appropriating to the Board the amount due.

5. The forfeited deposits of prize bond should be kept in safe custody,

6. If and when the forfeited prize bond secures a prize, the Board should inform the treasury and see that the prize is claimed and credited to the funds.

viii) Bank Guarantee

1 The Guarantee should be accepted only in favour of standing contractors (or firms) of repute upto a period not exceeding 18 months based on requirements. The Guarantee should be in the form prescribed by the Board.

2. The guaranteed in favour of the contractor should be made only by standing (Schedule) banks.

3. The agency should bind themselves to the Board on demand, if the contractor fails to complete the contractor within the period fixed for completion of the said contractor.

4. In case the security is forfeited to the Board of fine imposed on the contractor the amount involved should be recovered by the Board from the contractor or from the agency who guarantee the said amount.

283. A register of the receipt and disposal of these securities should be kept in a 'Register of interest bearing securities' in Form w. C. 42 by the Executive Engineer in respect of the securities pertaining to him. A similar register should be maintained by the accounts section in respect of other securities, if any, not pertaining to the engineering branch.

Note :-

1. If a security recovered in installments is being deposited in the Post Office Savings Bank, no entries should be made in respect of it in the register referred to above until the security has been fully paid up.
2. The pass book should be sent to the Post Office as soon as possible after the 15th of June each year in order that the necessary entries on account of interest may be made in them.
3. Cash deposits of subordinates and contractors may be converted, at the cost of the depositor, into one or more of the forms of interest bearing securities provided that:
 - a) the depositor has expressly desired this in writing and.
 - b) the acceptance of the new form of security is permissible under the rules as well as under the terms of the agreement or bond.
4. Percentage deductions from a contractor's bill for the due fulfilment of a contract should not be converted.
5. In the case of promissory notes and stock certificates (Vide items (i) & (ii) para 282) the departmental officer concerned should ascertain in May each year, whether their value computed at the market price on 1st May that year or the face value, whichever is less in each case is still sufficient to cover the security required. If the total value as ascertained at this annual valuation falls short of the amount of the security required plus 5% by more than Rs. 100/the depositor should be asked to furnish additional security to the extent of the shortage. No security should, however, be returned to any depositor on account of an increase in their value as ascertained at this annual valuation.

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CHAPTER XII

Payment of Claims

A FORMS OF BILLS & VOUCHERS

288. The authorised forms of bills for works payments are:

- a) First and final Bill (Form W. C. 45)
- b) Running Account Bill :
 - i) for contracts on piece-work tender (Form W. C. 45) (Form W. C. 46).
 - ii) for contracts on lumpsum tender (Payment being made on detailed measurement (Form W. C. 47).
- c) Final Bill:
 - i) for contracts on piece-work tender (Form W. C. 48)
 - ii) for contracts on lumpsum tender payments being made on detailed measurements. (Form W. C. 49) and (d) Hand Receipt (Form W. C. 50).

A First & Final Bill

289. This is to be used for making payments to contractors for work done when a single payment is made on the completion of a work. A single bill may be used even in the case of more than one payee, if the payments relate to one and the same work and are billed for at the same time.

B Running account bill

290. This should be used for intermediate payments on contracts based on the piece-work tender or the lumpsum tender payments being made on detailed measurements.

C Final bill

291. This should be used for final payments (on completion of work or termination of the contractor) on contracts based on piece work tender or the lumpsum tender, payment being made on detailed measurements.

Note :- The forms of final bill will be printed on paper of a different colour to distinguish them from those of the intermediate bills.

292. Under the terms of contract based on piece-work tender, no deduction of security deposit is required in respect of final bill. The security deposited by the contractor as well as the further amount withheld, if any, may be refunded on hand receipt after the final bill is passed and paid. In respect of contracts based on lumpsum tender, a deduction of 3% of the total value of work done should be made and the amount credited to deposit account. This withheld amount together with the security deposit shall be paid to the contractor after the expiration of the maintenance period.

D Hand Receipt

293. This is a simple form of voucher intended to be used for miscellaneous payments for which either the first and final bill form or the running account bill form is not suitable. This form shall be used for all refunds of earnest money deposits, security deposits, and other miscellaneous payments such as petty transport charges etc. incurred from imprests.

B PREPARATION AND SCRUTINY OF BILLS

294. Before the bill of a contractor is prepared, the Assistant Engineer should scrutinise the entries in the measurement book relating to the description and quantities of work and ensure that the full rates as per agreement are allowed only if the quality of work is upto the departmental specifications. The calculation of contents or area should be worked out under his supervision. The bill should then be prepared in one of the forms prescribed for the purpose and submitted to the Executive Engineer. In it should be seen that all recoveries to be effected from the bills on account of supply of materials, hire charges of tools and plants, fines imposed on contractors etc., are duly indicated in the measurement book and bill.

295. The bills should be checked by the accountant with reference to the sanctioned estimates agreement contractor's ledger and other orders of competent authorities. The arithmetical accuracy of the entries in the measurement books should be checked cent percent under his supervision though not personally by himself. It should be seen in particular that the classification noted is correct and that on the basis of rates sanctioned by competent authorities and of facts as certified by responsible officers the claims admitted are valid and in order.

Note :-

1. The value of each item of work bills should be calculated to the nearest naya paise. When the total Rs. 25/the total should be rounded to the nearest rupee fraction below 50 n.p. being disregarded and amounts of 50 np. and over being taken as one rupee.
2. When the item of work has been partially completed the Executive Engineer may, on his responsibility recommend a part payment, taking into consideration the work remaining to be done and the general terms of the agreement. In such cases, a certificate to the effect that the interests of the Board are safeguarded should be recorded by the Executive Engineer in the measurement book and the bill.
3. If the contract is for completed items of work and under the provisions of the agreement, the contractor is required to obtain any materials from the department, it should be seen that this condition has been complied with and that necessary recoveries of the cost of materials supplied to him are made in accordance with the rules. In such a case, it is not permissible for the contractor to obtain the materials otherwise unless, in a case of emergency, he has been permitted by the Executive Engineer, for recorded reasons, to procure the materials himself. The Executive Engineer will be responsible to ensure that the contractor has actually procured the materials as per the departmental specifications and that no monetary benefit

has accrued to the contractor in entrusting the procurement of materials to him.

296. From the measurement books, all quantities should be clearly traceable into the documents on which payments are made. The reference to the number and pages of the measurement book in which detailed measurement, were recorded, the measurement and check measurement should be invariably furnished in the document on which payment is proposed. The officer who signs the pass order should, immediately on signing it, cross out by a diagonal red ink line, every page containing the detailed measurements. The officer who signs the pay order should cross out by diagonal red ink lines the abstract of the bill or measurements. Cross reference showing the page and number of the measurement book should be given in respect of the previous and subsequent payments. The officer who disburses the amount should enter the number of the voucher with an endorsement "paid by cash/cheque No....."
297. Bills for work done by contractors on running account should, ordinarily, be prepared monthly or at more frequent intervals depending on the progress of work.
298. A final bill should be prepared and the account of the contractor closed as soon as his contract is completed or terminated, If he refuses to receive the final payment, a note to the effect should be recorded in the bill and a transfer entry proposed for crediting the amount due to the contractor to deposit account.
299. Payments due to contractors and suppliers may be made to financing banks instead of direct to contractors provided that the department obtains:
- i) An authorisation from the contractor in the form of a legally valid document like a power-of-attorney or transfer deed conferring authority on the Bank to receive payment and

- ii) The contractor's own acceptance of the correctness of the account made out as being due to him by the Board or his signature on the bill or other claim preferred against the Board, before settlement of the account by payment to the Bank.

300. With a view to ensure that the claims of the contractor and suppliers are prepared and presented for payment promptly, the Chief Engineer should prescribe the maximum intervals permissible at the several stages between the measurement of a work and the presentation of the bill to the accounts section and should also ensure during his inspections that the prescribed limits are strictly observed. Similarly the Chief Accounts Officer should prescribe the maximum intervals permissible at the several stages between the receipt of a bill in accounts section and the issue of a cheque.

C ADVANCES TO CONTRACTORS

301. Advances to contractors are, as a rule, prohibited and no payment should be made to them except for work actually done and measured. Except as provided below, the grant of any advance or financial aid to the contractors not expressly authorised in this code or the relevant contract, should be covered by specific approval of the Board.

- i) It may be necessary sometimes, in the interest of work, to engage labourers or petty contractors or to incur other liabilities on behalf of the contractor concerned with a view to complete the work which he had neglected or failed to complete. In such cases, it is permissible for the Executive Engineer to spend the Board's funds on behalf of the contractor in accordance with the terms of his agreement, The approval of the Chief Engineer should be obtained where the amount to be spent on this account in respect of anyone contract is likely to exceed Rs. 250/-.

Note :-

- a) With a view to avoid subsequent disputes with the contractor, suitable intimation should be sent to him (i) as soon as action is taken under this paragraph and (ii) subsequently as expenditure is incurred on his account.
- b) The expenditure incurred should be debited to the contractor's personal account by charge to the Suspense sub-head, Contractors-Other Transactions' and the full amount recovered from the next bill.
- c) In the case of recoverable charges, it should be seen that the contractors do not get the benefit of any concession to which they would not be entitled if they had themselves incurred the expenditure.

- ii) No payment or advance should be made for unfixed materials when the rates are for finished work in site except under specific orders of the Chief Engineer who may sanction the payment upto 80% of the value of any materials, which are, in his opinion, in accordance with the agreement and which have been brought to the site in connection there with and are adequately stored and protected against damage by whether and other causes but which have not, at the time of advance, been incorporated or fixed up in the work. The amount of the advance, of the should be adjusted in full in the bill in which the relevant items of work on which the materials are incorporated are billed for.

D PRESENTATION OF CLAIMS

I Work bill

302. The bills should be prepared in the prescribed form and sent to the accounts section after they have been checked by the accountant and posted in the works abstract, contractor's ledger etc., The advance stamped receipt from the parties concerned should also be sent along with the bill whenever the payment exceeds Rs.20/- Full particulars are regarding the name of work or subwork the reference to estimate and

agreement, the number of the running account bill etc should be invariably indicated. The memorandum of payments in the bill should clearly show the deductions on account of security deposit, cost of materials, fines or any other account together with detailed classification.

303. In order to avoid delay in payments, it is enough if only the measurement book containing the detailed of measurements is sent to the account section along with the bill. The measurements need not be sent to accounts section except in the following cases:

- i) All first and final bills, the gross value of which exceeds Rs. 500/-
- ii) All final bills on running account.

Note :-

In respect of bills relating to any individual major contract the Accounts Officer may call for the measurement books containing detailed measurements along with every alternate running account bill.

304. It should be seen that a few measurement books are reserved exclusively for recording the abstract and that no detailed measurements are recorded in such books.

II Supply Bills

305. The remarks above in regard to works bills apply also in the case of supply bills. The bills of the parties should be sent to accounts section with the measurement book containing the abstract of measurements.

III Muster Rolls

306. After the muster roll has been checked by the Accountant and the Executive Engineer, a requisition in Form W. C. 51 duly signed by the Executive Engineer should be sent to accounts section for the opening of a temporary advance for the amount, payable as per the roll. The accounts section will open a temporary advance on the authority of the requisition.

The account of the temporary advance should be rendered supported by the paid muster roll and the detailed allocation of the expenditure within 15 days from the date of opening or the advance. After the check of roll, the advance should be adjusted to the works concerned.

307. Any unpaid wages should be returned to the cash section together with a challan quoting reference to the relevant muster roll and the details of the requisition in which the advance was originally drawn. Subsequent payments of the undischarged wages upto a period of three months may be authorised by the Executive Engineer for payment from permanent imprests on a hand receipt, quoting reference to the muster roll in which the wages were shown as unpaid. When the unpaid wages are claimed after a period of three months, a hand receipt quoting reference to the original rolls should be sent to accounts section for precheck and authorising payment.

IV Workcharged establishment

308. The procedure indicated above in regard to muster roll should be applied in regard to workcharged establishment also.

V Permanent imprests

309. When an imprest is first sanctioned, a requisition in Form W.C.52 should be sent to the accounts section quoting reference to the orders. Where the amount is to be recouped, a requisition in the same form should be sent for the amount to be recouped together with the imprest cash accounts and all the paid vouchers duly allocated to the works concerned, If any item in the imprest account is objected to by the accounts section the imprest should, nevertheless be recouped in full and the objected item classified under 'other advances' pending regularisation by recovery or otherwise. The imprest holder is responsible for obtaining the requisite sanction or regularisation of the expenditure without any delay. If the objection is not cleared within a month, the account section

should report the matter to the Chief Engineer for taking suitable action against the persons responsible.

VI Advances

310. When a temporary advance is required for a specific purpose, a requisition in Form W. C. 52 should be sent to the accounts section quoting reference to the sanction of the competent authority where necessary. Such advances should ordinarily be adjusted within 15 days from the date of drawal by presentation of the temporary advance account supported by paid vouchers. Unspent balance, if any, should be refunded to the cash section.

VII Refund of earnest money and Security Deposits

311. The refund of earnest money and security deposits should be claimed on hand receipts giving full references to the original credit and the necessary certificates. The fact of refund should be noted against the original entry of credit in the deposit register maintained by the Executive Engineer as well as the cash book and deposit register by the accounts section.

E PASS ORDER ON BILLS

312. The Executive Engineer shall record a pass order on all bills and the relevant measurements books while the pay order will be given by the Accounts Officer.

F DRAWAL & DELIVERY OF CHEQUES

313. The Accounts Section will draw the cheques in favour of the contractors or parties specified in the bill. Cheques which are not delivered to the parties on the same day should be sent by post to the address given by the Executive Engineer in the bill. All cheques should invariably be crossed unless expressly desired otherwise by the payee in writing and the delivery of cheques to the parties personally should be made after proper identification. An acknowledgment for the receipt of the cheque should be obtained or called for from the party in all cases.

CHAPTER-XIII

Monthly closing of works accounts

A INSTRUCTIONS

314. The following instructions should be carefully observed closing the works accounts each month:
- i) The adjustment book should be closed on the 27th of each month but before this is done, it should be seen that all the necessary adjustment expect for the levy of supervision charges on works are carried out in the accounts.
 - ii) The transfer entries along with the supporting vouchers, if any, should be sent to the account section on the last working day of the month for incorporation in the accounts'
 - iii) The expenditure on cash, stock and adjustments should be posted in the works abstracts as and when the relevant bills or other vouchers are sent to the accounts section. After getting the figures in the individual work abstracts verified with those booked in the account section, a consolidated transfer entry should be prepared (supported by a statement of individual works in Form W. C. 53) for the adjustment of the supervision charges on the total works expenditure during the month and sent to the account section for booking before the 5th of the following month.
 - iv) The works abstracts should then be completed by posting the amounts of supervision charges for each work and the abstracts reviewed by the Accountant and the Executive Engineer.
 - v) The register of works should be posted from the works abstracts and laid before the Executive Engineer for review and attestation of the entries.

- vi) The suspense and deposit registers should be posted in respect of the month's transaction and the total of the monthly transactions verified with those booked in the accounts section. A certificate of agreement should be furnished by the accountant in the abstract drawn up in the registers.

B SUBMISSION OF RETURNS

315. The following returns should be furnished to the account section on the dates fixed from time to time.

1. A schedule of works expenditure in duplicate in Form W.C.54.
2. Extract from the contractor's ledger, supported by the unstamped receipts if any.
3. Certificate of completion of postings in the registers of works and material-at-site.

Note :-

1. It is enough if the above returns are rendered in respect of items affected during the month, the total of the unaffected items being added in one lump. The returns for the month of March should, however, incorporate all the items whether affected during the month or not.
2. The return (3) should be signed by the Executive Engineer while the other returns may be furnished under the signature of the Accountant.

316. The schedule of works expenditure should be prepared according to each sub-head of account; in respect of component works covered by a project estimate, the expenditure should be shown against each sub-work or component work and a total struck for each project.

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CHAPTER-XIV

MISCELLANEOUS

A REGISTERS TO BE MAINTAINED BY EXECUTIVE ENGINEER

317. The following registers should be maintained by each Executive Engineer.

- i) Register of incumbency of charges in Form W.C. 55 showing the period of incumbency of each officer who has held charge of the posts of Executive Engineer. Assistant Executive Engineer. Supervisor etc.
- ii) A register of recoveries in Form W. C. 56. When a recovery has been ordered to be made from a contractor or supplier which cannot be watched through a suspense or other account, the order should be noted in this register so that the amounts recovered from time to time may be recorded against it and prompt compliance with the order watched.

Note :-

The progress of realisation of credits to works on account of dismantled structures etc., should also be watched through this register after posting the anticipated credits from the sanctioned estimates.

- iii) A 'Fixed Charges Register' in Form W. C. 57 showing sanction to fixed charges of a recurring character such as pay of work charged establishment, taxes on vehicles etc. and their payments.
- iv) A 'Register of Appropriation' Form W. C. 58 showing the appropriation placed at the disposal of the Executive Engineer in respect of each project, work or other unit of appropriation, These should be corrected as and when changes in the appropriation are authorised by

competent authorities. Each payment should be noted in the register in the appropriate columns and the balance of appropriation struck.

- v) A register of transfers awaited in Form W.C.59 showing the assets and liabilities in respect of works awaiting adjustment by debit or credit to the other heads of account. The entries should be made only in respect of those assets and liabilities which are not incorporated in the accounts such as purchase deposits etc..
- v) A register of disputed claims in Form W. C. 60 indicating all disputed claims of contractors and suppliers and the final disposal on those claims.
- vii) A register in Form W.C.61 showing the estimates prepared, scrutinised, and sanctioned or submitted to higher authorities.
- viii) A register of sanctioned estimates in Form W.C.62 incorporating all estimates technically sanctioned by the Executive Engineer or by the Chief Engineer. The sanction to revised estimates working estimates etc, should also be noted in this register.
- ix) Registers of un-paid wages of N.M.R. and work charged establishment in Form W.C. 63 incorporating the particulars of unpaid wages of N.M.R. and work charged establishment giving full particulars of the original vouchers and also reference to subsequent payments.
- x) Registers of bills in Forms W.C.64 & 65 showing separately the work bills and other bills received or prepared and paid.
- xi) A register of temporary advances W. C. 66' showing particulars of all temporary advances drawn for payment of muster roll, work-charged establishment or other claims and their subsequent adjustments.

xii) A register for advances for land acquisition payments in Form W. C.67 showing the particulars of advances given to the land acquisition officers, after the awards have been passed for the disbursement of the compensation to the payees and amounts for which paid vouchers have been received.

xiii) A register in Form W.C.68 showing the progress in the clearance or disposal of all audit objection of the Examiner of Local Fund Accounts and of the objection statements received from accounts branch.

B REVIEW OF REGISTERS

318. The Executive Engineer should review from time to time the several registers and account records as are maintained under his supervision even though he may have scrutinised and initialed the individual entries For this purpose, the Executive Engineer should ensure that a 'Register of Registers' is maintained incorporating all the registers to be maintained under the rules and orders in force and that all those registers are 'submitted to him monthly or at such other intervals as may be fixed. The fact of such review should be placed on record in a 'Memo of Review' in Form W.C.69 pasted in a suitable position in the register or account concerned. The items under the suspense heads as well as other recoveries to be effected should be carefully reviewed and necessary steps taken for their expeditious clearance.

C TRANSFER OF CHARGE

I GENERAL

319. Whenever the transfer of an executive charge in the Board is prolonged (e.g . transfer of charge involving handing over of a number of stores, T & P or other materials) so that two Board servants become entitled to draw pay and allowance simultaneously for the same post, the Chief Engineer may

allow under intimation" to the Chief Accounts Officer a reasonable time not exceeding 3 days for handing over and receiving charge in any particular case.

320. The following instructions should be observed in the transfer of charge of Executive and Assistant Engineers. Junior Engineers, Supervisors etc.

1. The Imprest account should be closed on the date of transfer and note a recorded on it over the signature of both the releived and relieving officers showing the imprest balances made over and received in transfer for by them respectively.
2. A statement of tools and plant (with details of component parts) mathematical and scientific instruments and other materials-at-site under the immediate charge of personal custody of the relieved officer should be prepared and signed by both the relieved and the relieving officer. The relieving officer is responsible for the taking over after an actual inspection or count.
3. The relieved officer should give the relieving officer a list and memorandum showing all the works on hand and the orders remaining to be complied' with and of such matters as particularly require his attention, with full elucidation of any peculiarity of circumstances or apprehended difficulties. He should also furnish the relieving officer a statement of all unadjusted claims.
4. A 'report of completion of transfer' should be submitted to the higher authorities within a week of such transfer. In the case of Assistant Engineers and Section Officers, the transfer report shall be prepared in Forms W. C. 70 & 71 respectively.
5. On assuming charge, the officer concerned shall acquaint himself with the works in progress in his jurisdiction. He

will be responsible for reporting to his superior within a period of one month, any irregularity or defect in the execution of works in the handling of stores. account etc., which he is in a position to ascertain. Within this period, he should also verify such of the stock, tools and plant and materials-at-site which were not counted by him at the time of taking over charge and report the results to the higher authority.

II STORES SUPERINTENDENT

321. When a 'stores superintendent' is transferred, a through verification of stock should be made by the reliever in the manner prescribed for stock verification and the articles taken over.
322. During his absence on leave for a period exceeding one month, the Stores Superintendent should nominate one of his assistants, who will be asked to look after the duties of the post with the approval of the Chief Engineer. As a rule, the items of stock under the Stores Superintendent will be taken over by the person so nominated after due verification. But, it will be optional for the Stores Superintendent proceeding on leave to declare in writing that a handing over of the stock in his custody to his nominee is unnecessary and that he will continue to hold himself responsible for any shortage that might occur during the period of his absence on leave and also indemnify the Board against any resultant loss.

III ACCOUNTANT

323. When an Accountant is about to be relieved of his duties either permanently or temporarily, he should prepare a memorandum reviewing the accounts in his charge. The state of stock, materials-at-site or other suspense accounts and of outstandings in the works accounts should be reviewed in particular. All important liabilities as also recoveries to be

made from the contractors and others which should receive special attention, should be mentioned. Any arrears of defects in the maintenance of initial accounts or subsidiary registers, any delay in the replying of the objection statements or audit notes should be brought out in details.

324. The memorandum should be in a tabular form with columns for (1) Remarks by the relieving Accountant. (2) Remarks of the Executive Engineer and (3) Remarks of the Chief Accounts Officer and should be submitted by the relieving Accountant to the Chief Accounts Officer (through the Executive Engineer within a fortnight. A statement of original tenders and agreements handed over and taken over, arrears in the review of measurement books and in the submission of returns to the Chief Accounts Officer etc should also be appended to the transfer report.

D REVENUE FROM MISCELLANEOUS PROPERTIES

325. It will be the duty of the revenue branch to see that all miscellaneous properties such as usufruct of trees, grass etc. which are situated on lands belonging to the Board are sold periodically to the best advantage of the Board. The subordinates of the engineering branch should, however, extend reasonable assistance to the revenue branch for the prompt disposal of the miscellaneous properties.

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CHAPTER-XV SCRUTINY AND PRECHECK OF BILLS BY ACCOUNTS SECTION

A Introductory.

326. This chapter prescribes the detailed procedure for the scrutiny of sanctions and the precheck of claims by accounts section under the supervision of the Accounts Officer or the Chief Accounts Officer, as the case may be. The term "Accountant" used in this chapter refers to the Accountant working in 'accounts section.

B Scrutiny of Sanctions

327. The accounts section should conduct a scrutiny of all sanctions accorded by the various authorities (other than those accorded by or with the approval of the Board or the Chairman to ensure that the sanctions are accorded by the authorities to whom powers have been delegated and that they are in order. The sanctions should then be noted in the relevant subsidiary register. The scrutiny may be conducted either before or after the sanctions are accorded, as may be found convenient. It is usually desirable, however, that sanctions to be accorded by the Chief Engineer or the Administrative Officers are scrutinized by the accounts section before they are accorded.
328. Copies of the following sanctions and other orders of competent authorities affecting the payment of claims should be furnished to the accounts section concerned as and when they are accorded:
- i) Sanctions to administrative approval.
 - ii) Technical sanctions to estimates (copies of estimate abstracts only need be sent).
 - iii) Sanctions to re appropriation or allotment of funds.

- iv) Copies of agreements of supply orders.
- v) Other financial sanctions.

Note :-

Sanctions relating to items (I), (ii) & (iii) above should be communicated to the C.A.O. also in all cases.

329. In respect of technical sanctions it should be seen that if the amount technically sanctioned exceeds the amount of administrative approval, the excess has been approved by the competent authority. If the sanction relates to a component work of a project, it should be seen from the 'register of project estimates' that the Provision in the estimate administratively approved has not exceeded without the approval of the competent authority.

C Precheck of Claims

I GENERAL

330. As a rule, all claims against the Board should be paid after precheck by the accounts section. As an exception expenditure from permanent imprests and temporary advances may be incurred by the officers concerned in accordance with the rules and the paid vouchers sent to the accounts section for 'post check.

II SCOPE OF PRECHECK

331. The scope of precheck by the accounts section is limited to the following:
- a) check of classification.
 - b) check against budget allotment.
 - c) check against administrative approval, or other orders of competent authorities.
 - d) check against sanction estimates, agreements and supply orders.

Note :- The quantum of precheck to be exercised by the accounts section shall be determined by the Chief Accounts Officer with the approval of the Chairman.

332. The check of expenditure against budget allotment and against the sanctioned estimates should be conducted both by the Accounts Officer of the Unit as well as by the Chief Accounts Officer.

D Local Inspections

333. A local inspection of the offices of the Executive Engineers should be conducted by the Chief Accounts Officer once in six months in order to scrutinize.

- a) the initial records on which the claims were based.
- b) original tenders, quotations or other documents based on which the claims were presented and
- c) the accounts record and other registers maintained by the Executive Engineers.

E Detailed Procedure

I CHECK OF CLASSIFICATION

334. The check of classification consists in seeing that all financial transactions of receipts and payments are properly classified under the prescribed sub-heads and detailed heads of accounts and the particular work or project concerned. If any item is recoverable from contractors or others, it should be seen that it is debited to a suspense head so to have an effective watch over its recovery.
335. The accounts section maintain a 'Classified register of payments' / Receipts in Form W. C. 72 which should be posted as and when each transaction takes place. The monthly totals under each head of account should after verification by the Executive Engineers, be incorporated in the accounts.

II CHECK AGAINST BUDGET ALLOTMENT

336. In order to ensure that no payment is made in the absence of or in excess of the budget allotment unless it is covered by orders of re appropriation, a register in Form W. C. 73 'Expenditure Control Register' should be maintained by the accounts section concerned, separately in respect of each drawing officer, so as to see at the time of passing each bill that the amount of the bill is covered by the budget allotment. After check of the bill, an entry should be made in the register and attested by the Accountant and the balance amount available worked out. The following certificate should be recorded on the bill by the Accountant using a rubber stamp

Covered by budget allotment-noted on page of E. C. R.

337. The accuracy of the progressive expenditure under each unit of allotment as worked out in the expenditure control register should be verified at the close of the month with the figures in the 'Register or Appropriations' in Form W. C. 58 which should be posted from the monthly complied accounts.

Note :-

The watch of expenditure against the budget as a whole will be done by the Chief Accounts Officer with reference to the "Consolidated Register of Appropriations" maintained in the Board's Secretariat, the postings in this register being made from the consolidated abstracts'.

III. WATCH OF EXPENDITURE AGAINST SANCTIONED ESTIMATES

338. A "Register of Works Expenditure" in Form W. C. 74 should be maintained by the accounts section in respect of the works executed in the unit. A consolidated register should be maintained by the Chief Accounts Officer in respect of all works executed by the Board. This register should serve as a

collective record of all administrative and technical sanctions relating to works and the expenditure incurred against each of them.

339. The following instructions should be observed in posting the register :

- i) The folios should be arranged in the prescribed order of the sub-heads and detailed heads of account. Under each sub-head of account the estimates for component works of the same project should be grouped together so that the total expenditure on each project may be conveniently worked out.
- ii) The reference to the sanctioned estimates including revised estimates should be noted, as and when the sanctions are communicated, in the appropriate columns of the register indicating the amount in each case. The entries should be attested by the Accountant.
- iii) The expenditure during the month should be posted in black ink in the appropriate monthly column from the schedule of works expenditure received from the Executive Engineer. Below the entry for the month's expenditure, two red ink entries should be made, one indicating the expenditure during the year and other, the expenditure upto date against the relevant technical sanction. The figures should be prefixed by a red ink minus sign if they represent minus expenditure.
- iv) The reference to receipt of completion report and the orders and the orders of competent authority passing the excess etc., should be noted in the remarks column.
- v) The register should be closed annually and the entries relating to the works in progress and other sanctions which are still effective should be carried forward in the new register with all necessary particulars in respect of the expenditure already incurred.

- vi) The postings in the monthly columns should be checked and attested by the Accountant with the schedule of work expenditure received from the Executive Engineers to an extend of ten percent of the total number of items in that schedule.

IV MAINTENANCE OF 'LEDGER' FOR DEPOSIT, SUSPENSE & REMITTANCE HEADS

340. A ledger in Form W.C. 75 should be maintained in the Accounts Section in respect of all debt; deposit, suspense and remittance heads, serving as a collective and continuous record of the transactions under those heads. It should be maintained in the prescribed order of detailed heads with an abstract at the end. The ledger should be posted monthly from the compiled accounts, and the balances carried forward.

Note :-

A consolidated ledger in Form W.C. 76 shall be maintained by the Chief Account's Officer with separate figures for each unit.

V MAINTENANCE OF SUBSIDIARY REGISTERS

341. The accounts section concerned should maintain the consolidated suspense, deposit and other subsidiary registers in respect of the transactions relating to the unit in accordance with the instructions laid down in this code. The posting and the closing balances should be verified monthly with the compiled accounts and the Ledger respectively.

VI OBJECTION BOOK

342. The accounts section shall maintain an "Objection Book" in Form W.C 77 indicating the particulars and value of items placed under objection pending regularisation by the competent authority.

343. The objects of the objection book are (1) to serve as a continuous record of the objections and clearance of items placed under objection during and to end of each month in respect of transaction relating to each Executive Engineer and (2) to afford a ready means of reviewing the outstanding objections and reporting to the higher authorities cases in which remedial action has not been taken by the Executive Engineer.

344. Only objections of the following classes should be registered, the entries of amounts being made in the separate money column provided for the purpose.

- i) want of estimate
- ii) excess over estimate
- iii) excess over project administrative approval
- iv) miscellaneous

Under each head, the objection to each distinct transaction should be treated as a separate item and a serial number should be assigned to it. When the collective expenditure on a work or an object of expenditure is placed under objection, the whole work or object should be treated as one item. In the case of works the transactions relating to which are of a progressive character, all subsequent objections should be held as relating to the same item, unless the nature of the objection requires it to be registered as an objection of another class. Items of objections such as recoverable charges which are watched through the regular suspense accounts should not be entered in the objection book.

Note :- The postings should be made in whole rupees.

345. The amount placed under objection during the month in respect of any item should be noted against it in black ink in the appropriate column of the month concerned and below this entry should be noted in red ink, the progressive total of the amounts placed under objection to end of the month.

346. An objection should be removed as soon as the necessary sanction is received or the objection regularised. The removal of an objection should be indicated in the objection hook by an entry of the amount in the column "Amount cleared". The progressive totals of the amounts of clearance should also be noted in red ink. All entries of clearance should be attested by the Accountant.

347. All the entries in the columns 'amount placed under objection' and "amount' cleared" for the month should be totalled separately for each class of objection and a general abstract prepared at the end. The progressive totals of each class of objections should be carried forward from month to month and the unadjusted balance from year to year.

348. An "Objection Statement" in Form W. C. 78 should be sent to the Executive Engineer concerned every month for taking prompt action for regularisation. The statement should be returned to the accounts section with replies within fifteen days of their receipt. A consolidated statement of objections under the categories "Want of estimate" "Excess over estimate" and "Excess over project administrative approval" should be submitted to the Chief Engineer by the Chief Accounts Officer every month. Objections which are remedied for over six months should be reported to the Chairman.

F Financial Stock Taking of Projects

349. It is an important duty of the Chief Accounts Officer to undertake annually a financial stock taking of big projects costing over Rs. Five Lakhs or such other limit as may be fixed by the Chairman. Such stock-taking should be conducted one year after the commencement of the project or after one fourth of the total expenditure is incurred whichever is earlier and should be continued till the completion of the project.

350. The stock-taking should be under taken in close collaboration with the Engineer in charge of the project from whom the requisite particulars should be obtained. A performa in Form W.C.79 should be prepared by the Chief Accounts Officer and submitted to the Chairman through the Chief Engineer together with a report indicating :

- i) whether there has been any material modifications or deviations from the original proposals.
- ii) how the excess will be met or the savings utilised and its effects on the financial forecast.
- iii) whether revised administrative approval is necessary and if so, the action taken to obtain it.
- iv) the time within which the project is expected to be completed explaining reasons if any, for the delay in completion of the project.

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PART II

APPENDIXES

- Appendix I Questionnaire for the inspection of the Executive Engineer's Office by the Chief Engineer.
- Appendix II Detailed instructions for the preparation of tender schedules, the receipt and opening of tenders etc
- Appendix III Detailed rules for the execution of agreements.
- Appendix IV Rules regarding registration of Contractors
- Appendix V Instructions regarding custody, use and accounting of -Special Tools and Plant'
- Appendix VI Executive instructions and orders.

APPENDIX I

(See para 5)

Notes of inspection of the office of the Executive Engineer by the Chief Engineer.

1. Name of the Housing Unit
2. Date of last inspection
3. Date of present inspection
4. Period covered by inspection
5. Name of the Executive Engineer
6. Names of the Assistant Engineers

No.

Forwarded to the Executive Engineer for reply within 30 days.

CHIEF ENGINEER

No.

Submitted to the Chief Engineer with replies.

EXECUTIVE ENGINEER.

SECTION I

General distribution of the work among technical staff and management.

1. What is the sanctioned strength of the technical staff? Give it as appendix.'
2. How is the work distributed among the technical staff? Give it as appendix.
3. Offer remarks on :
 - a) the sufficiency of staff.
 - b) their efficiency.
 - c) the control exercised by the Executive Engineer over the staff and,
 - d) the work turned out during the period covered by inspection.

SECTION II

Imprest account:

1. Mention the imprest holders and the amount of imprests held by each.
2. Is it utilised in full and recouped periodically?
3. Is there any need for enhancing or reducing the limit of imprest?
4. Is there any imprest payment held under objection? If so, what is the action taken for regularisation.

Temporary advance account:

5. Examine the register of temporary advances to see if the advances drawn were necessary and whether the accounts are closed expeditiously.

SECTION III

Works

1. Describe the system adopted by the Executive Engineer for carrying out the works in the area. State the number and amount of works carried out since last inspection:
 - a) Under lumpsum contract
 - b) Piece-works contract
 - c) Departmentally
2. Is the best system adopted in every case? Point out objectionable items if any.
3. Examine the register of agreements. Does it state, against each item how the rates were fixed and the percentage increase or decrease of the agreement rates compared with the estimate rates? State objectionable features, if any.
4. Does the register of agreements show the nature and amounts of securities taken for the due fulfilment of the contract? Are they sufficient?
5. Is a registered of tenders received for each work and maintained properly'?
6. Is a list of registered contractors maintained and is it upto date? Examine a few cases where the contractors were registered by the Administrative officer and offer remarks.

Examine the 'Register of Disputed claims', and describe steps taken to settle each item.

7. a) Examine a few cases where tenders were accepted by the Executive Engineer or the Administrative Officer and state defects or irregularities, if any.

- b) Are there any cases where the powers have been exceeded?
 - c) Are the tenders promptly disposed off without delay?
 - d) Is due, publicity given in all cases as provided in the rules?
 - e) Are the rules relating to the preparation of tender Schedules, sale and accounting of tenders forms duly observed?
 - f) Are rules relating to receipt, opening of tenders and preparation of comparative statements carefully observed?
 - g) Are there any cases where the lowest tenders were not accepted? If so, examine them and offer remarks regarding justification.
8. Is a confidential register of contractors maintained and posted upto date? Does it show the total value of works carried out by each contract in the previous official year; and contain remarks as to the capacity and diligence with which, each contractor carried out his contracts ?
9. a) Are the agreements and supplemental agreements executed promptly? Indicate delays if any.
- b) Examine cases of acceptance of supplemental agreements by Executive Engineer and offer remarks.
10. Examine contractor's bill register and see if the bills are promptly dealt with and paid. Are the bills prepared at reasonable intervals? Examine 'Firms' and Miscellaneous' bill registers and offer remarks.
11. Do you consider the arrangements in regard to execution of works satisfactory and if not, what do you consider necessary for improvement.

SECTION IV

Progress of works

1. Is the register of works properly maintained, according to rules and posted upto date?
2. Is prompt action being taken (a) to regularise excesses and deviations; (b) to close accounts of completed works; and (c) to submit completion report ?
3. Give a list of works in progress without sanctioned estimate. State reasons and pointed out objectionable items if any
4. Give a list of works under execution without agreement or supplemental agreements where necessary.
5. Give a list of works without expenditure for over three months and say what it is due to.
6. a) Is the register of materials-at-site properly maintained as per rules and posted upto date?
- b) Are there any cases of drawal of material in excess of the estimated requirements or far in advance of actual use?
- c) Are there any surplus materials? If so, indicate action taken for their disposal.
- d) Were the unused balances verified as per rules? Comment also on the action taken in respect of discrepancies if any.
7. a) Is the Road metal' account maintained properly and reviewed monthly by the Executive Engineer?
- b) Are the balance of Road metal' verified periodically and action taken to regularise the discrepancies if any?
8. What steps are taken by the Executive Engineer to satisfy himself that all works in this charge are making proper progress?

9. Is a 'B. Form' progress Report maintained as per rules and submitted to Chief Engineer ?
10. Are works frequently inspected by Assistant Engineers and Executive Engineers and inspection notes regularly written and orders issued? What special steps are being taken to ensure that the instructions in the inspection notes are carried out promptly.
11. Is a register of check-measurements made by the Executive Engineer maintained? Has the Executive Engineer check: measured not less than 24 works in the year at an even rate per month?
12. a) Are fortnightly statements of works measured and pending check measurements being regularly received by the Assistant Engineer and Executive Engineer?
b) Is the Executive Engineer taking prompt action thereon?
13. Has a programme of expenditure been made out in the beginning of the year as per sanction ordered by the Housing Board and is the actual progress of expenditure noted against it ? How do they compare?
14. Is the average monthly expenditure uniform through out year ? if not, what are the reasons for variations ?

SECTION V

Measurement Books

1. Are measurement books maintained in accordance with rules with special reference to the fact that they are very important records of the department and may at any time be called for in a Court of Law?

2. Is a register of measurement books maintained and issues shown by names etc., and properly maintained?
3. a) State the number of measurement-books in use. Are they reviewed by the Accountant periodically according to the rule? Examine if the progress register of reviews is posted upto date.
b) Examine if the measurement books are being reviewed systematically and if the subordinates who repeat the mistakes pointed out in the reviews are located promptly and put in the way.
4. Is there evidence in the measurement books that measurements were checked by Executive Engineer and Assistant Engineer with reasonable frequency ?
5. Are new measurement books kept under custody? Are issues made only according to necessity?
6. Are completed measurement books returned for record in the office of the unit.
7. State the number of books which were completed one year before, but still not returned for record. Examine entries in not less than eight measurement books per sub-division and offer remarks.
8. Is a register of leveling filed books maintained? Examine entries is not less than six leveling field books per sub division and offer remarks.
9. Are these any Standard Measurement Books and if so are they maintained in accordance with rules?
10. Is any Measurement Books missing ? and if so, state the action taken for write off.

SECTION VI

Drawing Branch

1. a) State the strength of the drawing branch.
- b) How is the work divided among them?
- c) State the volume of work turned out in the drawing branch during the period covered by inspection.
 - i) Number and amount of estimates scrutinised and sent upto higher authorities.
 - ii) Number and amount of agreements scrutinised and sent upto higher authorities.
 - iii) Number and amount of estimates scrutinised and put up for Executive Engineer's sanction.
 - iv) Number and amount of agreements scrutinised and put up for Executive Engineer's sanction.
 - v) Number of tenders received and disposed off.
- d) Offer remarks on the sufficiency and efficiency of the Draughtsman.
- e) Examine in detail current schedule of rate and offer remarks.
2. Are plans of all completed works recorded in the case of estimates sanctioned by the Executive Engineer?
3. Are copies of plans in respect of works sanctioned by higher authority kept in the Unit Office?
4. Do the plans on record in the Unit Office show the alterations made during execution and are the actual nature of foundations entered on the plans and are certificates recorded on the several plans?

5. Is a register of plans of completed works maintained and posted upto date?
6. Are the plans themselves carefully recorded in suitable almirahs ?
7. Is the office well equipped with sufficient scientific and mathematical instrument and are they kept in good order?
8. Are the maintenance estimates prepared properly with 'reference to inspection notes' ?
9. Are the maintenance estimates prepared in time ?
10. Is the register of estimates received checked and disposed off maintained and posted upto date ?
11. Is a register of sanctioned estimates properly maintained and is the sanction communicated promptly
12. Is the register of project estimates maintained properly and posted upto date ? Indicate cases, if any, where the project administrative approval is likely to be exceeded and comment on the action taken by the Executive Engineer.

SECTION VII

Stores

1. What is the reserve limit of stock and what is the value of the actual stock at the time of inspection 'I'?
2. Comment on the nature of stock general condition and cost. State reason for storage.
3. Have all stores been verified physically as per rules? Have discrepancies been set right ?
4. Describe measures taken to get rid of old and useless stock.

SECTION VIII

Tools and plant

1. a) Examine the tools and plant register.
b) Is a distribution statement maintained properly?
2. a) State dates of annual verification of tools and plant. Are there any shortages or discrepancies awaiting adjustment ?
b) Are there any cases of T & P lent or sent out for repairs? Is adequate action taken for their return ?
3. State measures taken to dispose off unserviceable and surplus articles.
4. Is a register of heavy plant and machinery such as rollers, lorries etc, maintained? Are the plant and machinery properly carried for and used in the best interests without keeping them idle?
5. Are log reports for all plants and machinery received regularly. checked and action taken?

SECTION IX

Avenues

1. Is a separate register of avenue trees maintained and posted upto date are they numbered?
2. Is a register of new plantations maintained showing cost incurred etc. ?
3. What steps are being taken to plant avenue trees, where such do not already exist ? How many trees were planted during the period covered by inspection?
4. How does this compare with the progress during the previous period of inspection? Is the rate of planting satisfactory? Or do you consider that it can be improved?

SECTION X

Buildings

1. Is the "Register of Buildings" maintained properly and upto date?
2. Are the building inspected periodically as per rules?
3. Examine the inspection notes to see if remedial measures are taken promptly.
4. Is a register of fixtures and fittings maintained upto date and are they periodically inspected?

SECTION XI

Budget

1. Examine the manner in which the budget estimates for works were prepared and submitted. Were they scrutinised by the Executive Engineer personally?
2. Is a register of appropriation with subsequent modifications maintained and is the register reviewed monthly by the Executive Engineer and action taken for any shortfall or excesses,

SECTION XII

Disposal of objection statements

1. Is a progress register disposal of objection statements maintained by the Executive Engineer?
2. Is adequate action taken for the expeditions clearance of objections?
3. Are there any objections pending regularisation for more than six months, comment on the actions taken for regularisation.

SECTION XIII

General administration

1. Are diaries of the Executive Engineer and Assistant Engineer properly maintained and are tours properly regulated ? Are their inspections regular and systematic ?
2. Are the diaries of Assistant Engineers and Supervisors received on due date and are they being reviewed promptly?
3. Is a separate register to watch their receipt maintained?

SECTION XIV

System of preparation of annual

1. Examine the list of annual maintenance and repair estimates and a-percentage of the estimates themselves. Are they prepared in accordance with the requirements, and do the items cover all normal annul repair works and of a repairing nature?

SECTION XV

General

1. Have the defects pointed out in the last inspection notes been rectified and suggestions for improvement carried out ?
2. Are the rules regarding transfer of charge observed properly and transfer reports, received in all cases?
3. General Impressions :

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APPENDIX II

(See Para 81)

Rules for the preparation of tender schedules etc .,

The following instructions should be carefully observed by all officers and subordinates:

I. Preparation of tender schedules

The preparation of tender schedules is a very important duty of the Engineering Officers as any defects or omissions are likely to result not only in complication later but also in the tenderers quoting high rates to cover all possible risks due to such omissions or ambiguities in the schedules. The object to be aimed at is that the department should furnish all the necessary particulars supported by detailed plans, if necessary, so as to enable the tenders to intelligently arrive at their most competitive rates. It should be seen in particular that:

- i) the description of each item of work is given completely, correctly and legibly so that there is no scope for ambiguity or misconstruction.
- ii) the particulars as regards the quarries or sources from which metal, sand etc. are to be collected are given.
- iii) a list of materials which will be supplied departmentally. is given together with the rates and place at which they would be supplied. (The rates should be the same as adopted in the estimate data so that a proper comparison of tendered rates with the sanctioned estimate to rendered possible.
- iv) the manuscript or typed corrections, if any, in the tender schedules, are invariably attested by the Executive Engineers before sale to the tenderers, who should also be asked to attest them before tendering.

- v) the tenderers are asked to produce, unless they are specifically exempted, the income tax verification certificate along with the tender, if not, already sent to the authority authorised to register contractors.
2. In order to ensure that the tenders schedules are prepared in accordance with these instructions, the tender schedules submitted for the approval of the Chief Engineer / Administrative Officer should be routed through the respective Accounts Sections.

II Accounting & Sale of tender documents or schedule:

1. The officer approving the draft tender schedule will prescribe the number of tender forms to be prepared and the rate to be charged for their sale as per standing orders of Chairman issued from time to time. The forms should be kept ready for sale before notice appears in the news papers or posted in the notice boards or dispatched to the contractors as the case may be.
2. The forms should be sold to the intending tenderers on requisition, approved by the Executive Engineer or Assistant Engineer. The tenderer should be asked to remit the cost of the forms to the cash section and enclose the receipt or challan to the requisition.
3. The following endorsement should be made by the Accountant or any other responsible person on the top of each or the tender Forms sold
 "Sold to Sri
 (Dated Signature)"
4. Only the contractor in whose name the tender form was sold is eligible to tender in that form. In other words, the tender forms sold should be treated as ('Not transferable').
5. The tender forms should normally be sold only to the registered Contractor of the State Housing Board. In cases where open

tenders' by public advertisement are called for the tender forms should not be refused to any intending tenderer. Such of these tenderers who had not already registered themselves with the Board should be asked to apply for necessary registration along with the prescribed, fees,

6. Each Executive Engineer should maintain a 'Register of Tender Forms sold' in the following form:

Name of work

Last date for receipt of tender

No. of forms prepared:

Date of sale.	Name of Contractor.	No. of forms sold.	Amount realised.	Challan or Receipt No.	Initials of Accountant
(1)	(2)	(3)	(4)	(5)	(6)

III Receipt of tenders

1. As a rule, no tender should be received in person. The tenderers should be asked to place their tenders in the respective special tender boxes provided for the purpose.
2. Tenders received by post, if any, from out-station contractors or others should be deposited in the tender box by the officers who receive them.
3. The tender boxes should be opened on the prescribed day and time by or in the presence of the officer who called for the tenders

IV Opening of tenders

1. The tenders should be opened at the specified time on the prescribed day in the presence of such of these tenderers or their authorised agents who may be present. The Accountant should be asked to be present at the time of opening the tenders.

Note :-

- a) Except in the case of very important works, the tenders may be called for by the Executive Engineer after the tender schedules are approved by competent authority and the tenders opened by them.
 - b) When for unavoidable reasons the Executive Engineer who should the tenders is on leave on the particular date, the tenders should be opened by the Administrative Officer (or the Chief Engineer in the case of Board Secretariat) assisted by the Assistant Engineer.
2. With a view to avoiding the possibility of subsequent tampering with the original tenders, the officer opening the tenders should initial and each page of the tender schedule indicating the number of corrections and over writings in rates, units, figures or description of work and also whether they have been attested by the tenderer or not. A specimen endorsement is given below:

3 corrections --one attested and two unattested',

(Sd)

(Date)

The officer opening the tender should however, himself attest all such corrections and over writings. If there are no corrections the fact should be indicated in each page as 'Corrections and overwriting Nil'

3. The officer opening the tenders if so required by the tenderers present, read out the total amount worked out by the different tenderers.
4. The officer opening the tender should before the tenders are sent to the office for further action, record the details of tenders received and opened in a tender register in (lie following form and affix his dated signature at the end. The final disposal of the tenders Should also be noted in the register.

Name of work :

Date of opening:

Sl. No.	Name of Contractor	Total amount as worked out by the tenderer.	Nature & amount of E.M.D furnished	Name of persons present.	How disposed
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V Preparation and scrutiny of comparative statement

1. Greatest care' should be taken in the preparation and scrutiny of the comparative statement of tenders to guard against arithmetical and other mistakes. Failure to do this may result. in the work being awarded to a contractor who is not lowest acceptable tenderer or may result in a tender being accepted by a lower authority in excess of the powers delegated to it. The Executive Engineer should ensure that an efficient arrangement exists for checking the calculations in the tenders and for the preparation of the comparative statements.
2. The comparison should be made with the rates provided in sanctioned estimate and the percentage of excess or savings arrived at.

3. Where there is difference in the rate quoted by a tenderer in figures and words, only the rate quoted in words should be taken into account for the purpose of calculation of the amount of such item.
4. The number of tenders shown in the comparative statement should agree with the number of tenders actually received and opened as recorded in the register of tenders
5. The Executive Engineer should ensure that there are no corrections and overwritings in the tender other than those found at the time of opening and duly attested by the officer who opened the tenders.
6. The Accountant should conduct personally a cent percent check of the calculations in the tenders and should also satisfy himself that the comparative statement correctly incorporates the totals as checked in the individual tenders. The working sheets for the calculations should be carefully preserved. It is essential that there should be no hurrying of the work of computing tenders and of checking the computations. The accountant should be allowed reasonable time to enable him to conduct his check.

VI Disposal of tenders

1. It is an important duty of the Engineering Officers to ensure that the disposal of tenders is made in accordance with rules in this code with utmost expedition and in any case before the expiry of the period of 60 days provided in the conditions of tender. If in any particular case, any delay is anticipated in taking a final decision on the tenders by the competent authority, the contractors should be persuaded to keep their offers open upto a certain extended period and their consent obtained in writing. A final decision should be taken within the extended period.

2. If all the tenders received are found to be unsatisfactory or too high, the tenders may be rejected and action taken promptly for the call of fresh tenders or the award of works on negotiation or nomination with the approval of the competent, authority. The orders of the Chief Engineer should be obtained for the rejection if the amount of the tender is beyond the monetary limits upto which tenders can be accepted by the Executive Engineer / Administrative Officer.
3. An officer should not reject a tender merely on the ground that the rates quoted are unworkable. The tenders may be accepted with additional security, if necessary to safeguard the interests of the Board in the event of any possible loss due to the failure of the contractor to execute the work. If, for any reason, it is proposed to depart from this rule the sanction of the Chief Engineer should be obtained.

VII Refund of earnest money deposits

The refund of the earnest money of the unsuccessful tenderers should be made as soon as a decision has been taken on the tenders or on the expiration of the permissible period of 60 days, if demanded by the tenderer, whichever is earlier. The Executive Engineer may also refund the earnest money of the tenderers except the lowest three before final decision on the tenders; if he is satisfied that those tenders are so high that they are not likely to be taken up for consideration by higher authorities.

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APPENDIX III

Detailed rules of execution of contracts

- i) Contractors should ordinarily be executed in one or other of the prescribed forms but they may be modified to suit the requirements of any particular case or for works of great magnitude after consultation with legal adviser, where necessary.
- ii) The terms of a contract must be precise and definite and there should be no room for ambiguity or misconstruction therein. No contract involving an undertain or indefinite liability or any condition of an unusual character can be entered into without the specific approval of the Board.
- iii) No Officer may enter into a contract which he is not empowered to enter or in excess of the limits, if any, laid down by the Board.
- iv) No Officer may enter into a contract for a work until funds have been provided in the budget or can be met by re appropriation before the liability matures,
- v) The pages of the contract documents including the special specification, additional conditions, plans etc., which may be attached to the contract documents should be numbered and entries made in the first page of the agreements as follows:

Total number of pages
(in words)

Total number of corrections.....
(in words)

- vi) Corrections in the agreement should be attested by the initials of both the parties and the number of corrections in each page noted at the foot of each page and attested by the accepting authority. The blank pages should be got initialed by the contractor.

- vii) The contract agreement, the plans and 'specifications should be signed by the authority competent to accept the contract and by the contractor in each page.
- viii) It should be ensured that conditions not existing in the accepted tender are not in any case allowed to be embodied in the agreements.
- ix) If the agreement is to be accepted by higher officers, the Executive Engineer should, after checking the agreement and obtaining the signature of the contractor forward it to the officer concerned with a covering letter bearing his signature. Such letter is a sufficient authentication that the agreement has been checked by the Executive Engineer.

APPENDIX IV

(See para 101)

RULES FOR REGISTRATION OF CONTRACTORS

1. Registration

No contractor shall normally be allowed to undertake works either in the State Housing Board or in its Housing Units, unless he is registered as a contractor in the administration concerned, according to the rules hereunder.

2. Application for registration

A contractor shall first apply for registration in the prescribed forms appended to these rules to the appropriate authority. viz., the Administrative Officer of the Housing Units, or the Housing Board, or the Chief Engineer, as the case may be, with reference to the class and jurisdiction of works for which he is eligible as defined in rule 3 and 4.

3. Classification of contractors

A contractor who is registered by anyone of the authorised officers shall to classified under the following heads according to his normal financial capacity.

Class I	above 10 lakhs
Class II	upto 10 lakhs
Class III	upto 5 lakhs
Class IV	upto 2 lakhs
Class V	upto 50,000/-

Before awarding contracts costing over Rs. 10 lakhs, to class I contractors, his financial capacity shall be specially enquired into every time.

4. Jurisdiction of registration

1. Normally class I, II and III will be registered for works throughout the State and Class IV and V for works in the respective Housing Unit.
2. The Administrative Officer of the Housing Unit shall approve the registration of contractors for works under his jurisdiction.
3. The Chief Engineer shall register contractors for works pertaining to the department throughout the State.
4. Every application for registration shall be accompanied by a challan of Rs. 5/-. The application fee will not be refunded under any circumstances.
5. An additional registration fees of Rs. 10/- and Rs. 50/- respectively for registration in a territorial unit or state shall be remitted within 15 days of the receipt of intimation of the approval of his application by the registering authority and challan sent to the registering authority as detailed in Rule 8.

5. Consideration of application

The Administrative Officer (or the Chief Engineer) shall have such enquiries made in connection, with the application as he considers necessary and call for any further particulars from the applicant before finally disposing of the application.

The applicant shall provide necessary facilities for verification of particulars in the application, by the enquiry officer.

6. Rejection of application

The officers authorised to register the contractors according to the rules shall have full powers to reject any application for registration for any administrative reason, for any willful suppression of information for furnishing incomplete or unsatisfactory particulars and making false statements in the applications. Orders rejecting the application shall be communicated without assigning any reason therefore and there shall be no appeal against such rejection.

7. Approval of application and registration

1. In the case of application which is found to be satisfactory, the officer accepting the application shall intimate the applicant in writing the fact of his application having been accepted, giving him the class, area and other particulars as may be fixed by rules.
2. The applicant within 15 days of the receipt of information, shall remit the prescribed fee for registration. The Officer, on the receipt of chalan, shall finally enlist the applicant in the register of contractors and inform the applicant accordingly.
3. The registration fees will not be refunded under any circumstances to the registered contractor once the application has been registered
4. The registration officer shall be required to intimate other officers of the departments about the registration of the contractors for their information.

8. Applicability of registration over territorial regions

The registration of a contractor for works is on a territorial basis and as such separate registration is not necessary for taking up works laying in the territorial area covered by the first registration, for both the Housing Unit and State Housing Board works. For taking up special works in places outside the area of his registration, the contractor should get himself registered in the special division of the special works. Contractors may register themselves in more than one territorial unit after payment of the requisite application and registration fees in each case. However, registration in a particular territorial unit shall not entitle him for registration in another territorial unit as a matter of right.

9. Promotion or reinstatement etc.,

The Contractors application for a higher classification or sanction for reinstatement to original classification in the case of a demoted contractor or resumption to the original category after removal or suspension shall be made afresh for registration in the particular grade and the application shall be considered on its merits.

10. Demotion

- a) After giving due notice and obtaining his representation within a reasonable time a registering officer may, when the case warrants, demote the contractor to a lower classification of registration. Demotion will be ordered on reasonable grounds such as :
 - i) Failure to execute a contract, or unsatisfactory execution of a contract or for defective work revealed during the prescribed maintenance period of the work by the contractor after completion.
 - ii) When the contractor has no longer adequate financial resources for, the particular grade.

iii) Violation of essential conditions and spirit of the contract.

iv) Or any other justifiable reason.,

- b) Such change in the grade shall not be made in less than one year interval. The demotion order of any registering officer shall be communicated to the officers of the different Housing Units and the Chief Engineer and it is open to the latter officer for taking appropriate action. But such a demotion order will have effect for all works in the territorial jurisdiction of the officer ordering demotion even though such works may be under the control of different officers.

The demotion order shall not preclude reinstatement at a subsequent date on justifiable grounds,

The demotion shall not entitle the contractor for a refund of the original registration fee.

REMOVAL OF CONTRACTOR

11. a) A registering officer' may cancel a contractor' s registration or keep his registration under suspension for a specific period for justifiable reasons such as :
 - i) Professional misconduct like repeated violation of the contract conditions, persistent bad work etc ••
 - ii) Bankruptcy or poor financial circumstances.
 - iii) Involvement in criminal proceedings or other activities, which effectively prevents the contractor from doing proper justice to his role as a registered contractor.
 - iv) Any other valid reason.
- b) The registering officer shall give due notice and obtain the representation of the contractor before deciding the suspension or the cancellation of registration on valid grounds.

- c) The removal order or suspension order shall be sent in writing to the contractor to his permanent address (Copies of such orders shall be communicated to the Chief Engineer, and to such other officers under whom he is eligible to take up works by virtue of his registration).
- d) Removal of a name from registration in one office does not necessarily imply removal of the name from the other registers. But such a suspension or removal order will have effect for all works in the territorial jurisdiction of the officer ordering removal or suspension even though such works may be under the control of different officers. The fact of such removal or suspension from any register shall be entered in the registers of all officers who have registered his name in their registers. Such officers if they so desire can also without further enquiry remove the name of the contractor from their registers and intimate the contractor accordingly.
- e) An appeal against the order of demotion or suspension or cancellation of registration by the Administrative Officer, and against such order of Chief Engineer shall lie with the Chairman of the Madras State Housing Board. The decision of the appellate authority shall be final.
- f) An appeal shall be preferred within a period of one month from the date of issue of any orders.

12. Re-instatement of contractor

A contractor whose name has been removed from the register once may for 'Valid reasons be re-instated after a period of one year by the authority competent to remove him from the register with the prior approval of the next higher authority with whom the appeal against the removal lay.

13. General

Income tax clearance certificates shall be furnished to the authority or authorities with the contractor is registered, failing which whom the contractor shall be liable to be prevented from tendering for works inspire of registration till such time as the certificates are furnished.

MADRAS STATE HOUSING BOARD / HOUSING UNIT Form of application for registration as contractor

From

To

The Executive Engineer/Chief Engineer.

Sir,

I herewith submit my application for registering my name in your Register of Contractor in classification for works in Housing Unit / Housing Board of the Madras State I have read the rules laid down for the registration of contractors and shall bind myself to the various provisions in it.

Application fee of Rs.5/- enclosed.

Signature of the applicant

Encl :

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I GENERAL

1. Name of the applicant

(State whether the registration sought for is for an individual or a joint stock company or undivided hindu family or registered partnership firm. If a corporate body, the name of the partners; together with details of financial and other business interests of

the partners' should be separately furnished (attested copies of Articles of Association or partnership deeds etc., to be enclosed).

2. Name of the registered office of the individual or company and other place of business.
3. Permanent address to which all communications should be sent.
4. Does the individual or company do any business other than Contractor for works or supplies.
5. The number and date of chalan in which the prescribed fees have been remitted.
6. Has the applicant applied previously for registration and if so, with what result ?
7. Has the applicant or anyone of his partners been removed from the list of contractors or black listed anywhere at any time and if so, for what reasons ? (Here give full details).
8. Class and territorial unit in which enlistment is sought.
9. Has the applicant registered himself as a contractor with any other registering officer of this and other departments. If so, full details to be furnished.

II DETAILS OF EXPERIENCE

10. Whether the applicant is a share holder or partner of any firm already registered in the department.
11. Is the applicant or any of the partners or shareholders of his firm or any employee of his firm a servant (past or present) of the State Housing Board or Housing Unit under the Board? If so particulars to be furnished.
12. The nature of work the applicant proposes to undertake (whether road works, building works, public health works etc.,

13. Experience of the applicant in the line (testimonials if any and list of works with total value should be separately enclosed)

III TECHNICAL PERSONNEL & RESOURCES

14. Name or names of technically qualified and other persons employed together with their qualifications and experience.
15. Does the applicant maintain an office for preparing designs, drawings, estimates, tender documents bills etc.
16. Does the applicant own a workshop for structural fabrication work, and if so furnish details thereof.
17. State particulars of construction machinery and tools and plant owned by the applicant.
18. Does the applicant own plumbing or any other licence connected with his business,

IV FINANCE

19. Name or names of the banker (s) with whom the applicant maintains accounts.
20. Name of the person holding the power of attorney in the case of partnership firm.
21. Paid up capital and dividend declared if a joint company.
22. 'Solvency (A certificate of solvency should be produced either from a scheduled bank or from an officer of the Revenue Department'.
23. Name and designation of the officer of the Revenue Department (person) issuing the property certificate.
24. Whether the applicant has enclosed the income tax verification certificate and sales tax clearance certificate.

25. Annual turnover of the applicant.
26. Money limits of the applicant which the application will be able to undertake work.

I/We declare that the particulars furnished above are true to the best of my/our knowledge.

Place:

Date:

Signature of the applicant.

Seal of the company in the case of firm.

Special instructions to the applicant

1. Complete particulars should be furnished against each item.
2. Applications received without the treasury receipt specified in rule 4 of the Rules for registration of contractors and other documents will not be considered.
3. A copy of the rules for registration with copies of application forms etc., can be had from any office of registration on a cash payments of Rs 1/-

APPENDIX V

(See para 169)

DETAILED INSTRUCTIONS REGARDING CUSTODY USE & ACCOUNTING OF SPECIAL TOOLS & PLANT

I. Administration & control

The Stores Officer shall be in over all charge of all heavy plant and machinery in the-Board except those plants or vehicles which are specifically placed under the control of a particular officer. He will be responsible for the proper management and efficient utilisation of the machinery available in the Board. It should be ensured that no plant or machinery remains idle in a particular place when it can more profitably-be used elsewhere. For this purpose, the Executive Engineers should inform their requirements to the Stores Officer who will arrange for the movement of the plant from place to place under the orders of the Chief Engineer. Major break-downs of the plants due to mechanical defects should be promptly reported to the Chief Engineer.

The plants and machinery stationed at the various places will be under the immediate control of the Section Officer (Mechanical) or other subordinate nominated for the purpose.

II Indexing of plant & machinery

An indexing system of plant and machinery should be maintained by the Stores Officer, with the approval of the Chief Engineer. The index sheets may be maintained in duplicate, one containing the index sheets for all the plant available / arranged plantwise and the other arranged unitwise,

The following instructions should be observed:

- i) The name, number, capital cost, location, year of purchase should be written up for each plant.

- ii) The details of any accidents to the plant, expenditure incurred and revenue realised by each plant should be gathered and posted in the index sheets.

III Plant record book

A plant Record Book should be maintained in Form W. C. 80 in respect of all plants in the Board. The primary responsibility for the maintenance of the Plant Record Book (which should be kept with the plant) lies with the Section Officer (Mechanical). A duplicate copy of the books should be maintained by the Stores Officer. The Section Officer should furnish the necessary particulars for making the entries in the duplicate copy every month by the 15 all repairs and replacements should be done only by the Section Officer (Mechanical) who will make necessary entries in the plant record book and also keep the stores officer informed. Any minor repairs or replacements done in an emergency by other officers should be immediately reported to the Section Officer (Mechanical) and the Stores Officer.

The monthly, postings of mileage, done and the consumption rates should be filled in by the Section officer under whose control the plant is working. If the fortnightly fuel consumption rate exceeds the rate fixed by the Chief Engineer by more than 10% the plant should be kept off the road and the matter reported to section officer (Mechanical). The officer inspecting a plant should check up the plant record book pertaining to it and see it kept upto date.

IV Inspection

The Chief Engineer should arrange for the periodical inspection of the plant and machinery of the Board at site by mechanical engineer. The Inspecting Officer will make a thorough inspection of the plant and submit a detailed report to the Chief Engineer. He will also make a report on the maintenance and condition of the plant specifying the nature of repairs if any, to be carried out. Suitable disciplinary action should be taken immediately against the operating crew of a plant when an advance report is received.

V Daily log sheets

A daily log sheet in Form W. C. 81 should be sent by the subordinate in charge of the working of the lorry, roller or other plant to the Section Officer incharge of the plant. The latter will forward the same weekly to the Stores Officer after verification with the Log Book and after obtaining the counter-signature of the Assistant Engineer incharge of the works on which the plant was used.

To avoid disputes with the contractors at a latter date the following instructions should be strictly observed;

Whenever any plant is lent to the contractors, dated acknowledgments should be obtained from them or from their duly authorised agents; These acknowledgments should be pasted in the daily log sheets duly signed by the Section Officer and sent to the stores officer so as to form the basis on which recovery of hire charges is to be made. Similarly when the Contractor returns the plant to the department, a similar acknowledgment for receipt by the departmental, officer should be got prepared by the contractor in duplicate, one copy being returned to the contractor duly receipted by the Section Officer and the other copy passed to the concerned daily log sheet to be sent to the Stores Officer.

VI Log books

The Section Officer incharge of the lorry, roller or other plant should maintain a log book in Form W. C. 82 in which information regarding purchase price, details of the make etc. copied from the registration certificate and the estimates for maintenance sanctioned for the year should be recorded. Consumable and other stores and fittings purchased should be entered then and there with the cost (approximate if not correctly known). The number of hours worked or the distance run each day, as the case may be, and the quantity of fuel consumed should be entered in the appropriate columns. The log books are to be used for alternate months so that one book may always remain with the plant in a

month while the other is available for review by the Stores Officer or other officer concerned. The log book should be closed every month after noting therein the amount of wages paid to drivers, cleaners etc., so that information regarding all direct expenditure on the plant for a month is available in the log book for the month. Particulars of the payment of taxes and fees on the departmental plants should also be noted in the remarks column of the log book and this entry has to be attested by the stores officer or the Assistant Engineer.

VII Fortnightly log reports

The Stores Officer (or the Assistant Engineer in charge of the plant) should prepare the fortnightly log report in Form W.C. 83 in triplicate based on the daily log sheets and sent two copies to the Executive Engineer within a week of the close of the fortnight. On receipt of the fortnightly log reports of all the plants for the whole month, the assessment of hire charges should be checked by the Accountant and (he Executive Engineer. A statement of amounts recoverable from each contractor or other persons or the amounts debitable to departmental works should then be prepared in duplicate. A transfer entry supported by a copy of the fortnightly log report and the statement of amounts recoverable from the contractors etc., should be sent to the Accounts Section before the close of the month for incorporation in the accounts of hand.

Note :-

1. If the hire charges are recoverable from the contractors, the amount should debited to the work under 'Contractors - Other transactions'
2. A register of hire charges should be maintained by the Executive Engineer in Form W. C. 84.

VIII Review of fortnightly log reports of lorry

The log reports for all the lorries in a month should be Consolidated by the Stores Officer and submitted to the Executive Engineer by the 15th of each month for review. An intelligent and careful review should be conducted at this stage to ensure that the lorries are used to the best advantage of the Board and that the maintenance charges are most economical. A copy of the consolidated report together with the review remarks of the Executive Engineer should be sent to the Chief Engineer for information and issue of instructions as may be considered necessary.

IX Hire of special tools & plant

The following rules govern the hire of plant and machinery to Government Departments, local bodies and contractors executing departmental works:

- i) Ordinarily, heavy plant and machinery alone should be let out on hire.
- ii) The rate of hire charges and the rules governing the hire should be got approved by the Board in respect of each category of plant.
- iii) When heavy plant and machinery is lent to private persons or to contractors for use on works other than Board's works, hire charges should be levied at double the prescribed rates. In such cases, the hire charges payable should be recovered monthly in advance. A deposit equal to the full market value or the full original cost of the plant whichever is greater should also be taken. The authority sanctioning the hire may, however at his discretion, accept a deposit equal to 5% of the full market value provided that.
 - a) the machinery is handled by the departmental crew and
 - b) it is ensured that the parties to whom the machinery is hired are of sufficient means from whom the Joss, if any, could be recovered.

X. Hire charges

- i) The rate of hire charges should be worked out separately for each category of plant so as to cover the following elements:
 - a) Depreciation of plant.
 - b) Interest of Capital.
 - c) Major overhauls, repairs and renewals.
 - d) Operating cost or working expenses.
- ii) The following instructions are prescribed for working out the rate of hire charges.

a. Life

The life of the plant should be determined in years on the basis of the maker's specifications or past experience.

b. Depreciation

The amount of depreciation should be arrived at by dividing the capital cost by the number of years of life fixed under (a) above

c. Interest

Interest charges should be adopted at 5% of the capital cost.

d. Major overhauls, repairs & renewals

The amount under this head should be assessed as accurately as possible based on actual expenses incurred and past experience so as to cover all working expenses such as (i) fuel, oil and lubricant (ii) labour, crew charges and (iii) other incidental expenditure.

Note :-

1. In cases where the original cost of the plant is not known, the appraised value or the probable cost of renewal may be adopted.

- 2 If at the end of the period of life fixed for a plant. it is considered still fit for use, hire charges as originally fixed for the plant should be continued to be charged.
- iii) The monthly rate or the daily rate shall be the annual rate divided by the probable number of months or days the plant is likely to be let out on hire during the year.

Note :-

For the purpose of calculation of the daily rate and the hourly rate, the average number of working days or hours in a year may be taken as 240 and 2,000 respectively.

XI Expenditure on maintenance

The expenditure on maintenance of heavy plant and machinery including renewals and replacements should be covered by individual estimates in the same way as original works. The charges on account of special T & P should be distributed over the different works or projects on which the plants were used in accordance with the following principals:

- i) The expenditure incurred on the purchase of heavy tools and plant and the expenditure on maintenance including major overhauls and repairs should be debited to the capital account under the prescribed heads, 'Cost of Purchase' and 'Expenditure on repairs' respectively. The interest charges on the capital should be worked out at the end of every year and debited to the detailed head 'Expenditure on maintenance' by credit to the Revenue Account.
- ii) After review of the daily and fortnightly log sheets of the plant, the hire charges at the prescribed rates recoverable from works or contractors should be worked out and the amounts debited to the various works or projects every month by per contra credit to the detailed head 'Deduct recoveries from works or contractors' in the Capital Account

It should be ensured that the adjustment of hire charges if effected promptly every month and at any rate before the accounts of the year are closed.

- iii) Periodically, at the end of each year, any difference between the 'Expenditure on maintenance and repairs' and the recoveries effected should be distributed to the different projects or works in proportion to the hire charges originally debited to the works. In working out the difference, the amount of depreciation on the plant should also be worked out in proforma and added to the expenditure on maintenance and repairs.
- iv) A register showing the expenditure on maintenance and repairs (including depreciation and interest on capital) and the recoveries effected should, be maintained by the Stores Officer in respect of each plant.

APPENDIX VI

Executive instructions and office orders

I. Office Order No. 162, dated 21 -8-1962.

Sub: Expenditure on repairs and maintenance of Buildings, Heavy Plant and Machinery etc., sanction of.

The expenditure on maintenance and repairs of buildings, heavy plant, and machinery etc., should be covered by administrative approval of the competent authority as in the case of all original works. The powers already delegated to the Chief Engineer/ Administrative Officer / Executive Engineer, for according administrative approval, will apply both to original works and maintenance and repairs. Estimates for repair and maintenance exceeding Rs.20,000/- should be got administratively approved by the Chairman or the Board as the case may be, before technical sanctions are accorded.

II Circular No. 13402 WIII/63 dated 8-4-1963

Sub: Execution of works - approval of plant by the Chief Engineer and the Chairman - Regarding

The attention of all the Administrative Officers and Executive Engineer is invited to the circular instructions issued on 10-5-62 (Copy enclosed for ready reference) wherein clear instructions were issued that no works should be executed without the plans being approved by the Chief Engineer and the Chairman. It was also laid down that the specific approval of the Chief Engineer and Chairman should be obtained for the adoption of a particular design in individual cases, even though the designs were generally approved by the Chief Engineer and the Chairman.

Recently, during one of his inspection of a Housing Unit, The Chairman found a design with an Executive Engineer which was not approved by the Chief Engineer and the Chairman.

The Executive Engineer and Administrative Officers are once again informed that the instructions in the Circular dated

10-5-1962 should be scrupulously observed and that any violation of the above instructions will be severely dealt with.

When copies of approved plans are taken, it should be ensured that they are invariably attested by the Executive Engineer as 'true copy' below the signature of the Chief Engineer and the Chairman.

III Office Order No. 65, dated 23-3-1963

Sub: State Housing Board Irregularities and lapses in the disposal of tenders Instructions issued.

In the disposal of a tender relating to a major contract for a value of Rs 1,28,900/the following lapses were noticed.

- i) The tender was received on 16-5-1962 and submitted to the Board's Secretariat for orders on 8-6-1962 along with the estimate for technical sanction. As there were a number of defects in the tender schedules, the file had to be returned to the unit thrice as indicated below for rectification or supplying the omissions:

Date of submission to Boards Secretariat.	Date of return to unit
I. 8-6-1962	28-6-1962
II. 12-7-1962	21-7-1962
III. 27-7-1962	15-8-1962
31-8-1962	6-9-1962

(Tender accepted by Chairman on 5-9-1962)

Finally, the estimate was technically sanctioned by the Chief Engineer on 5-9-1962 and the tender was accepted by the Chairman on the same date. The intimation to Contractor accepting this tender was sent by the unit on 13-9-1962.

- ii) In the meantime a letter was received in the Unit from the contractor on 28-8-1962 intimating withdrawal of his tender as the decision was not taken within a period of 60 days.

This fact was not reported to the Board's Secretariat when the file was last submitted with replies on 31-6-1962 with the result the tender was accepted by the Chairman on 5-9-1962 without the knowledge of its withdrawal.

2. The inordinate delay in the final acceptance of the tender was mainly due to the incomplete and defective preparation of the estimates and tender schedules and the failure to attend promptly to the remarks of the Board Secretariat. The failure to inform the Board Secretariat of the fact of withdrawal of tender indicated much carelessness and negligence in dealing with an important work.
3. As the Executive Engineer should be aware, the primary responsibility for the proper and expeditious disposal of all tenders rests with them. They are requested to bear this mind and to devote their personal attention to the disposal of tenders at the various stages with a view to guard against the recurrence of the lapses in future. The following instructions are issued in this connection for the guidance of all officers and sections:
 - a) As a rule, tenders should be called for only after the estimates are technically sanctioned by the competent authority. If in any exceptional case, due to urgency or other reasons, tenders are called for before technical sanction is accorded, the Executive Engineer should ensure that the estimates are prepared correctly and submitted in complete shape without delay as to obtain the technical sanction atleast before the receipt of tenders. Any delay in this regard should be brought to the personal notice of the Chief Engineer.
 - b) The preparation of the tender schedules should receive careful and personal attention of all concerned so that there are no defects or omissions which may lead to complications later in the selection of a tender.
 - c) If any case due to unavoidable reasons, the final decision on the tenders is likely to be delayed beyond the permissible

period of 60 days, the Executive Engineer should obtain the written consent or otherwise of the contractors for the consideration of their tenders beyond that period and report the fact to the tender accepting authority.

- d) If, subsequent to the submission of the tender papers to the competent authority for orders, there is any important development which may have a bearing on the consideration of a tender, it should be reported immediately to the tender accepting authority so that he may take note of the development while passing final orders.

Any recurrence of the above lapses on the part of officers and subordinates will be severely dealt with in future

IV Office Order No. 191, dated 22-9-1962

There appears to be some confusion in the minds of some of the Executive Engineers regarding the form in which intimation of acceptance of tender is to be sent to the tenderer. The following instructions are, therefore, issued to clarify the position.

In appendix II (b) and II (c) to the M. D S. S. two specimen forms of intimation to the tenderers are incorporated (Vide extracts enclosed).

Form II (b) is only a notice or intimation to the tenderer whose tender is under consideration. This form should be used when any tenderer / tenderers is / are summoned to the office for some reason, such as further enquiry or negotiation, rectification of minor defects in tenders such as withdrawal of conditions originally stipulated by the tenderer, scrutiny of data for any abnormal or absurd rate etc., The intimation in this form does not convey the final acceptance of tender nor does it bind or commit the department to accept it later. If, as a result of the further enquiry, the tender is accepted by the competent authority, the intimation in Form II (c) should be sent.

Form II (c) is intended for conveying to the tenderer, the final acceptance of the tender by the competent authority subject to the conditions stipulated therein. This should be issued in all cases of acceptance of tenders (after final decision is taken) irrespective of whether the tender is accepted straightway or after further enquiry with the tenders in response to the notice in Form II (b).

The procedure indicated above should be followed in the State Housing Board.

Appendix II [b] Notice to tender whose tender is under consideration

To

Sir.

In order to enable me to consider your tender for the work you are requested to attend at* on* or within three days from** during office hours for the purpose of further enquiry in connection therewith.

An agreement in proper departmental form will have to be signed by you if your tender is found acceptable. Please note that if you fail to attend in manner aforesaid, your tender will not be considered.

Executive Engineer,

Appendix II (c)

To

Sir.

1. Your tender dated is accepted subject to the corrections made therein and attested by you and me under date and subject also to the conditions that you forthwith deposit the security specified in condition 5 of the tender notice in addition to the earnest money which will be retained as part of the security deposit for the due fulfilment of the contract and that you also at the same time sign the contract documents.

2. The written agreement to be entered into between you and the Board shall be the foundation of the rights of both the parties and the contract shall not be deemed to be complete until the agreement is first signed by you and then by the proper officers authorised to enter into contracts on behalf of the Board.

Executive Engineer.

Date:

N. B. The portion underlines is to be inserted only in cases where, as result of the settlement made during the further enquiry' mentioned in the 'Notice to tenderer whose tender is under consideration' the selected tenderer has been permitted or required by the tender accepting authority to make any corrections in his tender before acceptance.

*Name of division Office or other place.

*Substitute the words 'Date'

★★★

V Office order No.200 dated 3-10-1962

Sub: Invitations of tenders and preparation of comparative - Statements - Defects and irregularities.

While scrutinising a tender file submitted to the Chief Engineer for acceptance, the following defects/irregularities were noticed:

i) The Executive Engineer who opened the tender did not indicate the number of corrections or overwritings in the tender.

ii) In 'the cyclostyled copy of the tender schedules sent to the contractor, certain manuscript changes were made; such as, change of unit from one cwt., to one Metric Tonne, change of mortar proportion from 1: 5: 10 to 1: 5: 12 etc., which were not attested either by the contractor or the Executive Engineer, with the result, a doubt arose whether those corrections were made before tendering or afterwards.

Against one such item, the contractor had quoted a rate of Rs. 100/- as against the estimate rates of Rs.1,021-81 per Metric Tonne. Apart from the fact that this is obviously as absurd rate, there is the likelihood of the contractor assuming the unit as cwt. Instead of one Metric Tonne, connected in manuscript. This aspect was not mentioned by the Executive Engineer while the comparative statement was submitted to the Chief Engineer for acceptance but the rate of 100/- was adopted in the comparative statement for an unit of one Metric Tonne.

2. The Executive Engineers should be aware of the possible consequences of accepting such tenders involving the above irregularities. They may not only lead to avoidable litigations afterwards but may also result in the tender being accepted by a lower authority on the basis of an incorrect percentage of excess etc. The Executive Engineers are requested to personally see that such defects / irregularities are carefully guarded against. The following instructions should also be noted for strict compliance:

a) As already prescribed in Office Order No. 1 7 2, dated 4-9-1962 the Executive Engineer should initial each page of the schedule indicating the number of corrections and over writings in rates, units or figures and also whether they have been attested by the Contractor or not. A specimen endorsement is indicated below;

3. Corrcetions - one attested and two unattested.

The Executive. Engineer should be, however, attest all such corrections and over writings. If there are no corrections, the fact should be indicated in each page as 'Corrections Nil'

d) If, any case, manuscript or typed corrections are made in the cyclostyled copies of tender schedules, the contractors should be asked to attest them before tendering so that they may not plead ignorance later on or contend that the corrections were made subsequent to their submission of the tenders.

- c) Where the contractor has quoted an absurd rate for any particular item (i.e.) where the quoted rate is above or below the departmental estimate rate by more than 25% the fact should be brought to the notice of the Chief Engineer while submitting the case so that the contractor may be called upon to explain or justify the rate quoted by him before final decision is taken on the tender.

Any defects or irregularities in the comparative statements will be viewed very seriously in future.

VI Office Order No.42, dated --1963

Sub: Preparation of Estimates and tender notices Adoption of the rates for materials supplied from general stores clarification.

It is observed in a number of cases, that the rates for departmental supply of materials adopted in the tender notices for contracts on a through rate basis differ appreciably from the rates adopted in the data of the sanctioned estimate as the rates indicated in the tender notices represent only the stores issue rates and not the rates adopted in the estimate data. The correct procedure in this regard, is to adopt in the tender notice, the same rate as is adopted in the estimate 'data, as only then, a proper comparison of the tendered rates with the sanctioned estimate may be rendered possible. Further the stores issue rates are liable to be reviewed frequently depending on the market fluctuation or other causes. The following instructions are, therefore issued for guidance:

1. While preparing the estimates, the rates as provided in the approved schedule of rates or as fixed by the Chief Engineer as the case may be, should be adopted for materials which are proposed, to be supplied departmentally. These rates will correspond, as closely as possible, to the prevailing stores issue rates.
2. In the tender notice issued to the contractors, the materials to be supplied departmentally the place of delivery and the rate to be charged to the contractor should be clearly

stated. The rates adopted in the tender notice should be the same as those adopted in the estimate data so that the contractors may submit their tenders based on these rates.

3. When materials were issued from the General Stores to contractors for use on the works, the debit to the works will be afforded at the prevailing issue rates while the recovery from the contractor will be effected at the rates specified in the tender notice and agreement; any difference between the two will be borne by the work concerned.

The above instructions may be followed in all cases so that a correct comparative statement can be prepared with reference to the sanctioned estimates.

VII Office Order No. 197 dated 1-10-1962

Sub : Execution of works award of new or Supplemental items of work Basis for fixation of rates Instructions Issued.

It is observed that the basis adopted for arriving at the rates for new or supplemental items of work not provided for in the original agreement is neither uniform nor in accordance with the instructions in the M.D.S.S. governing all agreements. The following instructions are, therefore, issued to all the officers for careful guidance in future:

- i) As a general rule, before the execution of the new or supplemental item of work, a fair rate should be agreed upon between the engineer and the contractor. The fair rate should be arrived at as follows:
 - a) If the new item arises on account of a minor substitution of a similar item already included in the schedule, (such as change of proportion of mortar). the rate should be reduced from the tendered rate for similar item.
 - b) In respect of other new items of work which are either not contemplated originally or which are necessitated due to changes in designs or other deviations the rate to be allowed for the new item should be the schedule of rate

of the year or which the estimate for the work or subwork was based plus or minus the tender excess or the tender savings as the case may be.

ii) If the rate as divided above is not agreed to by the contractor before execution, either one of the following alternatives should be adopted :

a) The new items may be entrusted to another agency, if such a course is more expedient

or

b) The original contractor should be asked to execute the item on actuals (subject to production of vouchers) plus 10% ad provided in clause 63(c) (ii) of the Preliminary Specifications to M.D.S.S. If the claim presented by the contractor based on vouchers is considered unduly high, a fair rate shall be fixed by the engineer on the merits of the case, leaving it to the contractor to submit the case for arbitration if he so chooses.

Note : The procedure indicated in the last sentence may also be followed when the new item is not covered by the schedule of rates or is not susceptible of measurement

iii) It should be distinctly understood that

c) Under the terms of Lumpsum agreement the contractor cannot refuse to execute the new item or suspend or delay the progress of work on the ground that the rate is not acceptable to him.

d) In case where the execution of the supplemental or new items of work is beyond the powers of the Executive Engineer to sanction, the procedure indicated above should be followed with the approval of the competent authority.

The above procedure should be followed scrupulously by all concerned.

VIII Office Order No. 34 dated 15-2-1963

Sub: Road works Record of measurements for road works
Instructions - Issued.

It is observed that the record of measurement for road works is no being made correctly. The following instructions are, therefore issued for guidance:

1. In the estimates and contracts, separate rates should be provided for:

- i) Collection of materials and
- ii) Spreading and consideration.

Item (i) should be paid for on the basis of the recorded measurements and check-measurements of stocks. Item No. (ii) should be paid for on the basis of the area spread and consolidated supported by the recorded measurements and check-measurements.

2. The payment should be restricted in the following manner:

If the road metal (or gravel) actually collected falls short of the theoretical quantity require to cover the specified area to the designed nominal depth, and if the spreading and consolidation is completed to cover the specified area, the payment shall be limited to the area that could be theoretically covered to the designated nominal depth with the road metal actually collected. If the road metal (or gravel) actually collected is in excess of the theoretical quantity required to cover the specified area to the designated nominated nominal depth and if the spreading and consolidation is completed to cover the specified area, payment shall be limited to the actual area covered.

3. In the case of maintenance works, the estimates should provided for any extra quantity of metal required for filling upto holes or patch work. The labour charges for patch work or the filling of pot holes should be paid on the basis of recorded pre-measurements of the area to be filled up duly supported by a certificate of filling after the work is done.

4. An account of receipts, issues and balance of road metal should be maintained by the field officers in respect of the road metal collected and used up.

XI U. O. SHB/WIII/01332 63 dated 10-1-1963.

Sub: Lands developed under the 'Land Acquisition and Development Scheme'. Utilisation of the developed plots for other schemes such as Low Income Group Housing Middle income Group _ Slum Improvement Schemes etc., - Procedure for adjustment of cost Regarding.

The land developed under the 'Land Acquisition and Development Scheme' may be utilised for the construction of houses under other schemes such as Low Income Group Housing, Middle Income Group Housing, Union Government Rental Housing using and Slum Improvement Schemes. In Madras City, the Land Acquisition and Development Scheme is exclusively implemented by the Board's Secretariat and the developed plots are handed over to the Madras Housing Unit for being utilised for the other schemes mentioned above. In the mofusil Units, Plots developed under Land Acquisition and Development Schemes will be utilised for other schemes. Such a transfer necessitates the passing of the debit towards the cost of land to the relevant schemes under the concerned Unit in certain cases. These aspects have been clarified in this note for the guidance of all officers and sections.

I Utilisation of the plots for construction of houses under the low Income Group Housing & Middle Income Group Housing Schemes.

In the case of Low Income Group Housing and Middle Income Group Housing schemes, the technical sanction to be accorded for the works will not include the cost of developed land.' In view of this, when plots developed under the Land Acquisition and Development Scheme' are utilised for the construction of buildings under Low income group housing / Middle income group housing scheme, the need for adjustment of the cost of

Land between the two Boards Secretariat and the Madras housing unit or between the two schemes in the same unit does not arise.

The same principle will apply even when the lands are developed under the Low income group housing scheme.

In the above cases, the recovered from allottees towards cost of land will be credited, as and when realised, to the sub-head 'Land Acquisition and Development Scheme or Low income groups housing scheme', as the case may be, under sale proceeds, of land in the capital account.

II Utilisation of plots for building under the lines Union Government Rental Housing Scheme

The works under this scheme are executed by the Board merely as an agent of the State Government with whom the 'ownership of the property vests. The technically sanctioned estimates for these schemes should include the cost of land in' all cases (except where Government land is handed over to the Board for construction of buildings). In view of this, if any, plot developed under the 'Land Acquisition and Development Scheme' is utilised for the above scheme, the adjustment of cost of land becomes necessary. This adjustment should be carried out as shown below:

- a) If both the land development work and the construction of houses are executed by the Board's Secretariat or the same unit, a transfer entry should be proposed in respect of the land cost debiting the head 'Capital Account Union Government Rental Housing Scheme' and crediting the head -Capital Account Sale proceeds of land Land Acquisition and Development Scheme'.
- b) If the plots are handed over by the Board's Secretariat to to the Madras Housing Unit for consideration of houses, then the transfer entry should be as follows:

DEBIT: Inter Unit Suspense Account Madras Housing Unit.

CREDIT: Same as (a) above.

An intimation of the adjustment should be sent to the Madras Housing Unit which will respond to it, by debiting in its account,

-Unit Government Rental Housing Scheme' and crediting 'Inter Unit Suspense Account.

Note:- This transfer should be proposed soon after the handing over of the plots to the Madras Housing Unit.

III Utilisation of the plots for 'Slum Improvement Schemes'

If any plot is utilised the adjustment of cost becomes necessary and this should be effected in the same manner as indicated in II above.

IV Utilisation of Plots for buildings under Remunerative Enterprises.

If any plot is utilised for the construction of buildings under 'Remunerative Enterprises' of the Board's Secretariat or the same Unit, the cost of land should be adjusted by a transfer entry debiting the head 'Capital Account Remunerative Enterprises' and crediting the head 'Capital Account Sale proceeds of lands Land Acquisition and Development Scheme'. This is necessary for the following reasons:

1. The total expenditure on Remunerative Enterprises should be collectively available under a prescribed head.
2. A compensation of the total expenditure on Land Acquisition and Development and the corresponding receipts by way of sale etc., is rendered possible.
3. This will facilitate the preparation of any proforma accounts

The cost of land should, therefore, be provided for in the technically sanctioned estimate to accommodate the adjustment against the technical sanction.

A copy of this note may be sent to all officers and Sections in the Board's Secretariat and the Units for careful guidance. If any further clarification is required on the above aspects, a reference may be made to the Chief Accounts Officer.

X Office Order No.171 dated 4-9-1962

Sub: Works State Housing Board Monthly Progress Report of works by Executive Engineers - Furnishing of Instructions issued.

All the Executive Engineers are requested to submit monthly (by the 5th of each month) a report on the progress of each scheme or work costing over Rs. lakhs. The report (which will be on the lines of the B.F.P.R. in the Public Works and High Ways Departments) should be written up by the Executive Engineer himself and should be in the form given below:

Name of work :

Ref. to Adm, Appl / Tech. Sanction.

Amount of estimate.

Ref. To Agr / Name of Contractor / Date of commencement
Date Remarks of E E. Remarks of Ad.O. Orders of HBH/
Chairman.

Until printed registers are supplied, a blank register leaving a few pages for each work or scheme may be used for the purpose. The reports of the Executive Engineers attached to the units should be submitted through the Administrative Officers concerned.

The Technical Cell will watch the receipt of the progress reports from the Executive Engineers and their return after review by the Chief Engineer.

XI Office Order No.10 dated '8-1-1963.

It is observed that some contractors and firm's representatives are very often contracting the Accounts Sections direct regarding Payments of their bills etc. and that they are seen either loitering in the office premises or seated in the sections, presumably till they receive the payment. Such a practice is unhealthy and is likely to impair the efficiency of scrutiny of bills in the office.

Section Heads are requested to see that such a practice is not encouraged.

TPK. 13/9/79.

TAMIL NADU HOUSING BOARD

Memo No. TC.7/76571/77

Dated: 29-8-79.

Sub.: Power of acceptance of tenders Delegation of enhanced power approved Communicated.

Ref.: Board's Resolution No. 368 dt. 31-7-79.

Copy of the note for the Board along with Board's resolution is enclosed. The Superintending Engineers Executive Engineers are requested to strictly follow the revised procedure in future.

(Sd.) S. KUMARASAN.
for Chief Engineer.

To

TRUE COPY

COPY OF:

GOVERNMENT OF TAMIL NADU
ABSTRACT

ADMINISTRATIVE Reforms Commission Report on Public Works Department and Highways and Rural works department administration delegation of enhanced powers to technical officers and the Board for Engineers in the matter of settlement of tenders Orders issued.

PUBLIC WORKS DEPARTMENT

G.O. Ms. No. 739

Dated: 29-5-1976

G. O. Ms. No.2, Public works. dated 2-1-70

G. O. Ms. No. 1156. Public works, dated 20-7-73

G. O. Ms. No. 574, Public works. dated 30-4-74

G. O. Ms. No. 590, Public works. dated 6-5-74

READ ALSO:

From the Chief Engineer (Highways and Rural works)
D.O. No. 109734/D. 2/75-1. dt, 5-12-1975).

From the Chief Engineer (Ground Water) D. O. No. H. 1/1533/
ACC/75, dt, 9-12-1975.

from the Chief Engineer (Irrigation) D. O. Lr. No. N.2/60131/71-13,
dt. 24-12-75.

From the Chief Engineer (Buildings) D.O.Lr. No. Wks. III (2)/
96552/73-33, dt. 23-12-75.

From the Chief Engineer (National Highways) D.O. No.36332/D.2
NH/75-1. dt. 27-12-75.

From the Chief Engineer (Pamban Bridge Project). Lr.No,
11330/57

1/B2. dt. 19-12-75.

ORDER:

One of the items on which the Administrative Reforms Commission has recommended the delegation of enhanced technical powers to the various officers of the Public works department is that relating the acceptance of tenders (Vide recommendation ** recommended that the power to accept tender excesses may be reduced to 5 percent uniformly at all levels (vide recommendation No.33. The commission has also recommended that the Board of Engineers may be delegated with powers to settle all the tender above of Rs. 25 Lakhs so long as the tender excess in within 5% (vide recommendation No.6) in its report on Highways and Rural works department. Administration also the Administrative reforms commission also the administrative reforms commission has made similar recommendations (vide recommendation No.26 and 27). The commission has also recommended that its recommendations made in the report on Public works department and listed in chapter 19 of the Report highways and Rural works department also. Settlement of tender by Board of Engineers is one such recommendation which is listed as equally applicable to the Highways and Rural works and Public works departments (vide recommendation No.102 on Highways and Rural works department administration).

2. The Government have carefully considered the recommendations of the administrative Reforms Commission in consultation with the Chief Engineers and have decided in

supersession of all earlier orders (to the extent to the various technical officers of the Public works department and Highways and Rural works department and the Board of Engineers reconstituted in G.O.Ms.No. 590. Public works, dated 6-5-74. All cases with tender excess exceeding 10 and all tender cases costing Rs. 50 lakhs and above shall be submitted to the Government for settlement.

3. These orders shall take effect from the date of issue of this order shall be inforce for a period of three years. The position will be reviewed after a period of three years. The Chief Engineer (General) is requested to send a report on the working of this arrange in due course, in consultation with the other Chief Engineers and the Board of Engineers

This order issues with the concurrence of the Finance department vide its V.O.No. 355/JS/F/76. dt, 20-5-76.

(BY ORDER THE GOVERNER)

(sd) Secretary to Government

To

The Chief Engineer. PWD (General and Buildings)
Madras-5

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DIVISIONAL ACCOUNTANT

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TAMIL NADU HOUSING BOARD NOTE FOR THE BOARD

Item No. 368. Dt. 31-7-79

Sub: Tamil Nadu Housing Board-Power of acceptance of tenders -Delegation of enhanced powers-Regarding. (TC.7/76571179).

Tamil Nadu Housing Board workscode empowers only the Board to the accept tenders which are 5 percent over the estimates rates.

It is noticed that of late tenders are being received with tender excess of more than 5%. The contractors are unwilling, during negotiations, to reduce their tender value, due to the higher cost of bricks jelly, limbers and transport costs. Due to this many work could not be started.

Department like Public Works Department Highways and Rural works are accepting tenders with excess percentage of more than 5% Government in G.O.Ms. N0739. dt, 26-5-79 empowered acceptance of 10% previous tenders by officers.

A copy of the Government order is appended. The Board has not so far fallen in line with P.W.D. and other Government department. But now there is no alternative other than to adopt the Government order. The existing powers of tenders upto 5% above estimate in Tamilnadu Housing Board ate as follows :

1. Executive Engineer	upto	Rs.1 Lakh
2. Superintending Engineer	upto	Rs.5 Lakh
3. Chief Engineer	upto	Rs.10 Lakh
4. Chairman	upto	Rs.25 Lakh

The adoption of tender powers as existing in other Government departments will enable the settlement of tenders quickly and will avoid commencement delays. There will also be better response to our tenders. The Board while reviewing the delay in commencement of the projects decided at its meeting on 4-6-79 that all projects should be started within 5 months from the date of sanction'. Hence it is suggested that the following powers of acceptance of tenders may be given.

Designation of Officer

1. Executive Engineer

2. Superintending Engineer

3. Chief Engineer

4. Chairman

5. Board

Powers of acceptance

Rs. 1 lakh with 5% excess over technically sanctioned estimates.

Upto Rs 1 lakh with 10 percent excess over the technically sanctioned estimates

Above Rs 1 lakh and upto 5 lakh with 5 percent excess over technically sanctioned estimates

Upto Rs 5 lakhs with 10 percent excess over technically sanctioned estimates

Upto Rs.25 lakhs with 10 percent excess over technically sanctioned estimates

1 Above Rs. 50 lakhs

2 Tenders above Rs 25 lakhs with above 5 percent excess over technically sanctioned estimates

Board may approve the adoption of tender powers as per the Government order

A E Chelliah
26-7-79

CHAIRMAN

Resoultion No. 368

Dated: 31-7-79

(Approved)

Chairman, Tamil Nadu Housing Board

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DIVISIONAL ACCOUNTANT

ANNEXURE**Powers for acceptance of tenders by various officers of the Public works department and Highways and Rural works department**

S. No.	Designation of officers	Existing Powers	Powers now delegated
1.	Assistant Engineers of Public works department	Rs.5,000/-	Rs.10,000 without any excess over the technically sanctioned estimate
2.	Assistant Engineers of Highways and Rural works department	No Powers	
3.	Executive Engineers of Public works department	Rs. 40,000	Upto Rs. 1 lakh with 5% excess over the technically sanctioned estimate.
4.	Electrical Executive Engineers of P.W.D.	Rs.10,000	
5.	Divisional Engineers of Highways and Rural works department	Rs. 5,000 with 5% excess:	Upto Rs. 1 lakh with 1% excess over the technically sanctioned estimate.
6.	Superintending Engineers of Public works department	Rs. 3 lakhs with 5% excess.	
7.	Superintending Engineer	Rs. 5 Lakhs with 5% excess.	Between Rs. 1 lakh and Rs. 5 lakhs with 5% excess over technically sanctioned estimate.

S. No	Designation of officers	Existing Powers	Powers now delegated
8.	Chief Engineers of PWD and Highways and Rural works department	Rs. 5 Lakhs with 5% excess.	Upto Rs. 5 Lakhs with 10% excess over technically sanctioned estimate between Rs. 5 lakhs and 25 lakhs with 5% excess over technically sanctioned estimate.
9.	Board of Engineers		Upto Rs. 25 lakhs and Rs. 50 lakhs with 5% excess over technically sanctioned estimate.
10.	Government	All cases with tender excess exceeding 5% and all tenders exceeding Rs.5 Lakhs	1. All cases with tenders excess exceeding 50% and 2. All tender cases costing Rs. 50 lakhs and above. 3. All tender cases costing Rs. 25 lakhs with tender exceeding 5%.

TRUE COPY

DIVISIONAL ACCOUNTANT.