

the Head of the Stationery and Printing Department, in accordance with the prescribed rules and procedure. Repair charges of the machines should be debited to the contingencies of the office concerned. These machines should be got repaired by the mechanics of the Stationery and Printing Department and if in any case the mechanic is unable to execute the repair, the charges incurred on this account should be debited to the contingent grant of the office concerned.

Note.—Such machines may, if the circumstances so warrant and in very emergent cases be obtained on hire for reasonable periods of time with the sanction of the Administrative Department concerned in consultation with the Stationery and Printing Department.

31. UNDER-TRIAL PRISONERS—DIET OF

7-65. (a) Officers incharge of police stations shall arrange for the dieting of accused prisoners arrested by the police who do not provide their own diet when the investigation is made meromotu.

(b) Such diet expenses shall be up to Rs. 1 and with the previous approval of the Additional District Magistrate in special cases up to Rs. 4.50 per diem per head. The police shall provide for dieting on and from the date of arrest to and for the date on which the accused is placed in the Magisterial lock-up.

(c) The amount of money expended in dieting shall be entered in road certificate and shall be recovered from the Court by the Inspector or other officer presenting the charge sheet and remitted to the police station in question.

¹(d) The under trial prisoners placed in judicial lock-up and under-trial detainees shall be classified in three categories viz. A, B, and C and allowed Rs. 3.50, Rs. 2.50 and Rs. 1.50 per diem respectively for diet expenses.

1. Recast vide F. D. Notification SRO-233 dated : 18-5-1970.

(e) If an under-trial prisoner belongs to such a class of life that the Jail diet is reasonably uncongenial to him or in any case if the Medical Officer considers it necessary, arrangements shall be made for supply to him in the former case at his own expense and in the latter at the public cost, articles of extra diet as permitted by the Jail authorities.

32. UNIFORMS, BELTS AND BADGES

7-66. Detailed rules regulating the purchase and issue of uniforms to different classes of Government servants are given in Appendix (6) of this Code.

33. WITNESS—DIET AND T. A. OF

7-67. (a) Diet and travelling expenses (1) of witnesses called for attending identification parades during police investigation, (2) of witnesses who go to another district or to the jurisdiction of another police station for the purposes of recovery of stolen property or the identification of accused persons and have to undertake long journeys either by rail or by road, and (3) of witnesses who accompany a dead body to identify it before a Medical Officer when disbursed by police officers to the actual payees should be debited to police grant and when disbursed by Magistrates to '2014-Administration of Justice.' Feeding charges of cattle in connection with Police cases should also be similarly classified.

(b) Expenses are allowed in criminal cases to witnesses summoned by the Courts and not at the request of the complainants, under rules prescribed in Appendix (7) of this Code.

¹34. DECRETAL AMOUNTS-PAYMENTS OF

7-68. Expenditure of any sums required to satisfy any judgment, decree or award of any court or arbitral tribunal as per

1. Inserted vide F. D. Notification SRO-662 dated : 20-12-1969.

section 79(3) (e) of the Constitution of Jammu and Kashmir shall be expenditure "charged" on the Consolidated Fund of the State.

When the Government files an appeal to a higher court against a judgement, decree or award of a subordinate court and prays for the stay of execution thereof and, pending the decision of the appeal, it is ordered by the appellate court to deposit the decretal amount as a condition precedent to the grant of a stay order, the payment made in pursuance of the said order is only a deposit and cannot be said to have been made in satisfaction of the decree passed by the lower court. The fact that the court may allow the decree holder to withdraw the amount so deposited by the Government does not alter this position. Consequently the provision of section 79(3)(e) of the Constitution would not be attracted to such cases. The amount, being in the nature of the deposit in the court, would not constitute expenditure of the Government and should be classified under the Head "Section-T-Deposits and Advances-Part VI—Suspense-Suspense Account" in the Public Account of the State, the debit under the suspense Head being cleared after the amount is recovered as and when the appeal is decided in favour of Government. Where, however, the appeal is dismissed and the decree becomes final, the amount deposited in the court would thereupon constitute payment made to satisfy the decree and consequently, the debit under the suspense Head, should then be cleared, by transfer to the final head as "charged" expenditure, and covered by appropriate provision of funds, or in anticipation thereof, by an advance from the Contingency Fund of the State, as may be necessary.

ANNEXURE "A"

[Referred to in rule 7-47]

PRICE SCHEDULE GOVERNMENT GAZETTE

S. No.	Part No.	Particulars of Content	Cost per annum including binding charges but excluding postage charges
			Rs.
1.	I-A	Appointments, Promotions, Transfers sanctioned by the Governor, Government, Ministers and the High Court	3.25
2.	I-B	Notifications and General Orders by the Government, Ministers and the High Court	4.25
3.	II-A	Appointments, Promotions and Transfers sanctioned by the Heads of Departments	4.25
4.	II-B	Notifications, Notices, and Orders by Heads of Departments, Provincial Heads, Magistrates and other Officers entitled to issue public notices under any Law or Rule	4.25
5.	III	Laws, and Regulations and Rules passed thereunder	5.25
6.	IV	Reprints from the Government of India Gazette or Gazettes of other Governments	10.25
7.	V	(a) Rates and Prices of various commodities in the State and wages etc. ...	} 2.25
		(b) Crop Reports ...	
		(c) Weather Observations ...	
		(d) Other Vital Statistics ...	

S. No.	Part No.	Particulars of Content	Cost per annum including binding charges but excluding postage charges
			Rs.
8.	Supplement A (Trade)	Monthly Imports and Exports from the State	... 1.25
9.	Supplement B	Police Orders	... 2.25
10.	Supplement C	(Advertisements):	
		(a) English advertisement in regard to appointment in Government or Private Services	... 3.25
		(b) English advertisements in regard to Contracts, Auctions or Sale Notices etc.	19.25
		(c) Urdu Notices and Notification	... 3.25
		Total cost per annum complete copy of Government Gazette	... 63.00

Note.— This includes binding charges but excludes postage charges which comes to Rs. 3.18 approximately for the whole year whether for one part or for the whole Gazette. Postage charges are subject to variation from time to time. Postage charges will not, however, be paid by subscribers from Srinagar City during 6 months of Summer and from Jammu City during 6 months of Winter.

All subscribers should intimate their requirements, either in part or in full as they choose, to the Superintendent, Government Press, accompanied by the amount of subscription for full year. Gazette issues will not be made for a part of a year.

ANNEXURE "B"

[Referred to in rule 7-53-A (iii)]

BASIC PRINCIPLES REGULATING PAYMENTS BY INDIAN MISSIONS ON BEHALF OF OTHERS

(i) No payment on behalf of State Government and the Ministry of the Government of India (other than the Ministry of External Affairs) will ordinarily be made by the Indian Missions without any authority from the Accountant General, Central Revenues, New Delhi as they would not otherwise be in a position to ensure that the payment in question is covered by foreign exchange control regulations or import licences with exchange control copies, which constitute a valid foreign exchange sanction. Accordingly, permission from foreign exchange angle to the payment in the country concerned through an Indian Mission, should in the first instance be obtained from the authority concerned of the Government of India, Ministry of Finance (Department of Economic Affairs).

(ii) On receipt of the requisite foreign exchange sanction, the authority concerned should request their Accounts Officer to approach the Accountant General Central Revenues, New Delhi for the issue of an audit authorisation in favour of the Indian Mission concerned for payment in question. A copy of the expenditure sanction issued by them should also be endorsed to the Ministry of External Affairs, the Mission concerned and the Accountant General, Central Revenues, New Delhi, stating *inter alia* that the necessary foreign exchange sanction has been obtained.

(iii) The Accountant General, Central Revenues, New Delhi on receipt of the request through the Accounts Officer of the authority requiring payment on their behalf by the Indian Mission will issue necessary authorisation to the Mission concerned, under intimation to the Ministry of External Affairs, the authority and their Accounts Officer.

Exception.—In the case of payments to be made in London through the High Commissioner for India, London, on authorisation from the Accountant General, Central Revenues, New Delhi, is not necessary and the Accounts Officer concerned may send the requisition direct to the High Commissioner, London.

(iv) On receipt of the authority from the Accountant General, Central Revenues, New Delhi, the Mission will make payment in accordance with the directions contained therein, and the payments so made will be shown in their cash account to be supported by a schedule. A copy of the debit schedule will be sent with a forwarding letter to the authority on whose behalf the payment has been made, their Accounts Officer, the Accountant General, Central Revenues, and the Ministry of External Affairs.

Note.—The Indian Missions are precluded from holding cash balance in excess of their six weeks requirements. In case, the magnitude of the payment involved warrants augmentation on the Mission's cash balance, for which the Ministry of External Affairs may be consulted, if necessary, the authority requiring payment should also arrange remittance through the Accountant General, Central Revenues, the expenditure on such remittances, bank charges, loss by exchange, etc. should be borne by the authority concerned. The remittance will be accounted in the books of the Mission at the exchange rate sanctioned by the Ministry of External Affairs from time to time for purpose of preparation of accounts.

2. PAYMENTS BY INDIAN MISSIONS IN SPECIAL CASES

The mechanism of the payment procedure pattern are conditioned by the nature and class of transactions undertaken by the Mission on behalf of others, within the general frame-work described above. The extent to which particular procedure are punctuated by variants to suit the requirements of each case is stated below :—

(a) Payments in the case of supply of maps, periodicals, publications, etc.

(i) Procedure for payment in the case of supply of maps, periodicals, publications, etc. costing less than Rs. 100.—The administrative Ministries of the Government of India, and State Government will first obtain sanction of the Ministry of Finance (Department of Economic Affairs) from foreign exchange angle to payment to be made through the Indian Missions. Thereafter they will indent upon the Indian Missions directly for the supply of maps, publications, periodicals etc. the cost of which does not exceed Rs. 100 at any one time, without routing their request through the Accountant General, Central Revenues, New Delhi. The fact of such a foreign exchange sanction having been obtained, will be clearly mentioned on the indents in question to enable the Indian Mission to ensure that necessary foreign exchange sanction to the payment exists. A copy of the indent should also be endorsed to the Accountant General, Central Revenues, New Delhi in advance so that he may remain in touch with payments made on this account by the Indian Missions abroad.

(ii) Procedure for payments in case of supply of maps, periodicals, publications, etc. costing more than Rs. 100.—The permission of the Ministry of Finance will first be obtained by State Governments and the Ministries of the Government of India whenever any payment is desired to be made by them through the Indian Missions abroad. Thereafter requests for payments in excess of Rs. 100 in each case will be conveyed by them to the Accountant General, Central Revenues, New Delhi either direct or through their Accounts Officers. The Accountant General, Central Revenues will authorise the Mission concerned to make the payment and also keep the Ministry of External Affairs informed of all such authorisations. Their requests will *inter alia* indicate clearly that necessary foreign exchange sanction for the payment has been duly obtained so that the authority from the Accountant General, Central Revenues may not be delayed until he obtains information on this point.

(b) Procedure for payments of cost of seeds, planting material etc. imported from abroad.—Requests are usually made by the Indian Council of Agriculture Research on behalf of the State Governments etc. to Indian Missions abroad for making payments towards the cost and

transportation charges of seeds and planting material etc. with a view to avoid the loss of availability of such material, payments will be made by Indian Missions without specific authority from the Accountant General, Central Revenues, provided foreign exchange sanction exists and this fact is mentioned in the indents.

(d) Payment of pay and Allowance to officials on deputation abroad.—Officers whose period of the deputation does not exceed more than one month.

Direct Sanction for payment of pay and allowances (i. e. order for payments without waiting for a last pay certificate and other subsequent authority from the Accountant General) may be issued to the Mission concerned. In issuing such a sanction, due regard should be paid to the Pay and Allowances that the officer would have drawn but for his deputation abroad and to foreign exchange restrictions imposed from time to time. It should also be indicated in the sanction that the Finance Ministry have agreed to the sanction being regarded as an authority for payment and have accorded their approval from the foreign exchange angle.

(ii) Officers whose period of deputation exceeds one month :—
In this case, the officer concerned should carry with him his last pay certificate from the Accountant General in India, in para 6 of which a reference to Government of India's letter containing the terms sanctioned for the deputation should be given. This will constitute an authority for payment abroad by the Indian Mission. The sanction to the deputation should indicate that foreign exchange sanction has been obtained.

Note.—(i) In all cases (i.e. of short and long term deputation) in which the above formalities have been duly complied with, payments will be made by the Missions without waiting for an authority from the Accountant General, Central Revenues, payments so made will also be indicated by the Mission in the Last Pay Certificate when the officer returns to India.

(ii) In case where necessary formalities are not finalised prior to their proceeding on deputation abroad, necessary authority should be expedited by the officer himself on reaching the new station telegraphically through the Indian Mission at the cost of the sponsoring authority.

(iii) Unless otherwise specified, the period of one month includes, the entire period of deputation and not merely to one country and is also inclusive of transit time.

CHAPTER VIII—STORES

I. GENERAL RULES

(i) INTRODUCTORY

8-1. This chapter contains the general rules applicable to all departments, regarding stores required for use in public service and in the maintenance of their accounts and other matters ancillary thereto. Detailed rules and instructions relating to various departments e. g., Public Works, Forest, Jail and Central Purchases and Stores or other departments responsible for or concerned in large purchases, manufactures or consumption of stores, are contained in the departmental regulations relating to the departments concerned.

The term 'stores' used in this chapter applies generally to all articles and materials purchased or otherwise acquired for the use of Department including not only expendable or issueable articles in use or accumulated for specific purposes, but also articles of dead stock of the nature of plant, machinery, motor vehicles, instruments, furniture, equipment, fixtures etc.

(ii) AUTHORITIES COMPETENT TO PURCHASE STORES

8-2. (a) Expenditure on stores is included under contingent expenditure (except when it is treated otherwise, e. g., stores relating to works expenditure) and, therefore, subject generally to the rules contained in Chapter VII of this Code which govern such expenditure. Subject to those rules and the rules given in this chapter an officer who is competent to incur contingent expenditure may subject to the usual restriction of the existence of necessary appropriation, purchase such stores as he requires for use by himself or his subordinates. The financial powers of an Administrative Department of Government or an officer in the matter of purchase of stores ordinary extent to the limit and the conditions subject to which he is empowered under this Code or the J&K Book of Financial Powers or any departmental rules to incur expenditure under the head to which charges on account of stores etc. are debitable. Where it is necessary to enter into a formal

contract for the purchase of stores such contract should only be entered into by a person directed or authorised by the Governor under the provisions of section 122 of the Constitution of Jammu and Kashmir, to make such a contract.

Note.—Purchase orders should not be split up so as to avoid necessity for obtaining sanction of higher authority required with reference to the total amount of the orders.

(b) Government may, if it so desires, set up a Central Purchasing Committee or any number of such committees for purchase of any stores required by Government Departments generally or by any Departments particularly. The functions and powers of such a committee and the conditions and limits subject to which it would be competent to make purchases will be laid down in the orders constituting it and no authority subordinate to Government will make any purchases of any stores entrusted to such a committee except to the extent specifically authorised by Government.

(c) In big Departments such as the Police, Medical, Animal Husbandry, Agriculture, Public Works (all branches), Stationery and Printing, Industries etc., where large purchases of stores are to be made for use by the various constituent units of the department, it would always be desirable to entrust the purchase of such stores to departmental committees consisting of two or more senior officers of the Department of high technical ability, sound experience and known integrity, and the sanctioning authority will take into due consideration the recommendations of such a committee while sanctioning any purchase or granting any contract and in case of any departure therefrom record its reasons for doing so.

8-3. Departures from the rules, in cases in which the departure is in the public interest, will be sanctioned by the Administrative Department of the Government after previous consultation with the Finance Department. Orders in these cases should be communicated to the Accountant General through the Finance Department.

(iii) FORECAST OF REQUIREMENTS FOR TIME OF PURCHASE

8-4. A Government servant who has to purchase stores for the public service should ensure that these are made in most economical manner and in accordance with the definite requirements of the public service and estimate his requirements for the year so far as they can be foreseen and as far as possible, lay in a sufficient stock during the cheapest season avoiding purchases in small quantities. When necessary, he should apply for advice as to the best time for making purchases and assistance in obtaining tenders to the departmental officers of other Departments who are in close touch with the market for the articles required and know the usual course of their price. For example it is usually advantageous to buy the supplies of foodgrains required for rations just after the harvest, and the Revenue Department is likely to be able to give useful advice and assistance in regard to such purchase. Articles which are likely to depreciate or deteriorate during storage should not, however, be bought long in advance of requirements. It should also be remembered that the purchase of any articles in advance of requirements involves the locking up of Government money and is therefore not desirable unless it is reasonably likely to prove advantageous in regard to price.

Note.—Where scales of consumption or limits of stores have been laid down by competent authority, the officer ordering a supply should certify on the purchase order that the prescribed scales or limits are not exceeded.

(iv) RULES AND INSTRUCTIONS GOVERNING THE PURCHASE AND ACQUIRING OF STORES

8-5. All Government servants should strictly observe the following rules and instructions when buying stores for use in the public service. These rules and instructions also apply to the purchase of stores by Government servants on behalf of local bodies and of local funds administered by the Government, unless the local body or fund concerned decides otherwise.

I. When the conditions regarding quality and price are equal preference in making purchases should be given in the following order :—

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, provided that the quality is sufficiently good for the purpose. Further preference should be given to articles produced in Jammu and Kashmir.

Secondly, to articles wholly or partially manufactured in India from imported materials, provided that the quality is sufficiently good for the purpose. Further preference should be given to articles produced in Jammu and Kashmir.

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

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

A purchasing officer specially authorised in this behalf may, when satisfied that such a measure is justified, allow a limited degree of preference in respect of price to articles produced or manufactured in India either wholly or in part. Preference so allowed shall not, however, exceed 5 per cent of the price at which article of similar quality not so produced or manufactured in India can be obtained, provided that such excess also does not exceed Rs. 200 in any one case.

II. Save as provided in sub-rule VIII, all articles required for use in the public service shall be purchased on the condition that delivery shall be made in India for payment in rupees in India.

INSTRUCTIONS

1. A purchasing officer who invites tenders for the supply of stores may exercise full discretion regarding the place of delivery to be specified in the invitation to tender. He may stipulate for

delivery c.i. f. or f. o. r. at an Indian port, or f.o. r. at the place of despatch in India, or for free delivery at the receiving station in India. When tenders are invited for supplying plant and equipment and the successful tenderer is to erect the plant at the site, appropriate conditions in regard to delivery at the site should be included in the invitation to tender or in the general specification and due provision made for replacement by the supplier of stores lost or damaged in transit or recoupment of cost thereof.

2. The conditions specified as to the place of delivery should as far as possible be such as to give all tenderers equal opportunities of tendering at their lowest rates. For instance, tenderers abroad may often be unable to tender on the basis of delivery f. o. r. at an Indian port or free delivery at the receiving station in India and may only be able to tender on the basis of delivery c. i. f. at an Indian port with payment in rupees in India partially against shipping documents and partially after delivery has been taken in India. Such tenders should be considered as coming within the meaning of sub-rule II and should be accepted if satisfactory in other respects. Except in special cases, however, full payment should not be made for any stores against shipping documents and payment should be completed only after the receiving officer has taken delivery of the stores and found them to be satisfactory in every respect.

III. Tenders shall be invited in India and when considered desirable also abroad for the supply of all articles which are purchased under rules I to IV and VI, unless the value of the order to be placed is small or sufficient reasons, (to be recorded) exist which indicate that it is not in the public interest to call for tenders. No tender which fails to comply with the conditions as to delivery and payment prescribed in rule II shall be accepted.

INSTRUCTIONS

1. When tenders are invited from abroad, instructions (a) to (e) below should be observed :

(a) It should be considered if the tender notice should not be sent to the Director General, India Stores Department, London and in case it is decided to do so, a sufficient supply of tender forms with the relevant documents, specifications and drawings should be sent to him as soon as possible through the usual channel. The Director General will give such publicity to the invitation to tender as he may consider to be most suitable for the purpose either by advertisement in the newspapers or otherwise. As a rule the Director General will advertise the invitation to tender in the newspapers only if the value of the articles required is estimated at Rs. 20,000 or more. He will at the same time instruct the tenderers to submit their tenders direct to the purchasing officer in India and not to the India Store Department London. The purchasing officer in India will place order direct with the successful tenderer.

(b) In (a) above when it is desired to have the recommendation of the technical advisers of the India Store Department, London, on the tenders before the order is placed, the purchasing officer should stipulate in the invitation to tender that a complete duplicate of the tender should be delivered to the Director General, India Stores Department, London, on the same date as that fixed for the receipt of the tenders in India. The Director General will then arrange for the examination of the tenders by the appropriate technical authority and telegraph its recommendations to the purchasing officer in India. For the work connected with the examination of tenders, the Director General will make the usual charges prescribed by him in this behalf.

(c) The purchasing officer should make it clear in every tender form that the articles concerned must be delivered in India, that payment will be made in India in rupees, and that any tender which does not comply with these conditions will not be considered. Tenderers abroad should also be required to specify their agents in India through whom delivery will be arranged and payment received and who, when so required, will arrange for the erection of the plant at the site and for the carrying out of such tests on completion as may be specified in the contract.

(d) No account adjustment should be made between the High Commissioner's office and purchasing department in India for the

value of tender forms sent to London and for the expenditure on advertisement, postage, etc. in the High Commissioner's office.

(e) It is important that purchasing officers in India should bear in mind when considering the desirability of calling for tenders abroad the need for allowing sufficient time for the receipt and publications invitations to tender, the receipt of the tender forms by tenderers, and the preparation and despatch of the tenders to India. The following is an approximate estimate of the time required :—

Time required for sending the forms from India to London :

By Ordinary Mail about 18 days.

By Parcel Mail about 27 days.

By Air Mail about 8 days.

Time taken in London in advertising and issuing forms :

Of tender say 10 days.

Time required by tenderers to prepare and despatch tenders :

Average say 14 days.

Time required for forwarding the tenders to India :

By Ordinary Mail about 18 days.

By Parcel Mail about 27 days.

By Air Mail about 8 days.

If American tenders have to be awaited about three weeks will require to be added to the above figures and in cases of complicated engineering schemes it will be necessary to allow a larger time to tenderers for the preparation of their tenders.

2. Tenders should be obtained :—

(1) by advertisement ('open tender');

(2) by direct invitation to a limited number of firms ('limited tender'); or

(3) Sub-rule III does not preclude the use of limited or single tenders. The 'open tender' system, i. e. invitation to tender by public advertisement should, however, be used as general rule and must be adopted, subject to the exceptions mentioned in instruction 8 under this rule, whenever the estimated value of the order to be placed is Rs. 500 or over. When the 'open tender' system is used the purchasing officer should arrange for the necessary public advertisement and may at his discretion, insert advertisements in one or more of the principal newspapers published in India.

Circular communications should also be sent when necessary, to reputed dealers and contractors who are likely to tender. The advertisement should invite tenders in sealed covers and state the place where, and the date and time by which the tenders should be submitted, and the time at which they will be opened. If the invitation to tenders relates to a large contract, at least one month's time from the date of advertisement should be allowed for the submission of tenders. The tenders should be opened by a responsible officer and not by a subordinate.

(4) The 'limited tender' system should ordinarily be adopted whenever the estimated value of the order to be given is less than Rs. 500.

(5) For the purposes of the limited tender and single tender procedure, the purchasing officer should maintain a list of firms, both Indian and foreign, of known reliability which have satisfied him that they possess the necessary equipment and facilities for the supply of the stores which they offer to supply. The list should be examined and revised periodically, and any application from a firm for inclusion in the list should be considered on receipt. Before adding the name of a firm to the list, purchasing officer should make such enquiries as he thinks necessary in order to ascertain whether the firm will be able to execute contracts satisfactorily. The names of the firms to be invited to tender should be selected from this list whenever the necessity arises. The Director General of Supplies and Disposals, New Delhi maintains a list of this kind, and he will, on request, furnish purchasing officers, with such information as he possesses regarding the capability and standing of any firm approved by him.

(6) The 'single tender' system may be adopted in the case of a 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. 100/- or if more than one kind of article is ordered at one time, an order the total value of which does not exceed Rs. 200/-

(7) A purchasing officer may, however when he considers it advantageous purchase articles from any firm with which the Director General of Supplies and Disposals has already entered into a rate or running contract for the supply of such articles without calling for tenders or may himself enter into rate and running contracts after calling for tenders.

(8) The 'limited tender' system may be adopted in the following cases instead of the 'open tender' system when the estimated value of the order to be given is Rs. 500/- or over but is less than Rs. 1000/- :—

(a) When there are sufficient reasons for holding that it is not in the public interest to call for tenders by advertisement. In every such case the purchasing officer must record the reasons and communicate them to the Accountant General confidentially if necessary.

(b) When the indenting officer certifies 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. In every such case the indenting officer must place on record the nature of the urgency and the reasons why the demand could not be anticipated.

(c) When tenders are invited by public advertisement, the issue of the tender forms need not be restricted to firms whose names are on the list of approved contractors. Firms not on the list should, on enquiry, be informed that they are at liberty on payment of the prescribed fee, to tender for the Advertised requirements. When a tender which appears to be satisfactory is received from an unknown firm, steps should be taken, before any order is placed, to ascertain whether firm is capable of executing the work in a proper manner.

If the enquiries prove satisfactory, the order, or a portion of it, may be placed with the firm. If the order or portion thereof is satisfactorily executed, the name of the firm should be added to the list of approved contractors.

Note.—The Financial patronage at the disposal of the Government viz., grant of contracts, orders for supplies and services, grant of permits, licences quotas and priorities, etc., should not be given unless the individuals concerned produce the income-tax verification certificates in the prescribed form from the income-tax officer of the circle, ward or district where they are assessed or assessable to income-tax.

(9) If the response to any invitation to tender indicates that owing to inadequate publicity or some other reasons, no satisfactory tender is received in response to an invitation to tender, fresh tenders should be invited and the invitation to tender should be specially brought to the notice of all possible tenderers.

(10) A tenderer should be required to furnish a cash deposit as earnest money. The amount should be nominal, but it should be fixed with reference to the value of the order to be given and status of the person who is likely to tender. The Head of a Department may by general or special orders dispense with cash deposits as earnest money in the base of firms of established repute.

¹Exception.—The Jammu and Kashmir Agro Industries Development Corporation is exempted from furnishing of earnest money with tenders which they may give to Government Department for supply of stores or services etc.

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

1. Inserted vide F. D. Notification SRO-484 dated : 28-10-1981.

V. In the case of important construction works let out on contract, articles required for the constructions of such works may be supplied by the contracting firm provided that when specifications and/or tests have been prescribed for such articles they shall conform to such specification and/or shall satisfy such tests.

INSTRUCTIONS

1. The object of sub-rule IV and V is to emphasise the importance of ensuring that articles purchased for use in the public service conform to the specifications which may be prescribed by a competent authority, and the necessity for careful inspection of all stores before acceptance. The appropriate specifications should be annexed to or quoted in the invitations to tender and it should be stipulated in the conditions of the contract that the articles supplied, will be subject to inspection and/or to the tests prescribed in the specifications before acceptance.

2. When inviting tenders for an important construction work, the Government servant concerned should stipulate in the invitation to tender that the articles required for the construction of the work must comply with the specifications prescribed for such articles. The articles should be inspected and/or tested in accordance with the provisions of the specifications before acceptance.

3. All purchasing officer should pay special attention to these points, and ensure that adequate arrangements are made for inspection in each case.

4. When articles are obtained from abroad which require inspection and or test during manufacture and before shipment, the purchasing officer should arrange for such inspection and/or tests to be carried out preferably by the Indian Store Department, London. The Purchasing Officer should arrange for any further inspections and/or test considered to be necessary or desirable after the receipt of the articles in India and may utilize the services of the Indian Supplies and Disposals Department for such inspection and tests in India, if he thinks it desirable.

5. As soon as a contract for articles which require inspection and/or test during manufacture or before shipment from abroad has been awarded, four complete copies of the accepted tender with specifications drawings, conditions of the contract, and all other relevant documents, should be sent to the India Store Department, London, with complete instructions for inspection and the full address of the manufacturer. The purchasing officer should inform the contractor that the inspection and/or tests during manufacture or before shipment will be carried out by the India Store Department, London, and should ask him to instruct his representatives in the country of the manufacture to communicate direct with that officer.

6. With regard to articles obtained or manufactured in India the purchasing officer may, if he thinks it desirable, utilize the services of the Supplies and Disposals Department for any inspection and/or test that may be required during manufacture and before despatch.

7. When an order is placed for plant or machinery, whether purchase in India or abroad, which is to be erected and tested at the site of the work, the purchasing officer may, if he thinks it desirable, utilize the services of the Supplies and Disposals Department for the necessary tests at the site.

VI. Important plant, machinery and iron and steel work shall be obtained only from firms approved by the Director General of Supplies and Disposals Department, New Delhi, and specified in the lists issued by him from time to time.

INSTRUCTIONS

1. The intention of sub-rule VI is to ensure that plant, machinery and other engineering equipment e. g. bridge girders and roof trusses, which form important components of a project shall be obtained only from firms possessing workshop and appliances capable of turning out work of the desired standard.

2. The lists referred to in sub-rule VI will be issued from time to time to all purchasing departments by the Chief Controller of Stores, Indian Stores Department, New Delhi. They will include the names

of firm in India and abroad which have been approved for the supply of important plant, machinery and iron and steel work.

3. A firm which desires to be included in the lists mentioned in this rule should apply direct to the Director General of Supplies and Disposals Department and furnish a full statement of its reasons for thinking that its inclusion would be justified.

4. If a tender is received from a firm not included in the list of approved firms and is *prima facie* satisfactory, it should not be summarily rejected. A reference should be made to the Director General of Supplies and Disposals, who will, if he considers it necessary make enquiries as to the capability and standing of the firm and intimate the result to the purchasing officer.

VII. Nothing in these rules shall be deemed to prohibit the purchase of articles by one department from another.

INSTRUCTIONS

(i) A purchasing officer should buy the articles which he requires from a Government Institution e. g., a Jail, the Forest Department or the Public Works Workshops, when there is any such institution which is able to supply articles of the quality required or suitable for the purpose in question, provided that any extra cost (including freight charges if any) involved is less than 5 per cent of the market price of the articles at the place where they are required. Purchasing Officers should also give a similar preference to the products of industries started either by the Government or with Government support and of institutions run for the public benefits such as technological and industrial schools.

(ii) The principles in (i) above will be kept in view by the Government also when ordering that any particular kind of stores should necessarily be purchased from a particular Government Department or a Government or semi-Government concern, so that the payment of any higher price by a purchasing department compared

to the market price of articles of similar quality or approximately similar quality may not mean an indirect subsidy to the supplying Government Department or concern at the cost of Department supplied.

2. Before orders are placed with private firms the surplus stock of the articles, if any, available with other departments of the Government should first be utilized, irrespective of the cost at which it is available. The following instructions should be observed in regard to the utilization of the surplus stores in the departments of the Government :—

(a) Each Head of a Department should circularise from time to time lists of all usable stores found surplus to the requirements of his department to other Heads of Departments as soon as the surplus are noticed.

(b) The authority competent to make purchases should see from the lists received by him under instruction (a) above, whether he can utilise the stores available with the other departments before he places, or allows his subordinates to place orders for the purchase of such stores in the open market or submits proposals to the Government for such purchase.

(c) In case where a list as received by him does not cover the particular article to be purchased, it should invariably be stated that the list was examined and the required articles were not covered by it.

VIII. Articles of a special or unusual character, may when suitable and economical purchases cannot be made in accordance with the preceding rules, be obtained without reference to those rules provided the value of the purchase amounts to Rs. 100 for any one article or a total of Rs. 500 for a number of articles purchased at the same time and the purchase is made in the most economical manner after ascertaining the prevalent market rates and the purchasing officer records his reasons for not effecting the purchase in accordance with the preceding rules.

¹IX. Petty purchases not exceeding Rs. 500/- (Rs. Five hundred) in each case or for a month as a whole may be made from Super Bazars without invitation of tenders.

In all other cases purchases from Super Bazars shall be made only on the basis of competitive tenders.

(v) ACCEPTANCE OF TENDERS

8-6. A Government servant who has to select a tender for acceptance should take into account the financial status of the tenderers. If other conditions are equal, the lowest tender should be accepted. When the lowest tender is not accepted, the reasons should be recorded, and all the relevant records made available to the Accountant General during his local inspection of the accounts of the disbursing officers. The acceptance or rejection of a tender is a matter entirely within the discretion of the Government servant responsible for the purchase of the materials, but a superior authority or the Accountant General may call on him to justify the manner in which he has used his discretion and to give his reasons for rejecting the tender. No tenderer has any right to be told the reasons for rejecting his tender and the reasons for rejection should not be communicated to any tenderer. No tender should be accepted from any person directly or indirectly connected with the Government service. If any collusion is detected between a tenderer and a Government servant, it should be dealt with severely.

Note.—For avoiding the possibility of the original tender documents being tampered the procedure laid down in Annexure “B” to this chapter should be adopted.

(vi) AGREEMENT FOR THE SUPPLY OF STORES

8-7. When a tender is accepted for the supply of stores, the successful tenderer should be required to execute an agreement in regard to the supply but long-term contracts should be avoided.

1. Inserted vide F. D. Notification SRO-238 dated : 9-6-1981.

A fixed price for cash article is essential, and no agreement should provide for a price fluctuating with the market price. Except when, in special cases, partial payment is to be made before delivery with reference to instruction 2 under sub-rule II of rule 8-9 the agreement should provide that payment will not be made until the stores have been received and examined.

No order should be given for any stores without obtaining at least a written agreement from the supplier as to the price, if not a formal written contract.

Agreements relating to the supply of stores are liable to stamp duty, but their registration is optional.

¹8-8. (a) Subject to the provisions of clause (b) of this rule whenever a private person or a firm makes a contract with the Government he or it should besides earnest money furnished by him with the tender be required to give security for the due fulfilment of the contract.

The following procedure should be observed in regard to the quantum as security deposit to be obtained from these contractors :-

(i) The actual amount of security deposit to be obtained may, subject to a minimum of 5% and a maximum of 10% of the amount of contract in each case decided by the contracting authority according to the circumstances of the case.

(ii) The security deposit may be demanded only in cases whereunder the term of contract, it is necessary to obtain such security.

(iii) The contracting authority may allow the amount of earnest money to be treated as part of the security deposit, and demand only so much of security as together with earnest money equals to the total of the required amount.

1. Recast vide F. D. Notification SRO-141 dated : 8-3-1978.

(b) The Head of a Department may, when he thinks it desirable exempt a firm of established repute from the obligation to furnish security in respect of all contracts, or a particular contract or class of contracts made with his department.

Such of the firms as are registered with the Directorate General Supplies and Disposals for supply of stores may be exempted from furnishing of security deposit subject to the following conditions :-

(i) The competent authority, before taking a decision to exempt a firm from furnishing security deposit, should satisfy himself that the firm is registered with the Directorate General of Supplies and Disposals for the particular store (s) proposed to be purchased.

(ii) That the value of stores to be supplied in each individual contract does not exceed the monetary limit (if any) fixed in their cases at the time of registration with the Directorate General of Supplies and Disposals for the particular store (s).

(iii) That it is not merely registered with the Directorate General of Supplies and Disposals, but continues to receive and execute contracts from the Directorate General of Supplies and Disposals.

In support of the above, the competent authority shall require the firm to submit to him documentary evidence to prove that it is registered with the Directorate General of Supplies and Disposals and continues to be so registered and that it has handled and continues to handle contracts from that Directorate General for the Store(s) for which it is registered. The competent authority shall also in addition take into account the performance of the firms against his own contracts, if any, awarded to them and may, if he considers necessary insist on the security deposit notwithstanding the fact that they are registered with the Directorate General of Supplies and Disposals.

(vii) PAYMENT FOR STORES SUPPLIED

8-9. As a general rule, stores should not be paid for until the receiving officer has taken delivery and checked the quantity and quality of the stores supplied, and found them satisfactory in every

respect. Provision for payment should be made accordingly in all contracts as a rule. In very exceptional cases when the application of this rule might cause hardship, as for example, when costly stores are ordered from a distant firm and delay in payment is anticipated, a part of the cost of the consignment may be paid in advance on receipt of the railway receipt given for the articles on despatch, provided that the contractor or firm is of well-known standing and that an agreement is taken from the contractor or firm before and so as to secure the Government against all risk of loss in the event of the articles supplied being found to be short or defective. As regards partial payment against shipping documents in respect of stores obtained from abroad, see Instructions under rule 8-5 (III).

Before the accounts are closed a certificate from the income-tax authorities that all income-tax payable up to the end of the previous accounts year has been duly paid should be produced by the firm or contractor

(viii) EXAMINATION OF CONTRACTS BY THE ACCOUNTANT GENERAL

8-10. The Accountant General in the exercise of his audit functions will examine contracts and report to the Government the facts of any case that come to his notice in which competitive tenders were not invited though they should have been under the rules, or a tender other than the lowest was accepted without sufficient justification, or any other material irregularity was committed in connection with a contract.

(ix) TENDER AND AGREEMENT FORM

8-11. Form F. C. 31-B is a general form for use by a tenderer in submitting a tender and by a purchasing officer in making an agreement with a successful tenderer. This form should be used in connection with every invitation to tender, when no other special form has been duly prescribed for the purpose.

(x) CLAIMS IN RESPECT OF IMPORTED STORES LOST OR DAMAGED

8-12. (a) Government will not meet the cost of insurance during shipment of imported stores except when they do so by paying a purchase price that covers the cost, insurance and freight of the stores as delivered at the required port or station in the State. When any loss or damage is detected on taking delivery of any imported stores shipped, the receiving officer should see that a claim is promptly made against the supplier.

(b) Similarly Government will not take any responsibilities for any losses or damages in transit for goods despatched by suppliers from any place in India and the responsibility for any such losses or damages will fall on the suppliers, with whom a claim should be lodged as soon as any such loss or damage comes to notice.

II. CUSTODY AND ACCOUNTS OF STORES

(i) GENERAL

8-13. The Head of an Office or any other officer entrusted with stores of any kind should take special care for arranging for their safe custody, for keeping them in good and efficient condition and for protecting them from loss, damage or deterioration, suitable accommodation should be provided more particularly for valuable and combustible stores. He should maintain suitable accounts and inventories and prepare correct returns in respect of the stores in his charge with a view to preventing losses through accident, fraud or otherwise and to make it possible at any time to check the actual balances with the book balance and the payments made to suppliers etc. For securing this object it is important that all quantities received in or issued from stores or entered in the stock account strictly in accordance with the rules and in the order of occurrence on the dates the transactions take place, so that it is possible at any time to check the actual balance with the book balance.

8-14. The form of stock accounts mentioned in the preceding rule should be determined with reference to the nature of the stores, the frequency of the transaction and the special requirements of each department or office in which they are used. Thus the accounts to be kept for consumable stores like dietary stores in a hospital or jail, of which there are numerous and varied transactions, differ very materially from those to be maintained of the articles of furniture in an office.

8-15. Dead stock and 'other stores' will be governed by the following rules. It is not intended that these rules should replace the detailed stores accounting rules which exist at present in some of the more important departments, which have large stores transactions, e. g., the public works, etc. They are intended to be merely model rules to be applied, with or without modifications, as the circumstances require at the discretion of the competent administrative authority, in any department, office or institution where no such rules exist at present or where the existing rules are defective.

Separate stock accounts or inventories should be kept of :—

(1) 'Dead Stock' such as plant, machinery, furniture, equipment and fixture : and

(2) 'Other Stores' which consist of consumable and perishable articles.

Note.— For the purpose of maintaining accounts it may be in some cases convenient to group articles of stores under different sub-heads such as, small stores, building materials, timber, metals, fuel, paints, stores, etc. Where such sub-heads have been prescribed each article should be shown in the accounts under the respective heads.

(ii) DEAD STOCK

8-16. An inventory of the dead stock should be maintained in all Government offices in a form prescribed by competent authority, showing the number received the number disposed of

(by transfer, sale, loss etc.) and the balance in hand for each kind of article. The instructions given below should be carefully observed by all concerned :—

(1) The inventory should be priced whenever the items have to enter into the block account maintained for a Government commercial undertaking or the value of the items is necessary in order to enable Government to calculate the charge to be levied upon private persons or bodies. As regards other items, a numerical inventory would suffice, except for articles costing above Rs. 25.

Note.—For the purpose of numerical inventory, articles of a similar description such as tables, durries, carpets, etc. should be put into separate categories each category comprising articles of the same measurement and value and manufactured with the same metal or wood or other material.

(2) The inventory should ordinarily be maintained at the site of the dead stock. Whether it is desirable, in any particular case, to depart from this general principal, or to maintain additional consolidated inventories elsewhere, should be decided on the merits of each case.

(3) The inventory should be checked by the Head of the Department once a year and a certificate of the result of check recorded.

(4) Articles of dead stock should be verified at least once a year and the result of verification recorded on the inventory. All discrepancies noticed must be properly investigated and brought to account immediately so that the inventory may represent the true account.

Note.—The furniture in the official residence of the Governor should be verified in accordance with the regulations given in as Annexure “A” to this chapter.

(5) When articles of dead stock, e. g., tools and plants are lent to local bodies, contractors and others, the hire and other charges

as determined under rules prescribed by competent authority should be recovered regularly.

(6) Government libraries and museums should maintain up to date catalogues as well as prescribed stock accounts and inventories.

(iii) OTHER STORES

8-17. A reliable list inventory or account of all stores in the custody of Government servants should be maintained, in a form prescribed by the Head of the Department to enable a ready verification of stores and check of accounts at any time and transactions must be recorded in it as they occur.

8-18. Priced lists, recording both quantities and values, should be maintained in cases where the stores are indented to be converted into money, or where it is desired to distribute their cost over the works, items or objects on which they are actually used.

In such cases the expenditure on stores must be charged to a stores suspense head in the first instance.

8-19. Purely numerical inventories, i. e., recording quantities only, will suffice in cases when the articles are indented solely for the service of the department keeping them and it is not desired to distribute their cost. In such cases, the expenditure on stores must be charged off finally to the service head concerned.

Note—In some cases, it may be found necessary to show prices and measurements etc. vide note below rule 8-16 (i) against some articles say, when for facility of identification or other reasons, it is desirable to distinguish costly articles from cheap articles bearing the same general description otherwise. Such articles should not be treated as priced articles if the requirements of this rule are otherwise satisfied.

8-20. The lists, inventories or accounts of stores should in all cases, be subject to such internal check as may be prescribed by the Head of the Department, whether or not they are subject to any check by the Accountant General.

(iv) VALUATION OF STORES

8-21. Where a priced inventory is maintained, it is essential that the values recorded therein shall not be materially in excess of the market value of the stores. The Head of the Department concerned must issue instructions to govern :—

- (a) the fixation of prices with reasonable accuracy ;
- (b) the periodical review and revision of rates ; and
- (c) the agency to be employed in periodical valuation.

Note.—The 'market value' of an article, for this purpose means the cost per unit at which the articles or an article of a similar description can be procured at a given time at the stores godown from some suitable public market. It should be inclusive of carriage and incidental charges, and may even include a reasonable provision for wastage, breakage and depreciation, when these are inevitable.

8-22. (a) All profits and losses due to revaluation, stock taking or other causes should be duly recorded and adjusted where necessary. Formal sanction of the competent authority should be obtained in respect of losses, even though no formal correction or adjustment of account is involved.

(b) Losses due to depreciation should be analysed and recorded under the following heads, according as they are due to :—

- (1) normal fluctuation of market prices ;
- (2) fair wear and tear ;
- (3) lack of foresight in regulating purchases ; and
- (4) neglect after purchase.

(c) Losses not due to depreciation should be grouped under the following heads :—

- (1) Losses due to theft or fraud ;
- (2) Losses due to neglect on the part of Government servants ;
- (3) Losses due to an act of God and other calamities such as fire, enemy action, etc. ;
- (4) Anticipated losses on account of surplusage of obsolete stores or of purchases in excess of requirements ; and
- (5) Other losses due to damage , etc.

(v) RECEIPT AND DISPOSALS OF STORES**(a) Receipts**

8-23. (a) All material received should be examined, counted, measured or weighed as the case may be, when delivery is taken, and they should be taken in charge by a responsible Government servant who should see that the quantities are correct and their quality good, and record a certificate to this effect. The Government servant receiving the stores should also be required to give a certificate that he has actually received the materials and recorded them in the appropriate stock register.

(b) At the time of making payment it should be seen that the rates paid are not in excess of those entered in the contract or agreement made for the supply of stores and that suitable notes of payment are recorded against the indents and invoices concerned to prevent double payments.

8-24. Sales to private persons of stores other than those which are found to have become obsolete or unserviceable are regulated by special rules and orders applicable to particular departments. When stock materials are sold to the public or any other department or

authority at their full value, a suitable percentage as determined by competent authority should be added to the book value to cover charges on account of supervision, storage and contingencies. This addition may, however, be waived by the officer empowered to sanction the sale in the case of surplus stock which in his opinion would otherwise be unsaleable.

(b) ISSUE

8-25. When materials are issued from stock for departmental use, manufacture or sale, etc. the Government servant in charge of the stores should see that an indent in proper form has been made by a properly authorised person, examine it carefully with reference to the orders or instructions for the issue of stores and sign it, after making suitable alterations under his dated initials, in the description and quality of materials, if he is unable to comply with the requisition in full. He should then prepare and sign the form of the invoice attached to the indent according to the supply actually made. The indent should be returned to the requisitioning Government servant for signature. When materials are issued a written acknowledgement should be obtained from the person to whom they are ordered to be delivered or despatched, or from his duly authorised agent. In case of the materials issued to a contractor the cost of which is recoverable from him the acknowledgement should give full particulars of the materials issued including the recovery rates and the total value chargeable to the contractor.

(c) TRANSFER OF CHARGE OF STORES

8-26. (i) Special attention should be paid by a Government servant in charge of stores to ensure that in cases of transfers the stores in his charge are made over correctly to his successor and a proper record taken from him.

This is necessary in order to fix responsibility for the loss of stores on the particular person. Accordingly when a Government servant, in direct charge of stores makes over charge to another Government servant a joint transfer report accompanied by the

relieving Government servant's receipt for the stores which have been in the custody of the relieved Government servant should be submitted to the next higher authority. If the relieving Government servant fails to bring to notice within a reasonable period any deficiency or defect in stores taken over from his predecessor he will be held responsible for the same both as to quantity and quality so far as he was in a position to ascertain it.

(ii) Every departmental officer is bound to take over charge of departmental stores which, from the death or departure of the person lately in charge or from any other cause, may be left at or near his station without adequate protection.

(vi) PERIODICAL INSPECTION OF STORES

8-27. Balances of stores should not be held in excess of the requirements of a reasonable period or in excess of any prescribed maximum limit. In order to ensure the observance of this rule, a periodical inspection should be made by a responsible Government servant, who must submit a report of surplus, unserviceable and obsolete stores to the authority competent to issue orders for their disposal. The inspection should unless there be good reasons to the contrary, be made six monthly in the case of perishable stores, and once a year in the case of other stores. Store remaining in stock for over a year should be considered surplus unless there is any good reason to treat them otherwise.

(vii) VERIFICATION OF STORES

8-28. (a) A physical verification of all stores must be made at least once in every year under rules prescribed by the Head of the Department, and subject to the condition that the verification is not entrusted to a person—(1) who is the custodian, the ledger-keeper or the accountant of the stores to be verified or who is a nominee of or is employed under the custodian, the ledger-keeper or the accountant ; or (2) who is not conversant with the classification, nomenclature and technique of the particular classes of stores to be verified.

(b) The verification must never be left to low paid subordinates and, in the case of large and important stores it should be as far as possible, entrusted to a responsible Government servant, who is independent of superior executive officer-in-charge of the stores. A certificate of verification of stores should be recorded whenever such a verification is carried out.

8-29. In making a physical verification, the following instructions must invariably be observed :—

(a) verification must always be made in the presence of the Government servant responsible for the custody of the stores or of a responsible person deputed by him ;

(b) all discrepancies noticed must be properly investigated and brought to account immediately, so that the stores account may represent the true state of the stores ; and

(c) shortages and damages, as well as, unserviceable stores must be reported immediately to the authority competent to write off the loss.

Note.—Detailed instructions for conducting physical verification of stores are contained in Annexure “C” to this Chapter.

(viii) DISCREPANCIES FOUND ON VERIFICATION OF STORES

8-30. A deficiency detected during a verification of stores may be due to—

- (1) incorrect or careless accounting.
- (2) loss arising from fraud, theft or negligence, or
- (3) an unavoidable cause, e. g., wastage, shrinkage and spilling in the case of stores which are subject to them.

The head of the office or institution concerned should fully investigate the cause of any deficiency and send a full report on it to the controlling authority along with the verification report. If he holds that any loss caused to the Government through a deficiency is due to misconduct or culpable negligence on the part of any Government servant concerned, he should add his recommendation as to how the loss should be made good by recoveries from them. The controlling authority should, after such examination and investigation as the importance of the case warrants, issue or obtain from the competent authority an order to write off the deficiency from the stock accounts. On receipt of this order the deficiency should be charged in the stock accounts, with a note quoting the authority. If any recovery is ordered, a note should be recorded in the stock accounts when each amount is actually recovered.

Any excess detected during stock-taking should, after investigation, be entered in the stock accounts at once as a receipt with the remark “excess found on stock verification” No special orders are necessary for this.

(ix) SALE AND DISPOSAL OF STORES AND WRITE OFF OF LOSSES OF STORES

8-31. Competent authority may sanction the sale or disposal of stores which are reported to be surplus, obsolete or unserviceable or order the write off of losses of stores caused by deficiency and depreciation equivalent to their value.

Each order declaring stores as unserviceable should record the full reasons for condemning them and how the condemned stores are to be disposed of *i. e.*, whether by sale, public auction or otherwise. The head of office should record full particulars regarding all condemned stores in suitable lists from which their disposal can be watched.

Note 1.—The sale proceeds of unserviceable furniture in the official residences of Governor should be credited to the State Revenue and not to the grant for the maintenance and repairs of furniture in Government Houses.

Note 2.— Sales to private persons of stores other than those which are found to have become obsolete or unserviceable are regulated by special rules and orders applicable to particular departments. When stock materials are sold to a public or any other department or authority at their full value, a suitable percentage as determined by competent authority should be added to the book value to cover charges on account of supervision, storage and contingencies. This addition may, however, be waived by the officer empowered to sanction the sale in the case of surplus stock which in his opinion would otherwise be unsaleable.

III. AUDIT OF ACCOUNTS OF STORES AND STOCK

¹8-32. In terms of section 17 of Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 the Comptroller and Auditor General is vested with the powers to audit and report on the accounts and stores and stock kept in any department or office in accordance with the rules and regulations as may be prescribed by him in his behalf.

²8-33. Deleted.

ANNEXURE "A"

(Referred to in rule 8-16)

The administration of the furniture grants of the official residence of the Governor including the up-keep of a stock list and the purchase, repair and maintenance of furniture shall be conducted by the Secretary to Governor who would furnish the Accountant General, with an annual certificate of verification in the form given below, During the second and fourth year of the incumbency of the Governor and at least once in every three years the certificate of verification should be countersigned by a gazetted officer of the Public Works Department in token of his joint responsibility for the actual verifications.

FORM OF CERTIFICATE OF VERIFICATION

Certified that all furniture in has been inspected and checked with stock lists maintained. I am satisfied (i) that all new supplies up to date have been correctly brought on the stock lists, (ii) that the stock lists are correct in all respects, (iii) that the articles in stock agree with the stock lists, (iv) that the sale proceeds have been properly accounted for and (v) that sanction of competent authority exists for writing off all articles struck off the stock lists.

1. Recast vide F. D. Notification SRO-140 dated : 16-3-1977
2. Rule 8.33 together with caption deleted vide SRO-140 dated : 16-3-1977.

ANNEXURE "B"

(Referred to in Note below rule 8-6)

INSTRUCTIONS REGARDING THE CALLING FOR AND ACCEPTANCE OF TENDERS

(i) The officers opening the tenders should invariably date and initial corrections in the schedule of quantities. Schedule of materials to be issued and specifications and other essential parts of contract documents.

(ii) The officers concerned should mark all corrections and overwriting and number them and attest them in red ink. In case of a number of corrections in any rate, either in words or in figures or in both, the number of corrections marked should indicate the correction serially, that is to say, in case of, say, three corrections in rates of any one item, each of these three corrections should be allotted independent numbers serially and not one number to represent all the three corrections. In case of more than one correction where the correction is not legible, the rate should be written afresh in the hand of the officer opening the tenders.

(iii) The number of such corrections and overwritings must be clearly mentioned at the end of each page of the schedule attached to the tender paper and properly attested with date. Any omission observed should also be brought out clearly on each page of schedule.

(iv) The corrections and overwritings should be allotted separate numbers i. e. corrections should start from 1, 2, 3, etc. and overwritings should similarly start separately from 1, 2, 3, etc.

(v) Any ambiguities in rates quoted by tenderers, in words or figures must be clearly indicated on each page of the schedule attached to the tender to which it concerns.

(vi) In case where the contractor has quoted rate in rupees and no P. is mentioned, the word 'only' should invariably be added after the words rupees and the corrections should be initialled and dated with suitable remarks at the end.

(vii) Where the contractors have omitted to quote the rates in figures or in words, the omission should be recorded by the officer opening the tenders on each page of the schedule.

(viii) The tenders must be opened in the presence of all the tenderers and/or their authorised representatives.

ANNEXURE "C"

(Referred to in Note below rule 8-29)

INSTRUCTIONS REGARDING PHYSICAL VERIFICATION OF STORES .

(i) A physical verification of all stores should be conducted at least once a year. The work should be entrusted to a responsible officer other than the Store-keeper or the person responsible for the custody of the stores. The officer entrusted with the work of physical verification should be fully conversant with the classification, nomenclature or specification of the particular class of stores to be verified.

(ii) An essential pre-requisite for a successful store verification in the maintenance of store and stock books and other connected records up to date. Unless the books are written up and all transactions up to the date of verification recorded therein, it will be difficult to compare the book and ground balances and work out the surpluses or deficiencies.

(iii) While stock verification is in progress, all receipts/issue transactions in respect of items actually taken up for verification by the Stock Verifier will remain suspended until the process of counting of such items is completed.

(iv) The stock books, showing the book balances of stores to be verified should not be made available to the Stock Verifier. Instead, a complete list of stores held indicating the serial number, location, part No., nomenclature, etc. of each article (without giving the book balance) duly signed by the Store-keeper and his Head of Office, should be given to the Stock Verifier in triplicate. These lists will be called 'Stock Verification Sheets.' A specimen of the form of Stock Verification Sheet is given in Annexure to these instructions, and should be made use of, with suitable modifications, where necessary, depending on the nature of stores handled by a particular office/department. The Stock Verifier will record the quantity, weight

or number, as the case may be, as physically verified by him, against each article in column 5 of the Stock Verification Sheet. Separate Stock Verification Sheets should be prepared for each category and make of stores.

(v) The stores should be physically verified by the Stock Verifier in the presence of the store-keeper or his representative by actual count, weighment or measurement, as the case may be, and the result of verification recorded in the stock sheet, when stores of the same description are kept at more than one place physical verification of such stores should be arranged at the same time by deputing more than one Stock Verifier. At the conclusion of each day's verification the Stock Verifier will record the date of verification in the Stock Verification sheet which will be signed by him. The Store-keeper or his representative will also sign the Stock Verification Sheet in token of his acceptance of the ground balances as recorded therein.

(vi) If the Store-keeper or his representative has any doubt about the result of count, he should ask for a recount before the ground balances are accepted. This should be done within two days of the completion of the stock verification of the make/category. This recount should be carried out by the Stock Verifier in the presence of Storekeeper or his representative. The recounted figures if different from the previous figure should be boldly written above the original figure which should be encircled under the attestation of the Store Verifier and the Store-keeper.

Over-writing or erasing of figures of ground balances in the stock sheet will not be permitted. If corrections are necessary, the original figures will be scored out and correct figures written and attested by the Stock Verifier.

(vii) When the verification is completed two copies of the Stock Verification Sheet should be forwarded by him (Stock Verifier) to the Store-keeper who should enter therein the book balances as recorded in his books and the excesses or shortages, as the case may be. The book balances as recorded by the Store-keeper on the Stock Verification

Sheet will be checked by the Stock Verifier who will record therein a certificate in the following form :—

“Certified that the book balances as recorded in column 6 have been checked by me with the stock registers and found correct.”

One copy after action as indicated above is completed should be forwarded by the Store-keeper to the Head of the Office/Department within 2 days of the date of completion of the stock-taking.

(viii) While verifying the physical balances, the Stock Verifier should give a distinct note, against all store articles which are broken, defective, or unserviceable and the Store-keeper, while forwarding the verified sheet to the Head of the Office/Department, should indicate action proposed to be taken in regard to such broken, defective and unserviceable articles.

(ix) The Stock Verifier will post the ground balances as verified by him in the stock books. He will draw a red line below the last entry in the stock register after leaving 4 lines blank. The ground balance will be recorded just below the red line. Cross reference to the serial number and page number of the stock sheet along with the date of stock verification should be noted against the ground balance, which will be attested by the Stock Verifier. Further transactions in the stock book will be recorded with reference to the ground balance as posted in the stock books.

(x) Excesses that come to notice as a result of verification should be promptly brought on charge on a credit voucher. In the case of shortages the reasons therefor should be fully investigated and if responsibility can be fixed the value of shortages should be recovered from the person at fault, otherwise the same should be written off with the sanction of the competent authority. The adjustment of excesses/shortages should be recorded in the stock book in the blank space above the red line, giving reference to the credit voucher or recovery loss statements, as the case may be. In the case of Public Works Department, where both quantity and value accounts

are kept, the value of stores found surplus or short, will be adjusted in accounts as per the procedure laid down in the State Public Works Accounts Code.

(xi) The Stock Verifier should, on completion of the verification of the stock, render a certificate to the Head of Office/Department in the following form :—

‘Certified that all the items of stores located in different store houses in this Office/Department have actually been verified by me.’

(xii) The Head of the Office will forward a copy of this certificate to the Administrative/Head of the Department. Within a period of three months from the completion of the stock verification he will also render a certificate to the Head of the Department that action as required under the rules/order has been taken in the case of excess/shortages (as the case may be), which came to notice as a result of stock verification.

ANNEXURE

(Referred to in Annexure C)

SPECIMEN FORM OF STOCK VERIFICATION SHEET

S. No.	Location	Part No.	Nomenclature	Ground balance quantity/weight/ No. (as the case may be)	Book balance Qty./weight/ No. (as the case may be)	Excess (col. 5 minus col. 6)	Shortage (col. 6 minus col. 5)	Remarks
1	2	3	4	5	6	7	8	9

ANNEXURE "D"

(Referred to in rule 8-33)

CHAPTER IX-WORKS

(i) INTRODUCTORY

9-1. For purposes of administration and control, buildings and other works are divided broadly into the following classes :—

(a) Public Works i. e. Civil Works and Irrigation, Navigation, Embankment and Drainage Works under the administrative control of the Public Works Department, and

(b) Buildings and other works under the administrative control of departments using or requiring them. These comprise *inter alia*.

(1) All works pertaining to the Quasi-Commercial Departments and Undertakings ;

(2) Any other works or class of works allotted under orders of Government to the department using or requiring them.

Note.-Subject to any general or special rule of Government to the contrary, the term 'administrative control' as applied to works implies *inter alia* the assumption of full responsibility for the construction, maintenance and upkeep of buildings and other works and the provision of funds for the execution of those functions.

The responsibility is not diminished if the execution of the work is entrusted to a different agency. Thus works, the administration of which is not transferred from the Public Works Department may by mutual arrangement be executed by the Military Engineering Services or by any other Civil Department, but charges in connection with them shall nevertheless be classified as Public Works expenditure. On the other hand a Civil Department to which the administration of a building has been transferred may involve the aid of Public Works Department for technical advice or execution, but the charges relating

thereto shall be debited to the Department concerned. The functions of the Military Engineering Services in the former case and that of the Public Works Department in the latter is merely that of the contractor and the administration and the control of the expenditure rests with the Public Works Department in the former case and with the Administrative Department concerned in the latter. The agency by which the work is executed shall not thus be the deciding factor in determining the question of classification.

(c) Where the buildings, etc., are under the administrative control of the Public Works Department, it is open to Government to prescribe that expenditure on construction and repairs connected with those buildings etc., upto a money limit fixed by the Government shall be debited as expenditure of the Civil Department carrying out the works.

(d) All works expenditure debitible to Civil Departments shall be classified under the minor head 'works' subordinate to the relevant departmental major head, unless Government by rule or order prescribes that such expenditure up to a money limit fixed by it shall be debited as expenditure of the department concerned.

(ii) GENERAL RULES

9-2. Subject to the observance of the following general rules, the initiation, authorisation and execution of works allotted to particular department, should be regulated by detailed rules and orders contained in the respective departmental regulations and by other special orders applicable to them.

9-3. (i) Except in cases covered by any special rules or orders of Government no work should be commenced or liability incurred in connection with it until :-

(i) administrative approval has been obtained from the authority appropriate in each case ;

(ii) sanction, either special or general, of competent authority has been obtained authorising the expenditure ;

(iii) a properly detailed design and estimate has been sanctioned ; and

(iv) funds to cover the charge during the year have been provided by competent authority.

If in any case, whether on grounds of urgency or otherwise, an executive officer is required by superior authority to carry out a work or incur a liability which involves an infringement of these fundamental rules, the orders of such authority should be conveyed in writing. On receipt of such written orders or in case of emergency, on his own responsibility, the officer may proceed to carry out the necessary work subject to the condition that he immediately intimates to Accountant General concerned that he is incurring an authorised liability and states approximately the amount of the liability which he is likely to incur.

(2) The powers delegated to various subordinate authorities to accord administrative approval and to sanction expenditure upon and to appropriate and re-appropriate funds for works are regulated by the orders contained in the Book of Financial Powers and other special orders contained in the respective departmental regulations.

¹(3) For purposes of approval and sanction, sub-items/sub-heads of a work/project shall form separate works provided such sub-items and sub-heads are distinctly spelled out in the estimates to which Administrative approval is accorded.

Note.—While no officer may sanction any estimate for a work which cannot be fully efficient unless other works are also sanctioned if the cost of all such works collectively exceed his powers of sanction it is not the intention that two or more works should be regarded as forming part of a group of works merely because they are of the same nature, if they are otherwise mutually independent.

9-4. The authority granted by a sanction to an estimate must on all occasions be looked upon as strictly limited by the precise objects for which the estimate was intended to provide. Accordingly, any anticipated or actual savings on a sanctioned estimate for a definite project should not, without special authority, be applied to carry out additional work not contemplated in the original project or fairly contingent on its actual execution.

9-5. Any development of a project thought necessary while a work 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.

9-6. To facilitate the preparation of estimates, as also to serve as a guide in settling rates in connection with contract agreements, a schedule of rates for each kind of work commonly executed should be maintained for each locality and kept up-to-date. The rates entered in the estimate should generally agree with the scheduled rates but where from any cause, these are considered insufficient, or in excess or where an item in the estimate is not covered by the sanctioned schedule of rates a detailed statement must be given in the report accompanying the estimate, showing the manner in which the rates used in the estimate are arrived at.

9-7. When works are given out on contract, the general principles laid down in Chapter 18 should be carefully borne in mind.

(iii) WORKS UNDER THE ADMINISTRATIVE CONTROL OF THE PUBLIC WORKS DEPARTMENT

9-8. Subject as provided in rule 9-1, provisions for expenditure on all buildings, communications and other works required by Civil Departments which Government has not specifically allotted to such departments should be included in the Grant for Civil Works to be administered and accounted for by the Public Works Department. No such work may be financed partly from funds provided in a departmental budget and partly from the budget for Civil Works.

The term 'Civil Works' used in this rule embraces all works chargeable to the heads '2059—Public Works' and '4059—Capital Outlay on Public Works.'

Note 1.—Separate grants are obtained for expenditure on irrigation, navigation, embankment and drainage works in charge of the Public Works Department.

Note 2.—Save when the Government may otherwise direct in any special case, all works and repairs in connection with water supply and electric installations to Government buildings should be carried out by or through the agency of Water Works and Electric Department respectively. Installation of Sanitary fittings is done by the Public Works Department.

9-9. The rules and instructions contained in the Public Works Code should be strictly observed by all authorities responsible for the preparation of budget estimates and administration of funds allotted for State Public Works.

9-10. (i) The Chief Engineer, P. W. D. may, in special cases where there is no staff of the Public Works Department available or where it will be costly and inconvenient to send technical staff, authorise the execution departmentally by a Civil Department of any minor work or repairs on the requisition of the Head of the Department concerned accompanied by a proper estimate showing the approximate cost of the work. In such cases funds will after the estimate has been checked be provided by the P. W. D. out of the provision in Budget under '2059—Public Works'. The Chief Engineer will authorise the Executive Engineer concerned to advance from time to time such sums against the estimated amount as may be deemed necessary.

A fresh advance will only be made when the previous one has been accounted for.

(ii) The advances so made out of P. W. D. funds will be adjusted in the office of the Executive Engineer concerned on receipt of accounts supported by contractor's bills if the work is done through

a contractor or of accounts of daily labour (both skilled and unskilled) and other paid bills for purchases made, if the work is done on Amani basis. The accounts of the advances drawn by the Department against their own funds will be adjusted as usual by submission of Red D. C. Bill to the Accountant General. In both cases a detailed bill and a completion certificate by the gazetted officer in charge of the concerned department as required by the rules of the Public Works Department would be necessary.

Note.—The advances by the P. W. D. will be treated as 'imprest' and regulated according to Para 78 of P. W. D. Accounts Code.

9-11. Save where any particular department is authorised by Government to execute all or specified classes of departmental works without reference to the P. W. D. all Government construction works shall be executed through the agency of the P. W. D.

For specified classes of departmental works execution whereof has been authorised departmentally refer to Annexure B.

9-12. In the case of departments authorised to execute the class of works departmentally as specified in Annexure B, the following further instructions should be complied with :—

(a) Formal sanction of the authority having the power to sanction the expenditure should be communicated to the Accountant General. The amounts sanctioned should be entered by the officer entrusted with the work in a separate register to be maintained for the purpose. Only such sums as are needed from time to time should be drawn from the treasury against the sanctioned amount as indicated below, on separate contingent bills in which the No. and date of the letter/order according the sanction should invariably be cited.

Note.—Estimates should be prepared in all cases and recorded in the departmental office after sanction.

(b) When a work is executed departmentally, muster rolls should be maintained for the workmen on which thumb impressions or acknowledgements of the labourers should be taken in token of

their having received their wages. The cost of materials obtained departmentally should be drawn on contingent bill supported by sub-vouchers necessary.

(c) Serviceable materials if any obtained from a dismantled structure or part of a structure should be utilised as far as possible in the new construction or repairs and credit thereof afforded by deduction in the estimate. Such serviceable materials as cannot be utilised as also the materials found surplus after completion of a work should be disposed of by public auction in consultation with the Executive Engineer of the area.

(d) When a work is done through a contractor a deed of contract on an approved standard form or on specifically approved form should be executed laying down the conditions, rates etc. advances given to contractors should be sums 'on account' only *i. e.* they should not exceed 75 per cent of the value of the work done or of material supplied or brought to site and the bill for an advance should contain a certificate from the drawing officer to the above effect.

(e) Detailed measurements should be recorded in the work register while making 'to account' payments which should be checked by the officer-in-charge of the Department who will record his check certificate on the bill. These details may not be submitted along with the 'to account' bill, but a final bill should be submitted for the total amount payable supported by full details in the prescribed Public Works Department bill form. The amount payable on this bill will be the net amount after deduction of the payments 'on account' made previously, from the total value of the work done the details of which should be given consecutively in the final bill.

Note.—On completion of the work, its final measurements should be taken and the final bill prepared, and a completion certificate signed by the gazetted officer-in-charge after full verification.

(f) It must be clearly understood that no money withdrawn for purposes of works of construction and repairs should be retained in

hand after the 31st March. Amounts drawn and remaining unexpended on that date must be refunded into the treasury.

(g) Money sanctioned for a particular work should not be spent on any other work.

(h) Accounts of receipts and issues of tools and plant purchased by or belonging to the departmental officer should be prepared in accordance with P.W. Account Code.

9-13. When works allotted to a civil department other than the P. W. D. are executed departmentally, whether direct or through contractors, the form and procedure relating to expenditure on such works should be prescribed by departmental regulations framed in consultation with the Accountant General generally on the principles underlying the financial and accounting rules prescribed for similar works carried out by the P. W. D. The guiding principles are laid down in Annexure 'A' to this Chapter.

(iv) MISCELLANEOUS RULES

9-14. The acquisition of a building by purchase, even though the purchase of the required accommodation may have been sanctioned by competent authority is prohibited except with the specific sanction of the Government. In all such cases, a survey and valuation report by the P. W. Divisional Officer should be submitted to the Government.

9-15. No public building, which is not a purely temporary structure, may be sold or dismantled without the sanction, previously obtained of Government.

9-16. In respect of buildings available for occupation as residences, capital and revenue accounts are prepared periodically by the Accountant General in accordance with the directions given in the Account Code Volume IV issued by the Comptroller and Auditor General and any further orders that Government may issue in this behalf.

All officers concerned should furnish the Accountant General annually with the necessary data in respect of such buildings in such form as may be prescribed by the Accountant General

9-17. Expenditure on ceremonies connected with the inauguration of important public works, e. g., the laying of foundation stones of public buildings, the opening of canals, and bridges, will be subject to the sanction of the Government.

Note.—The expenditure on such functions should normally be restricted to a maximum amount of Rs 1,000 in each case.

9-18. The preparatory stages of a major work may take anything from three months to a year and attempts to expedite the execution of works contrary to Code Rules lead to bad estimating and computing and, to actual losses of money. These unfortunate results may be commented upon adversely by the Finance Department/Public Accounts Committee. It is therefore, desirable that the tendency to rush the preparatory stages for works should be checked. The Chief Engineer and his subordinate officers should accordingly take, in all cases, such time as it considered necessary, for the preparation of proper estimates, the grant of technical sanction and the invitation and examination of tenders and refrain from entertaining requests from administrative departments for special treatment. In emergent case, however, where, circumstances warrant a departure from methods laid down by the Codes, the Public Works Department may issue special instructions on a reference received from the administrative department concerned.

ANNEXURE "A"

**GUIDING PRINCIPLES FOR EXECUTION OF WORKS
DEPARTMENTALLY BY CIVIL DEPARTMENTS
OTHER THAN P. W. D.**

(Referred to in rule 9-13)

1. Adequate accounting arrangements should be made in respect of all big projects before they are started. Failure to make such arrangement may result in financial loss and discredit to Government. It is, therefore, of the utmost importance that whenever proposals for big projects, or for commercial or quasi-commercial undertaking are made, suitable provisions should be made therein for the accounting and procedure for internal check to be observed. Departments initiating such projects and schemes should consult the Accountant General at a very early stage, regarding the arrangements necessary for proper accounting and internal check and include suitable proposals as integral parts of the proposed schemes and projects. The Finance Department should also be associated in the formulation of the arrangements necessary for the proper accounting and audit.

2. For every work there should be a duly sanctioned detailed estimate, copies of sanctions to estimates being communicated to the Accountant General by the sanctioning authority as soon as a sanction is accorded. If, however, the number of works sanctioned is large, such sanction may conveniently be communicated through a monthly statement. Copies of sanctions to contracts, establishment charged to works or any other financial sanctions should be communicated to the Accountant General individually.

3. Payments for all works done by contract or materials purchased should be made on the basis of measurements recorded in measurement books. A muster roll should be prepared for works done by daily labour. It is desirable that the prescribed forms should be used for payment to contractors. If any establishment is entertained on monthly wages whose pay is chargeable to a work, form of the P. W. D. prescribed for payment of such charges may be used for payment

of their wages. The rules regarding the preparation and check of these documents will be found in Public Works Accounts Code.

4. Separate contingent bills should be prepared for expenditure relating to Works' duly supported by sub-vouchers. The name of work as given on the sanctioned estimate should be noted conspicuously on each sub-voucher as well as in the bill itself.

5. At the end of a month every disbursing officer will render to the Accountant General the following monthly accounts so as to reach him between 7th and 10th of the month following that to which it relates :—

- (i) Schedule of works expenditure showing expenditure incurred during the month and total charges up to date in respect of every work in progress. All payments pertaining to a work during a month and voucher number and date will be posted in the relevant columns of the form and all works in progress will be shown in this schedule.
- (ii) Contractors' ledger.—This account need only be prepared in accordance with P. W. Accounts Code, if any intermediate payment on running account is made to a contractor. It is not required in cases where every payment to contractors is final.
- (iii) Account of receipts and issues of Tools and Plant purchased by or belonging to the departmental office to be prepared in accordance with the provisions of Public Works Account Code.

6. In respect of articles of Tools and Plant purchased in connection with Works' an Annual Register to show receipts, issue and balances will have to be maintained in accordance with the provisions of Public Works Accounts Code. The register may be annually closed as soon after the month of September as possible,

the book balance being physically verified and certified and sent to the Accountant General by the officer concerned so as to reach him on or before the 15th of November every year.

7. A copy of the register of buildings in charge of every disbursing officer should be sent to the Accountant General in the prescribed form, annually.

Note.—As far as possible the same forms as are in use in Public Works Department should be used.

ANNEXURE "B"

(Referred to in rule 9-11)

DEPARTMENTS AUTHORISED TO EXECUTE WORKS OF SPECIFIC NATURE DEPARTMENTALLY

(a) Additional Police

Bunkers at Additional Police piquets will be constructed departmentally.

(b) Jail Department

All minor and repair works up to a limit of Rs. 1,500 in each case will be executed departmentally and funds on this account will be placed by the Public Works Department at the disposal of the Superintendent Jail concerned—Departmental execution of the works will be subject to the following procedure :—

(1) It is laid down in the Public Works Accounts Code that estimates for works on which it is intended to use prison labour will, as in the case of free labour, provide for the full market value of the work to be done but a note of the reduction to be effected by the employment of convicts will be made on the abstracts of the estimates.

(2) When a sanctioned Jail work is to be executed by prison labour, the Superintendent will apply to the Executive Engineer for all tools, plant and materials required for the work. Such tools and materials shall be devoted solely to the purposes sanctioned in the estimates.

(3) The Superintendent will also engage such paid skilled labour and supervision as is considered necessary in consultation with the Executive Engineer. This will be paid for by the Superintendent and charged in the estimate.

(4) The work to be done shall be laid down by the Executive Engineer or by his subordinate deputed for the purpose and no deviation from the sanctioned plan shall be permitted without formal sanction.

(5) It is the duty of the Executive Engineer to point out to the Superintendent when progress on a work on which convict labour is employed is considered unsatisfactory, to assist the Superintendent in framing the table of task work and to instruct his subordinate to report daily those convicts who have not completed their task or who have been otherwise negligent at their work.

(6) Estimates for these works are to be prepared by the officers of the P. W. D. as usual subject to reduction of the amount on account of convict labour vide sub-para (I) above.

(7) In case the Superintendent of Jail has no mistry or skilled workmen at his disposal to put in charge of such works, the Executive Engineer of the P. W. D. concerned should either lend him one from his own staff, if he has one available, or should see that the estimate provides for payment of one charged to work. If in any particular case, the Superintendent of the Jail expresses his inability to carry out a work which the Executive Engineer has not objected to, as unsuitable to Jail labour, the Executive Engineer should of course carry it out for him. The matter is one that should be arranged between the Superintendent of the Jail and the Executive Engineer. But it should be borne in mind that whenever the Executive Engineer can aid the Superintendent to carry out the work, by supplying technical staff, it will be preferable to do so rather than to undertake it himself.

(8) The Executive Engineer of each P. W. Division should, as far as possible, direct one of his subordinates to inspect the works made over to the Superintendents of Jails for execution while they are in progress. When they are of such a nature that some degree of professional supervision would be desirable, the Chief Engineer will also during tour examine them as has been heretofore customary.

(9) In carrying out Jail Works the Superintendents of the Jails will act as an agent of the P. W. D. and as such it will be his duty to see that the money provided for one work is not diverted to another and no deviation from drawings or specifications is allowed.

Note 1.—The amounts advanced to the Superintendent Jail will remain outstanding against him till the account on completion of works are submitted to the Executive Engineer, and adjusted by him.

Note 2.—Requisition for all materials and tools and plant required for such annual repair works shall be submitted by the Superintendent Jail for the whole year in a consolidated form to the Executive Engineer concerned so that necessary arrangements for supply hereof are made by him.

(c) **Agriculture, Animal Husbandry, Sheep Husbandry, Horticulture and Parks and Gardens Departments.**

Petty original works including essential repairs of buildings whether these are on the books of PWD or the concerned Departments may be done departmentally by the following Heads of the Departments up to a limit of Rs. 10,000 in respect of each work subject to a ceiling of Rs. 50,000 per annum in each department by debit to provisions in the departmental budget. The works shall be checked technically by the Assistant Engineer in the office of Assistant Agriculture Production Commissioner of the area in which the work is executed :—

- (a) Director Agriculture,
- (b) Director Animal Husbandry,
- (c) Director Sheep Husbandry,
- (d) Director Parks and Gardens,
- (e) Director Horticulture.

The execution of works and maintenance of their accounts shall be done strictly in accordance with the instructions contained in rules 9-11 to 9-13 of these rules and Annexure "A" thereto.

(d) Exhibitions

Petty urgent works up to the limit and under the condition laid down in Chapter 5-8 of the Jammu and Kashmir Book of Financial Powers will be got executed departmentally.

(e) Excise and Taxation Department

Works relating to construction of and repairs to Kachha Kothas will be executed departmentally up to the limit laid down in Chapter 5-6 of the Jammu and Kashmir Book of Financial Powers subject to the following procedure :—

- (i) The Officer Incharge of the Range/Division should inspect the Kachha Kothas in need of repairs and prepare an estimate, on the basis of details, of the amount required. The estimate

will be forwarded by him to the Provincial Superintendent, Excise and Taxation, who will either make allotment of funds from the budget grant.

- (ii) If the estimated amount exceeds Rs. 50, tenders shall be called before the repairs are executed and most favourable tender accepted.
- (iii) When the repairs have been executed the concerned officer will satisfy himself that the repairs have been executed according to the sanctioned estimate and submit a completion certificate along with the detailed accounts to the Superintendent, Excise and Taxation, who will either inspect the repairs executed during his tours or where the concerned Officer Incharge Range/Division is not a Gazetted Officer to satisfy himself that the amount sanctioned has been properly spent.
- (iv) Accounts in respect of such repairs in a financial year should be consolidated in the provincial office and forwarded to the Accountant General, along with a Red D. C. Bill.
- (v) The procedure laid down in respect of repairs will apply also to construction of new Kachha Kothas.
- (f) Revenue Department.

Construction of Patwar Khanas and their repairs, road cess works, revenue irrigation works, chargeable to 2029 :- Land Revenue, to the extent indicated in Chapter 5-8 of the Jammu and Kashmir Book of Financial Powers.

- (g) Fisheries Department.

Constructional works of the Fisheries Department to the extent of Rs. 25,000 in each case, chargeable to 4059 :- Capital Outlay on Public Works, to be executed departmentally by the Director Fisheries as indicated below :—

- (i) up to Rs. 20,000 in each case with the special sanction of Administrative Department and subject to check by the Public Works Department, and

- (ii) beyond Rs. 20,000 to Rs. 25,000 after the estimates are got checked by the Public Works Department and approved by the Administrative Department.

Execution of all works by the Department will be subject to check by Public Works Department. The Director Fisheries shall arrange the check of all such works by the Executive Engineer of the concerned Public Works Department's Division or any of his representative not below the rank of an Assistant Engineer. In support of their technical check the officers of the Public Works Department will record necessary check certificate on the measurement book, bill and other related documents of the work.

- (h) Consumer Affairs and Public Distribution Department.

Repairs of Godowns of the Consumer Affairs and Public Distribution Department up to Rs. 1,000 in each case and subject to a maximum of Rs. 10,000 in a year to be executed by the Director, Consumer Affairs and Public Distribution Department Jammu/Srinagar departmentally.

CHAPTER X-MISCELLANEOUS EXPENDITURE

I. GENERAL

10-1. The term 'miscellaneous expenditure' applies generally to all expenditure in the civil departments, which does not fall under the category of pay and allowances of Government servants, pensions, contingencies, grants-in-aid, contributions, stores or works.

The powers delegated to subordinate authorities to sanction items of miscellaneous expenditure as defined above, for which no special power, scale or limit has been prescribed by an Act, rule, code or order, are specified in the Jammu and Kashmir Book of Financial Powers.

Note.—Grants-in-aid and contributions have been dealt with in this chapter for the sake of convenience.

10-2. Miscellaneous expenditure is subject generally to the rules of procedure which apply to contingent expenditure, except in so far as it may be governed by any special rules or orders made by competent authority.

II. REFUNDS OF REVENUE

10-3.— Refunds of revenue are broadly classified as.—

- (i) refunds to which the claimants are legally entitled ;
- (ii) refunds which are made ex-gratia, Government being under no legal obligation to make them.

Note 1.—Refunds of revenue not registered as expenditure for purposes of grants or appropriation.

Note 2.—Remissions of revenue allowed before collection are treated as reduction of demands and cash payments of revenue after collection as refunds.

10-4. (a) Subject to the provision of the relevant Acts and rules made thereunder a competent authority may accord sanction to a refund of revenue which may either be given on the voucher itself or quoted in it, a certified copy being attached when such orders are not separately communicated to the Accountant General.

(b) Except as hereinafter provided, or unless some other form has been prescribed by departmental regulations for any particular class of refunds, bills for drawing money from the treasury on account of refunds of revenue shall be prepared in Form F. C. 32. The officer who received the original amount shall fill in columns 1 to 5 of the form and sign the certificate at foot, while the Treasury Officer shall verify the credit by means of the particulars in columns 4 and 5 and affix his signature in column 6 in token of his having done so.

10-5. No check can be exercised over refunds of revenue by the Audit Office except in cases where full details of the collections of such revenue are received in that office, either through the treasury accounts or other documents, e. g., Fine Statements. Before a refund of any kind admissible under some general or special order of government and otherwise in order, is allowed the original demand or realisation, as the case may be, must be traced and a reference to the refund should be so recorded against the original entry in the cash book or other documents as to make the entertainment of a double or erroneous claim impossible. Any acknowledgement previously granted should, if possible, be taken back and destroyed and a note of the repayment recorded on the counterfoil of the receipt.

Note 1.—As a precaution against double refunds of land revenue or other receipts the details of which are not furnished to the Accountant General, the amount and the date of each such refund should be noted by the Treasury Officer against the original item of credit in the Treasury Receipt Register or in the cash book if the item has not been credited in a separate receipt register.

Note 2.—Payments on account of refunds should be recorded by the Treasury Officer in a register in Form F. C. 33. In the column 'Miscellaneous Refunds' only those items will be entered which cannot be recorded under any other column in the form.