

Bihar Financial Rules, 1950

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India

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Rule BIHAR-FINANCIAL-RULES-1950 of 1950

- Published on 17 September 1962
- Commenced on 17 September 1962
- [This is the version of this document from 17 September 1962.]
- [Note: The original publication document is not available and this content could not be verified.]

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Chapter I Introductory

1.

The Rules contained in this volume, which are essentially executive orders of the Governor describe primarily the financial powers of different authorities subordinate to the State Government and the procedure prescribed which should be followed by them in the securing and spending of funds necessary for the discharge of the functions entrusted to them. In the matter of receipt, custody and disbursement of Government moneys the Rules are supplementary to the Rules in the Bihar Treasury Code. Departmental authorities should follow these Rules, supplemented or modified by the special rules and instructions, if any, contained in their departmental regulations and other special orders applicable to them.

Definitions

2.

Unless there be anything repugnant in the subject or context, the terms defined in this chapter are used in these rules in the sense hereby explained.

(i) Accountant General. - Means the head of the office of audit and accounts subordinate of the Comptroller and Auditor General of India, who keeps the accounts of the State and exercises audit functions in relation to those accounts on behalf of the Comptroller and Auditor General of India.

(ii) Appropriation. - Means the assignment to meet specified expenditure of funds at the disposal of the assigning authority.

(iii) Comptroller and Auditor General. - Means the Comptroller and Auditor General of India.

(iv) The Bank. - Means the Reserve Bank of India or any office or agency of The Reserve Bank of India and includes any branch of the [Imperial Bank of India] [Now, State Bank of India.] acting as the agent of the Reserve Bank of India

in accordance with the provisions of the Reserve Bank of India Act, 1934 (Act II of 1934), (v) Reserve Bank. - Means the Reserve Bank of India. (vi) Competent Authority. - Means Government or any other authority to which the relevant powers may be delegated by Government. (vii) Constitution. - Means the Constitution of India. (viii) Controlling officer. - Means a head of a department or other departmental officer who is entrusted with the responsibility of controlling the incurring of expenditure and/or the collection of revenue by the authorities subordinate to the department. (ix) Finance Department. - Means the Finance Department of the Government of Bihar. (x) Financial year. - Means the year beginning on the 1st of April and ending on the 31st of March, following. (xi) Government or State Government. - Means the Government of Bihar. (xii) Governor. - Means the Governor of the State of Bihar. (xiii) Head of Department. - Means the Government servant mentioned in Appendix 3 of the Bihar Service Code or any other Government servants declared to be such by the State Government. (xiv) Non-recurring expenditure. - Means expenditure sanctioned as lump sum charge, whether the money be paid as a lump sum or by instalments. (xv) Primary unit of Appropriation. - Means a lump sum of money placed by the Government at the disposal of a subordinate authority by the method prescribed in Rule 473 and in Rule 99 of the Bihar Budget Manual. (xvi) Public Account or Public Account of the State. - Means the consolidated fund into which moneys received on account of the revenues of the State are paid or credited and from which all disbursements of, or on behalf of the State are met. See Article 266 of the Constitution. Note. - Without prejudice to anything contained in Article 266 of the Constitution, the revenue of the State would include all money's received by Government servants on behalf of the Government as such not only the proceeds of taxation and the yield of ordinary revenues but also capital receipts, such as the proceeds of sales of land, the proceeds of borrowing operations, unfunded debt; and unless the contrary intention appears, such receipts of a banking or deposit nature as by virtue of any statutory provision or of any general or special executive orders of the Government have to be held in the custody of the Government. (xvii) Public Works. - Means civil works and irrigation, navigation, embankment and drainage works. (xviii) Re-appropriation. - Means the transfer of funds from one unit of appropriation to another such unit. (xix) State. - Means the State of Bihar. (xx) Subordinate authority. - Means a Department of the State Government or any authority subordinate to it. (xxi) Treasury Rules. - Means the Treasury Rules (Bihar) given in the Bihar Treasury Code, Vol. I, Chapter 1.

Chapter 2

General System of Financial Management and Control.

Section 1 Receipt of Money General

3.

All transactions to which any officer of Government is a party in his official capacity must be brought to account without delay.

4.

Money received as dues of Government or for deposit in the custody of Government should be credited into the Public Account in accordance with the Treasury Rules.

5.

[(i) All moneys received by or deposited with any officer employed in connection with the affairs of the State in his capacity as such other than Revenue of public money raised or received by Government shall be paid into the public account; (ii) All moneys received by or deposited with any court to the credit of any cause (matter account or persons), shall also be paid into the public account; (iii) The head of account to which such moneys shall be credited and the withdrawal of moneys therefrom shall be governed by the relevant provisions of Accounts Code, Volumes I and II and the Bihar Treasury Code or such other general, or special order as may be issued in this behalf.] Withdrawal of Moneys from the Public Account

6.

Unless otherwise expressly authorized by any law or rule or order having the force of law, moneys may not be removed from the Public Account for investment or deposit elsewhere without the consent of the Finance Department. Assessment, Collection and Check of Revenues

7.

Subject to such general or specific instructions as may be issued by Government in this behalf, it is the duty of the controlling officer concerned, to see that the dues of Government are correctly and promptly assessed, collected and paid into the treasury. Detailed instructions on the subject are contained in Chapter 3. Section II Expenditure and Payment of Moneys Essential Conditions Governing Expenditure from Public Funds

8.

As a general rule no authority may incur any expenditure or enter into any liability involving expenditure from public funds until the expenditure has been sanctioned by general or special orders of the Government or by an authority to which power has been duly delegated in this behalf and the expenditure has been provided for in the authorised grants and appropriation for the year. Standards of Financial Propriety

9.

Every Government servant incurring or authorising expenditure from public funds should be guided by high standards of financial propriety. Among the principles on which emphasis is generally laid are as follows : (i) Every public officer is expected to exercise the same vigilance in respect of

expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money.(ii)The expenditure should not be prima facie more than the occasion demands.(iii)No authority should exercise its power sanctioning expenditure to pass an order which will be directly or indirectly to its own advantage.(iv)Public moneys should not be utilised for the benefit of a particular person or section of the community unless-(1)the amount of expenditure involved is insignificant; or(2)a claim for the amount could be enforced in a court of law; or(3)the expenditure is in pursuance of recognised policy; or custom.(v)The amount of allowances granted to meet expenditure of a particular type should be so regulated that the allowances are not on the whole a source of profit to the recipients.

Control of Expenditure

10.

Each head of a department is responsible for enforcing financial order and strict economy at every step. He is responsible for observance of all relevant financial rules and regulations both by his own office and by subordinate disbursing officer.(See also Rules 471 to 483)

11.

A controlling officer must see not only that the total expenditure is kept within the limits of the authorised appropriation but also that the funds allotted to spending units are expended in the public interest and upon objects for which the money was provided. In order to maintain a proper control, he should arrange to be kept informed, not only of what has actually been spent from an appropriation but also what commitments and liabilities have been and will be incurred against it. He must be in a position to assume before Government and the Public Accounts Committee, if necessary complete responsibility for departmental expenditure and to explain or justify any instance of excess or financial irregularity that may be brought to notice as a result of audit scrutiny or otherwise.

Internal Check Against Irregularities, Waste and Fraud

12.

In the discharge of his ultimate responsibilities for the administration of an appropriation or part of an appropriation placed at his disposal, every controlling officer must satisfy himself not only that adequate provisions exist within the departmental organisation for systematic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of his subordinate officers and to guard against waste and loss of public money and stores but also that the prescribed checks are effectively applied.

13.

Delay in the payment of money indisputably due by Government is contrary to all rules and budgetary principles and should be avoided, vide also under Rule 107, Bihar Budget Manual.

Section III Payments, Drawing of Money from the Treasury

14.

Detailed rules for the preparation of bills in which the different classes of charges are drawn, and as to the method of obtaining money from treasury, whether by bills or by cheques for subsequent disbursements, are laid down in the rules in Chapter V, of the Bihar Treasury Code.

15.

In the Public Works Department, the Divisional Officer is primarily the responsible disbursing officer of the division, but he may delegate this function to his sub-divisional officer in certain cases, and with a view to enable him to set a monthly limit on the drawings of any of his Sub-divisional officers he may require the submission, by a convenient date, of an estimate of the probable requirement of each such sub-divisional officer in a suitable form. Note. - Divisional Officers may authorise the payment of contractors' bills or other demand by sub-divisional officers subject to the maximum detailed below according to rank.

| On account | Official | Payment of bills or demands in rupees | |
|---------------|--|--|-------|
| | Final | | |
| 1. | Assistant Executive Engineers, | No limit | 5,000 |
| 2. | Assistant Engineer, Upper Subordinates and Overseers of the Subordinate Engineering Service in charge of Sub-divisions | 5,000 | 2,000 |

The above limits represent the value of the work done or supply made upto date.

16.

In departments where funds are issued from the treasury on cheques, the departmental officers should see that the drawings are regulated by budget grants and appropriations.

17.

In the Public Works Department a Divisional Officer authorised to draw cheques, on the treasury may empower any of his sub-divisional officers to draw against his own account and may in such cases impose a limitation on their drawings, for any month. The procedure to be followed in such cases are explained in Rule 492 of the Bihar Treasury Code. But in cases where no monthly limit has been imposed the drawing officer should record on the reverse of the counterfoil of each cheque the amount of the next cheque drawn and of the total of drawings during the month and carry forward their total to the next counterfoil. This will enable him, from time to time to exercise an independent check on the postings of his cash book.

18.

Counterfoil of used cheque books should be returned promptly by the Sub-divisional Officer to the Divisional Officer for record.

19.

Cheques should not be used for the transfer of funds from one division to another. Section IV Vouchers for Departmental Payment

20.

The general rules for preparation and completion of vouchers in cases of departmental payments are contained in Rule 210 to 216 of the Bihar Treasury Code but the following supplementary instructions should also be observed in that connection. (a) When the payee signs in a vernacular, he should be required to note the amount acknowledged in the vernacular in his own handwriting. In transliterating his acknowledgement, the amount acknowledged, as well as any remarks made by him, should also be reproduced in English. (b) The disbursing officer is responsible that the full name of the work as given in the estimate, or the name of the component part (or subhead) of it, or the head of account, to which the charges admitted on a voucher are debitable, or to which the deductions or other credits shown in the voucher are creditable, is clearly indicated on it in the space provided for the purpose, or in some prominent position. Section V Advances to Disbursers of the Forest Departments

21.

A subordinate officer of the Forest Department who is not authorised to draw cheques may be given a cash advance of suitable amount to enable him to make the disbursements entrusted to his charge, and the advance may be remitted to him by postal money orders. Section VI Cash Book, Cash Book of Forest Departments

22.

The general rules for the maintenance of cash book are given in rule 86 of the Bihar Treasury Code. The following rules regulate the maintenance of cash book in the Forest Department:-(i) All revenue and expenditure must be recorded at once in the accounts of the division within which it is collected or incurred, without reference to its origin or object. When revenue is collected or expenditure incurred in one division on account of another, (e.g.,) advances of pay, travelling allowances etc., made to Government servants on transfer from the division to another, inter-divisional adjustment should be made within the month in which they occur. Note. - This Rule is subject to the condition that, when adjustment between different Governments are involved, the rules regarding Inter-State adjustments will apply. (ii) Bills on which the pay and travelling allowance charges of the Forest Department are paid by the Divisional Officer and not at the treasury, are entered in the

Cash-Book. Section VII Financial Control over Departmental Accounts

23.

(a) The Chief Conservator of Forest exercises strict control over the whole outlay of the Forest Department for conservancy and works. To facilitate the exercise of the control, the Chief Conservator is furnished by the Divisional Officer with duplicate copies of the abstracts of the receipts and expenditure submitted to audit. (b) He is further required specially to control the adjustment of advances for which purpose the monthly abstracts of the contractors' and disbursers' ledger, submitted to Audit by the Divisional Officer, are required to pass through the Chief Conservator. (c) He is responsible for seeing that the accounts returns are submitted punctually to the Accountant-General by Divisional Officers. (d) Under the authority of the State Government he can delegate all or a portion of his duties with regard to the control of accounts to the Gazetted Government servant in charge of his office. Section VIII Security Deposits

24.

Cashiers, store-keepers, sub store-keepers and subordinates entrusted with the custody of cash or stores may be required to furnish security the amount being regulated according to the circumstances and local conditions in each case, under the sanction of the competent authority, who will determine whether the amount shall be paid in a lump sum or by deduction from pay. When promissory notes [and/or stock certificate of the Central Government or of State Government] [Inserted by C.S. No. 2 dated 3.1.1957.], are deposited as security their realizable cash value should be approximate to the amount of the security required. Note. - The list of competent authorities will be found in Annexure A to this Chapter. Section IX Destruction of Accounts Records

25.

The Rules regarding the destruction of accounts record appertaining to the accounts audited by the Indian Audit Department are contained in Annexure B to this chapter. Section X Duties as Regards Accounts, Maintenance of Accounts

26.

Every Government servant whose duty it is to prepare and render any accounts or returns in respect of public money or stores is personally responsible for their completeness and strict accuracy and their despatch within the prescribed date.

27.

A Government servant who signs or countersigns a certificate is personally responsible for the facts certified to, so far as it is his duty to know or to the extent to which he may reasonably be expected to be aware of them. The fact that a certificate is printed is no justification for his signing it unless it

represents the facts of case. If in its printed form it does not represent the facts, it is his duty to make any necessary amendment which will call attention to the deviation and so to give the authority concerned the opportunity of deciding whether the amendments cover requirements. Demand for Information by Audit

28.

It is the duty of every departmental and controlling officer to see that the Accountant General is afforded all reasonable facilities in the discharge of his functions and furnished with the fullest possible information for which he may ask for the preparation of any account or report, which it is his duty to prepare. No such information nor any books or other documents to which the Comptroller and Auditor General has a statutory right of access may be withheld from the Accountant-General. Section XI Contract [Management] [Substituted by Bihar Finance (Amdt.) Rules, 2005, Published in Bihar Gazette (Extraordinary) dated 11.11.2005.] General Principles

29. [[Published in Bihar Gazette (Extraordinary) dated 11.11.2005.]

(1) All contracts shall be made by an authority empowered to do so by or under the orders of the Governor in terms of Article 299(1) of the Constitution of India. (2) All the contracts and assurances of property made in the exercise of the executive power of the State shall be executed on behalf of the Governor. The words "for and on behalf of the Governor of Bihar" should follow the designation appended below the signature of the officer authorized in this behalf.] [Substituted by C.S. No. 61 dated 2.11.1964.]

30. General principles for contract.

- The following general principles should be observed while entering into contracts: (i) The terms of contract must be precise, definite and without any ambiguities. The terms should not involve an uncertain or indefinite liability, except in the case of a cost plus contract or where there is a price variation clause in the contract. (ii) Standard forms of contracts should be adopted wherever possible, with such modifications as are considered necessary in respect of individual contracts. The modifications should be carried out only after obtaining financial and legal advice. (iii) In cases where standard forms of contracts are not used, legal and financial advice should be taken in drafting the clauses in the contract. (iv) (a) A Ministry or Department may, at its discretion, make purchases of value upto Rupees one lakh by issuing purchase orders containing basic terms and conditions. (b) In respect of Works Contracts, or Contracts for purchases valued between Rupees one lakh to Rupees ten lakhs, where tender documents include the General Conditions of Contract (GCC), Special Conditions of Contract (SCC) and scope of work, the letter of acceptance will result in a binding contract. (c) In respect of contracts for works with estimated value of Rupees ten lakhs or above or for purchase above Rupees ten lakhs, a Contract document should be executed, with all necessary clauses to make it a self-contained contract. If however, these are preceded by Invitation to Tender, accompanied by GCC and SCC, with full details of scope and specifications, a simple one page contract can be entered into by attaching copies of the GCC and SCC, and details of scope and specifications, Offer of the Tenderer and Letter of Acceptance. (d) Contract document should be

invariably executed in cases of turn-key works or agreements for maintenance of equipment, provision of services etc.(v)No work of any kind should be commenced without proper execution of an agreement as given in the foregoing provisions.(vi)Contract document, where necessary, should be executed within 21 days of the issue of letter of acceptance. Non fulfilment of this condition of executing a contract by the Contractor or Supplier would constitute sufficient ground for annulment of the award and forfeiture of Earnest Money Deposit.(vii)Cost plus contracts should ordinarily be avoided. Where such contracts become unavoidable, full justification should be recorded before entering into the contract. Where supplies or special work covered by such cost plus contracts have to continue over a long duration, efforts should be made to convert future contracts on a firm price basis after allowing a reasonable period to the suppliers/contractors to stabilize their production execution methods and processes.Explanation. - A cost plus contract means a contract in which the price payable for supplies or services under the contract is determined on the basis of actual cost of production of the supplies or services concerned plus profit either at a fixed rate per unit or at a fixed percentage on the actual cost of production.(viii)(a)Price Variation Clause can be provided only in long-term contracts, where the delivery period extends beyond 18 months. In short term contracts firm and fixed prices should be provided for. Where a price variation clause is provided, the price agreed upon should specify the base level viz, the month and year to which the price is linked, to enable variations being calculated with reference to the price levels prevailing in that month and year.(b)A formula for calculation of the price variations that have taken place between the Base level and the Scheduled Delivery Date should be included in this clause.The variations are calculated by using indices published by Governments or Chambers of Commerce periodically. An illustrative formula has been appended to these Rules at Appendix-1 A for guidance.(c)The Price variation clause should also specify cut off dates for material and labour, as these inputs taper off well before the Scheduled Delivery Dates.(d)The price variation clause should provide for a ceiling on price variations, particularly where escalations are involved. It could be a percentage per annum or an overall ceiling or both. The buyer should ensure a provision in the contract for benefit of any reduction in the price in terms of the price variation clause being passed on to him.(e)The clause should also stipulate a minimum percentage of variation of the contract price above which price variations will be admissible (e.g. where resultant increase is lower than two per cent, no price adjustment will be made in favour of the supplier).(f)Where advance or stage payments are made there should be a further stipulation that no price variations will be admissible on such portions of the price, after the dates of such payment.(g)Where deliveries are accepted beyond the Scheduled Delivery Date subject to levy of liquidated damages as provided in the Contract, the liquidated damages (if a percentage of the price) will be applicable on the price as varied by the operation of the Price variation clause.(h)No price variation will be admissible beyond the original Scheduled Delivery Date for defaults on the part of the supplier.(i)Price variation may be allowed beyond the original Scheduled Delivery Date, by specific alteration of that date through an amendment to the contract in cases of Force Majeure or defaults by Government.(j)Where contracts are for supply of equipment, goods etc, imported (subject to customs duty and foreign exchange fluctuations) and/ or locally manufactured (subject to excise duty and other duties and taxes), the percentage and element of duties and taxes included in the price should be specifically stated, along with the selling rate of foreign exchange element taken into account in the calculation of the price of the imported item.The mode of calculation of variations in duties and taxes and Foreign exchange rates and the documents to be produced in support of claims for such variations, should also be stipulated in the

Contract.(k)The clause should also contain the mode and terms of payment of the price variation admissible.(ix)Contracts should include provision for payment of all applicable taxes by the contractor or supplier.(x)"Lumpsum" contracts should not be entered into, except in cases of absolute necessity. Where lumpsum contracts become unavoidable, full justification should be recorded. The contracting Authority should ensure that conditions in the lump sum contract adequately safeguard and protect the interests of the Government.(xi)Departmental issue of materials should be avoided as far as possible. Where it is decided to supply materials departmentally, a schedule of quantities with the issue rates of such material as are required to execute the contract work, should form an essential part of the contract.(xii)(a)In contracts where government property is entrusted to a contractor either for use on payment of hire charges or for doing further work on such property, specific provision for safeguarding government property (including insurance cover) and for recovery of hire charges regularly, should be included in the contracts.(b)Provision should be made in the contract for periodical physical verification of the number and the physical condition of the items at the contractors premises. Results of such verification should be recorded and appropriate penal action taken where necessary.(xiii)Copies of all contracts and agreements for purchases of the value of Rupees Twenty-five Lakhs and above, and of all rate and running contracts entered into by civil departments of the Government other than the for which a special audit procedure exists, should be sent to the Audit Officer and/or the Accounts officer as the case may be.(xiv)(a)The terms of a contract, including the scope and specification once entered into, should not be materially varied.(b)Wherever material variation in any of the terms or conditions in a contract becomes unavoidable, the financial and other effects involved should be examined and recorded and specific approval of the authority competent to approve the revised financial and other commitments obtained, before varying the conditions.(c)All such changes should be in the form of an amendment to the contract duly signed by all parties to the contract.(xv)Normally no extensions of the Scheduled Delivery or completion dates should be granted except where events constituting Force Majeure as provided in the contract, have occurred or the terms and conditions include such a provision for other reasons. Extensions as provided in the contract may be allowed through formal amendments to the contract duly signed by parties to the contract.(xvi)All contracts shall contain a provision for recovery of liquidated damages for defaults on the parts of the contractor.(xvii)A warranty clause should be incorporated in every contract, requiring the supplier to, without charge, repair or rectify defective goods or to replace such goods with similar goods free from defect. Any goods repaired or replaced by the supplier shall be delivered at the buyers premises without costs to the buyer.(xviii)All contracts for supply of goods should reserve the right of Government to reject goods which do not conform to the specifications.(xix)[In Externally Aided Projects, namely World Bank, ADB,DFID etc, where compliance of Financial Agreement/Procurement Guidelines is compulsory/mandatory, the rules, contained in Bihar Financial (Amendment) Rules, 2005 will not Applicable.] [Added by Bihar Notification No. M-4-12/2015(Part) 8478/F, dated 28.10.2016.](xx)[Goods upto Rs. 50,000/- may be bought through any of the available supplies on the GeM, meeting the requisite quality, specification and supply period thereof. Goods above Rs. 50,000/- may be bought through the supplier having lowest price amongst the available supplies on the GeM, meeting the requisite quality, specification and supply period thereof using online bidding and online reverse auction made available on GeM.] [Added by Bihar Notification No. M-4-48/2012(Part-I) 3457/F, dated 19.5.2017.](xxi)[The Womens/Women Self Help Groups, fullfilling prescribed qualifications,

conditions and specifications of the tender, will be given priority in case of their bid equivalent to the other lowest bidder.] [Added by Bihar Notification No. M-4-12/2015(Part)-8327/F, dated 20.10.2017.]

30A. [Management of Contracts. [Inserted vide Bihar Finance (Amendment) Rules, 2005. Dated 10th November, 2005. Notify No. S.S.M-4-35/2002-6076 F(2). Published in Bihar Gazette (Ex. Ord.) dated. 11.11.2005.]

(1)Implementation of the contract should be strictly monitored and notices issued promptly whenever a breach of provisions occur.(2)Proper procedure for safe custody and monitoring of Bank Guarantees or other Instruments should be laid down. Monitoring should include a monthly review of all Bank Guarantees or other instruments expiring after three months, alongwith a review of the progress of supply or work. Extensions of Bank Guarantees or other instruments, where warranted, should be sought immediately.(3)Wherever disputes arise during implementation of a contract, legal advice should be sought before initiating action to refer the dispute to conciliation and/or arbitration as provided in the contract or to file a suit where the contract does not include an arbitration clause. The draft of the plaint for arbitration should be got vetted by obtaining legal and financial advice. Documents to be filed in the matter of resolution of dispute, if any, should be carefully scrutinized before filing to safeguard government interest.]Section XIIDeclaration, Losses, etc.Report of Losses

31.

(1)With the exceptions noted below, any loss of public money, departmental revenue or receipts, stamps, opium, stores or other property, held by or on behalf of Government caused by defalcation or otherwise, which is discovered in a treasury or other office or department, should be immediately reported by the officer concerned to his immediate official superior and [Finance Department] [Added by C.S. No. 30 dated 11.3.1959.] as well as to the Accountant General even when such loss has been made good by the party responsible for it. Such reports must be submitted as soon as a suspicion arises that there has been a loss; they must not be delayed while detailed enquiries are made. When the matter has been fully investigated, further and complete report should be submitted of the nature and extent of the loss, showing the errors or neglect of rules by which such loss was rendered possible and the prospects of effecting a recovery.(2)If the irregularity be detected by Audit in the first instance, the Accountant General will report it immediately to the administrative authority concerned, and if he considers necessary, to Government as well.Note. - See also rule 44, Bihar Treasury Code quoted below:-

44. The Collector shall send immediate notice to the Accountant General, Finance Department and other concerned authorities of any defalcation or loss of public money, stamps, or opium and other property discovered in the treasury or any sub-treasury, even when such loss has been made good by the person responsible for it. Such notice shall be supplemented as soon as

possible afterwards by a detailed report after personal investigation into the case.

Exception. - Petty cases, that is, cases involving losses not exceeding Rs. 200 each, need not be reported to the Accountant General unless there are, in any case, important features which merit detailed investigation and consideration.

32.

The officers receiving a report submitted to them under Rule 31 must forward it forthwith to Government through the usual channel with such comments as may be considered necessary. He should also submit a detailed report, after completing such departmental investigations as may be necessary or expedient, on the causes or circumstances which led to the defalcation or loss, the steps taken to prevent its recurrence and the disciplinary or any other action proposed as regards the person responsible.[Note. - All cases of embezzlement of public funds in any department involving amounts exceeding Rs. 500, shall be submitted by the Secretary after taking orders of the Minister-in-charge of that Department before final orders in such case issue.] [Inserted by C.S. No. 35, dated 1.8.1959.]Accidents

33.

Any serious loss of immovable property, such as building, communications or other works, caused by fire, flood, cyclone, earthquake, or any other natural cause, should be reported at once by the departmental officer, to the head of the department and by the latter to Government. When a full enquiry as to the causes and extent of the loss has been made the detailed report should be sent by the departmental officer concerned to the head of the department, a copy of the report or an abstract thereof, being simultaneously forwarded to the Accountant-General.Responsibility for Losses, etc.

34.

Every Government servant should realise fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence. Detailed instructions for regulating the enforcement of such responsibility are embodied in Appendix 2. Write-off of Losses, etc.

35.

The powers delegated to different authorities to write off the irrecoverable value of public money or stores lost through fraud or negligence of Individuals or other causes are indicated in Chapter 4. Section XIII Departmental Regulations

36.

All departmental regulations in so far as they embody orders, or instructions of a financial character or have important financial bearings should be made by, or with the approval of the Finance Department. Annexure A List of Competent Authorities for Regulating The Amount of Security (See note below Rule 24)

| Name of Department | Competent authorities | Remarks |
|--|---|---------|
| 1 | 2 | 3 |
| Land Revenue- | | |
| I. Revenue Offices under the Collector. - | | |
| (i) when full security is taken in a single payment; | Collector | |
| (ii) when reduction is made of the security deposits; | Collector up to Rs. 100. Commissioner above Rs. 100. | |
| (iii) when security is taken by monthly payment; | 1. Collector. - When monthly contribution is (a) not less than 25 per cent of the pay or (b) not less than 18 ³ / ₄ percent of the pay in the case of Government servants who contribute 6 ¹ / ₄ per cent to a provident fund constituted in any Wards, Encumbered Trust and attached estates. 2. Board of Revenue. - When the monthly contribution is (i) less than 25 per cent of pay or (ii) less than 18 ³ / ₄ percent of the pay in the case of Government servants noted at (b) above. | |
| (iv) in the case of treasurers; | State Government, Finance Deptt. | |
| (v) in the case of sub-treasurers. | Commissioners. | |
| II. Offices of the Survey and Settlement Department | Settlement Officer. | |
| III. Offices directly under the Commissioners of Divisions and Board of Revenue. | Commissioners of Divisions, and Board of Revenue respectively. | |
| Excise | Commissioner of Excise, Collectors of District, | |
| Forest | Divisional Forest Officers except (a) security of head clerk of Forest divisions and (b) when payment is made by instalments Conservator of Forests in the case of (a) security of head clerk of Forest divisions and (b) when payment is made | |

| | |
|--|--|
| | by instalments. |
| Irrigation and Electricity Department. | Chief Engineer, Irrigation Department; Chief Engineer, Electricity Department. |
| General Administration: | |
| Appointment Department | State Government, Appointment Department. |
| Translator's Department | State Government, Appointment Department. |
| Administration of Justice- | |
| " High Court | Registrar, High Court |
| " Civil Courts | District Judges. |
| " Legal Remembrancers establishment. | Superintendent and Remembrancer of Legal affairs. |
| Jails | State Government, Law Department. |
| Police | Deputy Inspector General of Police. |
| Education | Director of Public Instruction. |
| Medical | Inspector General of Civil Hospitals. |
| Public Health | Director of Public Health. |
| Agriculture | Director of Agriculture. |
| Veterinary | Director, Veterinary Services. |
| Co-operation | Registrar, Co-operative Societies. |
| Industries | Director of Industries. |
| Factory Inspection | Chief Inspector of Factories. |
| Public Works Department | Chief Engineer, Public Works Department. Chief Engineer, Public Health Engineering. |
| Stationary and Printing | State Government, Finance Department. |

Annexure B Rules Regarding Destruction of Accounts Records (See Rule 25) The destruction of records [including correspondence] connected with accounts is governed by the following rules and such other subsidiary rules consistent therewith as may be prescribed by State Government in this behalf with the concurrence of the Accountant General. (a) the following should on no account be destroyed :- (i) Records connected with expenditure which is within the period of limitation fixed by law. (ii) Records connected with expenditure on projects, schemes, or works not completed, although beyond the period of limitation. (iii) Records connected with claims to service and personal matters affecting persons in the service. (iv) Orders and sanctions of a permanent character until revised. (b) The following should be preserved for not less than the period specified against them:

| | Description of records | Period of Preservation Years |
|-----|---|------------------------------|
| (1) | Annual Establishment Returns (Book of Establishment). | ... 35 years. |
| (2) | Register of contingent expenditure | ... 5 " |
| (3) | Detailed budget estimate of an office | ... 5 " |
| (4) | | ... 3 " |

| | | |
|--|--|---|
| | Travelling allowance bills and acquittance rolls relatingthereto | |
| (5) | Service books | 5 years after death or retirement ... whichever is earlier. |
| (6) | Leave accounts of non-gazetted Government Servants | ... 3 years after death or retirement. |
| (7) [[Substituted by C.S. No. 6 dated 12.8.1957.] | Pension cases | 7 years after retirement/death in ... service of the Governmentservants as the case may be, in all cases.] |
| (8) [[Substituted by C.S. No. 6 dated 12.8.1957.] | Nomination papers under the Liberalised Pension Rules whetherthese relates to Gazetted or non-Gazetted Government Servant: | |
| | (a) If the gratuity and/or family pension are paid to minors. | ... 30 years. |
| | (b) To other than minors- | |
| | (i) If not in accordance with theorder in which nomination have been made. | ... 30 years. |
| | (ii) If in accordance with theorder in which nomination has been made. | 6 years after the payment of gratuity ... or the last instalmentof the family pension.] |
| (9) | Statement of monthly progressive expenditure andcorrespondence relating to discrepancy in the figures | ... 2 years. |
| (10) | Pay-bills, and acquittance rolls where these are maintainedseparately, of Government servants for whom no establishmentreturns are submitted or no service books or service rolls aremaintained. | ... 35 years. |
| (11) | Pay-bills of other classes of Government servants andacquittance rolls for pay and allowance (other than travellingallowances) when maintained separately (see notes 1 and 2 below). | ... 6 years. |
| (12) | Muster rolls | Such period as may be prescribed in this behalf in thedepartmental ... regulations subject to a minimum of three accountyears excluding the year of payment. |
| (13) | Cash-book | [20 years.] [Substituted by C.S. No. 19 dated 9.5.1958.] |

Note 1. - Before any pay-bills are destroyed the periods of temporary and officiating service, as recorded in the service books or service rolls (as the case may be) of the Government servant concerned, should be verified by the head of the office from the pay bill and the fact of such verification should be recorded under proper attestation in the service books or service rolls (as the case may be). In regard to temporary and officiating service, the head of the office should also invariably give necessary particulars with reference to Rules 63 and 64 of the Bihar Pension Rules, with a view to enable the Audit Office to decide later on by reference merely to such particulars whether the temporary or officiating service will qualify for pension or not. For example, in the case of officiating service the nature of the vacancy in which the Government servant officiated and in the case of temporary service whether the temporary post was subsequently made permanent, should be stated.

Note 2. - The periods of preservation of account records in Public Works Offices are prescribed separately by Government.

(c) Where a minimum period after which any record may be destroyed has been prescribed, the head of a department or any other authority empowered to do so, may order in writing the destruction of such record in their own and subordinate offices on the expiry of that period counting from the last day of the latest official year covered by the record.

(d) Heads of departments are competent to sanction the destruction of such other records in their own and subordinate offices as may be considered useless, but a list of such records as properly appertain to the accounts audited by the Indian Audit Department should be forwarded to the Accountant General for his concurrence in their destruction before the destruction is ordered by the head of department.

(e) Full details should be maintained permanently in each office, of all records destroyed from time to time.

Chapter 3

Revenue and Receipts

Section I General

37.

Subject to any special arrangement that may be authorised by competent authority with respect to any particular class of receipts it is the duty of the departmental controlling officers to see that all sums due to Government are regularly and promptly assessed, realised and duly credited in the Public Account. They should accordingly arrange to obtain from their subordinates monthly accounts and returns in suitable form claiming credit for so much paid into the treasury or otherwise accounted for and compare them with the statements of treasury credits furnished by the Accountant General to see that the amounts reported as collected have been duly credited in the Public Account. If wrong credits thus come to the notice of the controlling officer, he should at once inform the Accountant General, with a view to the correction of the accounts. If any credits are claimed but not found in the accounts, enquiries should be made first of the responsible departmental officer concerned.

Note 1. - For this purpose, the Accountant General will send to the departmental controlling officer, an extract from his accounts showing the amounts brought to credit in them in each month.

Note 2. - It is essential that the departmental accounts of revenue should not be compiled from the returns prepared by the treasury. But the Treasury Officer may be

required, where necessary to verify the returns prepared for submission to the departmental controlling authority. Note 3. - In order to minimise the difference between the treasury figures and the departmental figures, it is essential that the challan with which money is remitted to the treasury should bear full and correct accounts classification.

38.

Detailed rules and procedure regarding assessment, collection, remission etc., of revenue should be laid down in the departmental regulations of the revenue and collecting departments concerned. Note 1. - In departments in which officers are required to receive moneys on behalf of Government and issue receipts therefor, in T.C. Form 7 of the Bihar Treasury Code, the departmental regulations should prescribe the procedure rules for the maintenance of a proper account of the receipt, and issue of the receipt book, the number of receipt books to be issued at a time to each officer and check with the officer's accounts of the used books when returned. Note 2. - Receipts of the Public Works Department in the prescribed form can be issued only by Divisional Officers, sub-divisional officers, ziladars and other Government servants specially authorised by the State Government. Receipt books should be obtained from the head treasury of the district concerned and the books should be examined carefully to see that the number of forms contained in each is intact and a certificate of count recorded on the fly leaf. Counterfoils of used receipt books should be returned promptly to the divisional officer, for record. Note 3. - A list of officers other than Divisional Officers, sub-divisional officers and ziladars who have been specially authorised by the State Government from time to time to issue such money receipts is noted below - (1) All divisional accountants of the Public Works Department (including Public Health Engineering Department), and Irrigation and Electricity Department during the absence of the Executive Engineers from headquarters are authorised (i) to grant receipts for cash upto the limit of Rs. 100 for each receipt (ii) to make urgent petty payments up to Rs. 50 for one payment-cash payment to contractor being prohibited. (2) All Sub-divisional cashiers and clerks of the Public Works Department (including Public Health Engineering Department) and Irrigation and Electricity Department, who have furnished security during the absence of the Sub-divisional Officer from headquarters up to Rs. 20. (3) All [Sectional Officers] [Substituted by C.S. No. 24 dated 5.6.1958.] of the Public Works Department (including Public Health Engineering Department) and Irrigation and Electricity Department upto Rs. 50.

39.

No amount due to Government should be left outstanding without sufficient reason, and where any dues appears to be irrecoverable the orders of competent authority for their adjustment must be sought.

40.

Unless specially authorised by any rule or order made by competent authority, no sums may be credited as revenue by debit to a suspense head : the credit must follow and not precede actual realisation.

41.

Heads of department in charge of important sources of revenue should keep the Finance Department fully informed of the progress of collection of revenue under their control and of all important variations in such collections as compared with the budget estimates. Revenue Receipts of the Public Works Department

42.

Public works revenue is assessed and realised in accordance with the following rules:-(a) Divisional Officer of the Public Works Department are responsible that demands are made as revenue falls due, that steps are taken with a view to effect prompt realization of all revenues, regular or occasional and that proper records are kept to show, in respect of all items of revenue, recurring or non-recurring, the assessments made, the progress of recovery and the outstanding debts due to Government. (1) The object of this Rule is that all classes of revenue whether accruing from property of any kind, from leases of rights and concessions (e.g. right from fishing, grazing, etc. and use of water-power, or from any other source are properly watched. (2) A register of miscellaneous properties should be maintained for this purpose in each subdivision in F.R. Form I, in order that no item of revenue is lost sight of. This register should be submitted to the divisional office monthly and also at the time of the audit inspection. If, however, the registers cannot be spared by the sub-divisional officers in any particular month (e.g., in the month in which gross sales have to be conducted) they should be sent to the Divisional office as soon as the sales are over. On the first page of the register there should be clear information available to show :-(1) that the register is signed by the sub-divisional officer every month, whether there are transactions during the month or not; (2) when the register is sent to the Divisional Office; and (3) when it is received back in the sub-divisional office. When there are no transactions in a month, the register need not be submitted by the sub-divisional officer to the Divisional Office. The reason for the non-submission should be recorded in the register against the month under the signature of the sub-divisional officer and the fact intimated to the Divisional Office. (b) The recovery of all debts due to Government should receive the special attention of the Divisional Officer, and no debt should be remitted or written off except under the orders of competent authority. Irrigation Revenue Collected in the Civil Department

43.

When revenue from irrigation and navigation works, etc. is realized in the civil department, the Divisional Officer should receive from the Collector a monthly statement of the amounts realized, to enable him to watch the progress of recovery against demands or assessments.

44.

The Divisional Officer should also submit to the Accountant General a half-yearly statement showing, separately for each civil district the monthly realizations, as compared with assessments, in respect of each canal or other works. Section II Special Rules for Particular Classes of

Receipts Rents of Government Buildings, Lands, etc.

45.

The detailed rules and procedure regarding the demand and recovery of rents of Government buildings and lands are contained in the departmental regulations of the departments in charge of those buildings. Some of the general rules on the subject are given in the following rules in the Section. When the maintenance of any rentable building is entrusted to a civil department other than the Public Works Department, the head of the department concerned will be responsible for the due recovery of the rents thereof. The procedure for the assessment and recovery of the rents of such buildings will be regulated generally by the rules applicable to residences under the direct charge of the Public Works Department. Recoveries of Rent on Buildings and Lands

46.

(a) When a public building, land or other property is let to a person not in the service of Government, the full assessed rent must be recovered in advance. (b) The recovery of rents from Government servants occupying rentable buildings in charge of the department may be made either in cash or by deduction from their pay-bills through the Treasury Officer or other disbursing officers concerned, as may be directed by the State Government. Note 1. - The system of direct recovery in cash from employees of other divisions and departments is ordinarily not suitable when the rent recoverable is dependent upon the rate of pay of the occupant. Note 2. - The method of recovery of house rents and taxes from the pay bills of Government servants occupying Government buildings is explained in rule 299 of the Bihar Treasury Code.

47.

A tenant, who is in receipt of a pension from Government should be treated as a private individual for the purpose of these rules. But if he desires to make payments by deductions from his pension, recoveries from him may be made through the Treasury Officer or other disbursing officer concerned on the pensioner furnishing the Divisional Officer with a written request authorizing such deduction. This authority should be transmitted to the treasury or disbursing officer with the first demand.

48.

Where rent is recoverable in cash, a bill in suitable form should be sent to the tenant on or before the last day of each month. The tenant should be required to pay in the rent before the expiry of the following month.

49.

If a Government servant vacates his quarter before the last day of a month, owing to his departure on transfer, leave or retirement, the demand for the rent for the broken period should be made at once in order that the amount may be entered in the last pay certificate in the case of Government servants transferred within the same audit circle or proceeding on leave in India. In cases, in which a Government servant is paid up to the day of giving over charge, i.e., when retiring, proceeding to another audit circle, taking leave out of India, the Treasury Officer should take steps to see that the rent for the broken period is deducted from the Government servant's last pay bill which is pre-audited by the Accountant General.

50.

Except as provided in Rule 51, pending orders on a representation against the Divisional Officer's assessment, the amount assessed must be paid by tenants on demand. Should the representation prove successful, the excess amount charged should be adjusted as soon as orders are issued, by reduction in the assessment of a subsequent month or, if this is not practicable or convenient by an actual repayment. Note. - The recoveries of rents of non-Public Works Residences should be regulated generally by the rules applicable to Public Works residences.

51.

When a rent demand purports to have accrued more than three months before the date on which the pay bill from which it is proposed to recover it becomes due for payment, the Divisional Officer should give full particulars to the Government servant, concerned direct or through the head of the office according as he is a gazetted or a non-gazetted Government servant with a formal intimation that he will be allowed one month in which to make any representation against enforcement of the claim, failing which amount will be recovered under Rule 229 of the Bihar Treasury Code. On receipt of notice that a representation has been made against the recovery of the whole or any portion of the amount claimed, the Divisional Officer shall take no steps for recovery of that amount until orders have been passed on the representation by a competent authority. Fines

52.

It is the duty of every Court or authority having the power to fine, to see that the money realised reaches the treasury and that adequate precautions are taken against double refunds of fines or refund of fines not actually paid into the treasury.

53.

The duty of realizing fines and of checking the receipts and refunds rests with the departmental officer. Each court, civil or criminal, is required to submit to the District Judge or to the District Magistrate, as the case may be, on the last working day of each calendar month, a statement in a

form showing the demand, collection and balance of fines levied and written off by it as well as of the refunds therefrom, the statement being made up for the account month of the treasury or sub-treasury with which the court deals. The District Judge and District Magistrate should each consolidate these returns into a monthly fines statement for the courts under him and for his own and forward it to the Treasury Officer, as soon as possible after the beginning of the month, for verification of the amounts shown as remitted into the treasury with the credit appearing in the treasury account. The Treasury Officer should certify to the correctness or otherwise of these amounts. Where there is any discrepancy between a consolidated statement and the treasury account, the Treasury Officer may if necessary, before giving his certificate, request the District Judge or the District Magistrate as the case may be, to explain the discrepancy. Note 1. - The statement should exhibit the amounts under each head of accounts, e.g. Magisterial fines, fines under the Prevention of Cruelty to Animals Act, etc. separately. Compensation fines due to an injured party which are creditable to deposits and fines which under the orders of competent authority are creditable to a municipal or local fund, should be excluded from this statement. Note 2. - When fines are received in another district, an intimation should be given by the recovering officer to the officer concerned, who should note the fact in his monthly fine statement. Convict Charges Recoverable from other States

54.

Where other States are responsible for the cost of maintenance of convicts imprisoned in Bihar jails for offences committed in such States, the jail officials should communicate to the Accountant General any amount recoverable on this account and the Accountant General will then see to its due recovery. Miscellaneous Demands

55.

Realisation of miscellaneous demands of Government not falling under the ordinary revenue administration will be watched by the Accountant General. Such are payments due from other States, local funds, contractors and others towards establishment charges etc. Section III Remissions of and abandonment of Claims to Revenue

56.

The sanction of the competent authority is necessary for the remission of, and abandonment of claims to revenue. Note. - The powers of subordinate authorities to sanction the write off of loss of revenue are indicated in Compendium of Financial Delegations.

57.

Heads of department should submit annually on the first of June to the Accountant-General statements showing the remissions of revenue and abandonment of claims to revenue sanctioned during the preceding year by competent authorities in exercise of the discretionary powers vested in

them otherwise than by law or rule having the force of law. For inclusion in these statements remissions and abandonments should be classified broadly with reference to the grounds on which they were sanctioned and a total figure should be given for each class. A brief explanation of the circumstances leading to the remission should be added in the case of each class. Subject to any general or special orders issued by Government, individual remissions below Rs. 100 need not be included in the statement. Note. - The State Government may make rules in consultation with the Accountant General defining remissions and abandonments of revenues for the purposes of this Rule. Section IV Audit of Receipts

58.

When the audit of the receipts or of stores and stock accounts of any department of Government is entrusted to the Comptroller and Auditor General under the provision of paragraph 13(2) of the Government of India (Audit and Accounts) Order, 1936, it will be conducted in accordance with the regulations reproduced in Appendix 3.

Chapter 4

Powers of sanction

Section I General

59.

The more important of the powers to sanction expenditure, which are exercised by Heads of Departments and other officers, are detailed in the Compendium of Financial Delegations.

60.

The financial powers of the State Government, which have not been delegated to any other department or authority vest in the Finance Department.

61.

Unless otherwise provided by any special rule or order of Government, a higher authority may exercise the powers delegated to an authority subordinate to it. Section II Powers in Regard to Certain Special Matters Grants of Land, Assignments of Revenue and Other Concessions, etc.

62.

No department or authority may, without previous consent of the Finance Department issue any orders (other than orders in pursuance of general delegation made by or with the approval of the Finance Department which-(i) involve any grant of land, or assignment of revenue, or concession

grant, lease, or licence of mineral or forest rights, or right to water, power, or any easement or privilege in respect of such concessions; or(ii)in any way involve any relinquishment of revenue.Note. - The powers to execute instrument are governed by the orders given in Appendix I. (Execution of deeds, contracts, and other instruments and other departmental and local orders on the subject.[See also Rule 10 of the Rules of Executive Business, Bihar.]Write-off of Losses

63.

(a)The irrecoverable value of stores or public money lost by fraud or the negligence of individuals or other causes may be written off finally by Government.Where public money or stores are lost through culpable negligence of any Government servant, Government will not agree to write off the loss without a definite expression of the opinion of the departmental authorities concerned regarding the desirability of recovering the whole or part of the loss from the Government servant or Government servants through whose negligence the loss occurred. Any proposal to remit part or whole of the sum lost in such cases must be supported by full reasons and will require the special orders of the State Government.Heads of Departments or other subordinate authorities have power to write off losses in accordance with the orders of delegation passed in this behalf subject, to the conditions-(1)that the loss does not disclose a defect of system the amendment of which requires the orders of Government; and(2)that there has not been any serious negligence on the part of some individual Government servant or Government servants which might possibly call for disciplinary action requiring the orders of higher authority.(b)All sanctions to write off should be communicated to the Accountant-General, Bihar, for scrutiny in each case and for bringing to notice any defect of system which appears to require attention.[See also Appendix 2][Note 1. - This Rule applies also to irrecoverable advances and losses of revenue.] [Substituted by C.S. No. 33 dated 4.4.1959.][Note 2. - Write off of Civil Court decrees will continue to be regulated by Rule 109 of Chapter VI of the Bihar Practice and Procedure Manual.] [Inserted by C.S. No. 48 dated 12.4.1961.]Note 3. - The delegations made under first paragraph of this Rule will be found in the Compendium of Financial Delegations.

64.

The orders contained in the preceding Rule do not apply to loss of cash in treasuries, whether in the course of remittance or out of treasury balance, small coin depot or currency chest. Individual cases of such losses should be reported to the Finance Department and its specific approval obtained before any item can be written off in the accounts of the State Government.Note 1. - The Government of India have decided with concurrence of the State Government and the Comptroller and Auditor General, that, in general, losses sustained by the Union Government through the negligence or culpability of the staff paid by the State Government, and vice versa, should be borne as they occur i.e., by the Union Government, if the loss occurs in connection with Central transactions and by the State Government, if it is on account of State transaction.In cases where recoveries are made in cash, e.g., by deductions from pay or otherwise, from the persons responsible for a loss, the entire amount recovered should be credited to the Government which, under the above arrangement, would bear the loss for this purpose. Recoveries made indirectly e.g., by stoppage of increment or promotion as a measure of punishment, should not be treated as recoveries made in cash. Where the staff is paid for by one Government and the loss is borne by

another Government a copy of the orders regarding the action taken against the persons responsible for the loss should be communicated by the former to the later.[Note 2. - As soon as a loss on account of withdrawal of money from treasury connected with the Defence Service Payments, comes to light, the Civil authorities will carryout the necessary investigation under their own procedure and communicate the result thereof, together with their findings and orders regarding action taken against the official responsible for the loss to the concerned administrative authority of Defence Service under intimation to the Controller of Defence Accounts concerned for the preparation of loss statements and its submission to the competent financial authority for regularisation.] [Inserted by C.S. No. 38 dated 28.4.1950.]Remission of Disallowances by Audit and Writing off of over-payments made to Government Servants

65.

The State Government may waive the recovery of an amount placed under objection by the Accountant General or otherwise found to have been overpaid to a Government servant if-(i)the amount disallowed has been drawn by the Government servant concerned under a reasonable belief that he was entitled to it;(ii)the enforcement of recovery will, in the opinion of the State Government, cause undue hardship, or it will be physically impossible to effect the recovery; and(iii)in the case of disallowance of emoluments of the nature of pay as defined in Bihar Service Code, Rule 34 made within one year of the date of payment:-(1)the Government servant is not in receipt of pay exceeding Rs. 12,000 a year or, in the case of others the over-drawal has not the effect of raising the Government servant's pay beyond Rs. 12,000 in any year,and(2)the over-drawal has not been occasioned by delay in notifying a promotion or reversion.[Note. - If an amount due from a person has to be written off on the ground that he/she is no longer in Government service and no recovery is, therefore possible, the orders sanctioning write off should invariably contain a clause that any sums which may be subsequently found due to the person concerned shall be adjusted against the amount written off.] [Inserted by C.S. No. 37 dated 28.4.1950.]

66.

All sanctions to foregoing recovery under the foregoing Rule should be communicated to the Accountant-General.Section IIICommunication of Sanction

67.

Financial sanctions and orders of competent authorities under these or any other authorised Rules, e.g., the Fundamental Rules, Supplementary Rules, the Bihar Service Code, the Bihar Pension Rules, the Bihar Travelling Allowance Rules, Bihar Treasury Code, the Bihar General Provident Funds Rules, the Bihar Contributory Provident Fund Rules, the Public Works Department Code, the Public Works Account Code, etc., will be communicated to the Accountant-General in accordance with the procedure set out below :-(i)All financial sanctions and orders issued by a department within its own financial powers as a department of the State Government will be communicated direct to the Accountant-General by department, concerned. All other orders involving financial sanctions which may be issued by departments of the State Government after consultation with the Finance

Department i.e., sanction beyond their financial powers will be communicated to the Accountant General through the Finance Department.(ii)Sanction and orders of any other authority to which the power of sanction has been delegated will be communicated to the Accountant-General by that authority.(iii)In cases referred to in clause (i) above, if an order sanctioning expenditure is sent to the Accountant-General direct by a Department of Government and that Department is not competent to sanction the expenditure, the Accountant-General will not act upon it but will report to the Finance Department, that such an order has been issued and will simultaneously request the Administrative Department concerned that the order may be communicated to him through the Finance Department as soon as possible.(iv)If an order or sanction has been issued with the concurrence of the Accountant-General the fact should be mentioned in the endorsement to the Accountant-General.(v)In all orders conveying sanctions to expenditure of a definite amount or up to a specified limit the amount of sanction should always be expressed both in words and in figures.(vi)All letters or orders conveying sanctions to expenditure, appointments, etc. must be signed by an authorised Gazetted Government servant.Note. - In cases in which the documents relating to any sanction of order are deemed secret, the Accountant-General will accept a statement of fact signed by a Secretary to Government in lieu of those documents.

68.

All letters or memoranda conveying sanction to the grant of additions to pay such as special pay and compensatory allowance, should contain a brief but clear summary of the reasons for the grant of the additions so as to enable the Accountant-General to see that it is correctly classified as special pay or compensatory allowance, as the case may be. In cases in which an official record in an open letter is considered undesirable, the reasons for the grant of such additions to pay should be communicated confidentially to the Accountant-General. A similar procedure should also be followed in all other cases in which the rules require that the reasons for the grant of special concessions or allowances should be recorded.

69.

Sanctions accorded by Government to grants of land and alienations of land revenue, other than those in which assignments of land revenue are treated as cash payments, should be communicated to the Accountant-General in a consolidated monthly return giving the details necessary for enabling the Audit Officer to audit the sanctions accorded.

70.

When proposals for a new scheme or a new service not contemplated in the budget are placed at a meeting of the Council of Ministers, details should be furnished showing the nature and condition of the scheme.To enable the Accountant-General to compare the details and conditions with those enumerated by the sanctioning authority in its subsequent orders of sanction, the Accountant General should be supplied when the sanction is conveyed to him under Rule 67, with relevant extracts from the proceedings of the meeting of the Council of Ministers.Section IVIndication of the Source of Appropriations in the Sanction to Expenditure

71.

In all applications for sanction to expenditure it should be distinctly stated whether provision for the proposed charge has, or has not, been made, in the budget estimates of the year, and, if it has not been made, whether the funds can be found by valid re-appropriation.

72.

Authorities which sanction new expenditure after funds have been communicated, should be careful to indicate the source of appropriation. Where it is desired to sanction expenditure before funds have been communicated as may be necessary in order to avoid delay in starting work at the beginning of a new financial year or to prevent duplication of orders, the authority which does so should be careful to add the words "Subject to funds being communicated in the budget of the year". Note. - Vague expression such as, "Subject to budget provision" should be carefully avoided in conveying sanction to expenditure. Section V Date of Effect of Sanction

73.

Unless otherwise specially provided in the orders or rules themselves, the executive orders of Government should take effect from the date of issue of the despatch, letter or telegram in which sanction is conveyed, and statutory rules from the date on which they were passed. Similarly sanctions of subordinate authorities will have effect from the date of the orders conveying them. The general principle in all such cases should be - Sanction to any given expenditure becomes operative as soon as funds have been appropriated to meet the expenditure, and does not become operative until funds have been so appropriated. Sanction to recurring expenditure covering a specified term of years becomes operative when funds are appropriated to meet the expenditure of the first year, and remains in operation for each year of the specified term subject to appropriation in such year. Section VI Retrospective Sanction

74.

All authorities which are competent to sanction revision of pay or the grant of concessions to Government servants should bear in mind that retrospective effect should not be given to financial sanctions, except in exceptional circumstances, without the special approval of Government. Section VII Lapse of Sanction

75.

A sanction for any fresh charge which has not been acted on for a year must be held to have lapsed, unless it is specifically renewed with necessary provision in the budget estimates. Note 1. - This Rule does not apply to a case where an allowance sanctioned for a post or a class of Government servants has not been drawn by a particular incumbent of the post or a particular set of Government servants nor does it apply to additions made gradually from year to year to a permanent establishment under

a general scheme which has been sanctioned by proper authority.[Note 2. - The portion of one year should be calculated from the date of issue of the sanction and the sanction should be considered to have been acted on if payment in whole or in part, has been made in pursuance of the sanction within twelve months from the date of its issue. In cases in which part payment has been made within the stipulated period, the subsequent payment of the balance may subject to the existence of budget provision be made without a fresh expenditure sanction. The bill for the subsequent payment, besides containing a reference to the expenditure sanction, should also contain a reference to the number and date of of the voucher under which the first payment was made.] [Inserted by C.S. No. 4 dated 5.8.1957.][Note 3. - When there is a specific provision in a sanction for any fresh charge that the expenditure would be met from the Budget provision of a specified year, such sanction will lapse on the expiry of the specified financial year.] [Inserted by C.S. No. 31 dated 4.4.1959.]

76.

An order of the Government of India, in the absence of any indication to the contrary in the order itself, will lapse only if and when it is superseded by an order of a latter date. Section VII Special Rule for Works Expenditure

77.

The sanction to an estimate for a public work will ordinarily cease to operate after a period of five years from the date upon which it was accorded, but the acceptance by competent authority of a budget estimate which includes specified provision for expenditure upon a work which is in progress may be regarded as reviving, for the year in which the provision is made, the sanction to the estimate.

Chapter 5 Budget

Responsibility for the preparations of the Budget Estimates

78.

The responsibility for the preparation of the statement of estimated revenue and expenditure under Article 202 of the Constitution of India, which is laid before the legislature in each year, as well as any supplementary estimates or demands for extra grants, lies with the Finance Department. The material on which such estimates are based is obtained by that department from the departments concerned, which are responsible for the correctness of the material itself. The Accountant-General is, however, responsible for rendering such assistance in the preparation of the budget estimates as may be settled in consultation with the Finance Department, and is bound to supply any information in connection with budget estimates which he is in a position to furnish, and to offer any opinion or advice in connection therewith which may be required by Government. The Heads of

Department and other subordinate authorities are responsible for the submission of correct detailed estimates punctually on the date fixed by the Finance Department.

79.

Detailed rules regulating the procedure for preparation of budget estimates are embodied in the Bihar Budget Manual, separately published. Rules for control of expenditure and for sanction of re-appropriations will be found in Chapter 16 of these Rules.

Chapter 6

Establishment

Section I Alterations of Establishment

80.

No permanent post under Government can be created without the sanction of Government. In respect of temporary posts powers have been delegated to Departments of Government and certain Heads of Department and other subordinate authorities within specified limits. These powers are generally embodied in the Compendium of Financial Delegations. All proposals for additions to establishment, whether permanent or temporary, or for any increase in the emoluments of existing post should be scrutinised with the greatest care by Heads of Departments and other authorities concerned. In submitting such proposals, the instructions contained in the following Rules should be carefully observed.

81.

When the entertainment of a new establishment or a change, temporary or permanent, is proposed in an office, a letter fully explaining the proposals and the conditions which have given rise to them, together with the proposition statement, if necessary under Rule 83 should be submitted to the competent authority. In this letter should be set out inter alia-(i) the present cost, either of the Section or Sections affected, or of the total establishment as the circumstances of the case may indicate to be necessary; (ii) details of the pay of the post or posts and the number of posts which it is proposed to add or modify; and (iii) as accurate an estimate as possible of the extra cost involved. Note 1. - In determining the extra cost, allowance, whether fixed or variable, should be included. Note 2. - The authorities submitted the proposal should take into account any claim to pension that may arise in consequence of their proposal with reference to Rule 113 of the Bihar Pension Rules and certify to that their having done so in their proposals.

82.

If the expenditure is proposed to be incurred in the current year, the proposals should show clearly

whether it can be met within the grant or appropriation of the year. If the expenditure can be met by re-appropriation, a re-appropriation statement prescribed in Rule 494 should be submitted with the proposals.

83.

Whenever any large scale or complicated proposals are made, for the revision of existing or the creation of new establishments, the letter explaining the proposals should be accompanied by a proposition statement in duplicate in F.R. Form 2 and submitted through the Accountant-General who will verify the correctness of the statement.

84.

The details to be shown in proposition statements should be determined by the following principles :- (i) The proposition statement should relate strictly to the section or part of the office affected by the proposals. As regards the other parts or sections of the office, neither details nor figures of total cost need be included. (ii) Where a sanction consists of both inferior and superior servants, details need be given only of the class affected if a saving of labour will result from the adoption of the procedure. (iii) Where the pay of any post existing or proposed rises from a minimum to a maximum by periodical increments, the average monthly cost and not the actual or commencing cost must be given. The average monthly cost for the purpose of this Rule should be calculated in accordance with one or other of the following four formulae. Formula (1) should be used in the case of Gazetted appointments and formula (2) in the case of non-gazetted appointments. In cases where one grade is the channel of promotion to another grade, that is to say, where everybody in the first grade is ultimately promoted to the second grade, formula (3) may be adopted to find the average cost of appointments in the first grade. The use of formula (4) should be restricted to cases involving an elaborate scale, consisting of two or more sections with efficiency bars at one or more stages. Formula 1

$$\text{Average pay} = \frac{A + B}{2} + \frac{(B - A)^2}{[1 - (R + 1)]} \left\{ \frac{0.14}{2} + \frac{1 - .01RF - E}{2} \right\}$$

Formula 2

$$\text{Average pay} = \frac{A + B}{2} + \frac{(B - A)^2}{[1 - (R + 1)]} \left\{ \frac{0.21}{2} + \frac{1 - .015RF - E}{2} \right\}$$

In the formulae (1) and (2) A = minimum pay. B = maximum pay. R = period of rise. E = average age at entry in the grade, and F = average age at retirement on superannuation pension. This may be taken to be 55 in almost every case unless there are special reasons to take it either at a lower or higher figure. Formula 3

$$\text{Average pay} = \frac{A + C}{2} + \frac{(C - A)^2}{[1 - (S + 1)]} \left\{ \frac{.006}{2} + \frac{1 - .004SG - E}{2} \right\}$$

In formula (3) A - minimum pay. C - pay just before promotion to the second grade. S - period of rise from A to C. E - average age at entry in the first grade, and G - average age at the time of promotion to the second grade. Formula 4 Average pay = $\frac{1}{2}(A + W_1B_1 + W_2B_2 + X_1C_1 + X_2C_2)$. Where A = the initial pay of the scale, B₁ B₂ = the maximum pay of the different sections of the scale such as the ordinary scales, the scale for passed clerks, W₁ W₂ = the proportion of the establishment which would normally reach the maxima of B₁ B₂ respectively, C₁, C₂ = the pay at the different efficiency

bars, and X_2 , X_2 = the proportion of the establishment which would normally be detained at C_1 C_2 respectively. (iv) The fixed allowances referred to in note 1 below Rule 81 should be entered in the proposition statement but the variable allowances need not be included therein. Section II Variation in Sanctioned Pay of a Post

85.

The head of an office is not at liberty to re-adjust the pay of Government servants by giving one Government servant more and another less than the sanctioned pay of his post, nor may he distribute the pay of an absentee otherwise than as provided in the Rules governing the service to which the Government servant belongs. But in the case of non-gazetted establishment divided into separate units or cadres carrying different scales of pay there is no objection to excess appointments made in a lower unit or cadre, against an equal or greater number of vacancies left unfilled in the higher. Section III Transfer of Office

86.

Every transfer of charge of a Gazetted Government servant should be reported by post on the same day to the Accountant-General. The report should be made in F.R. Form 3 unless any other form has been duly authorised and should be signed both by the relieved and the relieving Government servant. [Copies of the report should simultaneously be sent to the Treasury or Sub-treasury where the officer draws his pay and to the head of the department or other controlling authority concerned.] [Substituted by C.S. No. 8 dated 24.1.1957.]

87.

In cases in which the transfer of charge involves assumption of responsibility for cash, stores, etc., the following instructions should be observed :-(i) The cash book or imprest account should be closed on the date of transfer and a note recorded in it over the signature of both the relieved and the relieving Government servant, showing the cash and imprest balances, and the number of unused cheques, if any, made over and received by them respectively. (ii) The relieving Government servant in reporting that the transfer has been completed should bring to notice anything irregular or objectionable in the conduct of business that may have come officially to his notice. He should examine the accounts, count the cash, inspect the stores, count, weigh and measure certain selected articles in order to test the accuracy of the returns. He should also describe the state of the account records. (iii) In the case of any sudden casualty occurring or any emergent necessity arising for a Government servant to quit his charge the next senior Government servant of the department present will take charge. When the person who takes charge is not a Gazetted Government servant, he must at once report the circumstances to his nearest departmental superior, and obtain orders as to the cash in hand, if any. Note. - The special procedure to be followed when there is a 'change in the incumbency of independent charge of a treasury is laid down in Rule 48 of the Bihar Treasury Code. Section IV Special Rules for the Public Works Department

88.

The relieving Government servant will take up the expenditure of cash and stores from and for the first day of the month during which the relief took place, and submit the next monthly accounts in the same manner as if he has been in charge during the whole month. But the relieved Government servant remains responsible that a proper explanation is forthcoming for transactions during his incumbency.

89.

If the relieving Government servant fails to bring to notice within a reasonable period any deficiency or defect in work or 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.

90.

The receipts of cash and stores balances should be prepared by the relieved Government servant, but the relieving Government servant should note any instruction therein so that the Superintending Engineer or the Executive Engineer as the case may be, may pass such orders in respect of any deficient articles as may be necessary. A copy of the receipts may be given to the relieved Government servant, if desired by him.

91.

The relieving Government servant should then unless otherwise ordered proceed with the relieved Government servant to inspect the records, cash, stores, works and materials at site of works incharge of subordinates, but in the case of the transfer of a divisional charge, the relieved Government servant should accompany the relieving Government servant in inspection of the outstations only when so directed by the Superintending Engineer. The relieving Government servant should examine the accounts, count the cash, inspect the stores, and count, weigh and measure certain selected articles, in order to test the accuracy of the returns, and should minutely examine the work in progress as to their quality, and as to their accordance with the sanction, plans, and estimates; he should also record his opinion as to the correctness of accounts of materials at site.

92.

The relieved Government servant should further furnish the relieving Government servant with a complete statement of all unadjusted claims with the reasons for their not having been adjusted in due course and a report as to any complication likely to arise owing to their non-adjustment.

93.

The relieving Government servant, in reporting that the transfer has been completed should bring to notice anything irregular or objectionable in the conduct of business that may have come officially to his notice. In the case of the transfer of a divisional charge, he should describe the state of the records, cash, stores and works mentioning what outstations he has yet to inspect and when he proposes to visit each.

94.

The relieving Divisional Officer should mention specially in his transfer report whether the accounts may be considered fairly to represent the progress of the work.

95.

In the case of transfer of charges other than divisions and subdivisions, the Executive Engineer should issue instructions as to the works to be inspected jointly by the relieved and relieving Government servants.

96.

Every person newly appointed to a service or post under Government should at the time of the appointment declare the date of his birth by the Christian era with as far as possible confirmatory documentary evidence such as a Matriculation Certificate, Municipal Birth Certificate and so on. If the exact date is not known, an approximate date may be given. The actual date or the assumed date determined under Rule 97 should be recorded in the history of service, service book, or any other record that may be kept in respect of the Government servant's service under Government and once recorded, it cannot be altered, except in the case of a clerical error without the orders of the State Government. [Note 1. - No representation for rectification of mistake in the date of birth as entered in the records of service of a Government servant shall be entertained, if it is not submitted within a period of ten years of the date of his entry into Government service. Representation submitted thereafter will be summarily rejected by the authority competent to pass final orders under this Rule unless there are very exceptional cases to relax this time-limit.] [Inserted by C.S. No. 47 dated 23.1.1961.] Note 2. - Heads of departments are authorised to exercise this power in the case of non-Gazetted Government servants under their control.

97.

(1) If a Government servant is unable to state his exact date of birth but can state the year, or year and month of birth, the 1st July or the 16th of the month respectively, may be treated as the date of his birth. (2) If he is only able to state his approximate age, his date of birth may be assumed to be the corresponding date, after deducting the number of years representing his age from his date of appointment. (3) When a person who first entered Military employ is subsequently employed in a

civil department, under the State Government, the date of birth for the purpose of the civil employment should be the date stated by him at the time of attestation or if at the time of attestation he stated only his age, the date of birth should be deduced with reference to that age according to the method indicated in sub-paragraph (2) above. Note. - Cases in which the date of birth has been deduced from the age at appointment or attestation by any other method, need not be re-opened. Section VI Leave Applications

98.

Subject to any special rules or orders issued by the competent authority, all applications for leave should be submitted to the sanctioning authority concerned, on F.R. Form 4. Section VII Annual Returns of Non-Gazetted Establishments

99.

Early in [March] [Substituted by April vide C.S. No. 46. 3.12.1960.], each year, a detailed statement of the permanent establishment existing on the 1st [March] [Substituted by April vide C.S. No. 46. 3.12.1960.], should be prepared by each head of office and transmitted to the Accountant-General direct, as soon as possible, not later than the 15th May. The directions given by the Comptroller and Auditor-General with regard to the form, preparation and submission of those returns are contained in Appendix 4. Note. - The detailed statement should be prepared in two parts, one for permanent establishment including permanent and officiating incumbents of permanent posts and the other covering all temporary posts in existence on the first of [March] [Substituted by April vide C.S. No. 46. 3.12.1960.]. Section VIII Service Books

100.

Detailed Rules regarding maintenance of service books are contained in Rules 288 to 296 of the Bihar Service Code.

101.

(1) At a fixed time early in the year the service books should be taken up for verification by the head of the office [or by any senior Gazetted Officer under him] [Inserted by C.S. No. 18 dated 15.4.1958.] who after, satisfying himself that the services of the Government servant concerned are correctly recorded in each service book, should record in it a certificate in the following form over his signature : "Service verified up to (date) from (the record from which the verification is made)". Note. - The verification of service referred to above should be in respect of all service qualifying for pension whether permanent, provisional, temporary or officiating. (2) The head of the office in recording the annual certificate of verification should, in the case of any portion of service that cannot be verified from office records, distinctly state that for the excepted periods (naming them) a statement in writing by the Government servant, as well as a record of the evidence of his contemporaries, is attached to the book. When, however, a non-Gazetted Government servant is

transferred from one office to another the head of the office under whom he was originally employed should record [himself or authorise any senior Gazetted Officer under him to record in the service book under this signature the result of the verification of service, which reference to pay bills and acquittance rolls, in respect of the [whole period for which the Government servant concerned was paid in his office, was employed under him, before forwarding the service book to the office where the services are transferred.] [Inserted by C.S. No. 18 dated 15.4.1958.](3)When non-Gazetted Government servants are officiating in Gazetted Posts, their service books should be kept by the head of the office to which each such Government servant permanently belongs, but when they are confirmed in such posts, their service books should be forwarded to the Accountant-General's office for record.

102.

Service rolls for Government servants, when they are maintained under Rule 297 of the Bihar Service Code, should be taken up every year for verification of service and record of necessary certificate in the manner laid down in Rule 101.

103.

Detailed Rules regarding arrear claims are given in Rule 143 of the Bihar Treasury Code.

104.

Claims against Government, which are barred by time under the provisions contained in Section 3, read with the First Schedule of the Indian Limitation Act of 1908, or under any other provisions of law relating to limitation, should ordinarily be refused and no claim on account of such a time barred item should be paid without the sanction of Government. The onus is upon the claimant to establish a claim to special treatment for a time barred item, and it is the duty of the authority against which such a claim is made to refuse the claim until a case for other treatment is made out. All petty time barred claims are to be rejected forthwith and only important claims of this nature considered. It is the duty of the authority against which a claim is made to consider in the first instance the question of a time-bar before submitting it to the Accountant-General for the issue of authority for payment. The Accountant-General will refuse payment of all claims found to be time-barred until the sanction of Government has been obtained.

Chapter 7

Contingencies

Section I Introductory

105.

The Rules in this Chapter are supplementary to the general rules of procedure prescribed in Section V of Chapter V of the Bihar Treasury Code and have to be applied, where necessary, in conjunction with them.

106.

The orders relating to the supply of articles for the public service are contained in the Store Rules in Appendix 8; and miscellaneous rules regarding contingent expenditure on certain other objects are given in Annexure A to Appendix 5.

107.

Special Rules applicable to particular departments are contained in the Manuals, Code, etc., of the departments concerned.

108.

The different classes into which contingent charges incurred on the public service are divided, and conditions governing them, are laid down in Section V of Chapter V of the Bihar Treasury Code. The classification to be adopted in each department of office is regulated by general or special orders of Government. Note. - Contingent charges are to be recorded and treated in the accounts and charges of the month in which they are actually disbursed from treasury.

109.

Departments of Government exercise powers in respect of contingent charges of officers directly subordinate to them in accordance with any general or specific rule or orders, such as those contained in Annexure 'A' to Appendix 5, restricting their financial powers to sanction expenditure. Section II Powers of Subordinate Authorities to Sanction Contingent Charges

110.

(1) The financial powers of subordinate authorities to sanction contingent expenditure are regulated generally by the orders embodied in Annexure A to Appendix 5 and in the Compendium of Financial Delegations and by such other general or special orders as may be issued by Government in this behalf. Subject as aforesaid, the head of an office may incur or sanction expenditure on contingencies within the amount of appropriation placed at his disposal for the purpose, provided that - (i) in cases where any special rules, restrictions, limit or scale has been prescribed by competent authority regarding any particular item or class of contingent expenditure, it should be strictly observed. Note. - (i) Special rules, restrictions, etc., prescribed by the Government regarding individual items of contingencies are laid down in Annexure 'A' to Appendix 5. (ii) Contingent expenditure of an unusual

character or involving departure from any general or special rule or order made by Government should not be incurred, nor should any liability be undertaken in connection therewith, without the previous sanction of Government.(2)In respect of contract contingent charges for which a lump sum is placed annually at the disposal of a disbursing officer, no formal sanction will be required for expenditure incurred within the annual allotment, except in so far as the authority fixing the contract allotment issues directions to the contrary.(3)The head of an office may authorise any Gazetted Government servant serving under him to incur expenditure under sub-paragraph (1) above, subject to the conditions specified in Rule 148 of the Bihar Treasury Code.

111.

In the case of non-recurring contingencies the competent authority may, where this course is more convenient, accord sanction by signing or countersigning the bill or voucher, whether, before or after the money is drawn instead of by a separate sanction.

112.

Permanent 'advances' may be granted to officers who may have to make payments before they can place themselves in funds by drawing on the treasury. They are subject to the following rules :-(i)The amount of the advance will be fixed by Government, except in cases falling under clause (ii).(ii)Heads of department may sanction the grant of permanent advances for offices subordinate to them up to the amount advised as appropriate by the Accountant General subject to a limit of Rs. 500 for each office. Permanent advances exceeding Rs. 500 for any office subordinate to a head of a department and all permanent advances for offices of heads of departments must require sanction of the State Government.(iii)Applications for the grant or revision of a permanent advances must be submitted to the sanctioning authority through the Accountant General who will advise as to the appropriate amount of the advance. In cases falling under clause (ii) above, if there is any difference of opinion between the Accountant General and the sanctioning authority on this point, the matter should be referred for the orders of Government.Note. - The applications, for permanent advances should be accompanied by a statement showing month by month for the preceding twelve months the amounts of contingent bills cashed with classified details of items of expenditure.(iv)As these advances involve the permanent retention of money outside the treasury, they must not be larger than is absolutely essential.(v)These advances should not be multiplied unnecessarily. An officer's advance should meet the needs of every branch of his office. If he has subordinates who require petty sums, he should spare a small portion of his own advance for their use rather than apply for separate advances for them, taking acknowledgments from them in the same way as he himself furnishes acknowledgments to the Accountant General and retaining them in his office.(vi)The advance is intended to provide, on the responsibility of the officer entrusted with it, for emergent petty advances of all kinds, though it is seldom and they will be needed for other than contingent charges; thus, if an inferior servant is required to travel by rail, his fare must sometimes necessarily be advanced from his amount.(vii)The holder of a permanent advance is responsible for the safe custody of the money placed in this hands and he must at all times be ready to account for the total amount of the money.(viii)In the case of transfer of charges and yearly on the 15th April, each officer holding a permanent advance must send an acknowledgment to the Accountant General of the

amount due from and accountable for by himself as on the 31st March, preceding.[Note. - Advances made out of the permanent advance to inferior and other non-Gazetted Government servant for journey on tour, need not appear in the Government account. Travelling allowance bills may be made out for the full claims admissible as soon as the journeys are completed and any advances made out of the permanent advance may be recovered out of the accounts drawn from the treasury on such travelling allowances bills.] [Note I deleted & Note 2 made as 'Note' by C.S. No. 8 dated 2.12.1957.]Section IVControl of Contingent Expenditure

113.

For purposes of control and audit, Government will issue orders specifying the nature or object of contingent charges of particular disbursing officers which should be classed as countersigned contingent charges to be drawn and accounted for in accordance with the procedure prescribed in Rule 318 et seq of the Bihar Treasury Code. Expenditure incurred by a disbursing officer on objects classed as countersigned contingencies must come under the direct supervision and scrutiny of the head of the department or the controlling officer who will sign the detailed bills relating to them. Monthly detailed bills in respect of countersigned contingent charges incurred by each officer should be submitted to the controlling authority concerned for detailed scrutiny and transmission after countersignature to the Accountant General. Full details of such charges need not be entered in the abstract bills presented for payment at the treasury. A competent authority may in respect of specified items of countersigned contingent charges require the abstract contingent bills to be sent to the controlling authority for scrutiny and countersignature before it is presented for payment at the treasury. Note. - The provisions of this Rule do not apply to contingent charges of heads of departments and other controlling authorities, which will be drawn and accounted for in accordance with the procedure laid down in the following Rule.

114.

No detailed bills need be submitted to a higher authority for contingent charges which are not classed as countersigned contingencies; each bill presented at treasury should, therefore, contain full details of the expenditure, supported by necessary sub-vouchers for individual payments included in the bill.

115.

The duties and responsibilities of disbursing and controlling officers with regard to contingent expenditure incurred on the public service are defined in Rules 305, 305A, 306, 306A of the Bihar Treasury Code. The head of each department should issue such subsidiary instructions as may be necessary for the guidance of controlling and disbursing officers sub-ordinate to him.

116.

Detailed instructions as to the general procedure of control for the expenditure against

appropriation are contained in Chapter 16. The following special instructions are laid down for the control of contingent expenditure :-(i)Where the appropriation for contingent charges covers expenditure on a number of distinct and individually important objects or class of expenditure, such appropriation should be distributed by the controlling authority among the important items comprised in it. If some of the items are not important, those items taken as a whole may be treated as a single important item for this purpose. The expenditure on each important item should be watched and controlled separately against the allotment for it, especially when the charges are of a fluctuating nature. The contingent register prescribed in Rule 308 of the Bihar Treasury Code, should be so designed that this can be done conveniently.(ii)For countersigned contingencies the monthly detailed bills provide all the information required by the controlling authority for checking the expenditure against the appropriation, if, in any month, expenditure exceeds the monthly proportion of the appropriation for the year, the disbursing officer should send a report to the controlling authority along with the detailed bill, furnishing special reasons for incurring the excess expenditure.(iii)For non-countersigned contingencies, the controlling authority should get periodical statements from each disbursing officer (monthly or at least quarterly) of the progressive expenditure compared with the allotment under each item for which there is a specific appropriation or allotment. If the expenditure is progressing too rapidly, he should instruct the disbursing officer to curtail it to the necessary extent. He should also during his local inspections scrutinize the contingent registers of the offices under his control and satisfy himself generally that the charges are necessary and not excessive, the rates correct, the sanction obtained adequate, etc.

Section V Special Rules Relating to Particular Kinds of Contingencies Contract Contingencies

117.

When under any special order of competent authority a lump sum is placed annually at the disposal of a disbursing officer for expenditure on specified items of contingencies without further restrictions, the officer incurring expenditure against the lumpsum allotment should be held entirely responsible for the regularity of such expenditure, and for any expenditure in excess of such allotment until the excess is sanctioned by competent authority.

Contingencies Regulated by Scales

118.

Contingencies regulated by scales include such charges as liveries to inferior servants, rewards for destruction of wild animals, batta to witnesses and the like. The State Government may lay down conditions precedent to the application of the scale and may make it clear whether the bill must be countersigned before or after payment and what certificates, if any, should support the bill. It should be the duty of the controlling officer to see that the charges incurred are in accordance with the prescribed scales and the conditions which govern them.

Section VI Special Rules for Public Works Department When Cheques are drawn on Treasuries for Contingent Charges

119.

Payment should be made out of the regular cash or imprest balances of the division and not out of undisbursed balances of cash drawn from treasuries for payment of establishment charges. When

bills are drawn on Treasuries

120.

Payments made out of the cash drawn by bills from the treasury are subject to the rule in this chapter, in regard to the manner of authorising and making payment.

121.

Debits from other departments or State for supplies chargeable to contingencies, intimations of which may be received from the Accountant General, Bihar, should be dealt with in the manner indicated in Rule 326 of the Bihar Treasury Code, without being formally responded to in the accounts of the division. Other debits, of which intimations may be received direct through Advices of Transfer Debit, and stock and adjustment transactions arising within the division, should be cleared, by an entry in the regular accounts by debits to "the Accountant General's office on account of the contingencies of the division", the transaction being incorporated in due course in the contingent bill as laid down in the rule already quoted.

122.

The cash obtained for contingent charges should not be mixed up with the balances of cash obtained for other purposes. Section VII Expenditure for Other Officers

123.

The conditions under which a department of Government may make charges for services rendered or articles supplied by it and the procedure to be observed in dealing with such charges are laid down in the Comptroller and Auditor General's Account Code, Volume I, and in Rule 326 of the Bihar Treasury Code. When a Government servant makes purchases or incurs expenditure through a Government servant in another district the procedure indicated in Rule 329 of the Bihar Treasury Code, should generally be followed.

Chapter 8

[Procurement of Goods and Services] [Substituted by Bihar Finance (Amdt.) Rules, 2005. Published in Bihar Gazette (Ed. Ordinary) dated 11.11.2005.]

124. [[Substituted by Bihar Finance (Amdt.) Rules, 2005. Published in Bihar Gazette (Ed. Ordinary) dated 11.11.2005.]

This chapter contains the general Rules applicable to all Ministries or Departments, regarding

procurement of goods required for use in the public service. Detailed instructions relating to procurement of goods may be issued by the procuring departments broadly in conformity with the general Rules contained in this Chapter.]

125. Definition of goods.

- The term 'goods' used in this chapter includes all articles, material, commodities, livestock, furniture, fixtures, raw material, spares, instruments, machinery, equipment, industrial plant etc. purchased or otherwise acquired for the use of Government but excludes books, publications, periodicals, etc. for a library.

126. Fundamental principles of public buying.

- Every authority delegated with the financial powers of procuring goods in public interest shall have the responsibility and accountability to bring efficiency, economy, transparency in matters relating to public procurement and for fair and equitable treatment of suppliers and promotion of competition in public procurement. The procedure to be followed in making public procurement must conform to the following yardsticks :-(i)the specifications in terms of quality, type etc. as also quantity of goods to be procured, should be clearly spelt out keeping in view the specific needs of the procuring organisations. The specifications so worked out should meet the basic needs of the organisation without including superfluous and non-essential features, which may result in unwarranted expenditure. Care should also be taken to avoid purchasing quantities in excess of requirement to avoid inventory carrying costs;(ii)offers should be invited following a fair, transparent and reasonable procedure;(iii)the procuring authority should be satisfied that the selected offer adequately meets the requirement in all respects;(iv)the procuring authority should satisfy itself that the price of the selected offer is reasonable and consistent with the quality required;(v)at each stage of procurement the concerned procuring authority must place on record, in precise terms, the considerations which weighed with it while taking the procurement decision.

127. Authorities competent to purchase goods.

- An authority which is competent to incur contingent expenditure may sanction the purchase of goods required for use in public service in accordance with Appendix 5, Compendium of Financial Delegations and Bihar Stationary Manual, following the general procedure contained in the following rules.

128. Powers for procurement of goods.

- The Departments have been delegated full powers to make their own arrangements for procurement of goods. In case however, a Department does not have the required expertise, it may purchase through the Central Purchase Organisation (e.g. DGS&D) or State Purchase Organisation with the approval of competent authority. The purchase shall be done on direct payment basis and not on book transfer basis.

129. Designation of State Purchase Organisation.

- State Government can designate one or more organizations as State Purchase Organisation for the procurement of any particular class of goods keeping in view the expertise developed or to be developed.

130. Rate Contract.

- The State Purchase Organisation shall conclude rate contracts with the registered suppliers, for goods and items of standard types, which are identified as common user items and are needed on recurring basis by various Departments. Definition of Registered suppliers is given in Rule 131 below. The State Purchase Organisation will furnish and update all the relevant details of the rate contracts in its web site. The Departments shall follow those rate contracts to the maximum extent possible on direct payment basis and not on book transfer basis.

131. Registration of Suppliers.

- (i) With a view to establishing reliable sources for procurement of goods commonly required for Government use, the State Purchase Organisation will prepare and maintain item-wise lists of eligible and capable suppliers. Such approved suppliers will be known as "Registered Suppliers". All Departments may utilise these lists as and when necessary. Such registered suppliers are prima facie eligible for consideration for procurement of goods through Limited Tender Enquiry. They are also ordinarily exempted from furnishing bid security along with their bids. A Head of Department may also register suppliers of goods which are specifically required by that Department or Office. (ii) Credentials, manufacturing capability, quality control systems, past performance, after-sales service, financial background etc. of the supplier(s) should be carefully verified before registration. (iii) The supplier(s) will be registered for a fixed period (between 1 to 3 years) depending on the nature of the goods. At the end of this period, the registered supplier(s) willing to continue with registration are to apply afresh for renewal of registration. New supplier(s) may also be considered for registration at any time, provided they fulfil all the required conditions. (iv) Performance and conduct of every registered supplier is to be watched by the concerned Department. The registered supplier(s) are liable to be removed from the list of approved suppliers if they fail to abide by the terms and conditions of the registration or fail to supply the goods on time or supply substandard goods or make any false declaration to any Government agency or for any ground which, in the opinion of the Government, is not in public interest.

131A. Enlistment of Indian Agents.

- As per the Compulsory Enlistment Scheme of the Department of Expenditure, Ministry of Finance, Government of India it is compulsory for Indian agents, who desire to quote directly on behalf of their foreign principals, to get themselves enlisted with the Central Purchase Organisation (eg. DGS & D). Such Indian agents will have to get themselves registered with State Purchase Organisation. However, such enlistment is not equivalent to registration of suppliers as mentioned under Rule 131

above.

131B. Price Preference and other concessions for public sector and state suppliers.

- A maximum of 2 (two) per cent price preference will be given to the goods produced by the large/medium industries (including Public Sector Undertakings) located and registered in the State over the goods produced by the large/medium industries located outside the State of Bihar. Similarly, 7 (seven) per cent price preference will be given to the goods produced by the small scale units located and permanently registered in the State of Bihar over the goods produced by the small/medium/large industries located outside the State. While giving price preference, no relaxation is to be made in terms of quality and specifications. The small scale units located in Bihar shall not be liable to deposit earnest money. They will have to deposit only 20 per cent of the general security amount, however, after receiving the purchase order, if they fail to supply the goods, without any appropriate reason, they will be blacklisted as per the procedure laid down.

131C. Purchase of goods without quotation.

- Purchase of goods upto the value of Rs. 15,000/- (Rupees Fifteen Thousand) only on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded by the competent authority in the following format. "I,....., am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price."

131D. Purchase of goods by purchase committee.

- Purchase of goods costing above Rs. 15,000/ (Rupees Fifteen Thousand) only and upto Rs. 1,00,000/-(Rupees One lakh) only on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee consisting of three members of an appropriate level as decided by the Head of the Department. The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the committee will jointly record a certificate as under. "Certified that we, members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question."

131E. Purchase of goods directly under rate contract.

(1) In case a Department directly procures Central Purchase Organisation (e.g. DGS & D)/State Purchase Organisation rate contracted goods from suppliers, the prices to be paid for such goods shall not exceed those stipulated in the rate contract and the other salient terms and conditions of the purchase should be in line with those specified in the rate contract. The Department shall make

its own arrangement for inspection and testing of such goods where required.(2)The State Purchase Organisation (e.g. DGS&D) should host the specifications, prices and other salient details of different rate contracted items, appropriately updated, on the web site for use by the procuring Department.

131F.

A demand for goods should not be divided into small quantities to make piece meal purchases to avoid the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand.

131G. Purchase of goods by obtaining bids.

- Except in cases covered under Rule 131C, 131D and 131 E(1), Departments shall procure goods under the powers referred to in Rule 128 above by following the standard method of obtaining bids in.(i)Advertised Tender Enquiry;(ii)Limited Tender Enquiry;(iii)Single Tender Enquiry.

131H. Advertised Tender Enquiry.

- (i) Subject to exceptions incorporated under Rules 131 I and 131 J, invitation to tenders by advertisement should be used for procurement of goods of estimated value Rs. 25 lakh (Rupees Twenty Five Lakh) and above. Advertisement in such case should be given in the Indian Trade Journal (ITJ), published by the Director General of Commercial Intelligence and Statistics, Kolkata and at least in one national daily having wide circulation.(ii)An organisation having its own website should also publish all its advertised tender enquiries on the website and provide a link with NIC website. It should also give its website address in the advertisements in ITJ and newspapers.(iii)The organisation should also post the complete bidding document in its website and permit prospective bidders to make use of the document downloaded from the website. If such a downloaded bidding document is priced, there should be clear instructions for the bidder to pay the amount by demand draft etc. along with the bid.(iv)Where the Department feels that the goods of the required quality, specifications etc., may not be available in the country and it is necessary to also look for suitable competitive offers from abroad, the Department may send copies of the tender notice to the Indian Embassies abroad as well as to the foreign Embassies in India. The selection of the Embassies will depend on the possibility of availability of the required goods in such countries.(v)Ordinarily, the minimum time to be allowed for submission of bids should be three weeks from the date of publication of the tender notice or availability of the bidding document for sale, whichever is later. Where the department also contemplates obtaining bids from abroad, the minimum period should be kept as four weeks for both domestic and foreign bidders.

131I. Limited Tender Enquiry.

- (i) This method may be adopted when estimated value of the goods to be procured is up to Rupees Twenty five Lakhs. Copies of the bidding document should be sent directly by speed post/registered

post/courier/e-mail to firms which are borne on the list of registered suppliers for the goods in question as referred under Rule 131 above. The number of supplier firms in Limited Tender Enquiry should be more than three. Further, web based publicity should be given for limited tenders. Efforts should be made to identify a higher number of approved suppliers to obtain more responsive bids on competitive basis.(ii)Purchase through Limited Tender Enquiry may be adopted even where the estimated value of the procurement is more than Rupees Twenty Five Lakhs, in the following circumstances.(a)The competent authority in the Department certifies that the demand is urgent and any additional expenditure involved by not procuring through advertised tender enquiry is justified in view of urgency. The Department should also put on record the nature of the urgency and reasons why the procurement could not be anticipated.(b)There are sufficient reasons, to be recorded in writing by the competent authority, indicating that it will not be in public interest to procure the goods through advertised tender enquiry.(c)The sources of supply are definitely known and possibility of fresh source(s) beyond those being tapped, is remote.(iii)Sufficient time should be allowed for submission of bids in Limited Tender Enquiry cases.

131J. Two bid system.

- For purchasing high value plant, machinery etc. of a complex and technical nature, bids may be obtained in two parts as under:- (a) Technical bid consisting of all technical details alongwith commercial terms and conditions; and (b) Financial bid indicating item-wise price for the items mentioned in the technical bid. The technical bid and the financial bid should be sealed by the bidder in separate covers duly superscribed and both these sealed covers are to be put in a bigger cover which should also be sealed and duly superscribed. The technical bids are to be opened by the purchasing Department at the first instance and evaluated by a competent committee or authority. At the second stage financial bids of only the technically acceptable offers should be opened for further evaluation and ranking before awarding the contract.

131K. Late Bids.

- In the case of advertised tender enquiry or limited tender enquiry, late bids (i.e. bids received after the specified date and time for receipt of bids) should not be considered.

131L. Single Tender Enquiry.

- Procurement from a single source may be resorted to in the following circumstances. (i) It is in the knowledge of the user department that only a particular firm is the manufacturer of the required goods. (ii) In a case of emergency, the required goods are necessarily to be purchased from a particular source and the reason for such decision is to be recorded and approval of competent authority obtained. (iii) For standardisation of machinery or spare parts to be compatible to the existing sets of equipment (on the advice of a competent technical expert and approved by the competent authority, the required item is to be purchased only from a selected firm. Note : Proprietary Article Certificate in the following form is to be provided by the Department before procuring the goods from a single source under the provision of sub Rule 131L (i) and 131L (iii) as applicable. (i) The indented goods are manufactured by M/s..... (ii) No other make or model is

acceptable for the following reasons.(iii)Concurrence of internal finance wing/Finance Department to the proposal vide:.....(iv)Approval of the competent authority vide :.....(Signature with date and designation of the procuring officer)'

131M. Contents of Bidding Document.

- All the terms, conditions, stipulations and information to be incorporated in the bidding document are to be shown in the appropriate chapters as below :-Chapter - 1 : Instructions to Bidders.Chapter - 2 : Conditions of Contract.Chapter - 3 : Schedule of Requirements.Chapter - 4 : Specifications and allied Technical Details.Chapter - 5 : Price Schedule (to be utilised by the bidders for quoting their prices).Chapter - 6 : Contract Form.Chapter - 7 : Other Standard Forms, if any, to be utilised by the purchaser and the bidders.

131N. Maintenance Contract.

- Depending on the cost and nature of the goods to be purchased, it may also be necessary to enter into maintenance contract(s) of suitable period either with the supplier of the goods or with any other competent firm, not necessarily the supplier of the subject goods. Such maintenance contracts are especially needed for sophisticated and costly equipment and machinery. It may however be kept in mind that the equipment or machinery is maintained free of charge by the supplier during its warranty period or such other extended periods as the contract terms may provide and the paid maintenance should commence only thereafter.

131O. Bid Security.

- (i) To safeguard against a bidder's withdrawing or altering its bid during the bid validity period in the case of advertised or limited tender enquiry, Bid Security (also known as Earnest Money) is to be obtained from the bidders except those who are registered with the Central Purchase Organisation/State Purchase Organisation, National Small Industries Corporation (NSIC) or the concerned Department. The bidders should be asked to furnish bid security along with their bids. Amount of bid security should ordinarily range between two percent to five percent of the estimated value of the goods to be procured. The exact amount of bid security, should be determined accordingly by the Department and indicated in the bidding documents. The bid security may be accepted in the Form of Account Payee Demand Draft, Fixed Deposit Receipt, Banker's Cheque or Bank Guarantee from any of the Commercial Banks in an acceptable form, safeguarding the purchaser's interest in all respects. The bid security is normally to remain valid for a period of forty five days beyond the final bid validity period.(ii)Bid securities of the unsuccessful bidders should be returned to them at the earliest after expiry of the final bid validity and latest on or before the 30th day after the award of the contract.

131P. Performance Security.

- (i) To ensure due performance of the contract, Performance Security is to be obtained from the

successful bidder awarded the contract. Performance Security is to be obtained from every successful bidder irrespective of its registration status etc. Performance Security should be for an amount of five to ten percent, of the value of the contract. Performance Security may be furnished in the Form of an Account payee Demand Draft, Fixed Deposit Receipt from a Commercial Bank, Bank Guarantee from a Commercial Bank in an acceptable form safeguarding the purchasers interest in all respects.(ii)Performance Security should remain valid for a period of sixty days beyond the date of completion of all contractual obligations of the supplier including warranty obligations.(iii)Bid security should be refunded to the successful bidder on receipt of Performance Security.

131Q.

(1)Advance payment to supplier. - Ordinarily, payments for services rendered or supplies made should be released only after the services have been rendered or supplies made. However, it may become necessary to make advance payments in the following types of cases :-(i)Advance payment demanded by firms holding maintenance contracts for servicing of Air-conditioners, computers, other costly equipment, etc.(ii)Advance payment demanded by firms against fabrication contracts, turn-key contracts etc Such advance payments should not exceed the following limits:-(i)Thirty per cent, of the contract value to private firms;(ii)Forty per cent, of the contract value to a State or Central Government agency or a Public Sector Undertaking; or(iii)In case of maintenance contract, the amount should not exceed the amount payable for six months under the contract.Departments may relax, in consultation with Internal Finance Advisor/Finance Department concerned, the ceilings (including percentage laid down for advance payment for private firms) mentioned above. While making any advance payment as above, adequate safeguards in the form of bank guarantee etc should be obtained from the firm.(2)Part payment to suppliers : Depending on the terms of delivery incorporated in a contract, part payment to the supplier may be released after it despatches the goods from its premises in terms of the contract.

131R. Transparency, competition, fairness and elimination of arbitrariness in the procurement process.

- All Government purchases should be made in a transparent, competitive and fair manner, to secure best value for money. This will also enable the prospective bidders to formulate and send their competitive bids with confidence. Some of the measures for ensuring the above are as follows:-(i)the text of the bidding document should be self-contained and comprehensive without any ambiguities. All essential information, which a bidder needs for sending responsive bid, should be clearly spelt out in the bidding document in simple language. The bidding document should contain, inter alia;(a)the criteria for eligibility and qualifications to be met by the bidders such as minimum level of experience, past performance, technical capability, manufacturing facilities and financial position etc.:(b)eligibility criteria for goods indicating any legal restrictions or conditions about the origin of goods etc which may require to be met by the successful bidder;(c)the procedure as well as date, time and place for sending the bids;(d)date, time and place of opening of the bid;(e)terms of delivery;(f)special terms affecting performance, if any.(ii)Suitable provision should be kept in the bidding document to enable a bidder to question the bidding conditions, bidding process and/or rejection of its bid.(iii)Suitable provision for settlement of disputes, if any,

emanating from the resultant contract, should be kept in the bidding document.(iv)The bidding document should indicate clearly that the resultant contract will be interpreted under Indian Laws.(v)The bidders should be given reasonable time to send their bids.(vi)The bids should be opened in public and authorised representatives of the bidders should be permitted to attend the bid opening.(vii)The specifications of the required goods should be clearly stated without any ambiguity so that the prospective bidders can send meaningful bids. In order to attract sufficient number of bidders, the specification should be general and broad based to the extent feasible. Efforts should also be made to use standard specifications which are widely known to the industry.(viii)Pre-bid conference : In case of turn-key contract(s) or contract(s) of special nature for procurement of sophisticated and costly equipment, a suitable provision is to be kept in the bidding documents for a pre-bid conference for clarifying issues and clearing doubts, if any, about the specifications and other allied technical details of the plant, equipment and machinery projected in the bidding document.The date, time and place of pre-bid conference should be indicated in the bidding document.This date should be sufficiently ahead of bid opening date.(ix)Criteria for determining responsiveness of bids, criteria as well as factors to be taken into account for evaluating the bids on a common platform and the criteria for awarding the contract to the responsive lowest bidder should be clearly indicated in the bidding documents.(x)Bids received should be evaluated in terms of the conditions already incorporated in the bidding documents; no new condition which was not incorporated in the bidding documents should be brought in for evaluation of the bids. Determination of a bid's responsiveness should be based on the contents of the bid itself without recourse to extrinsic evidence.(xi)Bidders should not be permitted to alter or modify their bids after expiry of the deadline for receipt of bids.(xii)Negotiation with bidders after bid opening must be severely discouraged. However, in exceptional circumstances where price negotiation against an ad-hoc procurement is necessary due to some unavoidable circumstances, the same may be resorted to only with the lowest evaluated responsive bidder.(xiii)In the rate contract system, where a number of firms are brought on rate contract for the same item, negotiation as well as counter offering of rates are permitted with the bidders in view and for this purpose special permission should be given to the State Purchase Organisation.(xiv)Contract should ordinarily be awarded to the lowest evaluated bidder whose bid has been found to be responsive and who is eligible and qualified to perform the contract satisfactorily as per the terms and conditions incorporated in the corresponding bidding document. However, where the lowest acceptable bidder against ad-hoc requirement is not in a position to supply the full quantity required, the remaining quantity, as far as possible, be ordered from the next higher responsive bidder at the rates offered by the lowest responsive bidder.(xv)The name of the successful bidder awarded the contract should be mentioned in the Departments Notice Board or Bulletin or website 66.

131S. Efficiency, Economy and Accountability in Public Procurement System.

- Public procurement procedure is also to ensure efficiency, economy and accountability in the system. To achieve the same, the following key areas should be addressed :-(i)To reduce delay, appropriate time frame for each stage of procurement should be prescribed by the Department. Such a time frame will also make the concerned purchase officials more alert.(ii)To minimise the time needed for decision making and placement of contract, every Department, with the approval of

the competent authority, may delegate, wherever necessary, appropriate purchasing powers to the lower functionaries.(iii)The Departments should ensure placement of contract within the original validity of the bids. Extension of bid validity must be discouraged and resorted to only in exceptional circumstances.(iv)The designated State Purchase Organisation(s) should bring into the rate contract system more and more common user items which are frequently needed in bulk by various Government Departments.The State Purchase Organisation should also ensure that the rate contracts remain available without any break.

131T. Buy-Back Offer.

- When it is decided with the approval of the competent authority to replace an existing old item(s) with a new and better version, the department may trade the existing old item while purchasing the new one. For this purpose, a suitable clause is to be incorporated in the bidding document so that the prospective and interested bidders formulate their bids accordingly. Depending on the value and condition of the old item to be traded, the time as well as the mode of handing over the old item to the successful bidder should be decided and relevant details in this regard suitably incorporated in the bidding document. Further, suitable provision should also be kept in the bidding document to enable the purchaser either to trade or not to trade the item.II. Procurement of Services

131U.

The Departments may hire external professionals, consultancy firms or consultants (referred to as consultant hereinafter) for a specific job, which is well defined in terms of content and time frame for its completion or outsource certain services.

131V.

This chapter contains the fundamental principles applicable to all Departments regarding engagement of consultant(s) and outsourcing of services. Detailed instructions to this effect may be issued by the concerned Ministries or Departments. However, the Departments shall ensure that they do not contravene the basic rules contained in this chapter.

131W. Identification of Work/Services required to be performed by Consultants.

- Engagement of consultants may be resorted to in situations requiring high quality services for which the concerned Department does not have requisite expertise. Approval of the competent authority should be obtained before engaging consultant(s).

131X. Preparation of scope of the required work/service.

- The Departments should prepare in simple and concise language the requirement, objectives and the scope of the assignment. The eligibility and pre-qualification criteria to be met by the

consultants should also be clearly identified at this stage.

131Y. Estimating reasonable expenditure.

- Department proposing to engage consultant(s) should estimate reasonable expenditure for the same by ascertaining the prevalent market conditions and consulting other organisations engaged in similar activities.

131Z. Identification of likely sources.

- (i) Where the estimated cost of the work or service is upto Rupees Twenty Five Lakhs, preparation of a long list of potential consultants may be done on the basis of formal or informal enquiries from other Departments or Organisations involved in similar activities, Chambers of Commerce & Industry, Association of consultancy firms etc.(ii)Where the estimated cost of the work or service is above Rupees Twenty Five Lakhs, in addition to (i) above, an enquiry for seeking 'Expression of Interest' from consultants should be published in atleast one national daily and the Department's website. The website address should also be given in the advertisements. Enquiry for seeking Expression of Interest should include in brief, the broad scope of work or service, inputs to be provided by the Department, eligibility and the pre-qualification criteria to be met by the consultant(s) and consultant's past experience in similar work or service. The consultants may also be asked to send their comments on the objectives and scope of the work or service projected in the enquiry. Adequate time should be allowed for getting responses from interested consultants.

131ZA. Short listing of consultants.

- On the basis of responses received from the interested parties as per Rule 131Z above, consultants meeting the requirements should be short listed for further consideration. The number of shortlisted consultants should not be less than three.

131ZB. Preparation of Terms of Reference (TOR).

- The TOR should include:-(i)Precise statement of objectives;(ii)Outline of the tasks to be carried out;(iii)Schedule for completion of tasks;(iv)The support or inputs to be provided by the Department to facilitate the consultancy.(v)The final outputs that will be required of the Consultant;

131ZC. Preparation and Issue of Request for Proposal (RFP).

- RFP is the document to be used by the Department for obtaining offers from the consultants for the required work/service. The RFP should be issued to the shortlisted consultants to seek their technical and financial proposals. The RFP should contain :-(i)A letter of Invitation.(ii)Information to Consultants regarding the procedure for submission of proposal.(iii)Terms of Reference (TOR).(iv)Eligibility and pre-qualification criteria in case the same has not been ascertained through Enquiry for Expression of Interest.(v)List of key position whose CV and experience would

be evaluated.(vi)Bid evaluation criteria and selection procedure.(vii)Standard formats for technical and financial proposal.(viii)Proposed contract terms.(ix)Procedure proposed to be followed for midterm review of the progress of the work and review of the final draft report.

131ZD. Receipt and opening of proposals.

- Proposals should ordinarily be asked for, from consultants in 'Two-bid' system with technical and financial bids sealed separately. The bidder should put these two sealed envelopes in a bigger envelope duly sealed and submit the same to the Department by the specified date and time at the specified place. On receipt, the technical proposals should be opened first by the Department at the specified date, time and place.

131ZE. Late Bids.

- Late bids i.e. bids received after the specified date and time of receipt, should not be considered.

131ZF. Evaluation of Technical Bids.

- Technical bids should be analysed and evaluated by a Consultancy Evaluation Committee (CEC) constituted by the Department. The CEC shall record in detail the reasons for acceptance or rejection of the technical proposals analysed and evaluated by it.

131ZG. [Evaluation of Financial Bids of the technically qualified bidders. [In Gazette dated 11.11.2005, there are two items having identical numbering viz. 131ZG but in Hindi Version of Gazette the said two have been numbered separately, so they are being given for ready reference. - Ed.]

- The Department shall open the financial bids of only those bidders who have been declared technically qualified by the Consultancy Evaluation Committee as per Rule 131ZF above for further analysis or evaluation and ranking and selecting the successful bidder for placement of the consultancy contract.

131ZG. Consultancy by nomination.

- Under some special circumstances, it may become necessary to select a particular consultant where adequate justification is available for such single-source selection in the context of the overall interest of the Department. Full justification for single source selection should be recorded in the file and approval of the competent authority obtained before resorting to such single-source selection.]

131ZH. Monitoring the Contract.

- The Department should be involved throughout in the conduct of consultancy, preferably by taking

a task force approach and continuously monitoring the performance of the consultant(s) so that the output of the consultancy is in line with the Department's objectives. Outsourcing of Services

131ZI. Outsourcing of Services.

- A Department may outsource certain services in the interest of economy and efficiency and it may prescribe detailed instructions and procedures for this purpose without, however, contravening the following basic guidelines.

131ZJ. identification of likely contractors.

- The Departments should prepare a list of likely and potential contractors on the basis of formal or informal enquiries from other Ministries or Departments and Organisations involved in similar activities, scrutiny of 'Yellow pages', and trade journals, if available, website etc.

131ZK. Preparation of Tender enquiry.

- Department should prepare a tender enquiry containing, inter alia :-(i)The details of the work or service to be performed by the contractor;(ii)The facilities and the inputs which will be provided to the contractor by the Department;(iii)Eligibility and qualification criteria to be met by the contractor for performing the required work/service; and(iv)the statutory and contractual obligations to be complied with by the contractor.

131ZL. Invitation of Bids.

(a)For estimated value of the work or service upto Rupees ten lakhs or less ; The Department should scrutinise the preliminary list of likely contractors as identified as per Rule 131ZJ above, decide the prima facie eligible and capable contractors and issue limited tender enquiry to them asking for their offers by a specified date and time etc. as per standard practice. The number of the contractors so identified for issuing limited tender enquiry should not be less than six.(b)For estimated value of the work or service above Rupees ten lakhs:The Department should issue advertised tender enquiry asking for the offers by a specified date and time etc. in at least one popular largely circulated national newspaper and website of the Department.

131ZM. Late Bids.

- Late bids i.e. bids received after the specified date and time of receipt, should not be considered.

131ZN. Evaluation of Bids Received.

- The Department should evaluate, segregate, rank the responsive bids and select the successful bidder for placement of the contract.

131ZO. Outsourcing by Choice.

- Should it become necessary, in an exceptional situation to outsource a job to a specifically chosen contractor, the Competent Authority in the Department may do so in consultation with the Internal Financial Adviser. In such cases the detailed justification, the circumstances leading to the outsourcing by choice and the special interest or purpose it shall serve shall form an integral part of the proposal.

131ZP. Monitoring the Contract.

- The Department should be involved throughout in the conduct of the contract and continuously monitor the performance of the contractor.[Inventory Management] [The title 'Receipts of stores' has been Substituted by 'Inventory Management' vide Bihar Finance (Amdt.) Rules, 2005.]

132. [[Substituted of Rules 132 to 153 by Rules 132 to 148 vide Bihar Finance (Amdt.) Rules, 2005.]

This chapter contains the basic rules applicable to all Ministries or Departments regarding inventory management. Detailed instructions and procedures relating to inventory management may be prescribed by various Ministries or Departments broadly in conformity with the basic Rules contained in this chapter.]

133. Receipt of goods and materials from private suppliers.

(1)While receiving goods and materials from a supplier, the Officer-In-Charge of stores should refer to the relevant contract terms and follow the prescribed procedure for receiving the materials.(2)All materials shall be counted, measured or weighed and subjected to visual inspection at the time of receipt to ensure that the quantities are correct, the quality is according to the required specifications and there is no damage or deficiency in the materials. Technical inspection where required should be carried out at this stage by Technical Inspector or Agency approved for the purpose. An appropriate receipt, in terms of the relevant contract provisions may also be given to the supplier on receiving the materials.(3)Details of the material so received should thereafter be entered in the appropriate stock register. The Officer-In-Charge of stores should certify that he has actually received the material and recorded it in the appropriate stock registers.

134. Receipt/issue of goods and materials from internal divisions of the same organisation.

(1)The indenting officer requiring goods and materials from internal division(s) of the same organisation should project an indent in the prescribed form for this purpose. While receiving the supply against the indent, the indenting officer shall examine, count, measure or weigh the materials as the case may be, to ensure that the quantities are correct, the quality is in line with the required specifications and there is no damage or deficiency in the materials. An appropriate receipt

shall also be given to this effect by the indenting officer to the division sending the materials.(2)In the case of issue of materials from stock for departmental use, manufacture, sale, etc., the Officer-In-Charge of the stores shall see that an appropriate indent, in the prescribed form has been projected by the indenting officer. A written acknowledgement of receipt of material issued shall be obtained from the indenting officer or his authorised representative at the time of issue of materials.(3)In case of materials issued to a contractor, the cost of which is recoverable from the contractor, all relevant particulars, including the recovery rates and the total value chargeable to the contractor should be got acknowledged from the contractor duly signed and dated.(4)If the Officer-In-Charge of the stores is unable to comply with the indent in full, he should make the supply to the extent available and make suitable entry to this effect in the indenter's copy of the indent. In case alternative materials are available in lieu of the indented materials, a suitable indication to this effect may be made in the document.

135. Custody of goods and materials.

- The Officer-In-Charge of stores having custody of goods and materials, especially valuable and/or combustible articles, shall take appropriate steps for arranging their safe custody, proper storage accommodation, including arrangements for maintaining required temperature, dust free environment etc.

136. Lists and Accounts.

(1)The Officer-In-Charge of stores shall maintain suitable item wise lists and accounts and prepare accurate returns in respect of the goods and materials in his charge making it possible at any point of time to check the actual balances with the book balances.The form of the stock accounts mentioned above shall be determined with reference to the nature of the goods and materials, the frequency of the transactions and the special requirements of the concerned Ministries/Departments.(2)Separate accounts shall be kept for:-(i)Fixed Assets such as plant, machinery, equipment, furniture, fixtures etc. in the Form F.R. - 5A.(ii)Consumables such as office stationery, chemicals, maintenance spare parts etc. in the Form F.R. - 5B.(iii)Library Books in the Form F.R. 5C(iv)Assets of historical/artistic value held by museum/Government Departments in the Form F.R. 5D.Note : These Forms can be supplemented with additional details by Departments as required.

137. Hiring out of Fixed Assets.

- When a fixed asset is hired to local bodies, contractors or others, proper record should be kept of the assets and the hire and other charges as determined under rules prescribed by the competent authority, should be recovered regularly. Calculation of the charges to be recovered from the local bodies, contractors and others as above should be based on the historical cost.

138. Physical verification of Fixed Assets.

(1)The inventory for fixed assets shall ordinarily be maintained at site. Fixed assets should be verified at least once in a year and the outcome of the verification recorded in the corresponding register. Discrepancies, if any, shall be promptly investigated and brought to account.(2)Verification of Consumables : A physical verification of all the consumable goods and materials should be undertaken at least once in a year and discrepancies, if any, should be recorded in the stock register for appropriate action by the competent authority.(3)Procedure for verification : (i) Verification shall always be made in the presence of the officer, responsible for the custody of the inventory being verified.(ii)A certificate of verification alongwith the findings shall be recorded in the stock register.(iii)Discrepancies, including shortages, damages and unserviceable goods, if any, identified during verification, shall immediately be brought to the notice of the competent authority for taking appropriate action in accordance with provision given in Rules 31 to 35.

139. Buffer Stock.

- Depending on the frequency of requirement and quantity thereof as well as the pattern of supply of a consumable material, optimum buffer stock should be determined by the competent authority.Note : As the inventory carrying cost is an expenditure that does not add value to the material being stocked, a material remaining in stock for over a year shall generally be considered surplus, unless adequate reasons to treat it otherwise exist.

140. Physical verification of Library books.

- (i) Complete physical verification of books should be done every year in case of libraries having not more than twenty thousand volumes. For libraries having more than twenty thousand volumes and upto fifty thousand volumes, such verification should be done at least once in three years. Sample physical verification at intervals of not more than three years should be done in case of libraries having more than fifty thousand volumes. In case such a verification reveals unusual or unreasonable shortages, complete verification shall be done.(ii)Loss of five volumes per one thousand volumes of books issued/consulted in a year may be taken as reasonable provided such losses are not attributable to dishonesty or negligence. However, loss of a book of a value exceeding Rs. 1,000/- (Rupees One thousand only) and rare books irrespective of value shall invariably be investigated and appropriate action taken.

141. Transfer of charge of goods, materials etc.

- In case of transfer of Officer-in-Charge of the goods, materials etc., the transferred officer shall see that the goods or material are made over correctly to his successor. A statement giving all relevant details of the goods, materials etc., in question shall be prepared and signed with date by the relieving officer and the relieved officer. Each of these officers will retain a copy of the signed statement.

142. Disposal of Goods.

- (i) An item may be declared surplus or obsolete or unserviceable if the same is of no use to the Department. The reasons for declaring the item surplus or obsolete or unserviceable should be recorded by the authority competent to purchase the item. (ii) The competent authority may, at his discretion, constitute a committee at appropriate level to declare item(s) as surplus or obsolete or unserviceable. (iii) The book value, guiding price and reserved price, which will be required while disposing of the surplus goods, should also be worked out. In case where it is not possible to work out the book value, the original purchase price of the goods in question may be utilised. A report of stores for disposal shall be prepared in Form F.R.-5E. (iv) In case an item becomes unserviceable due to negligence, fraud or mischief on the part of a Government servant, responsibility for the same should be fixed.

143. Modes of Disposal.

- (i) Surplus or obsolete or unserviceable goods of assessed residual value above Rupees Two Lakh should be disposed of by : (a) obtaining bids through advertised tender or (b) public auction. (ii) For surplus or obsolete or unserviceable goods with residual value less than Rupees Two Lakh, the mode of disposal will be determined by the competent authority, keeping in view the necessity to avoid accumulation of such goods and consequential blockage of space and, also, deterioration in value of goods to be disposed of. (iii) Certain surplus or obsolete or unserviceable goods such as expired medicines, food grain, ammunition etc., which are hazardous or unfit for human consumption, should be disposed of or destroyed immediately by adopting suitable mode so as to avoid any health hazard and/or environmental pollution and also the possibility of misuse of such goods. (iv) Surplus or obsolete or unserviceable goods, equipment and documents, which involve security concerns (e.g. currency, negotiable instruments, receipt books, stamps, security press etc.) should be disposed of/destroyed in an appropriate manner to ensure compliance with rules relating to official secrets as well as financial prudence.

144. Disposal through Advertised Tender.

- (i) The broad steps to be adopted for this purpose are as follows:- (a) Preparation of bidding documents. (b) Invitation of tender for the surplus goods to be sold. (c) Opening of bids. (d) Analysis and evaluation of bids received. (e) Selection of highest responsive bidder. (f) Collection of sale value from the selected bidder. (g) Issue of sale release order to the selected bidder. (h) Release of the sold surplus goods to the selected bidder. (i) Return of bid security to the unsuccessful bidders. (ii) The important aspects to be kept in view while disposing the goods through advertised tender are as under:- (a) The basic principle for sale of such goods through advertised tender is ensuring transparency, competition, fairness and elimination of discretion. Wide publicity should be ensured of the sale plan and the goods to be sold. All the required terms and conditions of sale are to be incorporated in the bidding document comprehensively in plain and simple language. Applicability of taxes, as relevant, should be clearly stated in the document. (b) The bidding document should also indicate the location and present condition of the goods to be sold so that the bidders can inspect the goods before bidding. (c) The bidders should be asked to furnish bid security along with their

bids. The amount of bid money should ordinarily be ten per cent of the assessed or reserved price of the goods. The exact bid security amount should be indicated in the bidding document.(d)The bid of the highest acceptable responsive bidder should normally be accepted. However, if the price offered by that bidder is not acceptable, negotiation may be held only with that bidder. In case such negotiation does not provide the desired result, the reasonable or acceptable price may be counter-offered to the next highest responsive bidders(s).(e)In case the total quantity to be disposed of cannot be taken up by the highest acceptable bidder, the remaining quantity may be offered to the next higher bidder(s) at the price offered by the highest acceptable bidder.(f)Full payment, i.e. the residual amount after adjusting the bid security should be obtained from the successful bidder before releasing the goods.(g)In case the selected bidder does not show interest in lifting the goods, the bid security should be forfeited and other actions initiated including re-sale of the goods in question at the risk and cost of the defaulter, after obtaining legal advice.(iii)Late bids i.e. bids received after the specified date and time of receipt should not to be considered.

145. Disposal through Auction.

- (i) A Department may undertake auction of goods to be disposed of either directly or through approved auctioneers.(ii)The basic principles to be followed here are similar to those applicable for disposal through advertised tender so as to ensure transparency, competition, fairness and elimination of discretion. The auction plan including details of the goods to be auctioned and their location, applicable terms and conditions of the sale etc. should be given wide publicity in the same manner as is done in case of advertised tender.(iii)While starting the auction process, the condition and location of the goods to be auctioned, applicable terms and conditions of sale etc., (as already indicated earlier while giving wide publicity for the same), should be announced again for the benefit of the assembled bidders.(iv)During the auction process, acceptance or rejection of a bid should be announced immediately on the stroke of the hammer. If a bid is accepted, earnest money (not less than twenty-five per cent, of the bid value) should immediately be taken on the spot from the successful bidder either in cash or in the form of Deposit-at-Call-Receipt (DACR), drawn in favour of the Department selling the goods. The goods should be handed over to the successful bidder only after receiving the balance payment.(v)The composition of the auction team will be decided by the competent authority. The team should however include an officer of the Internal Finance Wing of the department.

146. Disposal at scrap value or by other modes.

- If a Department is unable to sell any surplus or obsolete or unserviceable item in spite of its attempts through advertised tender or auction, it may dispose off the same at its scrap value with the approval of the competent authority in consultation with Finance division. In case the Department is unable to sell the item even at its scrap value, it may adopt any other mode of disposal including destruction of the item in an eco-friendly manner.

147.

A sale account should be prepared for goods disposed of in Form F.R. 5F duly signed by the officer who supervised the sale or auction.

148. Powers to write off.

(1) All profits and losses due to revaluation, stock-taking or other causes shall be duly recorded and adjusted where necessary. Formal sanction of the competent authority shall be obtained in respect of losses, even though no formal correction or adjustment in Government accounts is involved. Power to write off, of losses are available under the Compendium of Financial Delegations. (2) Losses due to depreciation : Losses due to depreciation shall be analyzed, and recorded under following heads, as applicable :- (i) normal fluctuation of market prices; (ii) normal wear and tear; (iii) lack of foresight in regulating purchases; and (iv) negligence after purchase. (3) Losses not due to depreciation : Losses not due to depreciation shall be grouped under the following heads: - (i) losses due to theft or fraud; (ii) losses due to neglect; (iii) anticipated losses on account of obsolescence of stores or of purchases in excess of requirements; (iv) losses due to damage, and (v) losses due to extraordinary situations under Force Majeure conditions like fire, flood, enemy action, etc., "[Editorial Note. - As per Section 8 of the Bihar Finance (Amendment) Rules, 2005. Rules 132 to 153 of the Old Rules stand substituted by the Amended Rules but text of Rules 149 to 153 is absent in the Amended Rules, 2005. Therefore, Old Rules have been reproduced for the sake of record and ready reference. - Ed.] Old Rule read as :

149.

(1) Losses due to depreciation should be analysed and recorded under following heads, according as they are due to - (i) normal fluctuation of market prices; (ii) fair wear and tear; (iii) lack of foresight in regulating purchases; (iv) neglect after purchase. (2) Losses not due to depreciation should be grouped under the following heads: - (i) losses due to theft or fraud; (ii) losses due to neglect; (iii) losses due to an act of God and other calamities such as fire, enemy action, etc.; (iv) anticipated losses on account of surplusage of obsolete stores or of purchases in excess requirements; (v) other losses due to damage, etc. Sale and Disposal of Stores and Writes Off of Stores

150.

The previous sanction of competent authority should be obtained to the writing off of all losses, deficiencies or depreciation in the value of stores. (See Compendium of Financial Delegations.)

151.

Subject to any special Rules or orders applicable to any particular department, stores which are reported to be obsolete, surplus or unserviceable may be disposed of by sale, or otherwise, under the orders of the authority competent to sanction the writing off of a loss caused by deficiencies and

depreciation equivalent to their value. (Vide Compendium of Financial Delegations.) Each order declaring stores as unserviceable should record the full reason 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 the office should record full particulars regarding all condemned stores in suitable lists from which their disposal can be watched. Proforma Form A

| Item No. | Particulars of stores | Quantity/weight | Book Value/Original purchase price | Condition and year of purchase | Mode of disposal (Sale, public auction or otherwise) | Remarks |
|----------|-----------------------|-----------------|------------------------------------|--------------------------------|--|---------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | Signature | Designation | Date | | | |

Form B

| Item No. | Particulars of Stores | Quantity weight | Name & full address of purchasers | Highest bid accepted | Highest bid rejected | E.M. Realised on the spot | Date on which the complete amount is realised & credited into treasury. | Whether the articles were actually handed over on the spot. If not, the actual date of handing over of the articles with quantities. | Auctioner's commission and acknowledgements for its payment |
|----------|-----------------------|-----------------|-----------------------------------|----------------------|----------------------|---------------------------|---|--|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | Signature | Designation | Date | | | | | | |

152.

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 Government servant empowered to sanction the sale in the case of surplus stock which in his opinion would otherwise be unsaleable. Opium Stock in the Custody of Treasury Officers

153.

The opium in store must be kept in the treasury strong room and not elsewhere and all receipts into and issues from stock should be entered in a store register maintained for the purpose over the

initials of the Treasury Officer. The Treasury Officer should give out opium to the treasurer as required for sale to the public, an account of opium so issued to and sold by him being kept by the treasurer in a sub-register in suitable form to be determined by the Treasury Officer. The Treasury Officer should see that all issues to the treasurer are entered up in the register and the proceeds of opium sold are duly credited into the treasury account. The balance of opium in the hands of the treasurer should be checked by the Treasury Officer at least once every month. No more opium should be issued to the treasurer than is necessary to meet current demands. Section III Special Rules for the Public Works Department I - General Stores

154.

The stores of the Public Works Department are divided into the following classes, viz., (i) Stock or general stores, (ii) Tools and Plant, (iii) Road metal and (iv) Material charged direct to works. Unless there are orders to the contrary, the Officer In Charge of a sub-division will be responsible for all the stores belonging to it.

155.

The Divisional Officer is responsible that proper arrangements are made throughout his division for the custody of public property. He must be careful to keep all tools and implements in efficient order, protect surplus stock from deterioration, and take proper precaution to prevent the loss of public stores by fire.

156.

Every officer is bound to take 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. II - Acquisition of Stores (i) Stores (other than Tools and Plants)

157.

Stock, road metal and other materials (not being articles of European manufacture which must be indented for in England) required in ordinary course for the execution of sanctioned works, may be procured on the responsibility of the Divisional Officer without special authority, though the Superintending Engineer's approval should be obtained to the measures proposed for the purchase of stock in large quantities. If the stores are to be manufactured, a separate estimate for their preparation may be required, as laid down in Rule 160 et seq. (ii) Tools and Plant

158.

The articles comprised under the head "Tools and Plant" can only be purchased or manufactured on estimate sanctioned by competent authority with the exception of purchases or manufactures not exceeding Rs. 500, for which estimates are not required.

159.

The general rules for the supply of articles required for the public service, whether of indigenous origin or otherwise will be found in the Store Rules in Appendix 8. The restrictions imposed by the Store Rules, do not apply to purchases made by, or on behalf of, municipalities, or local funds, except when the stores purchased are paid for from Government revenue on behalf of Government or from funds advanced by Government; in the latter circumstances Government may however, direct that the provisions of the Store Rules need not apply. When a Public Works Department officer carries out a work for any of the local bodies referred to above, the rules shall apply except when the local body specially desires to have the stores purchased otherwise, with approval of the State Government. It should, however, be stipulated that the stores must be approved by the officer carrying out the work, before the purchase is concluded.

160.

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

161.

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

162.

Reserve of stock will only be maintained when necessitated by the remoteness of the division or works from the market or source of supply or for use in emergency. When it is considered necessary that a reserve should be maintained, the maximum limit will be fixed by the Chief Engineer.

Divisional Officers are empowered to purchase or manufacture stores to maintain the reserve, subject to the approval or sanction to estimate, vide Rules 160 and 161.

163.

The fixed maximum should be kept at the lowest point compatible with efficiency, and the stock returns of divisions should be scrutinized carefully by Superintending Engineers from time to time with reference to this point.

164.

The stock of a division is sometimes kept in a single godown or yard in charge of a store keeper or other officer, or each Sub-divisional Officer may have a separate stock in his charge, either at his

headquarters or scattered over the subdivision in the direct custody of sub-ordinates or other sectional officers. Again, the stock although scattered over the entire division may be in the general charge of a single official, and the Sub-divisional Officers may merely indent upon him, while he keeps all the accounts. The stock account should be kept in accordance with the rules detailed below whatever be the arrangement in force in the division. Quantity Accounts(a)Receipts

165.

Materials may be received on stock from the following sources :-(a)Suppliers;(b)Stores Department, London;(c)Other sub-divisions, divisions or departments (including Government workshops);(d)Manufacture; and(e)Works, buildings, etc.In all cases there should be proper authority for the receipt by the storekeeper or the sectional officer concerned or materials to be brought on stock. The authority should be given in writing by the Divisional Officer (or if so authorised under local orders, by the Sub-divisional Officer).

166.

All materials received should be examined and counted, or measured as the case may be, when delivery is taken. Any certificate that the storekeeper or sectional officer concerned may be called upon to record in respect of the receipt of stores, giving an acknowledgement to a supplier or for any other purposes, should be in the following form.Received on.....and recorded duly in the register of stock receipts. See also page of measurement book no Date(Signature)(b)Issues

167.

Materials may be issued from stock for the following purposes. -(a)for use on works either by issue to contractor or direct (vide Rule 284);(b)for despatch to other sub-divisions, divisions or departments;(c)for sale to contractors, employees, other persons or local bodies.They should be issued only on receipt of an indent in F.R. Form 5 signed by the Divisional or the Sub-divisional Officer. But when a sectional officer has to issue stock materials for the requirements of works under himself, the use of this form is not obligatory, if the sectional officer has been authorized under local orders to draw such materials from his stock up to any assigned limit not exceeding the provision made for materials in sanctioned estimates.(1)When examining registers of stock issues and works abstracts, Sub-divisional Officers should see that in practice this rule is observed strictly and they should deal suitably with instances of unauthorised and excessive issues to works made by sectional officers without due cause.(2)The term "work" includes manufacture operations.

168.

When issuing materials from stock, the stock-keeper or sectional officer should examine the indent and sign it after making suitable alterations under his dated initials, in the description and quantities of materials, if he is unable to comply with the indent in full. He should then prepare and

sign the form of the invoice attached to the indent, according to the supply as actually made. The indent should then be returned at once to the indenting officer for signature on the invoice portion. It should be seen that the acknowledgement of materials is signed by the person to whom they are ordered to be delivered or despatched, or by a duly authorized agent. This applies also to issues made to contractors and private persons.

169.

Ordinarily all transactions of receipts and issues should be recorded strictly in accordance with the rules in the order of occurrence and as soon as they take place, but, as an exception to this rule the issues of petty stores by a sectional officer direct to works under his supervision may be shown in the accounts collectively once a month, when closing the accounts of the month. Value Accounts(a) Payment for stock received

170.

Bills of supplies should, before payment, be examined and dealt with in the manner prescribed in Rules 413 to 422 of the Bihar Treasury Code. Special attention is invited to Rule 274, the object of which is to prevent erroneous or double claims being put forward successfully. Store-keepers and sectional officers may, if desired, be required to verify supplier's bills before payment (Vide Rule 166), but the disbursing officer is responsible that no payment is made unless the precautions referred to above have been observed.

171.

Cash payment should not be made for stock received from other sources, except in accordance with the Rules in the Bihar Treasury Code, Appendix 16. When under those rules payment for supplies made by any department is made in cash, the claims of such department should be dealt with in the same way as those of suppliers. Issue Rates(b) Recoveries for stock issued

172.

(i) An issue rate is assigned to each new article as it is brought to stock. This rate is fixed on the principle that the cost to be charged to works on which the materials are to be used should approximately be equal the actual cost of the stores and that there may be no ultimate profit or loss in the stock accounts. It should provide, beyond the original price paid and the cost of carriage, etc., for—(1) the expenditure on work charged establishment employed on handling and keeping the initial accounts; (2) the expenditure on the custody of stock; (3) the expenditure on the maintenance of the store, godown or yards and (4) loss from depreciation or wastage, but should in no case be in excess of the market rate. (ii) It is not necessary that the issue for an item should be the same in all subdivisions but an uniform rate should ordinarily be prescribed for all localities in a subdivision. (iii) The issue rate should be worked out to the nearest *anna, as far as possible, [*now five paise],

173.

As purchases are made, or contracts for the supply of materials are entered into, variations in cost should be watched, and if these are appreciable, issue rates may, and in important cases, shall, at once be raised or lowered, as may be necessary. Further when closing the half-yearly register of stock, all rates must be reviewed and revised, if necessary, to bring them within the market rates.

174.

If the issue rate, of an article of stock is appreciably less than the market rate, the following precautions should be taken, in addition to any restrictions on sales or on issues outside the division which the Divisional Officer may prescribe :-(a)Issues to contractors and sales shall be made at market rates (See Rules 285 and 286.)(b)Issues to other divisions and departments may be made at a rate higher than the issue rate.Mode of Recovery

175.

(a)The Sub-divisional Officer is responsible that the value of materials sold to municipalities, local funds, and the public and of issues made to contractors for private use, is recovered in cash at the earliest opportunity.(b)The Sub-divisional Officer is also responsible for the clearance, from works accounts of all outstandings against contractors on account of the recoverable value of materials issued to them by charge to work.(c)The 10 percent supervision charges should be realized in addition to the value of stock, in all cases in which it is recoverable under Rule 176 (see also Rule 174).

176.

When stock materials are sold to the public or other departments (including State Railways) or are issued on account of any work executed for them in workshop at their full value, an addition of 10 per cent must be made to cover charges on account of supervision, storage and contingencies. This addition may however be waived by the officer empowered to sanction the sale in the case of surplus stock which in his opinion, would otherwise be unsaleable (see also Rule 174).Fictitious Adjustments

177.

Fictitious store adjustment are strictly prohibited, such, for example as (1) the debiting to a work of the cost of materials not required, or in excess of actual requirements, (2) the debiting to a particular work, for which funds are available of the value of materials intended to be utilised on another work for which no funds are available, (3) the writing back of the value of materials used on a work to avoid excess outlay over appropriation, etc. Any breach of this rule constitutes a serious irregularity which will be brought promptly to the notice of the State Government by the Accountant General.Half-Yearly Register of Stock

178.

A person other than a ministerial sub-ordinate should, under the orders of the Divisional Officer, fill up column 24 (market rates) of the half yearly register of stock at or about the close of the half-year.

179.

(1) On completion of the half-yearly register of stock the Divisional Officer should review the register and record his remark and orders. (2) The review should be directed to see especially that stores are priced in accordance with the rules, that stock is taken periodically by responsible officer and that stock of individual items are regulated on consideration of actual requirements of the near future and with due regard to the average consumption of the past. The object to secure is that the stock on the register shall consist only of efficient and necessary articles priced within the rates at which they could be purchased at the time. (3) The maintenance, closing and review of the stock register on a yearly, instead of half-yearly basis, is sometimes permitted under special order of the State Government in consultation with the Accountant General. Important revisions of issue rates which may be necessitated by fluctuation of cost should however, be made at once and not deferred till the close of the year. Stock Taking

180.

Divisional Officers should have stock-taking throughout their divisions at least once a year. Important stores should, as a rule be counted by a member of the engineer establishment, but this duty may be entrusted to a subordinate holding charge of a sub-division. The Superintending Engineer when he thinks proper, may depute an officer from one division to aid in the stock-taking of another. Whenever it is possible, verification should be entrusted to Government servant independent of, and unconnected with the staff responsible for the custody of the stores; it should also include a certain amount of surprise check.

181.

It is not necessary that all the stores of a division, or even of a subdivision should be checked and counted at the same time; and the stock taking may be arranged so as to go on gradually in the manner most convenient. When the stock of an article are scattered in a sub-division it may not be possible to test the aggregate book-balance of any article for the sub-division by an actual verification of all the stocks of it at the same time. In such cases, the various stocks of each article in charge of a sectional officer should as far as possible, be verified at or about the same time.

182.

The procedure of verification outlined in the foregoing rules is suitable primarily for division executing ordinary works. In the cases of special stores, depots or divisions or of construction divisions, where there may be a large concentration of stores, a continuous and periodical

verification of stores by an officer of the Audit Department should be arranged for, whenever possible, in consultation with the Accountant General.

183.

The results of all verifications of stock should be reported to the Divisional Officer for orders, but as soon as a discrepancy is noticed, the book balance must be set right by the verifying officer with a suitable remark. Tools and Plant Numerical account - receipts

184.

All articles of tools and plant received should be examined and counted when delivery is taken. Payments For Supplies

185.

Payment for tools and plant received from suppliers and other sources should be made generally in the manner prescribed for stock receipts. But when the Mathematical Instrument Department is unable to supply any instruments indented for and arranges for their purchase the supplier's will, if that department so desires, be paid in cash or by a remittance transfer receipt. Recoveries (a) For use of tools and plant.-

186.

When tools and plant are lent to local bodies, contractors or others, the hire and other charges should be determined by local rules, and should be recovered regularly. Note. - The rules framed by the State Government under this rule are given in F.R. Appendix 6. (b) For Sale and Transfer.-

187.

The Sub-divisional Officer is responsible that, when tools and plants are disposed by sale or otherwise, with the sanction of competent authority, the amount recoverable from the parties concerned is realized at the earliest opportunities. Verification

188.

The rule regarding verification of stock applies also to verification of tools and plant, except that when any articles are found deficient, a note of the deficiency should only be made in the account of issues, without any correction of the book balance. Road Metal

189.

Supplies of road metal should be measured and paid for in the same way as supplies of other materials for works.

190.

The verification of road metal should be measured generally on the lines of the verification of materials charged to works (vide Rule 294).

of Rates

191.

A rate book or schedule of rates, showing the lowest rate at which metal can be supplied to the road-side through the division, should be kept in the divisional office in F.R. Form 6 with such modification as may be considered necessary to suit local conditions. The rates should be revised, from time to time, as old quarries are exhausted or new ones opened, or as other circumstances affect the rates. Section IV Prevention of unnecessary Accumulation of Stock and Tools and Plant in Public Works and Public Health Engineering Department Original Works

192.

(1) No materials shall be obtained for original works except to the extent necessary for each particular work. A strict observance of this principle should not render any materials surplus after the completion of work, should, however, for exceptional reasons, materials be found surplus on the completion of a work statement of serviceable and unserviceable materials should be prepared by the Executive Engineer and submitted with a full explanation of the causes leading to the surplus to the Superintending Engineer. (2) If the whole or any part of the serviceable materials are considered likely to be of any use within one year for any work whether original or repairs, they should with the approval of the Superintending Engineer be brought on to stock. (3) The rest of the materials which are not likely to be of any use within one year shall, if they can be disposed of at not less than their full value, be disposed of forthwith by the Executive Engineer. If, however, they cannot be disposed of at full value enquiries shall be made from other Executive Engineers in the same circle and from the Superintending Engineers of other circles as to whether any of the materials are likely to be required by the Executive Engineers under them within one year. If they are not so required the materials may be sold at less than their full value by calling for sealed tenders or by public auction, with the previous sanction of the Superintending Engineer. The gain or loss, as the case may be, shall be credited or charged to work. (4) In order to see that serviceable materials taken to stock are utilised on work at the earliest possible dates, provision should be made in future contracts for the supply of all available materials from stock in accordance with Rule 285. Note. - The expression "full value" occurring in the above rule shall be taken to include railway freight, storing charges, etc. Dismantled Materials

193.

When any Public Works Department building is dismantled or partially dismantled, serviceable materials which it may be possible to utilise within one year shall, with the approval of the Superintending Engineer, be brought on to stock and utilised in the manner indicated in Rule 192(1) above. Unserviceable materials shall not be brought to stock. If the value of such materials as estimated by the Executive Engineer after dismantlement be not more than Rs. 1,000 they should be disposed of immediately by the Executive Engineer by selling them by public auction. Otherwise the Superintending Engineer's prior sanction to their disposal must be obtained. Repairs

194.

Materials required for maintenance and repairs to works shall be indented for by the Sub-divisional Officers to the extent that can be consumed within a year. Executive Engineers will be held personally responsible for the strict observance of this rule, unless such materials can be straightway made over for specific repair works, they should be brought on to stock. Unused Stock

195.

When submitting his second half-yearly return of stock the Sub-divisional Officer shall submit a list of items for which there have been no transactions for the last two years. The Executive Engineer shall obtain the orders of the Superintending Engineer as to the disposal of such materials. The Superintending Engineer should make every attempt to obtain the utilisation of the stock by other Executive Engineers in his own or other circles and if they cannot be so disposed of order them to be sold. Tools and Plant

196.

When submitting their annual return of tools and plant the Sub-divisional Officers shall submit a list of all tools that have not been used for two years and of plant that has not been used for three years and the Executive Engineer shall obtain the orders of the Superintending Engineer regarding their disposal. The Superintending Engineer shall ascertain whether these tools and plant are required in any other circles and if not sanction their sale by calling for sealed tenders or by public auction (with reserve price) whichever is more likely to obtain the better price. In case where either method is unlikely to fetch a good price; a private sale may be accepted with previous permission of the Superintending Engineer, who will satisfy himself as to the adequacy of the offer before according his permission. Before any new tools and plant are indented for by any Executive Engineer, he must ascertain from the Superintending Engineer whether they can be made available from other circle. Powers of Sanction

197.

(a)(i)The Superintending Engineer shall have full power to dispose of all unserviceable stores including stock and tools and plant materials at site of work, materials received from works dismantled or undergoing repairs and to sanction their write off wherever necessary.(ii)The Superintending Engineer shall have full power to sanction write off of the irrecoverable value of unserviceable stores mentioned in item (i) above.(b)(i)The Superintending Engineer shall have power to dispose of surplus stores including stock and tools and plant materials at site of work the book value of which is up to Rs. 5,000 in each case. In the case of tools and plant where the book value cannot be ascertained the estimated value should be taken into account.(ii)The Superintending Engineer shall have power to sanction the write off of the loss from the book value of surplus stores mentioned in item (i) above up to Rs. 1.000 in each case.(iii)In all other cases where the book value of surplus materials exceeds Rs. 5.000 the Superintending Engineer shall obtain the sanction of the Chief Engineer before the sale of surplus materials is undertaken and in such cases the Superintending Engineer shall have power to write off the irrecoverable loss if it does not exceed 20 per cent of the book or estimated value, otherwise, sanction of the Chief Engineer should be obtained.(c)The Superintending Engineer shall have full power to sanction estimates for losses due to depreciation of stock or due to reduction in the rates of prices of stock or due to disposal of all unserviceable stores, etc., up to Rs. 10,000.(d)The Superintending Engineer has power to sanction the write off of the irrecoverable value of stores lost by fraud or the negligence of individuals or other causes up to Rs. 500. (See also Compendium of Financial Delegations).Note. - [* * *] [Deleted by C.S. No. 20 dated 30.1.1959.]Audit of Stores and Stock Accounts

198.

When audit of the accounts of stores and stock kept in any office or department is undertaken by the Comptroller and Auditor General, it will be conducted in accordance with the regulation embodied in Appendix 3.

Chapter 9

Works

Section IIntroductory

199. [[Substituted of Rules 199 to 322 by Rules 199 to 210 vide Bihar Finance (Amdt.) Rules, 2005.]

Original works means all new constructions, additions and alterations to existing works, special repairs to newly purchased or previously abandoned buildings or structures, including remodeling or replacement.Repair works means works undertaken to maintain building and fixtures.]

200. Administrative control of works includes.

- (i) assumption of full responsibility for construction, maintenance and upkeep;(ii)proper utilization of buildings and allied works;(iii)provision of funds for execution of these functions.

201. Powers to sanction works.

- The powers delegated to various subordinate authorities to accord administrative approval, sanction expenditure and re-appropriate funds for works are regulated by the Compendium of Financial Delegation and other orders contained in the respective departmental regulations.

202.

(1)A Ministry or Department at its discretion may directly execute repair works estimated to cost upto Rupees Ten Lakhs after following due procedure indicated in Rule 208.(2)A Ministry or Department may, at its discretion, assign repair works estimated to cost above Rupees Ten Lakhs and upto Rupees Thirty Lakhs to any Public Works Organisation, which includes State Public Works Divisions, other Central Government Organisations authorised to carry out civil or electrical works such as Central Public Works Department (CPWD), Military Engineering Service (MES), Border Roads Organisation etc. or Public Sector Undertakings set up by the Central or State Government to carry out civil or electrical works.(3)All original works costing upto Rupees Ten Lakhs may be assigned by the Ministry or Department concerned to a Public Works. Organisations as defined in Rule 202(2).(4)All original works estimated to cost above Rupees Ten Lakhs and repair works estimated to cost above Rupees Thirty Lakhs may be got executed through a Public Works Organisations as defined in Rule 202(2) after consultation with the Building Construction Department.

203. Work under the administrative control of the Public Works Departments.

- Works not specifically allotted to any Ministry or Department shall be included in the Grants for Civil Works to be administered by Building Construction Department. No such work may be financed partly from funds provided in departmental budget and partly from the budget for Civil works as mentioned above.

204. General Rules.

- Subject to the observance of these general rules, the initiation, authorization and execution of works allotted to a particular Ministry or Department shall be regulated by detailed rules and orders contained in the respective departmental regulations and by other special orders applicable to them.

205.

(1) No works shall be commenced or liability incurred in connection with it until:-(i) administrative approval has been obtained from the appropriate authority in each case; (ii) sanction to incur expenditure has been obtained from the competent authority; (iii) a properly detailed design has been sanctioned; (iv) estimates containing the detailed specifications and quantities of various items have been prepared on the basis of the Schedule of Rates maintained by PWD or other Public Works Organisations and sanctioned; (v) funds to cover the charge during the year have been provided by competent authority; (vi) tenders invited and processed in accordance with rules; (vii) a Work Order issued. (2) On grounds of urgency or otherwise, if it becomes necessary to carry out a work or incur a liability under circumstances when the provisions set out under sub-rule 1 of Rule 205 cannot be complied with, the concerned executive officer may do so on his own judgment and responsibility. Simultaneously, he should initiate action to obtain approval from the competent authority and also to initiate the concerned Accounts Officer. (3) Any development of a project considered necessary while a work is in progress, which is not contingent on the execution of work as first sanctioned, shall have to be covered by a supplementary estimate.

206.

For purpose of approval and sanctions, a group of works which forms one project, shall be considered as one work. The necessity for obtaining approval or sanction of higher authority to a project which consists of such a group of work should not be avoided because of the fact that the cost of each particular work in the project is within the powers of such approval or sanction of a lower authority. This provision, however, shall not apply in case of works of similar nature which are independent of each other.

207.

Any anticipated or actual savings from a sanctioned estimate for a definite project, shall not, without special authority, be applied to carry out additional work not contemplated in the original project.

208. Procedure for Execution of Works.

- The broad procedure to be followed by a Department for execution of works under its own arrangements shall be as under:-(i) the detailed procedure relating to expenditure on such works shall be prescribed by departmental regulations framed in consultation with the Finance Department, generally based on the procedures and the principles underlying the financial and accounting rules prescribed for similar works carried out by the Public Works Department (PWD); (ii) preparation of detailed design and estimates shall precede any sanction for works; (iii) no work shall be undertaken before Issue of Administrative Approval and expenditure Sanction by the Competent Authority on the basis of estimates framed; (iv) open tenders will be called for works costing Rupees Five Lakhs to Rupees Ten Lakhs; (v) limited tenders will be called for works costing less than Rupees Five Lakhs; (vi) execution of Contract Agreement or Award of work should be done

before commencement of the work;(vii)final payment for work shall be made only on the personal certificate of the Officer-In-Charge of execution of the work in the format given below:"I Executing Officer of (Name of the Work), am personally satisfied that the work has been executed as per the specifications laid down in the Contract, Agreement and the workmanship is upto the standards followed in the Industry."

209.

For original works and repair works entrusted to a 'Public Works Organisation' as defined in Rule 202(2), the administrative approval and expenditure sanction shall be accorded and funds allotted by the concerned authority under these Rules and in accordance with the Compendium of Financial Delegation. The Public Works Organisation shall then execute the work entrusted to it in accordance with the rules and procedures prescribed in that organisation.

210. Review of Projects.

- After a project costing Rupees Ten Crores or above is approved, the Administrative Ministry or Department will set up a Review Committee consisting of a representative each from the Administrative Ministry, Finance (Internal Financial Advisor) and the Executing Agency to review the progress of the work. The Review Committee shall have the powers to accept variation within 10% of the approved estimates. For works costing less than Rupees Ten Crores, it will be at the discretion of the Administrative Department to set up a Review Committee on the above lines.[Editorial Note. - Section 9 of the Bihar Finance (Amendment) Rules, 2005 although states that "Rules 199 to 322 of the Bihar Finance Rules will be substituted by the following Rules" but practically, only new Rules up to 210 are present. Under the abovementioned circumstances Old Rules beginning from Rule 211 and ending at Rule 322 have been given under their suitable headings and chapters for the sake of record and ready reference. - Ed.]Old Rule read as :Section IVSpecial Rules for Sanitary, Water Supply and Electric Installation to Government Buildings, etc.

211.

Except as otherwise provided in this or any other rule or as ordered by Government in special cases, all works and repairs in connection with sanitary, water supply and electric installations to Government buildings should be carried out by or through the agency of the Public Works Department.Note. - The rule relating to the provision of these installations in Government buildings occupied as residents are laid down in Rules 129-131 of the Bihar Service Code.

212.

Civil Officers may incur expenditure in connection with these installations where it does not exceed Rs. 2,500. Such expenditure may be charged as contingent expenditure of the department carrying out the work. (See also Rule 400, Bihar Treasury Code).Section VMiscellaneous Rules

213.

In respect of buildings available for occupation as residences, capital and revenue account are prepared periodically by the Accountant General in accordance with the directions given in the Account Code, Volume IV 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 building in such form as may be prescribed by the Accountant-General.

214.

Government may sanction 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, the opening of bridges other than those constructed from railway funds, etc. Note. - The expenditure on such functions should be limited to the minimum absolute necessary and the Finance Department should be afforded full justification for any such contemplated outlay before any commitments are entered into with regard to it.

215.

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 have been commented upon adversely by the Public Accounts Committee on various occasions, and is 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 is 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 cases, 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 (See also Rule 247). Section VI Special Rules for the Forest Departments

216.

When a work or supply is of sufficient magnitude, a contract should be made on a written agreement duly stamped and registered, so that it can be maintained in a court of law in the event of dispute. Measurements

217.

Work done otherwise than on a lump sum contract, and supplies made by a contractor, should, unless impracticable be measured (weighed or counted) before payment therefore, is made. The details of the measurement made should be systematically recorded in a book called measurement

book, which will form the basis of all accounts of quantities. The description of the work or supply must be lucid so as to admit of easy identification and check. The pages of the book should be machine numbered, and no page may be torn out nor may any entry be erased or effaced so as to be illegible. All corrections must be duly attested by a responsible Government servant.

218.

A reference to the vouchers in which the quantities are entered for payments, as well as the date of entry, should be given by an endorsement upon the original entries in the measurement book, and no contract certificate or bill should be signed without thus crossing of the connected entry in the measurement book. The document in which payment is made should invariably bear a reference to the number and page of the book in which the detail measurements are recorded. Record of Sanction and Expenditure

219.

Works requiring sanction of an authority higher than the Divisional Officer cannot ordinarily be commenced until the sanction has been accorded. All such sanction will be numbered consecutively by the Conservator of Forests for each financial year, and they will be communicated by him to the Accountant General in monthly lists.

220.

When a sanctioned work is completed all outstanding liabilities should be discharged as soon as possible, and the accounts of the work should be closed. A completion report showing the amounts sanctioned and actually expended in the same details as in the monthly accounts, should then be submitted through the Accountant General to the Conservator, who should forward it to Government if the work was sanctioned by the State Government. Section VII Special Rules for the Public Works Department Financial Responsibilities of the Officers

221.

(a) The Chief Engineers, Public Works Department (Road and Buildings), Public Health Engineering Department and Irrigation and Electricity Department will—(1) exercise a concurrent control, with the Accountant General, over the duties of the officers of the department in maintaining accounts, and give legitimate support to the Accountant General in enforcing strict attention to the rules concerning the disbursement of any money, the custody of stores, and submission of accounts; (2) see that the budget appropriation of the year are fully expended in so far as is consistent with general economy and the prevention of large expenditure in the closing months of the year for the sole purpose of avoiding lapses; and (3) be responsible for ensuring that any money which is not likely to be needed during the year is promptly surrendered so as to allow of its appropriation for other purpose by the proper authority. (b) The Superintending Engineer is responsible for the maintenance of authorised system of accounts throughout his circle. He should see that the

Divisional Officers submit their accounts to the Accountant General punctually. He should examine the books of the Executive Engineers and their subordinates, and see that the matters relating to the primary accounts are attended to personally by Divisional and Sub-divisional Officers, and that the accounts fairly represented the progress of each work. It will also be his duty to examine the registers of works, so as to keep a vigilant watch over the rates of work, and, if he considers it necessary, he may require an Executive Engineer to report to him monthly, or at longer intervals on a works slip, the total expenditure to date under each sub-head of work in contrast with the sanctioned estimate. He will also-(1)see that different articles in stock are duly verified according to the rules laid down, and there is no accumulation of stock in any division beyond its requirements;(2)see that no delay is allowed to occur in the submission of completion reports;(3)forward for the information of the Chief Engineer reports of his inspections of divisional offices, detailing therein the results of his examination of initial accounts, accounts of stock, tools and plant and stock manufacture, register of works and other divisional book, mode of preparation of estimates, contract agreements, contractors' accounts, system of recording plans and papers, and office work generally;(4)see that the authorised system of account is maintained throughout his circle;(5)examine the books of Divisional Officers and their sub-ordinates, and see that matters relating to the primary accounts are attended to personally by the Divisional and Sub-divisional Officer, and that the accounts fairly represent the progress of each work; and(6)examine the register of works, watch the total expenditure to date under each sub-head of work in contrast with the sanctioned estimate and see that revised estimates for any work if required, are submitted in due time to the sanctioning authority.(c)The Divisional Officers will-(1)not commence the construction of any work, or spend public funds without the sanction of competent authority;(2)close the accounts immediately the work is finished, and prepare the completion report if required by the rules;(3)take the necessary steps for obtaining cash for the works under their control, keep their accounts and submit them punctually to the audit office, under the rules for the time being in force;(4)exercise a thorough and efficient control and check over their divisional accounts and examine carefully the books, returns and papers from which the monthly accounts are compiled;(5)be responsible for the correctness, in all respects, of the original records of cash and stores, receipts and expenditure, and for seeing that complete vouchers are obtained; and(6)afford information in cases of probability of excess of actual over estimated cost of work, and report the fact forthwith to the Superintending Engineer, describing the nature and cause of the probable excess.

Administrative Approval and Technical Sanction

222.

For every work which it is proposed to carry out, except petty works and repairs the cost of which is not likely to exceed Rs. 1,000 and annual repairs for which a lump sum provision has been sanctioned by the Superintending Engineer, a properly detailed estimate must be prepared for the sanction of competent authority; this sanction is known as the "technical sanction" of the estimate. Such sanction can only be accorded by Government in the Public Works Department, or where power has been delegated to them, by officers of that department. Sanction accorded to the construction of a work by any other department of Government is to be regarded merely as an "administrative approval" to the work, as defined in the following rule, and the fact that such approval has been accorded in no way dispenses with the necessity for a further technical sanction,

which must be obtained before the construction of the work is commenced.

223.

For every work (excluding repairs and petty work) initiated by or connected with the requirements of another department, it is necessary to obtain the concurrence of the department concerned to the proposals before technical sanction to the work is accorded in the Public Works Department. The formal acceptance by the department concerned is termed "administrative approval" of the work, and is in effect, an order to the Public Works Department to execute certain specified works at a stated sum to meet the administrative needs of the department requiring the work. Such approval should not, however, be accorded until the professional authorities have intimated that the proposals are structurally sound, and that the preliminary estimate is sufficiently correct for the purpose. A similar procedure should be followed in the case of works required to meet the administrative needs of the Public Works Department, both the administrative approval and the technical sanction being accorded, in such cases, in the Public Works Department. Note. - The words "approval" and "sanction" respectively, when used in respect of estimates for works, bear throughout this chapter the meanings indicated in this and the foregoing Rule.

224.

An application for administrative approval should be submitted to the authority competent to accord it accompanied by a preliminary report by an approximate estimate and by such preliminary plans, information as to the site and other details as may be necessary fully to elucidate the proposals and the reasons therefor. The approximate estimate and the preliminary plans should be obtained from the Public Works Department. If, however, the work is not likely to cost more than Rs. 10,000 detailed plans and estimates may be prepared in the first instance and submitted to the authority competent to accord administrative approval, being returned thereafter to the officer of the Public Works Department competent to accord technical sanction.

225.

This procedure will also apply to modifications of the proposals originally approved, if likely to necessitate eventual submission of a revised estimate, to material deviations from the original proposals, even though the cost of the same may possibly be covered by savings on other items, and to cases where the detailed estimates, when prepared, exceed the amount administratively approved by more than 10 per cent or 5 per cent in the case of residential buildings involving excess over the admissible outlay. In these cases, as also in cases in which it becomes apparent, during the execution of the work that the amount administratively approved will be exceeded by more than 10 percent or 5 per cent, as the case may be, owing to increase of rates or other causes, the revised administrative approval of competent authority must be obtained to the increased expenditure without delay, and in the case of modifications during construction, without awaiting the preparation of a detailed supplementary or revised estimate.

226.

For works required not for a particular department but in the interests of the general public, e.g., communications, irrigation works, and miscellaneous improvements, preliminary designs and estimates should be submitted for scrutiny by the administrative department concerned before a detailed estimate is prepared for the purpose of technical sanction. Requisition by Civil Officers

227.

When an application is made for a new building or for additions or alterations to existing buildings required for the use of any department, the Divisional Officer must in each case exercise his judgment on the demand made, giving all proper weight to the opinions of the departmental officer concerned; but it is his duty to oppose any application of the funds at his disposal to works of real necessity for which he is not satisfied and in every case in which he thinks that he cannot recommend the execution of a work called for by a duly constituted authority, he should explain his objections to the officers concerned, and, if he fails to convince him, should refer the matter for the orders of the Superintending Engineer.

228.

The actual execution of works, asked for by civil officers, must in every case be dependent on the necessary funds being available. Preparation of estimates

229.

Ordinarily a detailed working estimate will provide for the work expenditure, but the complete estimate for a project should include indirect as well as direct charges. Contracts

230.

The recognised systems for carrying out work, otherwise than by the employment of daily labour, are "Piece-work" and "Contract work". Piecework is that for which only a rate is agreed upon, without reference to the total quantity of work to be done, or the quantity to be done within a given period. The term "contract" as used in this chapter, does not include agreements for the execution of work by piece-work, nor does it include more ordinarily purchase of materials or stores. All other work done under agreement is termed "Contract work", and in agreements for such work, which should invariably be in writing there should generally be a stipulation as to the quantity of work to be done, and the time within which it is to be completed.

231.

The following Rules regulate the acceptance of piece-work agreement:-(1) Except as provided in Rule 3 below, piece-work agreement should not be accepted for any work, being the whole or part of any

sanctioned project, the sanctioned estimate for which exceeds [Rs. 10,000] [Substituted For Rs. 5,000 by C.S. No. 23 dated 5.6.1958.](2)If the sanctioned estimate of the work exceeds Rs. 2,500 the previous approval of the Superintending or Chief Engineer should be obtained before the piece-work system is adopted.(3)[With the approval of the Superintending Engineer, piece-work system may be adopted for earthwork, dressing and turfing in road and irrigation projects upto a limit of Rs. 50,000] [Substituted For Rs. 5,000 by C.S. No. 23 dated 5.6.1958.], It may also be adopted for works on the collection and consolidation of road metal even when the estimate for such works exceeds [Rs. 10.000] [Substituted by C.S. No. 23 dated 5.6.1958.]. It may also be adopted for works on the collection and consolidation of road metal even when the estimate for such works exceeds [Rs. 1000] [Substituted by C.S. No. 23 dated 5.6.1958.] provided that the cost of the work given out to an individual contractor does not exceed [Rs. 10.000] [Substituted For Rs. 5,000 by C.S. No. 23 dated 5.6.1958.],(4)The provisions, of Rules 236, 241 and 247 should be strictly observed and no tender for piece-work should be accepted by an Executive Engineer, if in similar circumstances it would not be within his power to accept a tender for contract.

232.

"Contracts" may be of three kinds, viz. Lump sum, Schedule and a combination of these two. In a lump sum contract, the contractor engages to execute the work, with all its contingencies, for a fixed sum.

contracts are those in which the contractor undertakes to execute the work at fixed rates, the sum he is to receive depending on the quantities and kind of work done or material supplied (See Rule 246).

The third kind of contract is a combination of both these. Thus a fixed, sum is proposed for completion of the work as specified and a schedule of rates is agreed upon by which to regulate the price to be paid or to be deducted for additions or alterations.

233.

In works of great magnitude the contract deeds should be prepared specially by the Government Law Officers, but for ordinary contracts, including all such as are based on tenders which a Superintending Engineer is competent to accept, all contract deeds should be executed on one or other of the approved forms. Tenders

234.

Tenders, which should always be sealed should invariably be invited in the most open and public manner possible.(a)[Whenever tender is invited for any work and single tender is received either on scheduled rate or on the rate higher or lower than that, immediately second tender should be invited. [Inserted by Notification No. 1730 F.(2) dated 5.3.2003.](b)If after second invitation more

than one tenders are received or single tender is received on scheduled rate or on the rate lower than that, that will be decided by the competent authority itself.(c)If after second invitation single tender is received on the rate higher than the scheduled rate that should be decided by the tender execution authority level higher than the Competent Authority.(d)This procedure should be made applicable for all the Works Departments.]

235.

It is not necessary to call for tenders for works the sanctioned estimate of which does not exceed Rs. 200.

236. [[Substituted by C.S. No. 9 dated 30.12.1957.]

No tender for the execution of works of any description of work branches of the Public Works Department should be received unless accompanied by a challan showing the deposit of earnest money into a treasury, to the extent notified as necessary by the Executive Engineer or other officer. Contractors may however be permitted to deposit the earnest money either by 12-year National Plan Saving Certificates, Treasury Saving Deposit Certificates, State Development Loan or National Plan Loan Certificates, vide Rule 239 (b), duly endorsed to the Executive Engineer, if they prefer to do so. Explanation - The term Public Works Department includes all the four work branches of the Public Works Department viz. Buildings and Roads, Irrigation, Electricity and Public Health Department.]

237.

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

238. [[Substituted by C.S. No. 32 dated 4.4.1959.]

Usually the lowest tender should be accepted, unless there is some objection to the capability of the contractor, the security offered by him or his execution of former work. Whenever the lowest tender for projects costing Rs. 500 and above is not accepted by the authority accepting the tender, he should immediately communicate the reasons for the same to his immediate superior authority confidentially for approval. At the same time the acceptance or the rejection of tenders is left entirely to the discretion of the officer to whom the duty is entrusted and no explanation can be demanded for the cause of rejection of his offer by any person making a tender. Note. - Reasons for not accepting the lowest tender and the orders of the superior authority thereon shall be made available to the audit staff during inspection.] Security for performance of contracts

239. [[Substituted by C.S. No. 10 dated 30.12.1957.]

Security should in all cases be taken for the due fulfilment of a contract. This security may be-(a)A deposit of cash up to Rs. 500, or up to any larger amount deposited as earnest money under Rule 237, Government securities, municipal debentures and Port Trust Bonds duly endorsed to the Executive Engineer.(b)12 year National Plan Saving Certificates, Treasury Savings Deposit Certificates, State Development Loan or National Plan Loan Certificates, for the amount at which the certificates and papers were purchased, but not for their face value duly endorsed to the Executive Engineer.(c)A deduction of 10 per cent from the monthly payments to be made on account of work done.(d)Personal security of two persons of known probity and wealth.Note. - Parties concerned may be permitted to make, either by a suitable deposit or a guarantee arrangements with any bank which lodges with the Reserve Bank of India requisite securities in respect of the guarantee to be executed or fixed deposit receipts to be tendered by it on terms and conditions laid down by Government in this behalf from time to time:[Provided the cottage and small scale units, duly registered, shall be permitted to deposit half the amount of the security that is required to be deposited by other tenders.]

240.

In the case of piece-work agreement the Divisional Officer may, if he deems it necessary, make deductions from the bill of a sum not exceeding 10 per cent of the value of work done as security for the rectification of such defects in the work as may be noticed within three months after completion of the work.Provision in contracts for imported stores

241.

In framing contracts of any description care should be taken to retain in the hands of Government the supply of imported materials, if required to any considerable extent, and to arrange the terms accordingly. Such stores should either be supplied from the existing Government stock, or be obtained in ordinary course by indent on the [India Supply Mission] [Substituted for 'India Stores' by No. T.M. B-34-1022 dated 20-9-1964.] or by purchases in the local market. In important construction works let out on contract, such stores may be supplied by the contracting firm, subject to the conditions stated in the Stores Rules (Appendix 8).Enforcement of terms of contract

242.

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

243.

No authority other than the Officer In Charge of sub-division can accept any tender or make a contract for public works. The officers legally empowered to execute the different classes of deeds, contracts and other instruments are detailed in the specific orders of delegation made in this behalf. (See Rule 29).

244.

It is permissible to give out to different contractors a number of contracts relating to one work, even though such work may be estimated to cost more than the amount up to which officers are empowered to accept tenders. But no individual contractor may receive a contract, amounting to more than this sum nor if he has received one contract, may he receive a second in connection with the same work or estimate while the first is still in force, if the sum of the contracts exceeds the power of acceptance of the authority concerned.

245.

Departures from the rules for contracts specified above may be permitted or condoned by the State Government subject to any restrictions they may impose in each case. Accounts procedure for lump sum contractsA - General

246.

The following accounts procedure should be observed in connection with lump sum contracts: -(1)In a lump sum contract the contractor agrees to execute a complete work with all its contingencies in accordance with the specification for a fixed sum the following being its essential characteristics.(i)A Schedule of rates specified in order to regulate the amount to be added to or deducted from the fixed sum on account of additions and alterations not covered by the contract.(ii)Except as provided in clause (i), no allusion is made in the contract to the departmental estimate of the work, Schedule of rates or quantities of work to be done.(iii)Detailed measurements of the work done are not required to be recorded except in respect of additions and alterations.(2)The form of contract will be prescribed by the State Government in consultation with its law officers. It is necessary that, before the form is finally determined, the advice of the Accountant General should be sought on the question whether the form proposed meets the requirement of audit.B - Payment for the work done(3)Subject to the terms of the contract and such subsidiary instructions as may be laid down by the State Government to ensure that the works are executed in accordance with the prescribed specification plans and drawings, payments for work done are not made to the contractor otherwise than on the certificates of the Officers In Charge of the work, as detailed in sub-rules (4) and (5) below.(4)Whenever it is proposed to make any intermediate payment, a certificate should be obtained from a responsible officer of Government not below the rank of Sub divisional Officer to the effect that, by superficial or general measurement or by some other suitable method laid down by the State Government (vide Rule 419 of the Bihar Treasury Code), he has satisfied himself that

value of the work done is less than specified amount in conformity with contract agreement and that with the exception of authorized additions and alterations, it has been done according to the prescribed specifications. Note. - In case where the statues and experiences of the certifying officer are adequate the Comptroller and Auditor General may, on the recommendation of the State Government, allow exemption from the rule requiring specification in the bill of the method employed in estimating the value of work done. (5) In the case of final payment, in addition to a record of detailed measurements in respect of additions and alterations, there should be a certificate of completion of the work according to the prescribed specification signed by the Divisional Officer. Note. - In exceptional cases, such as that of the execution of a work in a border country under the supervision of a responsible civil officer without the intervention of the Public Works Department a completion certificate signed by the civil officer concerned may be accepted if he is empowered by the State Government to sign it. (6) In order that a proper financial control may be exercised over the payments made, it is necessary that the accounts of additions and alterations should be kept quite distinct from those of the rest of the work. There is no objection to payment for additions and alterations being made before the completion of the work, if the detailed measurements of them have been made. C - Forms of Bills (7) The forms of bills used for payments in connection with lump sum contracts are T.C. Forms 55 and 56 of the Bihar Treasury Code. The State Governments may modify these, in consultation with the Accountant General in order to provide for any additional precautions that be deemed necessary (See Rules 419 and 420 of the Bihar Treasury Code.) Note. - The Form of final bill may be printed on yellow paper to distinguish it from that of the running bill [See note 2 under Rule 275 (b)]. D - Subsidiary Works Accounts. (8) Rules 299 to 308 regarding the maintenance of Work Abstracts and Register of Works apply mutatis mutandis to the accounts of lump sum contracts. In the case of major estimates, the expenditure need not, however, be booked by subheads of works if all the charges represent nothing but payments on a lump sum contract. (9) All "intermediate payments" made to the contractor and so acknowledged by him are regarded as advances made to him on account of the work concerned, and are brought in accordance with sub-rules (10) and (11) below. (10) Payments for measured up additions and alterations as well as for the work covered by the lump sum for which no detailed measurement are necessary are treated like advance payments and should be brought to account in the works accounts under the suspense head "Contractors-Advance payments". This will not only simplify accounting but will facilitate a watch over the prompt adjustment of the payments made. Note. - If a percentage or any other portion of the value of work done is withheld as security for the due fulfilment of the terms of the contract, the net amount remaining after the deductions of the portion withheld should be entered as the advance payment. (11) Payments other than those specified in sub-rule (10) above may be either "secured Advance" made on T. C. Form 55 of Bihar Treasury Code or other recoverable payments including the value of materials supplied, which may have been made to the contractor or to others on his behalf. These should be entered in the accounts under the suspense heads, "Contractors-Secured Advances" and "Contractors-Other Transactions" respectively. (12) From the final bill paid to the contractor (T. C. Form 56 of Bihar Treasury Code) the total advances made to him in the running account bills (T. C. Form 55 of Bihar Treasury Code) or other recoverable payments will be deducted by short payments from the total value of work done, and the recoveries so made will be shown as minus figures under the suspense heads concerned, in which the plus figures will already be outstanding. E - Contractor's Ledger (13) Accounts of the transactions relating to lump sum contracts should be maintained in the contractor's ledger in P.W. A. Form No. 43 in the

manner described in Section G' of Chapter X of the P.W.A Code 1st Edition Reprint, 1935 subject to the following subsidiary instructions.(14)As all "intermediate payments" made on T. C. Form 55 of Bihar Treasury Code are regarded as advances, no figure therefrom will be posted in column 9, which is intended to show the amounts creditable to contractors account on account of the value of work done. The first and last entry which will appear in this column will be the figure "F" given in part 1 of the final bill (T. C. Form 56 of Bihar Treasury Code) column 10 need not be posted at all.(15)Figures for posting the other columns 4, 5, 6 and 8 are indicated in the bills (T. C. Forms 55 and 56 of Bihar Treasury Code) by the same distinguishing letters, D.E.G. and H. respectively, which have been used to denote the corresponding entries in the ordinary bill in T.C. Forms 52, 53 and 54 of the Bihar Treasury Code.

247.

No work shall be commenced unless a properly detailed design and estimate have been sanctioned, appropriation of funds made, and orders for its commencement issued by competent authority. Provision in the budget estimate for expenditure on a work convey no authority for the commencement of outlay.

248.

No material alterations in sanctioned still less in standard, designs may be made by an Executive Engineer in carrying out any work, without the approval of the Superintending Engineer. Should any alteration of importance, involving additional expense, be considered necessary, a revised or supplementary estimate should be submitted for sanction. In urgent cases, where the delay thus caused would be inconvenient, an immediate report of the circumstances must be made to superior authority and dealt with as the case may require.

Note. - Revised administrative approval is necessary in the cases indicated in Rule 225.

249.

In works, the estimates for which have been sanctioned by a competent authority, no additions or alterations, likely to cause an excess which will not fall within the powers of sanction of that authority should be permitted without the previous approval of a higher authority.

250.

Where important structural alterations are contemplated though not necessarily involving an increased outlay, the orders of the original sanctioning authority should be obtained. A revised estimate should be submitted for technical sanction if the alterations involve any substantial change in the cost of the work.

251.

Any development of the project thought necessary while a work is in progress, which is not fairly contingent on the proper execution of the work as first sanctioned, must be covered by a supplementary estimate accompanied by a full report of the circumstances which render it necessary. The abstract must show the amount of the original estimate, and the total of the sanction required, including the supplementary amount.II - Revised Estimates

252.

A revised estimate must be submitted when a sanctioned estimate is likely to be exceeded by more than 5 per cent, either owing to the rates being found insufficient, or from any cause whatever, except as mentioned in the foregoing rule (See also Rule 250).

253.

It is the duty alike of the Executive and of the Superintending Engineer to watch carefully the progress of expenditure, and to see that a revised estimate is submitted directly, if the necessity arises.

254.

When the submission of a revised estimate under the above rule is found necessary, it is essential that the revised estimate should be compared with the latest existing sanction of competent authority. When by reason of intermediate modifications, such existing sanction differs from that accorded from the highest authority concerned, statement should be prepared showing how the sanction with which the revised estimate is compared has been arrived at.III - Utilization of completion report as revised estimate

255.

When excesses occur at such an advanced period in the construction of a work as to render the submission of a revised estimate purposeless, the excesses, if beyond the power of the Executive Engineer to pass, may be explained in a completion report or statement prepared under Rule 301.

256.

For all large works or group of works, labour reports in the prescribed form will be submitted either daily or periodically as may be directed by the Divisional Officer. These reports show the number of each class of labourers employed on each work or sub-head. Discrepancies between labour reports and muster roll (T. C. Form 49 of the Bihar Treasury Code) should be investigated as soon as the latter are received after the close of the month.Measurement Books

257.

The measurement book must be looked upon as most important record, since it is the basis of all accounts of quantities, whether of work done by daily labour, or by the piece or by contract or of materials received, which have to be counted or measured. The description of the work must be lucid, so as to admit of easy identification and check. Detailed measurements may be dispensed with in the case of periodical repairs when the quantities are recorded in efficiently maintained standard measurement books. (Vide Rule 278). Detailed measurements may also be dispensed with in cases in which payments on-account for work actually executed are made on the certificate of a responsible officer (not below the rank of Sub-divisional Officer) to the effect that not less than the quantity of work paid for has actually been done and the officer granting such a certificate will be held personally responsible for any overpayment which may occur on the work in consequence. Final payments may, however, in no case be made without detailed measurements. Similarly detailed measurements may be dispensed with in connection with works done on lump sum contracts :- (i) in the case of an intermediate payment if a certificate is given in the bill, by the Sub divisional Officer when the payment does not exceed Rs. 5,000 and by the Divisional Officer when it exceeds Rs. 5,000 to the effect that by a rough measurement he has satisfied himself that the value of work done is not less than a specified amount in conformity with the contract agreement, and that with the exception of authorised additions and alterations, the work has been done according to the prescribed specifications; and (ii) in the case of final payments if a certificate of completion of the work according to prescribed specification is signed by the Divisional Officer in the bill. Detailed measurements must invariably be taken in respect of additions and alterations.

258.

The Superintending Engineer is required to see that measurement books are carefully kept and measurements properly recorded, and that there are complete records of the actual measurements of each kind of work done for which certificates have been granted.

259.

Sub divisional Officers should be required to submit the measurement books in use to the Divisional Office from time to time so that at least once a year the entries recorded in each book may be subjected to a percentage check by the Divisional Accountant under the supervision of the Divisional Officer. Note. - Detailed instructions on the subject are contained in Appendix 9. Works Accounts A - General Principles

260.

The Divisional Officer should utilize the recorded transactions of the cost of the works as a means of control. His personal knowledge of the executive arrangements for the execution of a work, and of the actual progress of work, must be supplemented by a monthly comparison of the cost as recorded in the accounts with the value received in the shape of work done. In large works, especially where

the period of construction is a prolonged one, this monthly comparison is obviously impossible, unless the total cost is split up in to convenient parts in such a way that as far as possible, the cost of each distinct part may be compared with the work done thereon. This comparison should be made in connection with the examination and review of the Works Abstract and Register of Work.

261.

In the case of recoverable charges it should be seen particularly that the contractors or others, on whose behalf the charges are incurred, do not get the benefit of any concession to which they would not be entitled if they had themselves incurred the charges. B - Labour engaged through contractors

262.

The payment of daily labour through a contractor, instead of by muster roll in the usual way is objectionable in principle. In a case of great emergency, it may sometime be found impossible to employ labour otherwise than through a contractor, should it be possible, in such a case, to determine the quantity of work done after its completion or at intervals during its progress, it is expedient to pay the contractor, at suitable rates, on the basis of work actually executed. But if, as in urgent repairs of canal branches this method of payment is not practicable, it is permissible to pay the contractor on the basis of number of labourers employed, day by day, his own profit or commission being either included in the rates allowed, or paid separately in a lump sum or at a percentage rate. C - Travelling expenses

263.

When it is necessary to bring labourers and articles from a distance, they may be allowed wages for the number of days occupied in the journey and from the site of the work, if they join the work with proper despatch. At the discretion of the Divisional Officer, bona fide travelling expenses may also be allowed to them. The above charges must be borne by the estimate of the work. Note. - The above Rule does not apply to work charged establishment. Preparation, Examination and Payment of Bills

264.

Subject to compliance with the Rules 266 to 270 for the check measurements by superior officers of the department, contractors bills and other demands for payments must invariably be prepared, examined or verified and passed for payment, respectively, by the undermentioned authorities;-

| Item No. | Nature of claim | Authority competent to prepare, examine to verify | Authority competent to pass for payment. |
|----------|---|---|--|
| 1 | 2 | 3 | 4 |
| 1. | Wages of labourers, current or arrears, except those mentioned in | Officer or Sub ordinate incharge of work. | Sub-divisional Officer. |

item 2 below.

- | | | | |
|----|--|---|--|
| 2. | Unpaid wages removed from the accounts of a work under paragraph 278 (f), Public Works Accounts Code 1st Edition, Reprint 1935. | Sub-divisional Officer. | Divisional Officer. |
| 3. | Petty payment of a work done or supplies made not exceeding Rs. 25 in value. | Officer or subordinate concerned. | Imprest holder. |
| 4. | Final bills of contractors or suppliers involving work done or supply made in excess of Rs. 1,000, bills for advances (both secured and others and claims for refunds. | Sectional Officer and Sub divisional Officer as laid down in Rules 265 and 271. | Divisional Officer or Sub divisional Officers authorised by him under Rule 15 subject to the limit prescribed therein. |
| 5. | Claims or demands relating to payments of bills of contractors or suppliers, for work done or supply made to the value of Rs. 1,000 and less but exceeding Rs. 25. | Ditto | Ditto. |

265.

Before the bill of a contractor is prepared the entries relating to the description and quantities of work of supplies and the calculations of "contents or area" should be entered by the Sectional Officer In Charge of the work in the measurement book. The bill should then be prepared by him in duplicate from the measurement entries in one of the forms prescribed in Rules 413 to 422 of Bihar Treasury Code, applicable to the case and submitted to the Sub divisional Officer. The rates allowed should be entered by the Sectional Officer both on the abstract of measurements and the bill itself. Full rates as per agreement, catalogue, indent or other order should be allowed only if the quality of work done or supplies made is up to the stipulated specification. When the work or supplies fall short of that standard and the standard is not so low as to warrant total rejection of the work or supplies, and under the agreement it is permissible to make a final payment if the contract is determined or an "on account" payment if the contract is to run on, only such a fraction of the full rate should be allowed as is considered reasonable with due regard to the work remaining to be done on the general terms of the agreement. It should be made widely known to contractor that all entries of rates made by the Sectional Officer in the abstracts of measurement and bills are subject to the approval of the proper disbursing officer. Note 1. - If the contract agreement does not specify the rates to be paid for the several classes of work or supply but merely states that the estimated rates, or a certain percentage below or above them, will be allowed, it should be seen that the standard rates adopted are those of the sanctioned estimate which was in force at the time the agreement was executed, or, if the agreement was preceded by a tender, on the date the tender was signed by the contractor. Subsequent sanctions to original or revised estimates have no effect on the terms of such an agreement. If no sanctioned estimate is in existence at the time of signing the agreement or the tender, as the case may be, the rates payable for each item of work should be specified, as any reference to an estimate not yet sanctioned is meaningless and cannot be acted upon. Note 2. - As a

general rule, payment for supplies is not possible until the stores have been received and surveyed. Note 3. - Payment for materials supplied free on rail whether despatched at railway risk or otherwise, should be made on receipt of the railway receipt, any claims for shortage being settled subsequently with the railway company or the supplying firm after the necessary measurements have been made. Such payments will however, be held under objection in audit till the bills are presented after actual measurement and after the discrepancies, if any, have been settled by the disbursing officer either with the railway company or the firm concerned, or by obtaining the sanction of competent authority to write off of the loss or shortage. Note 4. - Advance payment for supply of materials up to an amount not exceeding 75 per cent of the value of materials subject to limit of Rs. 10,000 in case of payment by an Executive Engineer, and Rs. 20,000 in case of payment by a Superintending Engineer, may be made on submission of Railway Receipts. The balance will be paid on receipt of the goods subject to the usual verification. Note 5. - Such advance payment is made only on receipt of a certificate of personal inspection of goods by the consignee who may employ an officer of not below the rank of Assistant Engineer for this purpose. In very special cases on the specific request of the intending officer the Special Officer, Materials and Plants will be deputed. Note 6. - Whenever any advance payment is made, it should be made clear to the supplier that they are in no way absolved of the responsibility in respect of quality and quantity of stores despatched by them and recoveries are liable to be made if the stores received are found in any way to be defective or short in quantity.

266.

The Sub-divisional Officer is expected to take all final measurements of important works himself. He will also check not less than 50 per cent of the measurements (judged by their money value) made by his sub ordinate in the case of other works i.e., works other than important. Note - The determining of important works is left to the discretion of the Divisional Officer.

267.

Similarly, the Divisional Officer is expected to check, measure, not less than 10 per cent, of the measurements (judged by their money value) made by his sub ordinates. This check should, however, not be less than 10 per cent of total number of bills prepared in any year.

268.

The check measurements referred to above should, so far as possible be carried out before payment is made.

269.

The individual items checked should be clearly shown in the measurement book, and the result recorded by the officer concerned on the date of check under his dated initial; all entries to be in ink or indelible pencil.

270.

A collective record of all the checks carried out from time to time will also be prepared at the end of each measurement book in the following form. Record of check measurements by superior officers

| Date of check | Pages recording measurements subjected to testcheck | Value of measurement checked | Number of bills check measured | Result of the check exercised | Date, initials and designation of the checking officer |
|---------------|---|------------------------------|--------------------------------|-------------------------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 |
| | | Rs. | | | |

N.B. - This result will be indicated by the word "satisfactory" or "unsatisfactory" as judged at the time on the merits of each case.

271.

Before signing the bill the Sub divisional Officer, must satisfy himself that work has been actually done in accordance with the claims preferred. He should personally inspect all works of any magnitude before authorising final payment in connection therewith. He should scrutinise and compare the quantities in the bill with those recorded in the measurement book and check all the rates with the tender. When the bill is based on standard measurements he should invariably record the following certificate on the bill: - "Certified that the whole of the work billed for herein has been actually done and that no portion thereof has been previously billed for any shape." He should also have all calculations checked arithmetically in his office by the sub divisional clerk who is primarily responsible for the accuracy of all figures in column "contents or area" and abstract in the measurement book relating to the bills passed by the Sub divisional Officer. When the bill is on a running account it should be compared with the previous bill. The memorandum of payments should then be made up, any recoveries, which should be made on account of the work or supply or on other accounts, being shown therein. If the Sub divisional Officer is empowered to pay the bill, he should then record a formal pay order specifying both in words and figures, only the net amount payable, though the payee should be required to acknowledge in his acquittance the gross amount payable inclusive of the recoveries made from the bill. No payments for work done under lump sum contract should be made otherwise than on certificates of the Officer-In-Charge of the work in accordance with the provisions of Rule 257 (Vide also Rules 419 to 420, Bihar Treasury Code). 'Note 1. - In calculating the value of each item of work the nearest * anna should be taken, *pies one to five being ignored, and *pies six to eleven taken as one anna; but 'pies must not be omitted from the rates, [*now Paise], Note 2. - Whenever fractions of a rupee occur in the totals of contractors bills or, in the case of supplies chargeable to more than one estimate, in the totals chargeable to each estimate, fraction less than half may be disregarded, and half a rupee and over taken as a rupee. Note 3. - If the contract is for the completed items of works and, under the provisions of Rule 285 the contractor is required to obtain materials of any description from Government, it should be seen that this condition is being complied with, and that necessary recoveries of the cost of the materials supplied to him are being made in accordance with Rule 288. In such a case it is not permissible for the contractor to obtain the materials otherwise, unless in an emergency, the supply has been

entrusted by the Divisional Officer, for recorded reasons, to the contractor himself at suitable rates. Note 4. - Before signing a fresh and final bill or the first bill on a running account, the Sub divisional Officer should see that the relevant measurement entries have been marked as pertaining to such bill by the person taking the measurement.

272.

In all cases where the duty of passing claims for payment devolves on the Divisional Officer or when the Sub-divisional Officer is not allowed to act as a disbursing officer the measurement book or other relevant documents on which the claim is based should be submitted, with the bill to the Divisional Officer where calculations of measurements will inter alia be fully checked under supervision of the divisional accountant before payment. A clerk in the divisional office should be made responsible for the arithmetical check of such figures and abstracts relating to all bills passed by the Divisional Officer.

273.

In other cases, divisional accountant will be required to make a percentage check of the entries recorded in each measurement book at least once a year, under the supervision of the Divisional Officer, with a view to test check the accuracy of calculations and to ensure that the books are otherwise in order, with reference to the instructions contained in paragraph 281 of Public Works Account Code, First Edition, Reprint 1935, or any subsidiary rules framed thereunder. The procedure to be observed will be as follows :-(a)The measurement books in each sub-division should be submitted by the Sub-divisional Officer concerned so as to reach the Divisional Officer by the date prescribed by the Divisional Officer. A register showing the date of their receipt and return from and to the Sub-divisional Offices should also be maintained by the divisional accountant in the following form :-

| Sl. No. | Date of issue | Name of officer to whom issued | Date receipt in divisional office for check | Date of return | Date of receipt in divisional officer for check | Date of return | Date of final return |
|---------|---------------|--------------------------------|---|----------------|---|----------------|----------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |

(b)On receipt, by the divisional office, of all the measurement books the Divisional Officer, should indicate in column 2 of the "Review Notes" in each measurement book referred to in sub-rule (c) below which of the calculations are to be test-checked by the divisional accountant. Such check should not, however, be less than 10 per cent of the value of total measurement recorded in each book since the last review (excluding those which have already been checked fully under Rule 272 above) and should cover complete sets of measurements. Payments based on the entries reviewed should be traced into the various accounts and verified. Similarly, supplies or issues of materials should be traced into the various accounts, contractor's ledger, etc., and verified.(c)The defects, discrepancies etc. noticed should be communicated to Sub-divisional Officer concerned and summarised in the following form in the measurement book which have been audited :-Review

notes by the divisional accountant

| | | | | |
|--------------------------|---|------------------------------------|--------------------|-----|
| Pages reviewed generally | Calculation selected by the Divisional Officer for re-check | Defects, discrepancies etc. notice | Dated initial of - | |
| Page. | Dated initial | Divisional accountant | Divisional officer | |
| 1 | 2 | 3 | 4 | 5 6 |

(d) Measurement books completed and returned for record during the year should also be similarly examined prior to their final record in the divisional office. (e) The divisional accountant must not retain a measurement book longer than ten days after receipt. He should submit the register prescribed by sub-rule (2) above for the scrutiny of the Divisional Officer periodically. (f) No measurement book will remain in use for a longer period than two years, it must at the expiry of this period be returned for final record. But if any book is then found to contain a large number of blank pages it may be reissued by the Divisional Officer recording the fact in the register. (g) On the occasion of transfer Sub-divisional Officer will see that all measurement books in custody of the relieved sub-ordinate were acknowledged by the relieving sub-ordinate. Similarly, the divisional accountant will see that all measurement books in a subdivision are acknowledged by a relieving Sub-divisional Officer in his transfer papers.

274.

From the measurement book all quantities should be clearly traceable in the documents on which payments are made. When a bill is prepared for the work or supplies measured, every page containing the detailed measurement must invariably be scored out by a diagonal red ink line, and when the payment is made an endorsement must be made, in red ink, on the abstract of measurement, giving a reference to the number and date of the voucher of payment. The documents on which payment is made should invariably show, in the space provided for the purpose, the number, and page of the measurement book in which the detailed measurements are recorded, and the date on which the measurement was made.

275.

(a) Payments for work done or supplies made on a running account should ordinarily be made monthly. Both the "quantities" and "amount" of each distinct item of work or supply should be shown separately in the bill, except in the case of advance payment when quantities need not be specified. (b) Such payments should be treated as payments on account, subject to adjustment in the final bill which should be drawn, in the appropriate form but printed on yellow paper, when the work or supply is completed or the running account is to be closed for other reasons. When a final payment is made on a running account, the payee, if he is able to write, should add in his own handwriting that the payment is "in full settlement of all demands". If the payee is illiterate, or is unable to write beyond signing his name, these words should be filled in by the officer making the payment-Note 1. - If the contractor refuses to give an acknowledgement to the effect that the payment made to him was in full settlement of all demands, it is not necessary to insist on obtaining

a qualified acknowledgement. Note 2. - A Form printed on yellow paper is never to be used except for final payment. (c) A separate running account is maintained in respect of each contract. Transactions relating to two or more separate working estimates should not be brought on to the same running account; they should, therefore, not be covered by a single contract. Transactions relating to two or more separate parts of the same working estimate, for which separate works abstracts are prepared under Rule 301 should also appear in separate running accounts.

276.

(a) If the system of making advance payments to contractors for works has been adopted certificate 2, printed on Running Account Bill A or B (T.C. Form 52 or 53 of Bihar Treasury Code) as the case may be, must be signed by the Sub-divisional Officer, and the lump sum amount paid on account of each item should be specified against it in Part I of the bill. If a secured advance has previously been allowed to a contractor on the security of any materials and such materials have been used in the construction of an item, the amount of the advance payment for that item should not exceed a sum equivalent to the value of work done less the proportionate amount of secured advance ultimately recoverable on account of the materials used. (b) Actual measurement should, however, be taken at the earliest opportunity, any when this has been done, the lump sum payment previously made on account of the items of work concerned should first be adjusted in full, so that the contractor may not be paid twice over in respect of the same quantities of work. Delay in adjusting advance payments should be investigated, and adjustments made otherwise than by crediting the value of work actually measured should be specially looked into as being prima facie indicative of over payment in the first instance.

277.

When secured advances [vide Rule 411 (a), Bihar Treasury Code] are allowed by the Divisional Officer to a contractor whose contract is for finished work, it should be seen that an Indenture in F.R. Form 7 has been signed by the contractor, and a detailed account of the advances must be kept in Part II of the Running Account Bill (T.C. Form 53, Bihar Treasury Code). There should be separate entries in respect of each class of materials of the quantities brought to site by the contractor and the amount advanced under the orders of the Divisional Officer. These advances must be recovered by deduction from the contractor's bill for work done as the materials are used in construction and the items of work in which they are used are billed for on the basis of actual measurements. Parts I and II of the bill should be compared to see that this order is being complied with. As recoveries are made, the outstanding accounts of the items concerned in Part II should be reduced by making deduct entries in the column "Deduct quantity utilised in work measured since previous bill", equivalent to the quantities of the materials used by the contractor on items of work shown as executed in Part I of the bill. Note. - No record should be kept in measurement books of the quantities of the materials, but certificate 3 printed on the bill should be signed by the Sub-divisional or Divisional Officer. Standard Measurements

278.

It is usual in the Public Works Department to maintain standard measurement books of buildings in order to facilitate the preparation of estimates for periodical repairs. Where such standard books are maintained it is also permissible to utilise them for the purpose of preparing contractor's bills for such repairs, so that it may not be necessary to take detailed measurements on each occasion. The following rules should be observed in maintaining the standard measurement books:-(a) Standard measurement books will invariably be written legibly in ink only, and maintained by the Public Works Department for the purposes specified in paragraph 282 of the Public Works Account Code, 1st Edition, Reprint 1935. The work of preparing these books will ordinarily be undertaken in accordance with a programme for each sub-division or such other suitable unit as may be fixed by the Divisional Officer. (b) All the standard measurement books thus maintained in a Division will be numbered in an alphabetical series, so as to be readily distinguished from ordinary measurement books and a register of them maintained in the Divisional Office in P.W.D. Form No. 92 (Part II). A similar register should be maintained in each subdivision showing the books belonging to it, and the registers kept under lock and key in the custody of Divisional or Sub-divisional Officer concerned. (c) In view of the fact that these books will form the basis of both the annual repair estimates and contractors bill for work done, they should be written up either by the Sub-divisional Officer himself or by a member of the sub-ordinate engineering service under his orders. Each set of measurements taken by the latter class of officers should, however, be fully checked by the Sub-Divisional Officer concerned, after which it should be examined by the Divisional Officer and declared in writing in the book itself as finally approved by him for one or both of the purposes specified above. Until this is done, the books will not be entered in the register of standard measurement books, nor will a number be assigned to it. (d) Thereafter, the standard measurement books will be brought up to date, under the supervision of the Sub-divisional Officer with reference to any additions and alterations which may be carried out to the building or work concerned within one month of the closing of the accounts of the estimate therefor. All such corrections will be duly attested by the Sub-divisional Officer. (e) The Divisional Officer will also be expected to exercise a check over the completion of standard measurement book at least once a year. To this end, the programme of work should ordinarily be as follows :-(1) As soon after the close of the official year as possible, the Subdivisional Officer concerned will arrange for a personal examination of these books with a view to satisfying himself that they have been brought up-to-date with reference to the additions, alterations or special repairs carried out in the building or work during the preceding year, and ensuring their submission on such dates as may be fixed for the purpose for the inspection of the Divisional Officer. (2) On receipt in the Divisional Office, the books will be compared with the register of standard measurement books which have been submitted for inspection. They will then be subjected to such scrutiny as the Divisional Officer may direct. A comparison of these books with the accounts of expenditure and the record of connected measurements relating to estimates for additions, alterations or special repairs to buildings and works in the division should, however, form a feature of check to be applied. Note. - A record of the results of the scrutiny referred to should invariably be retained, and produced, if required, for the Superintending Engineer's or, the Accountant General's inspection. (3) Finally, a report should be made to the Superintending Engineer so as to reach him not later than the 31st August, of each year, to the effect:-(i) that all the standard measurement books of the division have been inspected by the Divisional Officer; (ii) that the entries

made therein have not been tampered with;(iii)that all corrections due to additions or alterations to the building or work concerned have been carried out; and(iv)that the books are reliable up-to-date records.A copy of this report should be furnished to the Audit Office.

279.

The Superintending Engineer should submit a report to the State Government in September each year to the effect that all the standard measurement books of the divisions have been inspected by the Executive Engineer and that the books are reliable and up-to-date records and that the entries in the books have been certified as correct by the Sub-divisional Officers.

280.

It is necessary sometimes in the interest of work, to engage labourers or contractors, or to incur other liabilities on behalf of the contractor concerned, with a view to complete work which he has neglected or failed to complete. In such a case it is permissible to spend Government funds on behalf of the contractor in accordance with the terms of agreement. Otherwise no advance or recoverable payment should be made to, or on behalf of, a contractor, nor should financial aid be given to him in any form, except in accordance with Rule 411 of the Bihar Treasury Code.(1)For rules relating to the issue of materials to contractor, see Rules 285 and 286.(2)With a view to avoid subsequent disputes with the contractor, suitable intimation should be sent to him (a) soon as action is taken under this Rule, and (b) subsequently, as charges are incurred on his account.Work Charged Establishment

281.

Works establishment will include such establishment as is employed upon the actual execution, as distinct from the general supervision, of a special work or of sub-works of a specific project, or upon the subordinate supervision of the departmental labour, stores and machinery, in connection with such a work or sub-works. When employees borne on the temporary establishment are employed on work of this nature, their pay should, for the time being, be charged direct to the work.Note. - Competent authority may waive the rule, which prescribes that works establishments must be employed upon a specific work, and determine in such cases the proportions in which the cost of such establishment shall be allocated between the works concerned.

282.

The cost of works establishment must be shown as a separate subhead of the estimate.Conditions of Employment

283.

In all cases, previous sanction of the Divisional Officer, the Superintending Engineer, or the State Government, as the case may be, is necessary, which should specify in respect of each appointment

(1) the consolidated rate of pay, (2) the period of sanction, and (3) the full name (as given in the estimate) of the work and the nature of the duties on which the man engaged would be employed. Issues of Materials I - General

284.

Issues of materials to works whether from stock or by purchase, transfer or manufacture, are divided into two classes :-(1) Issues to contractors. - Issues of materials to contractors with whom agreements in respect of completed items of works, i.e., for both labour and materials, have been entered into. (2) Issues direct to works. - Issues of materials when work is done departmentally or by contractors whose agreements are for labour only. II - To Contractors (a) General Conditions

285.

(a) The issue of materials to contractors who have contracted for completed items of work is generally permissible only in the following circumstances:-(i) when, under the operation of Rule 241, it is necessary to retain in the hands of Government the supply of imported materials, and (ii) when, in the interest of work, or with the object of utilising existing stocks of materials, it is desirable to retain in the hands of Government the supply of certain other materials as well, and a condition to this effect has been inserted in the contract. (b) In both cases the contract should specify (1) the materials to be supplied by Government for use on the work, (2) the place or places of delivery, and (3) the rates to be charged to the contractor for each description of materials. The contractor should be held responsible for obtaining from Government all such materials required for the work and for making payment therefor, by deduction from his bills, at the rate specified, regardless of fluctuations in the market rates or in the stock rates of the division. Note 1. - The rates to be charged to the contractor for materials to be supplied should be specified definitely, vague quotations, e.g., "at stock rates", being avoided; and if intending contractors have been told that the materials would be supplied at a certain rate and asked to tender on that assumption, then that rate should be adhered to in the contract. Note 2. - Similarly, the rates to be allowed to the contractor for items of work should be stated definitely. But if, for any special reasons, the contract provides for the payments for work done to be made at a specified percentage below, or above, the rates entered in the sanctioned estimate of the work (or the schedule of rates), it should be stated in clear terms in the contract that the deduction or addition, as the case may be, of the percentage will be calculated on the gross, and not the net amount of the bills for work done, and in fixing the percentage it should be borne in mind that the calculations will be so made. (c) No carriage or incidental charges are borne by Government for moving the materials beyond the place where the contractor has agreed to take delivery thereof.

286.

(a) As a general rule no other materials should be supplied to such contractors for use on works but this restriction may be waived by the Sub-divisional Officer in respect of petty issues (at full Issue Rates) of materials from existing stock not exceeding Rs. 50 in any month for any one contract. (b) If at any time subsequent to the execution of a contract on a through rate basis, the contractor desires

the issue to him, for use on a work, of materials which exist in Government stock but the supply whereof by Government was not provided for in the contract, the material should not be issued except with the express authority of the Divisional Officer, who would specify in each case the rate to be charged for the materials inclusive of delivery at the place where they are stored. The rate charged should be the market rate prevailing at the time of the supply or the Issue Rate, whichever may be greater, and no carriage or incidental charges should be borne by Government in connection with the supply. The intention of this rule is to prohibit the supply of materials to contractors with the object of giving them financial aid, vide Rule 411 of the Bihar Treasury Code and Rule 280.(c) Issues of stock materials to contractors for bona fide use on works are exempt from the usual charge of 10 per cent, on account of supervision, storage and contingencies, which is made when stock materials are sold to the public Rule 175 (c)].

287.

All materials required for issue to a contractor under the foregoing rules should be made over to him as soon as they are received.(b)Accounts procedure

288.

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

289.

As the issue of materials to contractors under the foregoing rules is permissible solely for the bona fide requirements of Government works, Sub-divisional Officers should make such agreements as may be deemed suitable for limiting the total issue to a contractor in connection with a particular work, to the reasonable needs at that work. This precaution is particularly necessary when the rates on which any materials are issued under Rule 285 are lower than the prevailing market rates, or the latter are expected to rise appreciably. In such cases if the transactions are of any importance, the use of F.R. Form 8 without values is recommended for watching that the aggregate of the quantities of any or all materials issued to a contractor from time to time, for use on a work, remains within the estimated requirements of his contract.(c)Return of surplus materials

290.

Government do not undertake to take over from contractors, whether before or after the completion or determination of contracts, surplus materials which were originally procured by the contractors for themselves or were issued to them and charged to their accounts. Such materials are the

property of the contractors and can be taken over by Government if required for use on other works in progress, only by special arrangement and at the prevailing market rates. If the materials were originally supplied by Government, the price allowed to the contractor on re-acquisition should not exceed the amount charged to the contractor. Contractors, are however, not at liberty to remove from site of works, without the written permission of the Divisional Officer, materials which have been issued to them for use on a work, and a stipulation to this effect should ordinarily be entered in their agreement.(d)Tools and plant lent for use.

291.

Rules 285 to 290 do not apply to tools and plant. Articles borne on the tools and plant account of division may, in accordance with any general or special orders of the Superintending Engineer or the Executive Engineer on the subject, be lent temporarily to contractors for use on Government works being executed or maintained by them. It should be seen that the articles are returned without unnecessary delay, and in good condition.III - Direct to Works(a)Control over issues of stores.

292.

The Sub-divisional Officer should exercise a detailed control over issues of stores direct to works, and should see that the issue do not exceed the reasonable needs for each work. In cases where no detailed accounts are maintained in F.R. Form 8, for these works, he should make his own arrangements for maintaining control over the issues.(b)Disposal of surplus materials.

293.

(a)Materials issued to works in excess of requirements may be transferred to stock, provided they are serviceable and certain to be required.(b)All surplus materials at site of works which have been completed or stopped, or on which outlay has been prohibited for any considerable length of time, should, if likely to be of use on other works within a reasonable time, be transferred to works in progress or brought on to stock account.(c)If the surplus materials are unlikely to be of any use within a reasonable time, a list of such materials should be maintained in the Sub-divisional and Divisional Offices, as a supplement to the half-yearly stock return, unless the Superintending Engineer considers this unnecessary.(d)Materials returned to store or transferred to other works should be priced within current market rates, any resultant loss being borne by the work to which they were originally issued.These rules do not apply to surplus materials which were originally procured by contractors for themselves, or were issued to them and charged off to their accounts.(c)Verification of unused balances

294.

Unused balances of materials charged direct to works should be verified at least once a year in the manner prescribed in Rules 180 and 181. Whenever the verification is made, a report of verification of the materials should be prepared by the Sub-divisional Officer in F.R. Form 9 and submitted to

the divisional office. The following instructions should be observed in preparing the report:-(a)As no continuous account is maintained of the materials actually used in construction, it is necessary first to calculate the quantities of principal items probably used. This should be done in the detailed statement at the top of the form, on the basis of the "progress" of work done on each sub head, such authorised formula being adopted as may be in general use locally.(b)Deducting these quantities from the total quantities of the materials issued to the work as per F.R. Form 8 the proper balances of the unused materials should next be arrived at and set forth against line C.(c)The actual balances should be entered again against line D, and the differences between the actual and proper balances should be set forth against line E. These differences should be priced at the actual rate of cost which should be deducted from the total value and quantity recorded in the Account of Receipts, Issues and Balances of Materials.(d)The report should then be completed by recording against line F, remarks explaining action taken (1) to adjust the difference as per line E, and (2), if the work has been completed, to dispose of the surplus balances as per line D, and by signing the printed certificates applicable to the case and scoring out the others.(e)The difference as per line E may be due to (i) the adoption of inaccurate, formula for determining the actual consumption, (ii) unreasonable wastage, or (iii) shortage in some other form. All these differences should be investigated.

295.

A similar verification of the unused balance of materials must invariably be made on the completion of a work, but on or before the completion of a work, when no more materials are required for use in construction, steps should first be taken to dispose of all surplus materials by transfer or sale, so that (1) the accounts of the work may promptly receive such credits as may, be admissible, (2) the balance at debit of suspense head "Materials" may, as far as possible, represent the net cost of the materials actually used in construction and (3) the surplus balances awaiting clearance may be reduced to a minimum.The report in F.R. Form 9 should in this case set forth both quantities and value throughout.

296.

If the Gazetted Government servant or sub-ordinate in direct charge of a work, the accounts of which are kept by sub-heads, is transferred before the accounts of it are closed, the unused materials at site of the work should be verified by the relieving officer in company with the relieved officer and the report prescribed in Rule 293 should be prepared by the Sub-divisional Officer and submitted to the Divisional Officer.

297.

A report is required annually of the value of materials at site of all works the accounts of which were open on the last day of the official year. This report should be prepared in F.R. Form 9 and submitted to the divisional office, as on completion of a work, but it is not necessary that the balance should be verified at the close of the year, if-(1)the work has been under construction for not more than three months.(2)the accounts of the work are expected to be closed within three months,

or(3)the balances were verified at any time during the year.When the balances are not verified at the close of the year the figures against line C, "Paper balances of unused materials", of the report should be assumed to be the value of the materials at site, and lines D and E should be left blank.

298.

The foregoing rules are intended primarily for cases where detailed accounts are kept in F.R. Form 8. In other cases the Sub-divisional Officer should make his own arrangements to verify the unused balances.Works Abstracts and Working Estimates(a)Records of charges in the Works Abstracts

299.

The Works Abstract records the main action relating to a work during a month in respect of cash, stock and other charges. In the case of a major estimate a separate account is kept for each sub-head estimated to cost not less than Rs. 1,000 while the expenditure on the remaining sub-heads is lumped together. In minor estimates the account of expenditure is not kept by sub-heads. The expenditure need not, also, be booked by sub-heads of work if all the charges represent nothing but payment on a lump sum contract.The abstract of the estimate may be framed to show merely the quantity and cost of each completed item of artificer's work, e.g. brick work, or it may be framed to show the cost of labour and materials separately. The adoption of either form of abstract should be determined with reference to the mode in which it is proposed to carry on the work. If it is proposed to contract for the completed item or artificer's work such as masonry, etc., then the first mentioned form of abstract will suffice, if it is intended to purchase or procure materials and to employ labour for construction separately, then the second form of abstract will admit of a closer, easier and earlier check on the outlay and it will, therefore, be preferable.

300.

After a major estimate has been sanctioned it may be decided to make a change in the method originally contemplated for the execution of the work. In such a case the original abstract should be recast in accordance with the instructions laid down in Rule 299. The details of cost and quantities already approved by competent authority should be rearranged, and the revised abstract should be approved by the Divisional Officer.

301.

If the number of sub-heads in the working estimate for a work or sub-work is large, it is permissible to break up the estimate into two or more parts and to treat each part as a sub-work.(b)Watch over the liabilities and balances

302.

Disbursing Officers are responsible for keeping a strict watch over all liabilities and balances under the suspense accounts in the works accounts with a view to settle them promptly. This should be done at the time of review of the works abstract and the register of works. Money indisputably payable should never be left unpaid. It is no economy to postpone inevitable payments, and it is very important to ascertain, liquidate, and record the payments of all actual obligations at the earliest possible date.

303.

If any liabilities on works are incurred on behalf of contractors under the provisions of Rule 280, arrangements should be made for withholding sufficient balances from their bills or for making necessary recoveries from them in due course. (c) Record of progress

304.

Entries of "progress" in the works abstracts should be supported by details in the statement provided for the purpose on the reverse of the Works Abstract Form (vide Section E, Chapter X, Public Works Account Code, First Edition, Reprint 1935). These details should be furnished by the Engineer or Subordinate In Charge of the work or any Executive Officer or sub-ordinate detailed for the purpose and should be based on entries already made in the measurement book. Their compilation from measurement books, vouchers or other records, by members of the office establishment should not be permitted. The following points should be specially borne in mind :- (i) Only "quantities" actually measured and paid for should be reported as "progress". (ii) The progress reported should specify the quantities executed "up to-date", sets of earlier measurement covered or superseded by later ones being ignored. (iii) The progress of an item of work should be so reported as to describe as approximately as possible, in terms of the unit adopted, the quantities of work executed upto the required standard. It is recognised that perfect accuracy cannot always be secured in making intermediate reports of progress. A fairly reliable record is all that is necessary but if the nature of the work makes it impossible or difficult to achieve this in practice, reports of progress may be dispensed with during the progress of construction in the following cases :- (1) If the duration of construction under a sub-head is not expected to be more than three months. (2) If the quantities executed are not in the same units as those specified in the estimate, or if they cannot be expressed, even roughly, except on or towards the completion of the work. Register of Works (a) Closing the accounts on completion of works

305.

It is important to close the accounts of work as soon as possible after the actual work of construction is completed (See Rule 307). If there is necessarily any delay in the closing of the accounts, it should be seen in particular, that further charges are not incurred without the permission of the Divisional Officer.

306.

Before closing the accounts all outstanding liabilities should be discharged and balances in the suspense accounts cleared.(b)Completion reports and statements

307.

A consolidated completion statement should be prepared monthly of all completed works other than those referred to in Rule 308 the actual expenditure on which is in excess of the sanctioned estimate by an amount greater than that which the Executive Engineer is empowered to pass. This statement should show for each work or groups of works the estimated amount, the outlay and the excess. In cases in which the completion statement is utilised instead of a revised estimate, sufficient details must be given, if the excess is more than 5 per cent, to satisfy the authority whose sanction is necessary.

308.

A detailed completion report in F.R. Form 9 need only be prepared in respect of work on which the outlay has been recorded by sub-heads :-(i)when, if the work was sanctioned by higher authority, the total estimate has been exceeded by more than 5 per cent; and(ii)when, if the work was sanctioned by the Executive Engineer, the total estimate has been exceeded by an amount greater than that which he is empowered to pass.This report should give a comparison and explanation of differences between the quantity, rate and cost of the work executed and those entered in the estimate, and should mention the names of the Engineers and sub-ordinates by whom the work was supervised.The Superintending Engineer may, if he so desires, require a detailed completion report to be prepared on the completion of any other work.

309.

If an excess over estimate is not within the Divisional Officer's power to deal with detailed completion report in F.R. Form 10 should be prepared or the item should be included in a consolidated completion statement of works and repairs in F.R. Form 1.1.Contractor's LedgerScrutiny of accounts by contractors

310.

A contractor requiring a copy of his running account bill or an extract from his account in the Contractor's Ledger should be furnished with one. He should be encouraged to look at his account in the ledger and sign it in token of his acceptance (See also Rule 2 under Rule 280).Sundry RulingsEmployment of Military Labour

311.

When military labour is employed on the execution of a work, no advance should be granted by the Public Works Department, the officer commanding the unit can obtain advances from the Controller of Military Accounts concerned. Sale of Government land and immovable property.

312.

The rules about sale of land and of transfer of public property to a local authority for religious and other purposes are contained in Section II of Chapter 15. Workshops(a)General

313.

No work is to be undertaken in workshops of the department other than work required for the various branches of the department, except under some general or special order of Government.

314.

No work should be undertaken for municipalities or private parties before the whole estimated cost, including all charges for supervision, profit, etc., that may be leviable under the rules for the time being in force, has been paid to the Executive Engineer, or into a Government treasury to the credit of the Public Works Department. This rule may be relaxed at the discretion of the Executive Engineer or Superintending Engineer, in the case of Government servants where the full recovery is not open to doubt. In such cases a rough estimate of the probable cost must be prepared in advance and the Government servant concerned required to give an undertaking that he agrees to pay the actual charges in full on completion of the work. In all cases prior to work being put in land, an undertaking should be procured from the party concerned that it will not hold the department responsible for loss by fire or theft of any other factor which could not be foreseen when the estimate was prepared. In cases where it is found that the original estimate is likely to be exceeded appreciably, a revised estimate should be prepared and the procedure outlined above adopted.(b)Estimate

315.

The estimate should provide for all charges, including the prescribed percentage for indirect charges enumerated below, and should be sanctioned by competent authority and accepted by the indenting Government servant, local body or individual:-(a)Storage charges, under Rule 176.(b)Interest on capital cost of building and plant and machinery.(c)Maintenance charge of buildings, plant and machinery.(d)Depreciation of plant and machinery.(e)Establishment charges, including one per cent on account of audit and accounts establishment.(f)Profit. The amount to be realised from the indenting party will, however, be based on the actual cost, though the authorised limit of cost, which the officer in charge of the workshop may incur without further authority, is that shown in the accepted estimate.(1)If the execution of a job for another division or department is likely to extend

beyond one financial year, the limit of the cost which may be incurred in each official year should also be settled before hand.(2)The profit referred to in clause (f) above is not charged in jobs executed for other divisions of the State.The percentage for storage charges should be calculated on the book value of materials issued to each job. The other charges are ordinarily calculated on the total cost of labour and stores pertaining to job.(c)Annual review of account

316.

The Accountant General, Bihar, reviews the annual accounts of a workshop, in consultation with the Government servant incharge of it, and submits a report to the State Government on its financial working, specially bringing out the necessity, or otherwise of revising the percentages fixed by the State Government for the several charges referred to in Rule 315.To facilitate the review of percentages it will be found convenient to show, in the profit and loss account, not only the figures of the year but also the progressive figures to the close of the year, commencing from a suitable date.Non-Government Works(a)Estimates

317.

For every non-Government work there must be a duly sanctioned detailed estimate or requisition, as the case may be, in the same way as for a Government work.

318.

Outlay on Deposit Works is required to be limited to the amount of deposit received.(b)Local loan works

319.

(a)No public department or public officer may incur any expenditure or liability against local loan funds, unless a statement in writing is first obtained from the Accountant General, that the amount is available out of the loan funds, and has been placed in a separate account by the Accountant General so as to be available for the proposed expenditure. The amount so placed should be treated as the appropriation for the work, and should not be exceeded without special orders.(b)Funds so spent under the above rule shall reckon for interest as if they were drawn on the last day of the month in the accounts of which they were included by the spending department or Government servant.

320.

The limit of funds set aside for expenditure on work during the year should be ascertained from the Accountant General, by the Government servant authorising the expenditure, and communicated to the Divisional Officer for guidance. This limit should be treated as the appropriation for work and should not be exceeded without special orders.Takavi Works(i)Provision of funds

321.

It is not imperative that the estimated cost of a takavi work shall be deposited by the person or persons interested in the work before any expenditure is incurred on it, as, if the amount due is not received in cash direct from them, it is recoverable through the Civil Department in the same was as arrears of land revenue. Endeavour should however, be made to effect direct and prompt recoveries of the probable cost of Takavi Works as recoveries through the Civil Department cause considerable trouble and delay in adjustment.(Recovery)through the Civil Department

322.

The following procedure is prescribed for effecting recoveries, through the Civil Department, on account of the cost of individual Takavi works not covered by cash deposits received direct from the cultivators concerned :A certificate showing (1) the full name of the works, (2) the name and address of the responsible cultivator or cultivators, (3) the authority for undertaking the work, (4) the total expenditure incurred, (5) the amount (with full particulars), if any, recovered in cash, and (6) the net amount still recoverable should be prepared in duplicate, by the Divisional Officer on the completion of the work, and submitted to the Collector or Deputy Commissioner of the district concerned.Section VIIPublic Buildings(i)Fixtures and Furniture

323.

The term "Public Buildings" as used in these rules applies to buildings borne on the books of the Public Works Department and maintained from the appropriation for Public Works in charge of Public Works Officers.

324.

Every public building should be provided with all necessary fixtures.The periodical repair of these fixtures should be carried out by the Public Works Department and charged to the repair estimate of the buildings. All petty repairs of fixture and replacement of broken glass in doors and windows required in the intervals between the periodical repairs should be carried out by the Government servant in occupation of the building (See Appendix 7 and note 4 to Rule 400 of the Bihar Treasury Code) and charged to his contingent accounts. The Executive Engineer will not supply nor repair furniture, screens, purdahs or tatties, nor will he perform any of the duties specified above as devolving on the departmental officer in charge. Furniture for new offices may, however, be supplied by the Executive Engineer, provided the cost of such furniture is included in the estimates of the offices concerned. This rules does not apply to furniture of travellers, rest houses, staging bungalows or circuit houses, the outlay on the supply and repair of which will be treated as charges of the Civil Department. For Public Works inspection bungalows, the furniture should be supplied and repaired at the cost of the Public Works Department.

325.

The administration of the furniture funds of the official residences of the Governor including the upkeep of stock list and the purchase, repair and maintenance of furniture, will be conducted by the Government servant charged with these duties under rules issued by Government. The Executive Engineer's duty will be to satisfy himself that the furniture is being maintained properly in good and serviceable order. It is important that the furniture should not be allowed to deteriorate to an extent that will give rise to large demands for renewals on change of incumbents. The detailed rules issued by Government for the administration of the furniture funds of the official residences of the Governor will be found in Appendix 10.(ii) Purchases and sale of Government Buildings

326.

No building may be purchased for public purposes without the orders of the State Government to whom a survey and valuation report by the Executive Engineer of the Division should in all cases, be submitted.

327.

Permanent public buildings, whatever be their book value, constructed from State funds may be sold or dismantled under the orders of the State Government. The limits and conditions on which sale and dismantlement may be conducted by sub-ordinate authorities are regulated by special orders of delegation in this behalf. Temporary buildings erected during the construction of the work may under the sanction, previously obtained, of the Superintending Engineer, be sold or dismantled on the completion of the work or when the purpose for which they were erected has been served. Superintending Engineers have been empowered to sanction the dismantling and sale of non-residential Public buildings, the book value of which does not exceed Rs. 5,000 after ascertaining from the local Civil Government servants that buildings cannot be put to any other use.(iii) Hire of office accommodation

328.

[(a) When no suitable Government building is available, private building may be hired for public purposes, the rent being paid by the public officer or department occupying it. When the building is entirely used for office accommodation the rent is wholly chargeable to Government while when it is partly used for office purposes and partly for residential purposes by Government servants for whom residential accommodation is not provided elsewhere, the share of the rent payable by Government will be proportionate to the floor area of the main building set aside solely for office use on the following conditions :-(i) Government's share will be sanctioned in respect of building not owned by Government on a certificate from the Executive Engineer to the effect that no Government building is available for office purposes and that no other suitable building can be hired for the office at lower rate of rent.(ii) The Executive Engineer shall certify that the building hired for office purposes does not provide more accommodation than what is necessary on the basis of staff and

other requirements of the office, and that accommodation set apart for residential purpose in the building does not exceed the sale of accommodation to which the Government concerned is entitled by virtue of his pay and status.(iii)The State Government will pay their share of the rent after they have fully satisfied themselves of the genuineness of the claim in each case.(iv)When the building is used for office-cum-residential purpose Government have an absolute right to decide the appropriate amount of space to be utilized for office purpose.(v)After the sanction of the apportioned rent the Government servant concerned shall not keep in his private possession any portion of hired building set apart for office purpose.Powers of various authorities to sanction hire of office accommodation are given in the special power of delegation in this behalf vide item 33 of Annexure 'A' to Appendix 5 of the Bihar Financial Rules, Volume II.] [Substituted by C.S. No. 39 dated 28.9.1959.](b)The municipal tax assessed on the annual value of building in which office accommodation is provided or on the land appertaining to them, shall be treated as separate from the rent. If it is the local rule or custom for the tax to be chargeable to the owner, the tax for the entire building will be paid by Government otherwise, the Government servant concerned should pay the share of such tax corresponding with the share of the rent payable by him and Government should be debited with the difference. See also item 45 of Annexure 'A' to Appendix 5.(iv)Use of Government Buildings by Auxiliary Force

329.

The following principles should be observed in dealing with questions regarding the conditions on which the Auxiliary Force should be allowed the use of buildings which are the property of the State :- (i)If the buildings are likely to be required again by the State, they should be retained in State Public Works charge and be repaired at the cost of Government, the Force being charged rent for the accommodation. Any alterations or additions required by the Force should be carried out at the expense of the State, and considered in fixing the rent.(ii)When the buildings are no longer required by the State Government and when there is no probability of letting them to advantage, they may, with the approval of the State Government be handed over altogether to the Auxiliary Force free of charge. The force should then keep them in repair, and may alter or adopt them as they think fit, the cost being met from their own funds. The site will remain the property of the State and a small ground rent may be charged.(iii)If the buildings should in any circumstances be resumed, the State Government, will compensate the Auxiliary Force for any expenditure they may have incurred in alterations or additions to the buildings but not for outlay on repairs.(iv)In the case of an Auxiliary Force ceasing to exist, buildings handed over to them free of charge will revert to Government.(v)Register of Buildings

330.

Each Superintending Engineer will keep a register of all buildings in charge of the department within his circle, and each Executive Engineer a similar register of all the buildings within his division. In these registers the value of the land comprised in a property will be shown separately from the value of the building or buildings thereon. The value of each separate structure being also shown separately. For a purchased property the price paid will be apportioned between the various items comprising the property e.g., land, main building, servants, compound wall, well, etc.The

capital value of any portion of the building which is abandoned or dismantled without replacement should be written of the total capital value of the building.(vi)Residences for Government Servants

331.

Residences for public servants may be built or purchased by Government:-(i)When it is the recognised duty or established custom of Government to do so;(ii)When it is necessary on public grounds for the Government servant to reside in, or close to the locality in which his duties are performed;(iii)When it is necessary to provide residence in parts of country where no civil station or cantonment exists, and where a lengthened term of residence would render camp accommodation unsuitable, e.g., buildings along lines of roads or canals, for housing of officials employed on their construction or maintenance;(iv)When it is shown to the satisfaction of the State Government that suitable house accommodation for Government servants whose appointments are permanent in respect of locality is not available in the vicinity or is available only in circumstances which will be likely to place such Government servants in an undesirable position in relation to house proprietors.Leasing

332.

I. Before recommending the construction or purchase of a residence for the Government official, local and departmental Government servants should always consider whether the requisite accommodation cannot more conveniently and economically be provided by taking an existing building on lease for such a term and on such conditions as may be appropriate. No such lease can, however, be entered into without the express sanction of the State Government.The present and future incumbents for whom accommodation is leased shall pay rent and taxes according to the rules prescribed in the relevant Codes.II. Leases should ordinarily provide that the lessor will execute all structural repairs before the building is occupied and will carry out such additions, alterations, and repairs as are necessary to render the building habitable and suitable for the purpose for which it is required. In the event of any addition or alteration to the building being made subsequent to the signing of the lease at the request of the occupant and at Government expense, the consent of the owner must first be obtained in writing unless the work is considered by the State Government to be essential for sanitary reasons. The rent payable by the occupant in such cases will be increased according to the prescribed rules.III. Capital expenditure under Clause II should not be incurred when absolutely necessary and should not ordinarily be incurred when such expenditure is likely to increase the accommodation beyond the scale considered appropriate to the status of the occupant. [See Rule 131 of the Bihar Service Code.]

333.

When a building is rendered uninhabitable by reason of extensive repairs being in progress, or from any other cause, partial or total remission of rent may be sanctioned by the State Government provided that the occupant at once reports the circumstances to the Executive Engineer. The Executive Engineer will at once inspect the building or, where this is impossible, will depute a responsible officer to do so, and will submit a full report of the inspection to the Superintending

Engineer, who will take any action considered necessary, and will then submit the case with his recommendation to Government. Special responsibility for avoiding delay attaches to cases in which an incoming tenant refuses to enter into occupation on the plea that white washing or repairs are necessary before he can do so. Inconvenience caused by petty or ordinary annual repairs is insufficient to warrant remission of rent, which should be granted only when extensive structural repair, justifying in the opinion of the State Government the vacation of the building, are carried out. Note. - Superintending Engineers have been authorised to sanction remission of rent in respect of residential buildings allotted to officers who are classed as second class or below for the purpose of travelling allowance rules subject to the condition that the amount of rent remitted in each case does not exceed Rs. 500.

Chapter 10

Miscellaneous Expenditure

Section I General

334.

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, grant-in-aid, contributions, stores or work. Note. - Grant-in-aid & contributions have, however, been dealt with in this chapter for the sake of convenience.

335.

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. Section II Refunds of Revenue

336.

Refunds of revenue are broadly classified as-(i) refunds to which the claimants are legally entitled, and (ii) refunds which are made ex gratia, Government being under no legal obligation to make them. Note 1. - Refunds of revenues are not regarded as expenditure for purposes of grants of appropriations. Note 2. - Remissions of revenue allowed before collection are to be treated as reduction of demands and not as refunds.

337.

Remissions of irrigation revenue allowed before collection should be treated as reductions of demands and cash repayment of such revenue after collection as outlay against the appropriation for the head "Deduct Refunds" subordinate to Direct Receipts. All other refunds of revenue and

repayments of "Receipts and Recoveries on Capital Account" should be taken in reduction of the receipts under the heads concerned.

338.

Subject to the provisions of the relevant Acts and rules made thereunder the sanction necessary for refunds of revenue will be regulated by the orders of the State Government and by departmental rules and orders contained in departmental manuals etc. The general procedure for refunds, of revenue and the authorities competent to sanction refunds in certain cases are given in Rules 423 to 428 and in Appendix 17 of the Bihar Treasury Code.

339.

Before a refund of any kind, 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. "See also Rule 424 of the Bihar Treasury Code." Section III Grants-In-Aid, Contributions, Etc. Grants to Public Bodies Institution, Etc.

340.

The sanction necessary for payment of grants-in-aid or contributions to education and other institutions, local bodies and co-operative societies and of educational scholarships is regulated by departmental rules or orders. The following instructions are issued for the general guidance of subordinate authorities in the matter of according sanctions for grants-in-aid. Note. - For procedure regarding disbursement of grants-in-aid, contributions, scholarships, etc., at the treasury, See Rules 429-433 of the Bihar Treasury Code.

341.

(1) Unless in any case Government direct otherwise, every order sanctioning a grant should specify clearly the object for which it is given and the conditions, if any attached to the grant. In the case of non-recurring grants for specified objects, the order should also specify the time limit within which the grant or each instalment of it is to be spent. (2) Only so much of the grant should be paid during any financial year as is likely to be expended during that year. In the case of grants for specific works or services such as buildings, water supply schemes and the like, the sanctioning authority should use its discretion in authorising payments according to the needs of the works. The authority signing or countersigning a bill for grants in aid under Rule 431 of the Bihar Treasury Code, should see that money is not drawn in advance of requirement. There should be no occasion for a rush for payment of these grants in the month of March. (3) Before a grant is paid to any public body or institution, the sanctioning authority should as far as possible insist on obtaining an audited statement of the

account of the body or institution concerned in order to see that the grants-in-aid is justified by the financial position of the grantee and to ensure that any previous grant was spent for the purpose for which it was intended. It is not essential for this purpose, however, that the account should be audited in every case by the Indian Audit Department and it will be sufficient therefore if the accounts are certified as correct by a registered accountant or other recognised body of auditors. In the case of small institutions, which cannot afford to obtain the services of a registered accountant or the registered body of auditors, the sanctioning authority may exercise its discretion of exempting any such institution from the submission of accounts audited in this fashion. The authority sanctioning a grant, while communicating the sanction to the Accountant General should state whether the audited statement of accounts has been received when required, or whether the grantee has been exempted from submitting the statement. Note. - This order is applies both to non-official institutions and to semiofficial ones, such as public clubs, etc.

342.

In cases in which conditions are attached to the utilisation of a grant in the form of specification of particular objects of expenditure or the time within which the money must be spent or otherwise, the departmental officer on whose signature or countersignature the grant-in-aid bill was drawn should be primarily responsible for certifying to the Accountant General, where necessary, the fulfilment of the conditions attaching to the grant, unless there is any special rule or order to the contrary. The certificate should be furnished in such form and at such intervals as may be agreed between the Accountant General and the head of the department concerned. Before recording the certificate, the certifying officer should take steps to satisfy himself that the conditions on which the grant was sanctioned have been or are being fulfilled. For the purpose he may require the submission to him at suitable intervals of such reports, statements, etc., in respect of the expenditure from the grants as may be considered necessary. Where the accounts of expenditure from grant are inspected or audited locally the inspection or audit report, as the case may be, will either include a certificate that the conditions attaching to the grant have been or are being fulfilled or will give details of the breaches of those conditions.

343.

Unless it is otherwise ordered by Government, every grant made for a specific object is subject to the implied conditions :-(i)that the grant will be spent upon the object within a reasonable time, if no time-limit has been fixed by the sanctioning authority; and(ii)that any portion of the amount which is not ultimately required for expenditure upon that object should be duly surrendered to Government. Expenditure From Discretionary Grants

344.

When under orders of competent authority, an allotment for discretionary grants is placed at the disposal of a particular officer, the expenditure from such grants will be regulated by general or special orders of the State Government, specifying the objects for which the grants can be made and any other condition that should apply to them. Such grants must be non-recurring i.e. not involving

any future commitments. Note. - The general orders in respect of expenditure from discretionary grants will be found in Rules 435-441 of the Bihar Treasury Code. Other Grants

345.

Grants, subventions, etc., other than those dealt with in the foregoing rules, can be made only under special orders of Government. Section IV Compensation to Civil Officers for Loss of Property

346.

(1) All cases in which it is proposed to grant compensation to any Civil Officers for the accidental loss of his property should be referred to Government for orders through the Administrative Department concerned. (2) Compensation will not ordinarily be granted to a Government servant for any loss to his property, which is caused by an act of God as earthquake, floods, etc., or which due to an ordinary accident, which may occur to any citizen, e.g., loss by theft or as the result of railway accident, fire, etc. The mere fact that, at the time of the accident, the Government servant is technically on duty or is living in Government quarters in which he is forced to reside for the performance of his duties will not be considered as a sufficient ground for the grant of compensation. These points should be borne in mind while submitting proposals to Government. "See also Rule 434, Bihar Treasury Code.

Chapter 11

Rupee debt

Section 1 Debt and Miscellaneous Obligations of Government

347.

In pursuance of resolutions passed by the Houses of all State Legislatures the consolidation and amendment of the law relating to securities issued by the State Government and the management by the Reserve Bank of India of the Public Debt of the State is regulated by the Act of the Union Parliament, the Public Debt (Central Government) Rules, 1946 as amended. The management of the Public Debt of the State and the maintenance of accounts relating thereto are vested in the Central Public Debt Office, which is managed on behalf of Government by the Reserve Bank. Certain functions of the Central Public Debt Office are entrusted to the Public Debt Office at Madras, Bombay and Delhi, which are managed by the local Officers of the Reserve Bank. A substantial part of the work however falls on treasuries and sub-treasuries including those of certain Indian States.

348.

The procedure to be followed in treasuries and other Government offices in dealing with securities of rupee loans issued by Government and in making payment of interest in respect thereof is

regulated by the provisions of the Indian Securities Act (Act X of 1920) as amended from time to time, and the Statutory Rules (Indian Securities Rules) issued thereunder. Detailed rules, based mostly on the Statutory Rules, referred to above and the supplementary orders issued by Government from time to time are to be found in the Government Securities Manual, issued by Reserve Bank under the authority of the Government of India. Note. - The Governor has decided that unless there be anything repugnant in the subject or context, and without prejudice to the provisions of the law and the statutory rules mentioned above, the rules in the Government Securities Manual in so far as they deal with the procedure relating to disbursement of money from, and payment of money into the Public Account are to be regarded as rules framed under Article 283 of the Constitution of India. Likewise, the rules in the Manual which prescribe the form of initial accounts to be kept at treasuries in respect of payment of interest on Government Securities, repayment of principal of terminable loans, receipt of subscriptions to new loans and of other allied transactions and the form in which the account of such transactions are to be rendered to the Accountant General should be regarded as direction given by the Comptroller and Auditor-General of India with the approval of the President of India and will be subject to any directions contained in this behalf in Volume II of the Account Code.

349.

Treasury Bills, National Savings Certificates, etc., are special forms of Government Securities, which are issued and repaid under special rules and orders made by Government in this behalf. (See also Rules 515 and 516 of the Bihar Treasury Code.)

350.

The term "Provident Funds" is strictly applicable to all 'Provident Funds' within the meaning of the Provident Funds Act, 1925 (XIX of 1925), as amended, which have been constituted for the benefit of Government servants. The procedure relating to the recovery of subscriptions to, and withdrawals from, such funds will be regulated strictly in accordance with the provisions of the respective Provident Fund Rules and the subsidiary instructions contained in Section III of Chapter VIII of the Bihar Treasury Code. The legal aspect of the provisions in the Provident Fund Rules has been dealt with in the "Memorandum Explanatory of Government Provident Fund Rules vis-a-vis the law on the subject" which has been prepared by the Government of India in consultation with its legal advisers (Appendix II). The Memorandum, as stated in the preface thereto, is not exhaustive and exceptional cases may arise which are not covered by the instructions in the Memorandum but it will be found useful in dealing with the generality of cases arising under the various Provident Fund Rules.

351.

The following instructions should be carefully observed by heads of offices with a view to the correct preparation of the Fund Schedules referred to in Rule 524 of the Bihar Treasury Code :- (i) A complete list of subscribers to each fund should be maintained in each disbursing office in the form of the Schedule. (ii) Each new subscriber should be brought on this list and any subsequent change

resulting from his transfer or in the rate of subscription, etc., clearly indicated.(iii)Except where it is otherwise provided in the rules of the fund concerned, changes in the monthly rates of subscription will be permissible only from the first of April, each year, i.e., with effect from the pay for March drawn in April.Note. - Subscribers are permitted to increase the rate of subscription only once at any time during the course of the financial year.(iv)When a subscriber dies, quits the service or is transferred to another office, full particulars should be duly recorded in the list.(v)In the case of the transfer of a subscriber to another office, the necessary note of transfer should be made in the list of both the offices.(vi)From this list the monthly Schedule to be appended to the pay bill should be prepared and agreed with the recoveries made before the submission of the bill to the treasury for payment.

Section III Service and other funds
 Indian Civil Service Family Pension Fund.
 Superior Services (Indian) Family Pension Fund.
 Indian Civil Service (Non-European Members) Provident Fund.
 Postal Insurance Fund.

352.

Contributions, donations, etc., recoverable, and pensions and other benefits payable, in respect of the funds specified above will be regulated in accordance with the rules of the respective funds and the subsidiary instructions contained in Section III, Chapter VIII and Rule 522 of the Bihar Treasury Code.

353.

Subscriptions to Family Pensions or other fund not under Government management may not be received in cash or by deduction from pay or pension bills except under special orders of Government. (See Rule 523 of the Bihar Treasury Code).Note. - It must be distinctly understood that in the case of the General Family Pension Fund, the Hindu Family Annuity Fund and the Bengal Christian Family Pension Fund, Government exercises no supervision over the management of the Funds and is in no way responsible for their solvency.

354.

A detailed list of the subscriptions realised in cash on behalf of each fund showing the date and amount of each receipt and the name of the person on whose behalf it is paid in, should be submitted by the Treasury Officer to the Accountant-General with the cash account of each month.This list will be a copy of a register maintained in the treasury.

355.

The deposit accounts of these funds on the Government book will be credited with interest at such rates and at such intervals as may be prescribed by Government in each case.Note. - Except in the case of the Bengal Uncovenanted Service Family Pension Fund, an important difference with regard to interest is made between subscriptions paid by deduction from pay bill and subscriptions paid in cash, no interest being allowed for the month of payment on cash subscriptions received after the

4th of the month, whereas subscriptions deducted from a bill bear interest as though they had been received on the 1st of the month.

Chapter 12

Local Funds

Introductory

356.

(1)The transactions of local funds (as defined in Rule 573 of the Bihar Treasury Code) are not included as such in the Public Account, except in so far as their cash balances may be deposited with Government under Rule 575 of Bihar Treasury Code and accounted for under the deposit head "Deposits of Local Funds." The function of Government in regard to such deposits is that of a bank. (See Rule 576 of the Bihar Treasury Code.)(2)The main classes of local funds are-(i)District Funds;(ii)Municipal Funds;(iii)Union Committees and Union Boards' Fund; and(iv)Other Miscellaneous Funds.Note. - The expression "local body" as used in this Chapter means the authority legally entitled, or specially empowered by Government to administer a local fund.

357.

The financial transactions between Government and local bodies will be regulated by the following rules and by such other general and special orders as may be issued by Government in this behalf.Grants to Local Bodies

358.

The payments of the various classes of grants to local bodies will be governed by general instructions contained in Rules 340 to 343 and by such special orders as may be issued by Government in regard to each class of grant.Loans to local bodies

359.

The detailed procedure to be followed in connection with the grant of loans to local bodies will be regulated by the provisions of the Local Authorities' Loans Act and other special Acts and by rules made thereunder (See also Rule 370).Charges Recoverable From Local Bodies

360.

Unless any of the following arrangements have been authorised by Government, a local fund should be required to pay in advance the estimated amount of charges to be incurred on cost of services to be rendered by Government on account of the Fund :-(i)payments as made by Government may be

debited to the balance of the deposits of the local fund in Government books;(ii)recovery from the local fund may be postponed till the time when Government has to make payment for the charges;(iii)payments may be made as advances from Government funds in the first instance, pending recovery from the local fund.Note. - In cases where a local fund has to pay for medicines supplied but its liability cannot be accurately known within the year owing to the account of supplies not being available from the Supplying Department by the 31st March, the local' fund concerned should be required to pay during March, a sum roughly estimated as the value of the medicines, any short or excess recovery being re-adjusted in the following year.

361.

Any amount due to Government by a local body, including any amount overdue for payment in respect of a loan is subject to recovery by adjustment from any non-statutory grant sanctioned for payment to it. The authority signing or countersigning a bill for such a grant should see that this rule is observed as far as practicable.Revenue Collected on behalf of local bodies

362.

Unless it be expressly authorised by law, proceeds of taxes, fines or other revenue levied or collected by Government may not be appropriated direct to a local fund without passing them through the general revenue account of Government, whether or not such taxes, etc., are earmarked from the start for the purposes of the fund.

363.

Subject to the provisions of relevant Acts and rules made there under, the adjustments with local bodies in respect of revenue and other money raised or received by Government on their behalf will be made in such manner and on such dates as may be authorised by general or special orders of Government.Use of Service Postage Stamps

364.

The Government of India have ruled that service postage stamps may not be used by a local fund officer or any Government officer acting in a capacity connected with a local fund such as Chairman or Secretary of a local fund authority), but they may be used on the correspondence of a public officer acting as such, even though the correspondence relates to the affairs of a local body.Note. - Telegraphic messages, the charges for which are to be borne by local funds, should be classified as "Private" and not as "State".Audit of Accounts

365.

Subject to the provisions of any law or rule having the force of law, the accounts of local bodies will be audited by the Indian Audit Department under general agreement reached between the State

Government and the Comptroller and Auditor General of India. The agreement extends also to the accounts of other non-Government bodies or institutions, which, under any general or special order of Government, have to be audited through Government agency.

366.

Audit fees on the basis of daily rates prescribed by Government from time to time will be charged for the audit by the Indian Audit Department of the accounts of local and other non-Government funds, excluding funds for the audit of which the rates of fees recoverable are prescribed by law or by rules having the force of law. Nothing contained in this paragraph shall be held to override any special instructions of Government exempting any particular local body or institution wholly or partly from the payment of audit fees. Elimination of Pies

367.

Except in respect of dues fixed by or under any law or under any special order of Government, financial transactions between Government and local bodies should be rounded off to the nearest 'anna, six pies', and over being treated as one whole anna and amounts less than six pies being omitted. (See also Rule 145 of the Bihar Treasury Code.) [Now Paisa.]

Chapter 13

Loans and Advances

Section 1 Introductory

368.

Loans and advances made by the State Government fall under the following main head :- A. Interest bearing loans and advances :- (i) Loans to local funds, private individuals, etc. These comprise - (1) Loans to Municipalities. (2) Loans to District Boards and other Local Fund Committees. (3) Loans to Land-holders and other Notabilities. (4) Loans to cultivators under various Acts. (5) Advances under special laws. (6) Miscellaneous loans and advances. Advances to Government servants for purchase of conveyances, etc. B. Interest free advances :- (i) Advances repayable - comprising mostly miscellaneous advances to Government servants for various public purposes. (ii) Permanent advances. Note. - Although advances to Government servants for journeys on tour and for certain miscellaneous purposes e. g. the advances mentioned in Rule 431 are debited to the service heads concerned, they have been dealt with in this and the following chapter for the sake of convenience.

369.

The rules in this chapter should be observed generally by all departments, etc., in making loans and

advances of public money, unless there be any special rule or order of Government to the contrary. Section II General Rules Sanction

370.

Except as otherwise provided in any departmental rules or orders, loans and advances to local funds and private individuals under clause A (i) of Rule 368 require the sanction of Government. Advances to Government servants are regulated by rules in Chapter relating to Miscellaneous Advances of these Rules. Permanent advances are dealt with in Rule 112. Estimates

371.

Provision should be made in the budget for all loans and advances which can be foreseen. Estimating and Controlling Officers should make timely estimates both of the gross advances and recoveries of the coming year and include them in their annual estimates for submission to the proper authorities concerned. Conditions of Repayments

372.

Recovery of the amounts advanced to Government servants is governed by detailed instructions laid down in Rules 386 and 405 et seq.

373.

The following general instructions apply to all loans and advances to local bodies, etc., other than advances to cultivators, etc. which are governed by special rules, and subject to the provisions of relevant Acts or rules made thereunder, the conditions under which the loans are granted should be regulated accordingly - (i) A specific term should be fixed which should be as short as possible, within which each loan or advance should be fully repaid with interest due. The term may in very special cases extend to 30 years. (ii) The term is to be calculated from the date on which the loan is completely taken up or declared by the competent authority to be closed. (iii) The repayment of loans should be effected by instalments, which should ordinarily be fixed on a half-yearly basis, due dates for payment being specifically prescribed. (iv) Instalments paid before the due date will be taken entirely to principal unless, of course, any interest for a preceding period is overdue.

374.

When a loan of public money is taken out in instalments, the first half yearly repayment should not be demanded until six months after the last instalment is taken; meanwhile simple interest only should be realised. But should it appear that there is an undue delay on the part of the debtor in taking out the last instalment of a loan, the authority sanctioning the loan may at any time declare the loan closed, and order repayment of capital to begin. The Accountant General will bring to notice any delay that appears to him to require this remedy and he will take this step whether there are any

dates fixed for taking of instalments or not. Note 1. - If, in any case particular dates have been fixed for the payment of interest, or the repayment of instalments of a loan, then such repayments should not begin until the second of the half yearly dates so fixed, after the loan has been completely taken up, simple interest only being recovered on the first half-yearly date after the completion of the loan. For example, supposing a loan, the interest on which is recoverable half-yearly to be completely taken up on 31st March and the interest to be payable on 30th June and 31st December, the first half-yearly instalment in repayment of principal will not be due until 31st December following simple interest only will be due on the intermediate 30th June. Note 2. - These instructions are applicable mutatis mutandis to loans the repayments of which are made by other than half-yearly instalments. Note 3. - It must be remembered that the calculation fixing the amount of equal periodical instalments, by which an advance is repaid with interest presupposes, punctual payment of the instalment and that, if any instalment is not punctually repaid, the fixed instalment will not in the end discharge the loan.

375.

Borrowers should be required to adhere to strictly to the terms settled for the loans made to them. Modifications of these terms in their favour can be made subsequently only for very special reasons. Interest

376.

(1) Interest should be charged at the rate prescribed by Government for any particular loan or for the class of loans concerned. (2) A loan bears interest for the day of advance, but not for the day of repayment. Interest for any shorter period than a complete half-year should be number of days calculated as

number of days \times yearly rate of interest, unless any other method of calculation is prescribed in any particular case or class of cases.

Defaults In Payments

377.

(1) Any default in the payment of interest upon a loan or advances or in the repayment of the principal, will be promptly reported by the Accountant General to the authority which sanctioned the loan or the advance. On receipt of such a report the authority concerned should immediately take steps to get the default remedied. Note. - The responsibility of the Accountant General under this rule refers only to the loans the detailed account for which are kept up by him. (See Rule 380). (2) The authority which sanctions a loan may, in so far as the law allows, enforce a penal rate of compound interest upon all overdue instalments of interest or principal and interest. If a penal rate is enforced it should not except under special orders of Government, be less than 8 percent per annum. Revenue Department Returns

377A.

(a) With every return of revenue advances made to the Revenue authorities a memorandum should be submitted setting forth the figures of the treasury plus and minus account and agreeing them with the figures of the return. (b) The Accountant-General, will at the close of every half year's accounts, send to the Board of Revenue a return in such form as may be agreed on, showing the figures that pass upon his books in respect of revenue advances. The object of the statement is to enable the Board of Revenue to check reconciliation prescribed in clause (a). Irrecoverable Loans and Advances

378.

A competent authority may remit or write off any loans or advances owing to their irrecoverability or otherwise. (See Rule 63).

379.

In respect of Revenue and other advances, for the detailed control, accounting and supervision of which departmental officers are responsible, it is the duty of the departmental authorities concerned, as soon as any such advance is ascertained to be irrecoverable, to take the necessary steps to get it written off the accounts under the sanction of competent authority, and to advise the Accountant General in order that he may make the necessary adjustment in the Accounts. Irrecoverable advances written off should nevertheless be registered by the departmental authorities in a separate account or record, in order that any possible eventual recovery may be made. Accounts and Control

380.

Subject to such general or specific directions as may be given by the Comptroller and Auditor General in this behalf, detailed accounts of individual loans and advances other than those mentioned below will be maintained by Accountant-General who will watch their recovery and see that the conditions attached to each loan or advance are fulfilled. In the case of Revenue and other advances mentioned in Rules 607 and 611 of the Bihar Treasury Code, the responsibility for supervision, accounting and control devolves upon the departmental authorities and detailed rules and instructions governing them are contained in the departmental regulations. Annual Returns

381.

Government receive an annual report upon outstanding loans from the Accountant General, for purposes of review. The statement is submitted in F.R. Form 12 not later than the 20th September of the following year.

Chapter 14

Advances to Government Servants

Section 1 General

382.

The following rules regulate the grant of advances to Government servants and others. In cases not covered by these rules or by the rules in Chapter 13 advances cannot be made except under the special orders of the State Government.

383.

It is not permissible to sanction an advance which involves a breach of any of the basic principles laid down in Rule 9. In any case where a cash grant would be within the powers of sanction of a particular authority, the grant of an advance not exceeding the cash grant will not require the sanction of a higher authority.

384.

Simple interest will be charged on advances granted to Government servants for house building, purchase of motor cars, motor cycles and other conveyances and for purchase of type-writers, or tents and in certain circumstances, for the payment of special passage advances made in England by the High Commissioner for India and for passage overseas. The rate is fixed from time to time with reference to the borrowing rate of the State Government. The interest will be calculated on balances outstanding on the last day of each month. Note 1. - In cases where pay bills for a month are disbursed before the end of the month an instalment in payment of an advance received through the pay bill will be taken as having been refunded on the first of the following month, the normal date for the disbursement of pay. Note 2. - If in any particular case any advance is drawn in more than one instalment the rate of interest will be determined with reference to the date on which the first instalment is drawn.

385.

Rules 389 to 430 do not ordinarily apply to Government servants who are not in permanent Government employ. As the pay of such Government servants does not constitute adequate security for a loan, advances should not ordinarily be granted to them. In special cases, however, if the circumstances admit of provision of adequate security advances may be granted in accordance with the terms of these rules to officiating or temporary. Government servants without any substantive appointment under the [general] [Inserted by C.S. No. 1 dated 18.4.1958.] or special sanction of Government in the Finance Department.

386.

All advances are subject to adjustment by the Government servants receiving them in accordance with the rules applicable to each case. When an advance is adjustable by recovery, the amount to be recovered monthly should not be affected by the fact of the borrowing Government servant going on leave of any kind with leave salary or his drawing subsistence grant. The sanctioning authority may, in exceptional cases, order a reduction in the amount of the monthly instalment provided that in the case of interest bearing advances to Government servants the whole amount due should be completely recovered within the period originally fixed.

387.

In the case of interest bearing advances to Government servants an authority empowered to deal with an application for an advance, should not issue an order of sanction until the Accountant General has certified that funds are available in the year in which the payment of the advance will be made.

Section III Interest Bearing Advances Sub-Section (1) - House Building Advances

388.

With the sanction of the State Government advances may be granted to Government servants who desire to build houses for occupation by themselves, at places where no house are available or where house rent is exceptionally high. No advance is permissible for the construction of a house except at the place in which the Government servant is actually serving or at which he is permitted to reside while performing the duties at his headquarters station. Also no advance is permissible to a Government servant who is likely to retire before complete recovery can be effected. [Note 1. - Administrative Departments of Government can sanction advances under this Section without consulting the Finance Department, Secretaries to Government (including the Chief Secretary) and Heads of Department are also authorised to sanction such advances which are in strict accordance with the rules, to Government servants whom they or other heads of offices sub-ordinate to them can appoint. In the case of Deputy Magistrates and Deputy Collectors the power to sanction house building advances is exercised by the State Government. ['Note' made Note 1 and Note 2 added by C.S. No. 52 dated 9.6.1958.] Note 2. - The pay, service condition viz. permanent or temporary and the date of birth of the grantee of the advance should invariably be mentioned in the sanction order to facilitate audit check and issue of authority slip by the Accountant General, Bihar.] [N.B. - Reference may be made to State Government's Decisions under Rule 403.]

388A. [[Added by C.S. No. 61 dated 29.8.1967.]

A Government servant in foreign employee shall also be granted advance for house building purposes as admissible under this sub-section but in this case the advances would be met from the funds of his foreign employer and would be sanctioned by the State Government on the recommendation of the foreign employer. The advances so granted shall be subject to the same terms and conditions as would apply to the Government Servant if he were serving directly under

Government. In special cases where a Government Servant's services have been lent to a foreign employer whose financial position will not permit of the advance for house building purposes being met from its funds, the advance may, under the special orders of the State Government, be met from Government funds.]Note 1. - An advance under this rule will be sanctioned subject to the same terms and conditions applicable to other Government servants who are not in foreign service. The Government servants concerned will remain directly responsible for the regular payment of the instalment till the recovery of the advance together with the interest. Government will sanction the advance after obtaining the consent of the foreign employers that they will make prompt recoveries of monthly instalments of advance from the pay of the Government servant in case it is noticed from the challan handed over to the foreign employers that the instalment of a particular month has not been deposited into the Treasury. Necessary recoveries will also be made by the foreign employers from the Government servant concerned if the Accountant General takes steps under Rules 218 to 221 of the Bihar Treasury Code. Vol. I. The Government servant to whom the advance is sanctioned will deposit the monthly instalment of repayment in the local Treasury with quadruplicate challans classified under the head "766 Loans and advances by State Government - Advances to Government Servants for house building purposes". Two copies of the challan will be obtained from the Treasury Officer concerned and given to the foreign employer. One of the two copies received by the foreign employer should be retained by the foreign employer for record in his office and the other should be sent to the Accountant General, Bihar with a statement to be sent every month showing the Name(s) and designation(s) of the Officers(s), amount(s) of advance(s) drawn, the amounts(s) deposited during the month towards repayment of the advance(s) and balance(s) due [Substituted by Classification of Budget.]Note 2. - Pay for the purpose of this rule will mean the pay which the Government servant would have drawn had he remained in the service of Government and not in foreign service.

389.

All such advances must be bona fide required for the purpose of building suitable houses for the personal residences of the Government servants concerned, and if more is advanced than shall be actually expended for the purpose, the surplus shall be refunded to Government.

390.

An advance shall not exceed eighteen months' pay of the Government servant to whom it is made; not more than one advance shall be made for the same house; and no Government servant may receive a second advance while any portion of a previous advance with interest accrued thereon is outstanding against him. (Pay means pay as defined in Rule 34, Bihar Service Code).[N.B. - Reference may be made to State Government's Decisions under Rule 403.]

391.

The advances should be drawn by instalments the amount of each instalment being such as is likely to be required for expenditure in the next three months. Satisfactory evidence should be produced to show that the amount of the instalment has been actually utilised for the purpose for which it was

drawn before the next instalment is paid. The repayment shall commence from the fourth issue of pay after the first instalment is taken and be completed in five years. [N.B. - Reference may be made to State Government's Decisions under Rule 403.]

392.

Advances will be recovered by the deduction of monthly instalments, equal to one-sixth part of the total advance, from the pay bills of the Government servants concerned. The authority sanctioning an advance may however, permit recovery to be made in a smaller number of instalments if the Government servant receiving the advance so desires. The amount of interest calculated in accordance with Rule 384 will be recovered in one or more instalments, each such instalment being not appreciably greater than the instalments by which the principal was recovered. The recovery of interest will commence from the month following that in which the whole of the principal has been repaid. Note. - The amount of the advance to be recovered monthly should be fixed in whole rupees except in the case of the last instalment when the remaining balance including any fraction of a rupee should be recovered.

393.

In order to secure Government from loss consequent on a Government servant dying or quitting the service before complete repayment of the advance with interest accrued thereon in accordance with Rule 384, the house so built together with the land it stands upon, must be mortgaged to Government by whom the mortgage will be released on liquidation of the full amount due. Note. - The mortgage bond will be prepared in F.R. Form 13 and the reconveyance in F.R. Form 15.

394.

The Government servant must satisfy the sanctioning authority regarding his title to the land upon which the house is or is proposed to be built. Note 1. - This rule does not preclude the grant of an advance to a person who does not possess full proprietary rights in the land upon which he intends to build, provided the sanctioning authority is satisfied that the applicant has a lease of which the unexpired portion is of a term and value sufficient to justify the grant of the advance and that there is no danger of the lease lapsing or of Government being unable to dispose of it, should it become necessary to foreclose the mortgage. In examining the mortgagor's title care should be taken to see that the lease does not prevent any sub-demise by the lessee (the mortgagor). The mortgage bond in such cases will be prepared in F.R. Form 1. Note 2. - In cases in which ground rent Municipal taxes and similar dues are payable to local authorities on account of and taken on lease, the sanctioning authority may, at its discretion ask the Government servant taking the advance to produce for the inspection receipts for these payments within fifteen days of their falling due. If the sanctioning authority finds that such dues have not been paid by the borrower steps may be taken to recover the said dues including interest thereon, if any, from the pay of the Government servant concerned for payment to the parties concerned.

395.

The applicant's title to the property should be examined by the sanctioning authority before the advance is actually paid, in cases where there is any doubt as to the validity of that title, the Revenue and Registration authorities or, if technical legal advice is necessary the Law Officers of Government, should be consulted. It should be seen that in the case of a house-building advance, he has undisputed title to the land on which it is proposed to build and that, in the case of an advance for the purchase of a house, he will obtain such title as soon as the purchase price is paid; that there will be no legal obstacle in either case to the property being mortgaged to Government, and that Government will have the right of foreclosing on the conditions mentioned in the mortgage bond.

396.

The head of the office in the case of a non-Gazetted Government servant and the controlling officer in the case of a Gazetted Government Servant should, when asking for the authority for payment (vide Rule 603 of the Bihar Treasury Code) send to the Accountant General a certificate either in the bill in which the advance is drawn, or separately, to the effect that the mortgage bond in F.R. Form 13 has been executed by the Government servant taking the advance and that it has been duly registered.

397.

A Government servant quitting or removed from the station where he has built a house, before the whole amount due has been liquidated, will continue liable to the deductions of his monthly instalments until the advance with interest accrued thereon in accordance with Rule 384 has been repaid; but, with the special sanction of the State Government he may be allowed to dispose of the house, provided he is thereby enabled to clear off at once the whole amount due, or to transfer it or to any Government servant of his own or higher rank, the future deductions being made from the pay of such Government servant.

398.

Applications for advance must be made through the applicant's departmental superior, who will record his opinion as to the necessity for the assistance solicited. The applicant must certify that the sum is to be expended in building only, and pledge himself that, should there be any surplus funds after the house is completed, they will be at once refunded to Government.

399.

The last pay certificate granted to Government servants under advances must specify the original amount of such advance, the amount repaid and the balance together with interest accrued thereon remaining due.

400.

Advances may also be given where considered necessary, for the purchase of land on which to construct a house, if the other conditions laid down in the foregoing rules are satisfied and the total amount of the advance for purchase of the land and the construction of the house does not exceed forty five month's pay of the Government servant concerned. The Government servant should sign an agreement in F.R. Form 16 at the time of taking an advance for the purchase of land and the amount should not exceed what is required for the purpose. A mortgage deed in F.R. Form 17 should be carefully executed before any further advance is drawn for the purpose of constructing the house. The mortgage deed must be registered within four months of its execution. In order to save Government from loss, the applicant's title to the property should be carefully examined by the sanctioning authority and the instructions laid down in Appendix 12 should be followed. [It was raised to "thirty six months" from 18 months by Memo No. A2-4041/61/11891 F1, dated 17.9.1962 and again raised to "forty five" months by Memo No. A2-40262/66-3522 F, dated 31.5.1968.]

401.

An advance may be made to a Government servant for the purchase of a house (including the costs of effecting repairs and improvements to it), the general principles of the foregoing rules about house building advances being applicable, and the Government servant being required in addition to a mortgage deed, to deposit with Government satisfactory evidence of a clear title to the house. Note 1. - The advance may be drawn in full at once, but satisfactory evidence should be produced before the Accountant General to show that the amount advanced for the purchase has been spent within three months of its drawal and the amount advanced for repairs or improvements within a further period of two months. A certificate to this effect from the head of the office will ordinarily suffice. The repayment in the case shall commence with the first issue of pay after the advance is taken and be completed in five years. Interest will be calculated in accordance with Rule 384 and the recovery thereof, will be made as laid down in Rule 386. Note 2. - When asking for the authority for payment of the advance (vide Rule 603 of the Bihar Treasury Code), the Controlling Officer should record on the bill a certificate to the effect that he has secured and retained with him an agreement in F.R. Form 16 signed by the applicant pending execution of the final mortgage bond in F.R. Form 13, after the house is actually purchased. The fact of execution and registration of the latter bond should also be intimated to the Accountant-General as soon as possible. [N.B. - Reference may be made to State Government's Decisions under Rule 403.]

402.

An advance may also be given for the purpose of repaying a private loan taken by Government servant expressly (i) for the purchase of land for building a house or (ii) for the purchase of a house, provided: (1) that the usual conditions specified in Rules 400 and 441 are satisfied; (2) that the applicant has through his private loan acquired an unencumbered title to the land or the house purchased; and (3) that the original loan for the purchase of the land or the house, as the case may be, was taken not more than twelve months before the date of receipt of the application for an advance to discharge the private debt.

403.

An Advance may be made under the following rules to a Government servant to enable him to effect repairs to his house-I. An advance may be made only if (1) the repairs are required to make the house habitable, (2) they are not in the nature of ordinary repairs and (3) they involve an outlay large in comparison with the value of the house.II. Not more than one advance is admissible in respect of the same house.III. No advance shall exceed nine months' pay of the Government servant to whom it is made, and it will be drawn as laid down in Rule 391.IV. An advance may be made to a Government servant to repair a house which he has built or purchased with a previous advance under Rules 388 or 401, but unless the State Government permits otherwise, at least five years must elapse since the previous advance was drawn.V. Subject to the above, the general principles of Rules 388 to 400 or 401 as the case may be, shall apply, the maximum period for repayment of such advances being two and a half years. Interest will be calculated and recovered in accordance with Rule 392.Note 1. - An advance for repairs of a house is admissible even if it was not built or purchased out of an advance taken from Government.Note 2. - Instructions laying down the procedure to be followed in dealing with applications for advances for the construction, purchase or repair of houses are contained in Appendix 12.Sub-Section (2) - Advances For Purchase of Motor Cars

404.

The State Government may sanction an advance to a Government servant for the purchase of a motor car if they consider that it is in interest of the public service that the Government servant should use a car in the discharge of his duties.[Note. - Advances under this rule may also be granted to the officer engaged on contract basis subject to the following conditions :- [Inserted by C.S. No. 49 dated 27.4.1961.](i)The amount of advance together with interest thereon should be repaid by them in full before the expiry of the period of contract. In order to ensure this, the rate of recovery of the advance should be so fixed that the advance together with interest thereon is recovered at the time of issue of the last pay of the officer. In all such cases the renewal of contract at the end of the prescribed period of contract should not be taken for granted while fixing the number of instalments of recovery.(ii)The advance should be sanctioned to these officers subject to the production of surety of a permanent State Government servant of comparable or higher status.(iii)Other terms and conditions for grant of such advances contained in this sub-section (2) will remain unaltered.]

405.

The total amount to be advanced to a Government servant for purchase of a motor car shall not exceed [Rs. 60,000,] [Enhanced from Rs. 40,000 to Rs. 60,000 by Memo No. 10-A/A2-27/84/1560 F., dated 28.4.1984. Rs. 40,000 enhanced from Rs. 25,000, Rs. 25,000 enhanced from Rs. 20,000/- and twenty four months from eighteen months respectively. Initially the provision of Rs. 12,000 was enhanced to Rs. 15,000 by C.S. No. 43 dated 11.8.1960 and again enhanced to Rs. 20,000 by C.S. No. 63 dated 1.4.1969.] or [twenty-four months'] [Substituted by Memo. No. A2-102/66/6567 FI dated 30.7.1965.] pay, or the anticipated price of car whichever is less. If the actual price is less than the advance taken the balance should forthwith be refunded to Government.[Note 1. - For this

purpose "pay" includes "special pay" "personal pay", "cost of living allowance" and emoluments especially classed as "pay".] [Substituted by C.S. No. 43 dated 11.8.1969.][Note 2. - Government servant whose pay is less than [Rs. 2,000 per month] [Substituted by Memo No. A2-102/66/6567 FI dated 30.7.1965.] inclusive of cost of living allowance, will not be eligible for the grant of motor car advances except in very exceptional cases where relaxation of this rule may be necessary on public grounds.]Note 3. - The pay limits mentioned in the rule and note I will not be relaxed except in very special circumstances for reasons to be recorded in writing.Note 4. - For the purposes of an advance drawn in England in respect of a motor car, "actual price" will also include, in cases in which the advance drawn included estimates of these charges, the amount of freight actually paid on the car up to an Indian port, the cost of its insurance during the voyage and the customs duty paid in India.

406.

(1)A Government servant who is on leave or about to proceed on leave for whom an advance has been approved by the State Government will not be allowed to draw the advance earlier than a week before the expiry of the leave; but a Government servant who is on leave elsewhere than in India, Burma, Nepal, Ceylon, Pakistan and Aden, or is about to proceed on such leave may be allowed to take it from the High Commissioner six weeks before his departure for India.(2)A Government servant taking an advance from the High Commissioner within six weeks of his departure for India under sub-clause (1) may include in the amount of the advance required, charges separately estimated on account of freight on the motor car to an Indian port and of the customs duty thereon payable in India, as also the cost of its insurance during the voyage. In the case of an officer who purchases a car in Europe prior to six weeks of his departure back to India, no advance will be allowed to be drawn in England but on bringing the car into India such a Government servant may apply for an advance to cover the price of the car as valued in India for customs purposes (which will include the freight), and the cost of insurance plus the customs duty paid on the car. The customs receipt should be produced in both cases.Note. - A Government servant who purchases a car in Europe prior to six weeks of his departure back to India and who does not hold a post for which a motor car has been definitely recognised by Government to be necessary, should, if he proposes to apply for an advance on return to India, inform the State Government of his intention and obtain their consent before he brings a car to India.The clause relating to drawal of a motor car advance from the High Commissioner of India, London, should be treated as having been held in abeyance until further orders.[Government of India, Ministry of Finance No. F-50 (13) - EV/52. dated the 6th June, 1952.]

407.

[The amount of advance will be payable in more than [one hundred consecutive] [Substituted by C.S. No. 21 dated 15.5.1958. Note 2 below Rule 407 deleted and Note I made Note by this C.S.] monthly instalments equal to one thirty six part of the advance from the pay bill of the Government servant concerned and [shown in a separate Schedule in F.R. Form 17A] [Added by C.S. No. 50 dated 27.4.1961.], It will commence from the first issue of pay after the advance is drawn. A Government servant may however if he so desires be permitted to repay the advance in a smaller number of instalments or he may pay more than one instalment at a time. The amount of interest

calculated in accordance with rule 384 will be recovered in one or more instalments by which the principal was recovered. The recovery of interest will commence from the month following that in which the whole of the principal has been repaid.]Note. - The amount of the advance to be recovered monthly should be fixed in whole rupees except in the case of the last instalment when the remaining balance including any fraction of a rupee should be recovered.

408.

Except when a Government servant proceeds on leave not being leave on average pay not exceeding four months or privilege leave/earned leave not exceeding 90 days or any other leave which is treated as equivalent to leave on average pay not exceeding four months, or retires from the service or is transferred to an appointment the duties of which do not render the possession of a motor car necessary, the previous sanction of the State Government is necessary to the sale by him of a car purchased with the aid of an advance which with interest accrued has not been fully repaid. If a Government servant wishes to transfer such a car to another Government servant who performs the duties of a kind that renders the possession of a motor car necessary the State Government may permit the transfer of the liability attaching to the car to the latter Government servant provided that he records a declaration that he is aware that the car transferred to him remains subject to the mortgage bond and that he is bound by its terms and provisions.

409.

In all cases in which a car is sold before the advance received for its purchase from Government with interest accrued thereon has been fully repaid, the sale proceeds must be applied, so far as may be necessary, towards the repayment of such outstanding balance. Provided that when the car is sold only in order that another car may be purchased the State Government may permit a Government servant to apply the sale proceeds towards such purchases, subject to the following conditions:-(a)the amount outstanding shall not be permitted to exceed the cost of the new car;(b)the amount outstanding shall continue to be repaid at the rate previously fixed;(c)the new car must be insured and mortgaged to Government as required by these rules.

410.

A Government servant may be allowed advances to purchase more than one car at a time if it can be shown that such action is clearly desirable in the public interest and provided that the total amount outstanding at any one time by way of such advances against a particular Government servant does not exceed the limit within which advances may be given.

411.

A Government servant who draws an advance in India, for the purchase of a motor car is expected to complete his negotiation for the purchase and to pay finally for the car within one month from the date on which he draws the advance; failing such completion and payment, the full amount of the

advance drawn with interest thereon for one month, must be refunded to Government. At the time of drawing the advance the Government servant will be required to execute an agreement in F.R. Form 18 and on completing the purchase, he will further be required to execute a mortgage bond in F.R. Form 19 hypothecating the car to the Government of Bihar as security for the advance. The cost price of the car purchased should be entered in the schedule of specifications attached to the mortgage bond. In the case of advance drawn in England, similar agreement and a personal security bond in the form prescribed by the Government will be executed at the time of drawing the advance and at the time of purchase, respectively.[Note 1. - The following procedure should be followed when an officer intends to purchase a new car out of the advance sanctioned to him :- [Inserted by C.S. No. 51 dated 27.4.1961.](i)Furnishing of security at the time of registration as prospective purchaser as required under the Motor Car {Distribution and Sales) Control Order of 1959, will be the responsibility of the officer concerned; no advance will be given to him from Government Funds in this respect.(ii)The request of the officer to the Accountant General, Bihar for issue of authority for drawal of the advance should indicate whether he is going to purchase a new or an used car. In the case of former, it should be accompanied by a written assurance from the dealer and a certificate from the Officer who countersigns his travelling allowance bill that the supply to be available within a month. A certificate to this effect should also be recorded on the body of bill for the drawal of advance.(iii)In the event of any delay in supply despite the written assurance referred to at (ii) above, the Officer concerned should apply for extension for the time limit within the permissible limit of one month and seek permission for retaining the advance for a further period which should be specified. Each request should be supported with a letter from the dealer concerned indicating the likely period of supply and will be considered on its own merits.Note 2. - The procedure contained in note I above will not apply to the case in which Government servants purchase used cars with the help of the advance, where the conditions laid down in the main rule will apply.]

412.

The order sanctioning an advance will remain valid for only six months from the date of issue.

413.

(1)A Government servant to whom an advance is sanctioned shall execute an agreement in F.R. Form 18 which should be presented at the treasury along with the bill for drawing the advance. The Treasury Officer shall scrutinise the agreement before payment is made and forward the same, after payment has been made, to the head of the department concerned, or, if the Government servant drawing the advance is himself the head of department or is serving under the direct control of the Government; to the administrative department of Government concerned. The Treasury Officer should at the same time record on the bill, for purposes of audit, a certificate to the following effect:-"Certified that the requisite agreement has been executed in the proper form and presented before me with the bill and I have forwarded the same to the.....The Treasury Officer should also report to Government in the Finance Department the date on which the advance has been drawn and in doing so he shall also state that the requisite agreement has been forwarded to the head of the department/administrative department of Government concerned.The head of the department or the departments of Government may destroy the agreement when a mortgage bond executed in

the prescribed form is furnished by the Government servant drawing the advance.(2)In the case of advances drawn in England a similar agreement and a personal security bond in the prescribed form will be executed at the time of drawing the advance and at the time of purchase respectively.[Similarly all grantees of the motor car advance shall report the fact of drawal to the Finance Department and the Accountant General, Bihar, simultaneously within three days of the date of drawal of the amount from the treasury.] [Added by C.S. No. 52 dated 27.4.1961.]

414.

The mortgage bond referred to in Rule 411 should be executed within one month from the date of receipt of the advance and sent through the head of the department or the administrative department concerned to the Accountant General who will transmit it to the Inspector General of Registration, Bihar for safe custody.

415.

(1)The car must be insured against full loss by the fire, theft or accident. Insurance on owner-driven or other similar qualified terms is not sufficient for purpose of this rule. Insurance policies at a reduced rate of premium shall, however, be accepted as adequate in cases where-(a)the owner of the car undertakes to meet [up to the first Rs. 250] [Substituted for 'Rs. 50' by C.S. No. 54 dated 12.6.1961.] or so of a claim preferred against an insurance company in the event of an accident; or(b)the car is not insured against accident for any season of the year during which it is not in use but is stored in a garage.(2)[Such insurance should be effected from the date of purchase of the car.] [Substituted by C.S. No. 40 dated 4.12.1959.](3)A clause as in F.R. Form 20 should be inserted in all policies of insurance in respect of motor car purchased by Government servants with the help of advances taken from Government. All officers of Government taking advances for purchase of vehicles should disclose to the insurer the fact of the vehicle having been purchased with the help of such advances and also have the clause referred to inserted in the policies of insurance of such vehicles. The vehicle should in no case, be insured with Insurance Companies which do not agree to include the clause in the policy.(4)On receipt of the certificate prescribed in Rule 413 the Accountant General will obtain from the Government servant drawing the advances a letter to the Motor Insurance Company with whom the motor car is insured to notify to them the fact that the State Government are interested in the insurance policy secured. He will himself forward this letter to the Company and obtain their acknowledgment. In the case of insurance effected on annual basis the process prescribed above shall be repeated every year until the advance has been fully repaid to Government.(5)Contravention of these orders will render the Government servant liable to refund the whole of the amount advanced with interest accrued unless good reason is shown to the contrary. The amount for which the car is insured during any period should not be less than the outstanding balance of the advance with interest accrued at the beginning of that period and the insurance should be renewed from time to time until the amount due is completely repaid. If at any time and for any reason the amount insured under a current policy is less than the outstanding balance of the advance, including interest already accrued, the Government servant should refund the difference to Government. The amount to be refunded must be recovered in not more than three monthly instalments.

416.

Advances for the purchase of motor cars to Government servants in foreign employ should be granted from the funds of the foreign employer and when the latter desires to make such advance, he should apply to the State Government for the necessary sanction. If the sanction is accorded it will be subject to the proviso that the advance by the foreign employer shall be regulated by the same conditions as would apply if the Government servant were serving directly under Government. [* * *] [Lines beginning with words 'In special cases' and ending with word 'necessity' deleted by C.S. No. 42 dated 12.7.1960.]

416A. [[Inserted by C.S. No. 42 dated 12.7.1960.]

In special cases where a Government servant's service have been lent to a foreign employer whose financial position will not permit of the advance for the purchase of a motor car being met from its funds, the advance may under the special order of the State Government be met from Government funds provided that the Government servant's duties are such as to render the possession of a motor car practically a necessity. Note 1. - An advance under this rule will be sanctioned subject to the same terms and conditions as applicable to other Government servants who are not in foreign service. The Government servant concerned will remain directly responsible for the regular payment of the instalment till the recovery of the advance together with the interest. Government will sanction the advance after obtaining the consent of the foreign employers that they will make prompt recoveries of monthly instalment of advance from the pay of the Government servant, in case it is noticed from the challan handed over to the foreign employers that the instalment of a particular month has not been deposited into the Treasury. Necessary recoveries will also be made by the foreign employers from the Government servant concerned if the Accountant General take steps under Rules 218 to 221 of the Bihar Treasury Code, Vol. I. The Government servant to whom the advance is sanctioned will deposit the monthly instalments of repayment in the local Treasury with quadruplicate challans classified under the head [766 - Loans and Advances by State Government - Advances to Government servants - Advances for the purchase of Motor conveyances']. Two copies of the challan will be obtained from the Treasury Officer by the officer concerned and given to the foreign employer. One of the two copies received by the foreign employer for record in his office and the other copy should be sent by it (the foreign employer) to the office of the Accountant General, Bihar with a statement to be sent every month showing the name (s) and designation (s) of the officer (s), amount (s) of advance (s) drawn, the amount (s) deposited during the month towards repayment of the advance (s) and the balance (s) due. Note 2. - Pay for the purpose of this rule will mean the pay which the Government servant would have drawn had he remained in the service of Government and not in foreign service.]

417.

The grant of an advance for the purchase of a motor car to a Government servant who proceeds on deputation out of India and desires a motor care for use during his deputation is not admissible. Application Form For Advance For The Purchase of Motor Car/motor Cycles.

1. Name of applicant (in full)

2. Applicant's designation

3. District and Station

4. Whether permanent or temporary

5. Pay

(i)Substantive pay(ii)Officiating pay drawn in temporary post(iii)Special/Personal pay(iv)Cost of Living Allowance

6. Anticipated price of motor car/motorcycle

7. Amount of advance required

8. Date of superannuation or retirement or date of expiry of contract in case of a contract officer

9. Number of instalment in which the advance is desired to be repaid

10. Whether advance for similar purpose was obtained previously and if so-

(i)date of drawal of the advance(ii)the amount of advance and/or interest thereon still outstanding if any.

11. Whether the intention is to purchase-

(a)a new or an old motor car/cycle(b)if the intention is to purchase motor car/ motor cycle through a person other than a regular or reputed dealer or agent, whether previous sanction of the competent authority has been obtained as required under Rule 15(2) of the Bihar Government Servant (Conduct) Rules.

12. Whether the officer is on leave or is about to proceed on leave

(a)The date of commencement of leave(b)The date of expiry of leave

13. Are any negotiations or preliminary enquiries being made so that delivery may be taken of the motor car/motor cycle within one month from the date of drawal of the advance?

14. Special reason, if any

15. (a) Certified that the information given above is complete and true.

Sub-Section (3) - Advances For Purchase of Motor Cycles

418.

An advance for the purchase of a motor cycle may be sanctioned by the State Government to a Government servant whose substantive pay does not exceeds Substituted for 7000 by Memo No. 10A-A2-27/84/1559 F, dated 28.4.1984. Earlier 7000 [Rs. 1,200] [Substituted for 5000 by Memo No. A2-101/79/3993 F., dated 22.3.79 and 5000 Substituted for Rs. 3,000 by F.D. Memo No. A2-102/76-4060 F. dated 16.4.1976.], The amount of the advance should not exceed [Rs. 10,000] [Substituted for 5000 by Memo No. A2-101/79/3993 F., dated 22.3.79 and 5000 Substituted for Rs. 3,000 by F.D. Memo No. A2-102/76-4060 F. dated 16.4.1976.] or the anticipated price whichever is less. If the actual price paid is less than the advance taken, the balance should be forthwith refunded to Government.[Note. - Advance under this Rule may also be granted to the Officers engaged on contract basis subject to the conditions applicable to grant of advance for purchase of motor cars to such Officers vide 'Note' below Rule 404.] [Inserted by C.S. No. 53 dated 27.1.1961.]

419.

The general Rules and conditions prescribed in sub-section (2) above relating to advances for purchase of motor cars apply mutatis mutandis to advances for purchase of motor cycles as well [except Rule 405] [Inserted by C.S. No. 36 dated 22.8.1959.][Sub Section 3(A) - Pony Advance To The Sub-Inspectors of Police [Inserted by C.S. No. 22 dated 15.5.1958.]

419A.

An advance upto a maximum of Rs. 400 for the purchase of a pony may be sanctioned by the State Government to a Sub-Inspector of Police on the following Rules and conditions :- (i) The application for advance should reach the State Government through proper channel. (ii) The advance will be interest bearing and the interest will be charged at the rate prescribed by the Government from time to time. (iii) If the actual price of the pony paid is less than the advance taken, the balance should forthwith be refunded to the Government. (iv) The pony purchased with the advance will be considered the property of the Government until the advance together with the interest thereon is fully paid. (v) Recovery of the advance will be made in thirty-six monthly instalments, and the interest accruing thereon at the prescribed Rules should be repaid in one or two additional instalments. (vi) Recovery of the advance will commence from the first issue of pay after the advance is drawn. (vii) No advance will be granted to those who are due to reach the age of superannuation within three years.] Sub-Section (4) - Advances For Purchase of Bicycle

420.

All heads of department and all Secretaries to Government are authorised to sanction advances for purchase of bicycles to Government servants under their control subject to the following Rules and conditions :-(i)Advance should be granted only to permanent Government servants in superior service. But in exceptional cases, an advance may also be allowed to temporary Government servants in superior service whose term of employment is sufficiently long, and the circumstances admit of the provision of adequate security for due recovery of the advance.[Note. - [Collectors] [Added by C.S. No. 17 dated 26.3.1958.] are empowered to sanction advances under this Rule to the non-Gazetted Government servants under their administrative control.](ii)No advance will be given to a Government servant whose pay exceeds [Rs. 375.] [Inserted by C.S. No. 22 dated 15.5.1958.][Note. - For this purpose "pay" will not include Cost of living Allowances.] [Added by C.S. No. 17 dated 26.3.1958.](iii)The amount of advance shall be limited to three months' pay of the Government servant concerned subject to a [minimum of Rs. 250] [Added by C.S. No. 17 dated 26.3.1958.], and maximum of Rs. 375. In case of temporary Government servants the amount of advance should be limited to two month's pay or [Rs. 250] [Inserted by C.S. No. 67 1.5.1969.] whichever is less.(iv)If the actual price of the cycle is less than the advance taken, the balance should forthwith be refunded to Government.Note. - Production of receipts or cash memos, showing the actual price of the cycle purchased with the advance to the head of office where the Government servant obtaining the advance is employed should invariably be insisted upon by the authorities sanctioning a cycle advance to Government servant under their administrative control.(v)Recovery will be made by deducting monthly instalments equal to one twenty-fourth part of the advances from the pay-bill of the officer concerned except in case of temporary Government servants in whose case the recovery should be made in not more than 12 monthly instalments. Recovery will commence from the first issue of pay after the advance is drawn.Note. - The provision of Note 1 to Rule 407 apply mutatis mutandis to the recovery of advances granted under this Rule.(vi)No advance shall be given to a Government servant who has obtained a cycle advance previously until after the lapse of seven years from the date of the last drawal.(vii)No advance shall be given to those who are due to reach the age of superannuation within three years.(viii)Advances should not be granted to Government servants who are bound by Rules to keep a pony or who possess a motor car or a motor cycle.(ix)The bicycle purchased with the advance will be considered to be the property of Government until the advance is fully repaid.(x)The advance will be interest bearing and the interest will be charged at the rate prescribed by Government from time to time.Note. - The amount of interest recoverable under Rule 384 shall be recovered in one instalment after the principal has been repaid.

420A. [[Added by C.S. No. 16 dated 26.3.1958.]

Advances for the purchase of bicycle to permanent class IV Government servants may be sanctioned by the authorities competent to sanction such advances to Government servants in superior service subject to the following Rules and conditions :-(i)The amount of advance shall be limited to six months pay of the Government servant or [Rs. 200] or the price of the cycle purchased whichever is less.(ii)Recovery will be made by deducting monthly instalments equal to the one thirtieth part of the advance from the pay of the Government servant concerned together with interest accruing

thereon at the prescribed rate in one or two additional instalments. Recovery shall commence from the first issue of pay after the advance is drawn.(iii)The pay of the Government servant and the fact that he holds permanent post should invariably be stated in the order sanctioning the advance.(iv)Other terms and conditions prescribed in Rule 420 above shall mutatis mutandis apply in cases of advances to permanent class IV Government servants.]Note 1. - Collectors are empowered to sanction advance to permanent class IV Government servants under their administrative control.Note 2. - No advance under this Rule should however, be sanctioned to a Government servant who has been provided with a Government cycle.

421.

In making an application for advance for purchase of a bicycle a Government servant will state what means of conveyance he possesses. In forwarding the application the superior officer should satisfy himself that the applicant does not already possess a serviceable bicycle.

422.

A specimen form in which an advance for purchase of a bicycle may be sanctioned after suitable modification is given in F.R. Form 21.Sub-Section (5) - Passage Advances

423.

Special Rules for the grant of advances of pay for passages overseas of certain Government servants of non-Asiatic domicile and their families are laid down in Appendix 13.Note. - Special passage advance, made in England by the High Commissioner for India at his discretion to enable Government servants to return to duty should be recovered in 36 monthly instalments and bear interest at the rate fixed by Government. [See Rule 384.]Sub-Section (6) - Advances For Purchase of Tents

424.

Superintending Engineers may sanction advance to the Engineering sub-ordinates for the purchase of a tent on the first occasion of their requiring one; such an advance should be limited to a reasonable amount and should be recovered in twelve equal monthly deductions from pay commencing three months' after the date of the advance.Note. - These advances will bear interest at the usual rate, vide, Rule 384.Sub-Section (7) - Advances for Purchase of Typewriters

425.

An advance of Rs. 336 may be made to any judicial officer (Deputy Magistrate or Munsif) who wishes to purchase a typewriter on the understanding that this advance will be recovered by twenty-four consecutive monthly deductions of Rs. 14 each from the officer's pay. All applications for sanction to such advances should be submitted through District Magistrates or District Judges to

the State Government. Note. - These advances will bear interest at the usual rates, vide Rule 384.

426.

The following Rules will in future govern the grant of advances for the purchase of typewriters for copyists :-(i)The head of an office desiring to purchase a typewriter for the use of a copyist in his office may apply to the State Government through the Divisional Commissioner or the District Judge, as the case may be for sanction to the grant of an advance not exceeding Rs. 320 for the purpose.(ii)In his application for an advance the head of the office will, after an examination of the past figures showing the total monthly fees derived from copies for a sufficiently long period, state whether the proceeds from copying fees will in his opinion be sufficient to provide the necessary minimum remuneration (Rs. 50) for an additional typist.(iii)Every advance will be recovered in twenty-four monthly instalments by deduction from the remuneration of the typist for whom the machine is purchased who will be held responsible for its maintenance in good order.(iv)If a typist for whom a machine has been purchased by means of an advance leaves Government service or is appointed to a different post before the advance has been fully repaid, he may be allowed the option of removing the typewriter on payment in full of the outstanding instalments, or transferring it, together with the obligation to meet outstanding instalments to his successor in receipt from the latter of a sum of money calculated on fair valuation of the machine.(v)The head of the office on whose application the advance is granted will be responsible to Government for its due repayment.As an increase in the number of typists will result in a decrease in the total number of the copying staff, the conversions of copyists into typists should be effected with discretion and no application for an advance which, if granted, would necessitate the dismissal of another copyist not otherwise liable to removal should be recommended for sanction.

426A. [[Inserted by C.S. No. 45 dated 17.11.1960.]

Advance of an amount not exceeding Rs. 600 in each case may be sanctioned by Divisional Commissioners, District Judges or District Magistrates, as the case may be, to copyists and typists intending to purchase Hindi typewriters for preparing copies or Hindi documents in their offices, subject to the following terms and conditions:-(a)The copyist and typist applying for the advance should have been serving as a copyist and typist at the place from where he applies for the advance, for a period not less than three years.(b)His average income from remuneration of typing and copying work should not be less than Rs. 60 per month.(c)He will be required to furnish a surety from a permanent Government servant for the entire amount of advance together with interest due on it. The permanent Government servant, who stands as surety, will have to execute a bond in F.R. Form 21-A. The bond should be executed in duplicate and one copy of the same should be forwarded to the Audit Office along with the sanctioning order while the other will be retained by the sanctioning authority.(d)The advance shall be repayable in not more than 50 monthly instalments and shall be recovered from the remuneration of the copyists and typists. The amount of interest due shall be realised in one, and, if the sanctioning authority so orders, in two instalments.(e)So long as the amount with interest is not fully repaid the typewriter shall remain Government property and the surety's responsibility for the amount of advance with interest shall continue.(f)If the copyist and typist goes away to some other place, or give up his work as copyist and typist in the

particular Court, he may transfer the typewriting machine to another copyist and typist for which order in writing of sanctioning authority shall have to be obtained.(g)The copyist or typist to whom a typewriter is transferred as in clause no. (f) shall have to furnish afresh surety for the balance of the advance remaining unpaid at the time of such transfer.The surety bond shall be executed and other conditions shall remain the same, as in the case of a surety furnished at the time of purchasing a new machine by the copyist and typist who has transferred the machine.(h)The machine should be made available for inspection by the sanctioning authority or any officer authorised by him for the purpose, and, it shall be the responsibility of the copyist and typist whom the advance has been sanctioned or to whom the typewriter machine has been transferred by the person to whom the advance was sanctioned, to keep it in proper and workable condition.][Section IIIInterest Free AdvancesSub-Section (1) - Advances On Transfer

427.

An advance may be allowed to Government servant under orders of transfer, up to an amount not exceeding one month's substantive pay plus the travelling allowance to which he may be entitled under the Rules in consequence of the transfer. Such advances may be sanctioned by the head of the office or by any other sub-ordinate officer to whom the power may be delegated. The advances should be recorded on the Government Servant's last pay certificate. The advance of pay should be recovered from the pay of the Government servant in not more than three monthly instalments the recovery commencing from the month in which the Government servant concerned draws full month's pay or/and leave salary on joining his new appointment.The advance of travelling allowance should be recovered in full on submission of the Government servants travelling allowance bill.[Note 1. - All heads of offices and controlling officers are empowered to grant advances under this Rule to officiating and temporary Government servants.] [Added by C.S. No. 12, dated 17.1.1958 Existing Notes 1 to 7 made, Notes 2 to 8 by *ibid.*]Note 2. - Authorities competent to sanction advances under this Rule may sanction such advances for themselves also, [but when the controlling officer or head of office who is competent to sanction an advance to himself is a temporary officer such advance can be sanctioned to him by his immediate superior officer and not by himself] [Added by C.S. No. 12, dated 17.1.1958 Existing Notes 1 to 7 made, Notes 2 to 8 by *ibid.*]Note 3. - An advance under this Rule is also admissible to a Government servant who receives orders of transfer during leave.Note 4. - This Rule does not preclude the grant of a second advance to a Government servant to cover the travelling expenses of any member of his family who follows him within six months from the date of his transfer and in respect of whom an advance of travelling allowance has not already been drawn.Note 5. - When a single lump sum advance is drawn to cover the travelling expenses both of the Government servant himself and of his family, it may be adjusted by the submission of more than one bill if it so happens that the members of the Government servant's family do not actually make or complete the journey with him. In such a case, the Government servant should certify on each adjustment bill submitted by him that a further bill in respect of travelling allowance of the members of his family (to be specified) who have not yet completed the journey will be submitted in due course and is expected to include an amount not less than the balance of the advance left unadjusted in this bill.Note 6. - The advance of pay under this Rule may be allowed to be drawn at the new station soon after the arrival of the Government servant there, on production of the last-pay certificate showing that no advance was drawn at the old

station. Note 7. - The amount of the advance to be recovered monthly should be fixed in whole rupees, the balance being reserved in the last instalment. Note 8. - Advances to Government servants "moving between Patna and Ranchi with the headquarters of the State Government are regulated by the Ranchi Rules. (Appendix 5, Bihar Travelling Allowance Rules). [Note 9. - Advances to Government servants on transfer to foreign service may be sanctioned by the authorities competent to sanction the transfer. The reimbursement of the advance to the State Government by the Foreign Employer should be made in lump sum by sending a cheque or Demand Draft in favour of the Accounts Officer on whose books the advance is generally booked. [Inserted by C.S. No. 59 dated 8.8.1963.] Advance of a pay to a Government servant on his reversion from foreign service should be granted by the Foreign Employer from the funds of the Foreign Employer only after consultation with the authority competent to sanction the transfer of the Government servant to foreign service. As for the repayment of the advance to the Foreign Employer, immediately on receipt to a demand from the Foreign Employer, duly supported by the cash receipt obtained from the officer concerned at the time of the Bank Draft, may be debited in the accounts under the head "S - Deposits and advance - Part III - Advances not bearing interest - Departmental Advance - Civil Advance - Objection books advance." The recovery of the advance should be watched in the same manner as in case of advance of pay sanctioned to a Government servant under rule above. Since the T.A. for the return journey on Government servant's reversion to Government service is to be borne by the Foreign Employer, the advance of T.A. granted by the Foreign Employer in this regard may be adjusted only on the Government servant furnishing the T.A. bill, which should be sent straight to the Foreign Employer.] Sub-Section (2) - Advances on Return from leave or Deputation Out of India

428.

An advance may be made to a Government servant on return from leave or deputation elsewhere than in India, Ceylon, Nepal, Burma, Aden, Pakistan and foreign possessions in India, of an amount not exceeding two months' substantive pay or Rs. 1,000 whichever is less, in addition to any advance made in England, provided that the leave was not leave on average pay not exceeding four months or any other leave equivalent thereto (see Rule 408) and that no advance has been drawn under Rule 423. Note. - The advance under this Rule may be drawn under the orders of the Accountant-General from any treasury in Bihar to be specified in such orders. Such advances as well as similar advances made in England are recoverable by monthly instalments of one-third of pay fixed in whole rupees. Sub-Section (3) - Advances For Journeys On Tour

429.

Advances for journeys on tour may be made under the Rules specified below;-(i) To a Government servant, other than an Inspecting Officer, proceeding on tour, up to an amount sufficient to cover for a month his contingent charges, such as those for the hire of conveyances or animals for the carriage of records, tents or other Government property, subject to adjustment upon the Government servant's return to headquarters or 31st March, whichever is earlier. Note. - Advances under this sub-clause may be granted by heads of offices but they should not be applied to the expenditure of any Gazetted Government servant, except that of a Government servant of the Forest Department which is meant to be covered by his travelling allowance. (ii) [To a Government servant proceeding

on tour, of an amount sufficient to cover his personal travelling expenses for a month, subject to completion of the tour on 31st March, whichever is earlier. [Substituted by C.S. No. 5 dated 22.6.1956.]Note 1. - (i) Advances under this sub-clause may be granted by heads of office to officers sub-ordinate to them.(ii)Such advances may be sanctioned to themselves by all officers declared to be their own controlling officers.(iii)Such advances to heads of offices, who were not their own controlling officers, may be sanctioned by the respective controlling officers.][Note 2. - All heads of offices and controlling officers are empowered to grant advances under this Rule to officiating and temporary Government servants also like permanent Government servants, except when the controlling officer or head of the office who is competent to sanction an advance to himself is a temporary officer, such advances can be sanctioned to him by his immediate superior officer and not by himself. [Inserted by C.S. No. 13.]Note 3. - A second advance cannot be made to a Government servant under this Rule until an account has been given of the first.A Government servant who has taken an advance under this Rule for any particular journey may not take payment of travelling allowance or other bills drawn in respect of the same journey while the advance or any portion of it still remains unadjusted.Note 4. - Subject to the restrictions specified above advances under this Rule may be granted in all cases of journeys in respect of which travelling allowance is admissible as for a journey on tour.]

430.

Advances may be granted by the Collector to a Treasury Officer, or Superintendent of Police for expenses connected with a remittance of treasure to be adjusted when the duty is completed.

431.

Advances are permissible for expenditure on law-suits to which Government is a party. Such advances are sanctioned by the Legal Remembrancer and Commissioners of Divisions and other officers empowered to do so. The expenditure on law-suits is regulated by Rules 108 to 121 of the Bihar and Orissa Practice and Procedure Manual, 1939.Note. - Advances under this Rule are treated as final charges not as advances recoverable and are to be drawn and accounted for as contingent charges.

432.

An advance of half a month's pay is permissible to each accepted recruit of the Police Department under the Rules of the Police Manual. No special sanction of the State Government, or the Inspector General of Police is necessary. The advance is recoverable from the pay of the recruit in two monthly instalments. This concession applies also to recruits for the Military Police Companies at Ranchi and Bhagalpur.

433.

Advances to patients proceeding to a Pasteur Institute are regulated by Rules in Appendix 14.

Chapter 15

Miscellaneous Subjects

Section I Security Deposits

434.

Rules regarding the security of Treasurers in district treasuries and the form of security bond to be executed by Treasurers are given in Rules 57 and 58 of the Bihar Treasury Code. The following instructions apply generally to security to be taken from other officials entrusted with the custody of cash or stores.

435.

Subject to any special rule or order made by Government in this behalf every cashier, store-keeper and other subordinate who is entrusted with the custody of cash or stores, should be required to furnish security, the amount being regulated according to circumstances and to local conditions in each case under the sanction of competent authority, and to execute a security bond setting forth the conditions under which Government will hold the security and may ultimately refund or appropriate it. Note 1. - Other general rules on the subject will be found in Chapter X of the Bihar Board's Miscellaneous Rules, 1947. The rules in that Chapter are applicable mutatis mutandis to all departments of Government which have no special rules of their own on the subject. Note 2. - For a list of competent authorities referred to in this Rule see Annexure A to Chapter 2.

436.

When a Government servant who has furnished security takes regular leave or is deputed to other duty, the Government servant who is appointed to officiate for him should be required to furnish the full amount of security prescribed for the post, unless the head of the department concerned has authorised a relaxation of the Rules regarding security applicable to his case.

437.

Whenever a private person or firm contracts with Government to supply stores or execute a work, he or it should unless exempted by the [prior concurrence of Finance Department] [Substituted by Memo No. A3-10151/58-943F, dated 14.3.1969.], be required to give security for the due fulfilment of the contract and suitable provisions regarding the security should be incorporated in the agreement. Section II Transfer of Government Land and Building

438.

Except as expressly provided otherwise in any Rule or order made by Government, no land belonging to Government may be sold or made over to a local authority, private party or institution for public, religious, educational or any other purpose, except with the previous sanction of Government.

439.

When any immovable public property is made over to a local authority for public, religious, educational or any other purposes, the grant should be made expressly on the conditions in addition to any others that may be settled, that the property shall be liable to be resumed by Government if used for other than the specific purposes for which it is granted and that should the property be at any time resumed by Government, the compensation payable therefor shall in no case exceed the amount, if any, paid to Government for the grant together with the cost, or their present value, whichever may be less, of any buildings erected, or other works executed, on the land by the local authority. Note. - The orders regarding the alienation of land and assignment of land revenue which is to be distinguished always from the alienation of the land itself are contained in Chapter VIII, Rules 167-173 of the Government Estates Manual, 1941.

440.

All land, the property of Government, should ordinarily be sold when necessary, through the Revenue Department.

441.

(1) The transfer of Government land or building from one department of the State Government to another is regulated by Rule 327 of the Bihar Treasury Code. (2) The transfer of land and buildings between the Union and the State Governments is regulated by the provisions of Articles 256, 257 and 298 of the Constitution of India and subsidiary instructions issued by the Central Government which are reproduced in Appendix 15. (Transfer of lands and buildings between the Central and the State Governments.) Section III Insurance of Government property

442.

The normal policy of Government is not to insure its properties and no expenditure should be incurred without the prior consent of the Finance Department on the insurance of any Government property. Section IV Charitable Endowments and other Trusts

443.

General instructions relating to charitable Endowments and other Trusts are embodied in the Bihar Trust Fund Rules, First Edition, 1947. Payment of arrear Claims to persons not in Government service

444.

The provisions of Rule 143 et seq of the Bihar Treasury Code apply mutatis mutandis to old claims preferred against Government by persons not in Government service. (See also Rule 143, Note 5 of the Bihar Treasury Code.) Supply of Forms

445.

The Deputy Superintendent, Government Printing incharge of Press and Forms, Gaya, maintains stock of the standard Forms which are prescribed for use by Government offices, and which are to be printed and supplied by Government. Heads of offices and other Government servants should send their indents to him, subject to the observance of the procedure prescribed in the Bihar Forms Rules. Destruction of Records

446.

The general Rules for destruction of records are contained in Annexure B to Chapter 2. Special Rules applicable to particular departments are prescribed in the respective departmental manuals.

Chapter 16

Government Accounts

Section I General Form of Accounts

447.

The form in which and the general principles and methods according to which the accounts of Government should be kept have been prescribed by the Comptroller and Auditor-General of India, with the approval of the President of India and the main directions in respect thereof are contained in Volume I of the Account Code. Volumes II and III of that Code embody the directions of the Comptroller and Auditor-General of India, regarding the form of initial and subsidiary accounts to be kept in treasuries and by officers of the Public Works and the Forest Departments. Detailed rules and instructions relating to the forms of the initial and subsidiary accounts to be kept and rendered by officers of the technical departments whose accounts are not finally settled through the treasury accounts, may be laid down in the departmental regulations relating to the departments concerned. Major, Minor and other Heads of Accounts

448.

The structure of the accounts consists mainly of the following divisions :-(a)Major heads.(b)Minor heads.(c)Sub-heads.(d)Primary units(e)Secondary units(f)Detailed heads.Intermediate heads of account known as sub-major heads, are sometime introduced between a major head and a minor head under it when the minor heads are numerous and conveniently be grouped together under such intermediate heads. In similar circumstances minor heads are divided into sub-heads (group heads).

449.

A list of authorised major and minor heads of account is given in Appendix 2 of the Account Code, Volume I. The introduction of any new major or minor head as well as the abolition or change of nomenclature of any of the existing heads requires the approval of the Comptroller and Auditor General.The opening of a new sub-head or a detailed head in the Demands for grants will be sanctioned by the Finance Department according to administrative requirements after consultation with the Accountant-General. As regards heads of expenditure, the subdivisions of minor heads will follow as far as possible the subheads and other units of appropriation selected by the Finance Department for Demands, for Grants and Appropriation Accounts.

450.

In the matter of accounting and for control of expenditure, the nomenclature of the budget cum accounts heads should be strictly followed by departmental officers. Whenever provision made in the budget estimate or in any order of appropriation does not conform to the prescribed head or unit, the corresponding receipt or expenditure should be accounted for against the particular head or unit under which the provision has been made or the appropriation has been communicated by competent authority unless there be strong reasons for a contrary course, e.g., when such accounting would be contrary to law. All such cases should be brought to the notice of the Finance Department so that in the estimates of the following year the error may be rectified, unless the Finance Department agrees to give effect to the correct classification in the accounts of the current year because of the magnitude of the amounts involved or because the mis-classification affects the accounts of commercial departments or allocation between Capital and Revenue heads.

451.

Changes in nomenclature of account or budget heads or in the classification of receipts or expenditure will not be introduced in the course of a financial year except under special orders of Government.Responsibility of Departmental Officers

452.

Every officer responsible for the collection of Government dues or expenditure of Government money should see that proper accounts are maintained in such form as may have been prescribed for all financial transactions of Government with which he is concerned and render accurately and promptly all such accounts and returns relating to them as may be required by Government, the Accountant-General or the controlling authority concerned. It is essential that all accounts should be so kept and the details so fully recorded and that the initial records of payments, measurement and transactions in general are so clear, explicit and self-contained as to be produceable, where necessary, as satisfactory and convincing evidence of facts. Note 1. - The classification on bills should be recorded by the drawing officers. Similarly, the classification on challans should be recorded by the officers responsible for the collection of Government dues and making the remittance to the treasuries. In cases of doubt the classification in the accounts may at the outset follow the budget, but the matter should be referred to Government for orders in any case of doubt. Note 2. - The responsibilities of disbursing officers, controlling officers and heads of departments in regard to the control over expenditure incurred against the grants allotted to them are laid down in Rule 471 et seq and in the Bihar Budget Manual. Section II Capital and Revenue Accounts General Rules

453.

Expenditure of a capital nature is broadly defined as expenditure incurred with the object of either increasing concrete assets of a material and permanent character or of extinguishing or reducing recurring liabilities, such as those for future pensions by payment of commuted values. Expenditure on a temporary asset cannot ordinarily be considered as expenditure of a capital nature.

454.

Expenditure of a capital nature as defined above, incurred upon a scheme or project may not, however, be classed as capital expenditure in the Government accounts unless the classification has been expressly authorized by general or special orders of Government. Ordinarily, such classification will not be permitted unless-(i) it is essential for the exhibition of financial results of any special service or undertaking on the basis of generally accepted commercial principles, or in some other conventional manner, either that the cost of the service or undertaking may be ascertained or that the full implications of any policy may be clearly demonstrated; or (ii) the expenditure involved is so large that it cannot reasonably be met from ordinary revenues. Note. - The term "ordinary revenues" is applied to revenues derived from taxes, duties, fee, fines and similar items of current Government income including extraordinary receipts, if any, as distinct from receipt that are of a capital, or debt, deposit and banking character.

455.

When it has been decided by Government that the expenditure on a scheme for the creation of a new or additional asset should be classed as capital expenditure, and that separate capital and revenue

accounts should be kept of such a scheme, the allocation of expenditure to capital and revenue should be determined in accordance with such detailed rules as may be prescribed by Government according to the circumstances of the department or undertaking in which the expenditure is incurred. The following are the main principles applicable to the treatment of the expenditure in the estimates and accounts: -(i)Capital bears all charges for the first construction and equipment of a project as well as charges for intermediate maintenance of the work while not yet opened for service and bears also charges for such further additions and improvement as may be sanctioned under rules made by competent authority.(ii)Subject to clause (iii) below, revenue should bear all subsequent charges for maintenance and all working expenses. These embrace all expenditure on the working and upkeep of the project and also on such renewals and replacements and such additions, improvements or extensions as under rules made by Government are debitable to the revenue account.(iii)In the case of works of renewal and replacement, which partake both of a capital and revenue nature, the allocation of expenditure should be regulated by the broad principle that revenue should pay or provide a fund for the adequate replacement of all wastage or depreciation of property originally provided out of capital grants and that only the cost of genuine improvements, whether determined by prescribed rules or formulae, or under special orders of Government may be debited to Capital. Where under special orders of Government a Depreciation or Renewals Reserve Fund is established for renewing assets of any commercial department or undertaking the distribution of expenditure on renewals and replacements between Capital and the Fund should be so regulated as to guard against over capitalization on the one hand and excessive withdrawals from the Fund on the other.Expenditure on account of reparation of damage caused by extraordinary calamities, such as flood, fire, earthquake, enemy action, etc. should be charged to Capital, or Revenue or divided between them, in such a way as may be determined by Government according to the circumstances of each case.(iv)Capital receipts in so far as they relate to expenditure previously debited to Capital, accruing during the process of construction of a project should be utilized in reduction of capital expenditure. Thereafter their treatment in the accounts will depend on circumstances, but except under special rule or order of Government, they should never be credited to the ordinary revenue account of the department or undertaking.

456.

Expenditure debitable to Capital will be booked under the appropriate capital head of accounts prescribed within or outside the revenue account, according as the funds required to meet such expenditure are provided from ordinary revenues or from other sources including borrowed money. As a General rule, the capital cost of all comparatively small schemes will be met from ordinary revenues. Borrowed money and other resources outside the revenue account will not ordinarily be spent for unproductive purposes unless the following conditions are fulfilled, viz., firstly that the objects for which the money is wanted are so urgent and vital that the expenditure can be neither avoided, postponed nor distributed over a series of years, and secondly that the amount is too great to be met from ordinary revenues.Except under special orders of Government, no expenditure previously met from ordinary revenue may be transferred to a capital head outside the revenue account.Note. - A productive work is one which produces sufficient revenue to afford a surplus over the charges relevant to its functioning.Interest on Capital

457.

Except in special cases regulated by special orders of Government, interest at the rates specified below should be charged in the accounts of all commercial departments or undertakings for which separate capital and revenue accounts are maintained within the Government accounts. The charge should be calculated on the direct capital outlay to end of the previous year plus half the outlay of the year itself irrespective of whether such outlay has been met from ordinary revenues or from other sources-(i)For capital outlay met out of specific loans raised by Government at such rate of interest as may be prescribed by Government having regard to the rate of interest actually paid on such loans and the incidental charges incurred in raising and managing them.Note. - By specific loans are meant loans that are raised in the open market for one specific purpose which is clearly specified in the prospectus and in regard to which definite intimation is given at the time of the raising of the loans that for the purpose of accounts they are to be regarded as specific loans.(ii)For capital outlay provided otherwise-in the case of outlay incurred after 1936-37, at the rate of interest to be determined by the State Government in consultation with the Comptroller and Auditor General of India.

458.

When under any special order of Government charges for interest during the process of construction of a project are temporarily met from capital, the writing back of capitalized interest should form the first charge on any capital receipts or surplus revenue derived from the project when opened for working.Section IIIAdjustments with other Government's Departments etc.Adjustment With The Government of India and Other State Governments

459.

(i)Subject to the relevant provisions of the Constitution of India adjustments in respect of financial transactions with the Government of India or other State Governments will, unless otherwise provided for, be made in such manner and to such extent as may be mutually agreed upon between the Government of India or other State Governments and the State Government of Bihar.(2)Adjustments should, however, always be made unless otherwise agreed upon-(i)if a commercial department or undertaking or a regularly organised store department or store section of a department is concerned; or(ii)if, under the operation of any rule or order, an adjustment would have been made if the particular transaction with the Government of India or other State Governments were a transaction between two departments of the State Government.Note. - The procedure for the settlement of these adjustments will be regulated by the directions contained in Chapter 4 of the Account Code, Volume I.(3)Adjustments with the Government of India or other State Governments in respect of the matters mentioned below will be regulated by the Rules contained in Appendix 3 to the Account Code, Volume I. The Rules are based on reciprocal arrangements made between the Government of India and all the State Governments and are therefore binding on all of them.I. Pay and allowances, other than Leave Salaries.II. Leave Salaries.III. Cost of Passages.IV. Pensions.V. Charges for Bonus in respect of Government servants who are employed on Bonus terms and who serve under more than one Government.VI.

Government contribution to Indian Civil Service Family Pensions.VII. Government contribution to the Indian Civil Service (None European Members) Provident Fund.VIII. Expenditure involved in Audit and keeping Accounts.IX. Grants of Land and Alienations.X. Cost of Police functions on Railways including the cost of protecting Railway Bridges.XI. Cost of (1) Forest Surveys carried out by the Survey of India, and (2) Forest maps prepared by that department.XII. Cost of Maintenance and Demarcation of Boundaries and of Settlement of Boundary Disputes.XIII. Leave Salary and Pension contributions recovered in respect of Government servants lent on Foreign Service.

460.

A period of three years has been accepted by the Central Government and other State Governments and State Government of Bihar for re-audit of past transactions involving errors in classification.This limitation should be regarded as a convention rather than a rigid accounting rule.

461.

Payment made by the Government of India on account of the cost of agency functions entrusted to the State Government under Article 258 of the Constitution are treated as contributions from the Government of India.In preferring claims against the Government of India under clause (3) of that Article the following principles should be generally observed:-(i)If the agency work involves the employment of a State Commercial Department it would be open to that department to charge its normal commercial costs.(ii)Public Works Department agency costs should be represented by such percentage charges on the cost of Central Works executed by the State as may be agreed between the Government of India and the State Government, the works outlay being treated as an amount placed at the disposal of the State Government for actual expenditure on the execution of the work.(iii)The cost of regular joint establishments should be shared as far as practicable on the basis of fixed annual sums settled in agreement with the Government of India.(iv)In other cases, the following procedure should be adopted unless there are special orders to the contrary : -(1)Details of claims preferred should be furnished. (They may include pay, leave salary and pension contributions, contingencies, etc.)(2)If the work has been performed by the State in the past the charges claimed should bear relations with those charged in the past. It is not necessary to be meticulous in the matter, the Finance Department will assist in taking fairly general view.(3)If the charges do not exceed Rs. 20,000 per annum for any individual item (or connected group of items), a five year contract is generally offered by the Government of India during which the Central Government would pay the fixed sum per annum for the works. The amount is subjected to review at the end of each period of five years.(4)If the amount agreed upon exceeds Rs. 20,000 the Government of India may want to have an annual statement of proposed charges from the State at the time of the preparation of the budget unless in any individual case, the charges are obviously static, when the contract system may be adopted by the Government of India in these cases also.(v)In exceptional cases in which arbitration has to be resorted to the requisite arrangement in the matter will be made by the Finance Department.(vi)The Finance Department should be consulted on all matters arising under Article 258 (3) of the Constitution.

462.

No inter-Governmental adjustments can be carried out after the 15th of April, on which date the books of the Bank are closed for the month of March. Every endeavour must, therefore, be made to settle as far as possible all transactions with the Government of India or other State Government's before the close of the year. Adjustments with Foreign Governments, Outside Bodies, etc.

463.

Payment must be required in all cases in respect of services rendered to any Foreign Government, or non-Government body or institution, or to a separate fund constituted as such either inside or outside the Public Account, unless Government by general or special order gives directions to the contrary. Relief in respect of payment for services rendered or supplies made to any outside body or fund should ordinarily be given through a grant-in-aid rather than by remission of dues. Inter departmental adjustments

464.

(1) The conditions under which a Department of Government may make charge for services rendered or articles supplied by it and the procedure to be observed for the settlement of such charges are regulated by the directions of the Comptroller and Auditor General of India contained in Chapter 4 of the Account Code, Volume 1. See also Rules 33, 326 and 330-331 of the Bihar Treasury Code. (2) Except in regard to transactions affecting the accounts of commercial departments and undertakings or allocation to capital heads, adjustments between different departments of Governments should be restricted to the narrowest limits. Such adjustments, when they are essential, should, as far as possible, be based on lump sum figures fixed for a period of years with reference to some suitable formula easy of application and maintained for a series of years. Elaborate or meticulous calculations should be avoided as a general rule. Note 1. - The provisions of Rule 460 apply mutatis mutandis to transactions between commercial and non-commercial departments as they apply to transactions between the Central and State Governments. Note 2. - Under the directions contained in the Account Code, Volume IV, inter-departmental and other adjustments are not to be made in the accounts of the past year, if they could not have been reasonably anticipated in time for funds being obtained, from the proper authority. In all cases, where the adjustment could have reasonably been anticipated as, for example, recurring payments to another Government or department, and payments which, though not of fixed amount, are of a fixed character etc., the Accountant-General will automatically make the adjustment in the accounts before they are finally closed. The onus of proving that the adjustments could not have been reasonably anticipated should lie with the controlling officer. Adjustment of Pensionary Charges of Certain Commercial Departments

465.

The pensionary charges of the Irrigation and Electricity Departments are adjusted on a liability basis

i.e., at a percentage based on establishment charges, the actual payments of pensions being booked under the appropriate head for such charges. Note. - In the case of irrigation major heads, the pensionary charges should ordinarily be calculated at a percentage of the total pay and leave salary of the pensionable establishment including such portion of the temporary staff as may be estimated to have the likelihood of ultimately being made permanent. The percentage which should be adopted should be based upon the cost of borrowing of the Government for the particular year in which the pensionary charge is adjusted in the accounts. The percentages corresponding to the several rates of interest are as follows: -(i) 12.500 per cent of the total pay and leave salary of the pensionable establishment on a basis of 3 per cent rate of interest; (ii) 11.890 per cent of the total pay and leave salary of the pensionable establishment on a basis of $3\frac{1}{4}$ per cent rate of interest; (iii) 11.236 per cent of the total pay and leave salary of the pensionable establishment on a basis of $3\frac{1}{2}$ per cent rate of interest; (iv) 10.593 per cent of the total pay and leave salary of the pensionable establishment on a basis of $3\frac{3}{4}$ per cent rate of interest; [Inserted by (iv) & (v) inserted by C.S. No. 7 dated 2.12.1957 and previous items (iv) to (vi) renumbered (vi) to (viii).] (v) 9.982 per cent of the total pay and leave salary of the pensionable establishment on a basis of 4 per cent rate of interest; (vi) 9.427 per cent of the total pay and leave salary of the pensionable establishment on a basis of $4\frac{1}{4}$ per cent rate of interest; (vii) 8.899 per cent of the total pay and leave salary of the pensionable establishment on a basis of $4\frac{1}{2}$ per cent rate of interest; (viii) 7.893 per cent of the total pay and leave salary of the pensionable establishment on a basis of 5 per cent rate of interest.]

466.

The pensionary liability of commercial departments and undertakings, for which pro forma commercial accounts are maintained outside the regular Government accounts, is assessed on a contribution basis at rates fixed by Government, the actual method of adjustment in the regular Government accounts being determined in consultation with the Accountant-General. As regards other departments and undertakings, for which no regular commercial accounts are maintained either within or outside the regular Government accounts but which are allowed to charge for their products or services rendered, the pensionary liability is taken into account in the estimate of overhead charges and manufacturing costs for the purpose of calculating the issue price of goods manufactured or fees for services rendered, the calculation being made at rates prescribed for the purpose by Government. Section IV Pro forma Accounts Subsidiary Accounts of Government Commercial Undertakings

467.

When the operations of a department include undertakings of a commercial or quasi commercial character, and the nature and scope of the activities of the undertaking are such as cannot suitably be brought within the normal system of Government account, the head of the undertaking should be required to maintain such subsidiary and pro forma accounts in commercial form as may be agreed between Government and the Accountant-General. The methods and principles in accordance with which such accounts are to be kept including inter alia the basis to be adopted for valuation of assets and for allocation of expenditure between capital and revenue accounts and the extent to which provision should be made in those accounts for bad debts, depreciation and other forms of indirect

charges, e.g., cost of management and supervision, audit charges, interest on capital expenditure, etc., will be regulated by orders and instructions issued by Government in each case. Where the commercial accounts are maintained for the purpose of assessment of the cost of an article or service, the head of the undertaking should see that adequate regulations are framed with the approval of Government in order to ensure that the cost deduced from the accounts is the accurate and true cost. He should also arrange to obtain the orders of Government regarding the nature and form of subsidiary accounts, and statement, if any, which should be appended to the Appropriation Accounts of each year, and submit such accounts and statements to the Accountant-General on such date as may be required by him.

468.

Pro forma accounts of regular Government Workshops and Factories will be kept in accordance with the detailed Rules and procedure prescribed in the departmental regulations. Pro forma accounts of Irrigation, Navigation, Embankment and Drainage works and of Government residential buildings, will be prepared by the Accountant-General in accordance with the instructions contained in Chapter 21 of the Account Code, Volume IV.

469.

The annual accounts of receipts and disbursements of the State Government are submitted to Government by the Comptroller and Auditor General of India in the form of the Finance Accounts and Report thereon. These, together with the Appropriation Accounts and Reports thereon, constitute the published accounts of Government. The Finance Accounts and report thereon deal with the accounts of Government as a whole, including transactions relating to debt, deposits, advances, suspense and remittance accounts which do not strictly fall within the scope of the Appropriation Accounts.

470.

The comments or recommendations of the Legislature or of the Public Account's Committee, if any, arising out of the Audit Reports on the Finance Accounts and the Appropriation Accounts, and the orders, of Government thereon, will be communicated by the Finance Department to the Accountant-General, and other authorities concerned. The general responsibility for watching the action taken on the Audit Report will under directions of the Comptroller and Auditor General of India devolve on the Accountant-General.

471.

The authority administering a grant is ultimately responsible for watching the progress of expenditure on public services under its control and for keeping the expenditure within the grant. In order that the control of departments over such expenditure may be effective and real and that the controlling officer should be in a position from month to month to estimate the likelihood of savings

and excesses over grants and appropriations, the procedure laid down in the following Rules should be observed by all departments and controlling and disbursing officers subordinate to them, except where the Finance Department have agreed in writing to some other procedure.

472.

The head of each department will be responsible for controlling expenditure from the grant or grants at his disposal, and will exercise his control through the controlling officers, if any, and the disbursing officers subordinate to him.

473.

Control over expenditure must be exercised, with reference to the grant as it stands from time to time. It is the duty of the head of the departments to distribute the grant as voted by the Assembly or, in the case of charged appropriation, as sanctioned by the Governor, among the various controlling and disbursing officers subordinate to him, so far as this has not been done by the Finance Department. In so doing he must take into account lump sum cuts made by the sanctioning authority. He must similarly distribute any increases or reductions subsequently made in the grant or in any part of it by the competent authority, whether the alteration is due to a supplementary grant, to a lump reduction or to a re-appropriation. When making his distribution, he must invariably communicate to the officer concerned the complete accounts classification of each item distributed, including the major, minor and detailed heads of account and the primary unit. Such distribution is, however not essential in the case of provision for pay of officers and of establishments. In making a distribution, it is always open to the head of a department to keep a portion of the grant as an undistributed reserve in his own hands.

474.

The following procedure must be followed by every disbursing officer in submitting claims for money : -(i)He must attach to each bill a slip in F.R. Form 22, which will be returned by the Treasury Officer, with the cash or cheque, after noting thereon the voucher number and the date assigned to the bill.[A register in F.R. Form 22A should be maintained in the treasury for keeping a record of disposal of the T.V. slips as mentioned above.The treasury clerk, who is required to fill up the particulars in the T.V. slip should fill in simultaneously the columns 1 to 6 of the register F.R. Form 22A and keep the T.V. slips properly arranged for making over to the messenger duly authorized by the drawing and disbursing officer. The drawing and disbursing officer should also make arrangement for collection of the T.V. slips from the treasury once a week. When the authorized messenger appears at the treasury for collecting the T.V. slips these should be made over to him and his signature obtained in column 7 of the register in token of receipt. In cases in which it may not be possible for a drawing and disbursing officer, whose headquarter is situated away from the treasury, to collect the T.V. slips through a special messenger, he may request the Treasury Officer, in writing, to send him the T.V. slips by post. In such cases, the Treasury Officer will send T.V. slips by post to the drawing and disbursing officer by name, mentioning in column 1 of the register the number and date of the forwarding memo under which the slips were forwarded.The

procedure of transmission of T.V. slips by post should, however, be avoided as far as possible and in no case should the Treasury Officer send the T.V. slips by post. If the office of the drawing and disbursing officer is situated in the same station.] [Added by C.S. No. 26 dated 15.7.1958.](ii) He must enter on each bill the complete accounts, classification of the proposed expenditure, from major head down to detailed head of account, and state whether the charge is voted or charged. When a single bill includes charges falling under two or more detailed heads the charges must be distributed accurately over the respective heads.(iii) Except in the case of bills for the pay of officers or establishments and for allowances drawn with pay he must enter on each bill and on each slip in F.R. Form 22, the progressive total of expenditure up to date under the sub-head or sub-heads to which the bill relates, including the amount of the bill on which the entry is made.

475.

In order to enable all concerned to watch expenditure against those portions of grants which are peculiarly liable to fluctuation, the following procedure must be followed in respect of all bills other than those for pay of officers or of establishments and for allowances drawn with pay :-(i) Every disbursing officer and in respect of his own expenditure from portions of the grant retained in his own hands, every controlling officer and head of department, must maintain a separate register in F.R. Form 23 for each minor or sub-head of account with which he is concerned. In this must be entered the necessary particulars of the charges drawn on each bill under the appropriate primary unit and detailed head.(ii) On the [seventh] [Substituted for 'third' by C.S. No. 27 dated 22.12.1958.] day of each month, a copy of the entries in this register, so far as these records sums actually drawn from the treasury during the preceding month, must be sent in full detail by the officer maintaining it to the head of the department or other controlling officer. As certain of the entries in each month will represent bills which were not actually cashed before the end of that month, the copy sent will include a few entries of a previous month and exclude a few made in the month for which the return is submitted. With the copy must be forwarded all the slips in F.R. Form 22 which relate to the bill entered in it. If there be no entries in the register in any month, a "nill" statement must invariably be sent.(iii) In order to watch the receipt of the returns prescribed in the foregoing subclause the controlling officer must maintain a broad-sheet in F.R. Form 24, in which a serial number will be allotted to each individual disbursing officer. This broadsheet must be carefully watched and reminders sent if any returns are not received by the 7th of the month, since the accuracy of the controlling officer's accounts will depend upon the receipt of complete returns. The serial number allotted to each disbursing officer must be communicated to the Accountant-General.(iv) On receipt of the returns from disbursing officers the controlling officer must carefully examine them and must satisfy himself-(1) that the accounts classification has been properly given;(2) that progressive expenditure has been properly noted on the slips and the available balances worked out;(3) that expenditure up-to-date is within the grant;(4) that the returns have been signed by the disbursing officers, and(5) that all relevant slips in F.R. Form 22 have been attached. If he finds defects in any of these respects, he must take immediate steps to rectify them.(v) When all disbursing officers' returns for a particular month have been received and found to be in order, the controlling officer must prepare a statement in F.R. Form 25, in which he will incorporate-(1) the totals of the figures supplied by disbursing officers;(2) the total taken from his own registers in F.R. Form 23; and(3) the totals of adjustments under the various detailed heads which will be communicated to him by the

Accountant-General on account of transfer entries and expenditure debited to grant through accounts current. If any adjustment communicated by the Accountant General affects the appropriation at the disposal of a sub-ordinate disbursing officer, the fact that it has been made must be communicated by the controlling officer to the disbursing officer concerned. (vi) On the receipt of all the necessary returns, the head of the department must prepare an account in F.R. Form 26, showing the complete expenditure from the grant at his disposal up to the end of the preceding month. The figures of expenditure upon pay of officers and establishments and upon allowances drawn with pay will be communicated to him by the Accountant General as prescribed in Rule 476. (vii) In May of each year, the head of the department must forward to the Accountant General a copy of his account for April in F.R. Form 26. In subsequent months, it will suffice to send an abstract of the expenditure up-to-date under the various heads of disbursement in three columns, showing-(1) expenditure up to the end of the preceding month; (2) expenditure during the month just concluded; and (3) total expenditure up-to-date, being the total of (1) and (2). The subsidiary records in F.R. Forms 23 and 25 will be retained by the head of the department in his own office, unless in any case the Accountant General requires that the whole or any part of them should be sent to him with the statement. (viii) The head of the department and the Accountant General will be jointly responsible for the reconciliation of the figures given in the accounts maintained by the head of the department with those that appear in the Accountant General's books. Unless in any case there are special rules or orders to the contrary, the reconciliation should be made monthly, the initial responsibility resting with the Accountant General. The reconciliation need not be very close; its extent should be determined by the following considerations : -(1) that account figures finally published will be those maintained by the Accountant General; and (2) that the main object of the reconciliation is to ensure that the departmental accounts are sufficiently accurate to render possible an efficient departmental control of expenditure. (ix) If, for certain reasons monthly verification is not possible the controlling officer will depute an assistant of his office to the office of the Accountant General for verification, every third month, instead of allowing the discrepancies to accumulate and sending an assistant at the close of the financial year, as such deputation will cause much inconvenience in the Accountant General's office and the work of reconciliation will not be done satisfactorily.

476.

Expenditure on the pay of officers and establishments is not as a rule, liable to violent fluctuation. Moreover, the provision for such expenditure is frequently not distributed among disbursing officers. It is, therefore, unnecessary to watch such expenditure through the form and registers prescribed in (sub-paragraph) 4 above. The figures of such expenditure will be communicated monthly by the Accountant-General to the head of the department who must enter them in his account in F.R. Form 26 and watch the progress of expenditure against the grant.

477.

The head of the department and his controlling officers must further take steps to maintain a careful watch over expenditure incurred from time to time on important non-recurring objects, such as grants and contributions, purchase of rations and purchase of uniforms. It is necessary to deal with

such items separately from the accounts of ordinary monthly expenditure since they occur once or twice only in the course of a year. The head of the department or controlling officer must decide for himself what method of watching such expenditure he will adopt, it is essential that he should keep himself informed own control and to order disbursing officers who wish to spend money against it to apply to him for a special allotment. In other cases, he may prefer to distribute the grant and to order his disbursing officers to report expenditure against it as soon as they incur such expenditure, separately from their ordinary monthly accounts. Whatever method he adopts. In some cases he may prefer to keep the entire grant under his not only of actual expenditure against such grants, but also of liabilities which have been incurred and must ultimately be met from them. Without such information, no adequate control over expenditure can be exercised.

478.

Under the procedure prescribed in these rules, a head of department or controlling officer should be in a position from month to month to estimate the likelihood of savings or excesses and to regularize them in accordance with the instructions laid down in Rules 111 to 113 of the Bihar Budget Manual. The processes involved should receive the personal attention of the heads of departments and controlling officers and must on no account be left to be conducted entirely by subordinates.

479.

In this connection it should be remembered that before money can be spent two conditions must be fulfilled-it must be sanctioned by the competent authority and funds must have been appropriated for it-(a)The sanction of any authority to any expenditure becomes operative as soon as funds have been appropriated to meet it, and does not become operative until funds have been so appropriated.(b)The sanction of any authority to recurring expenditure covering a specified term of years becomes operative when funds are appropriated to meet the expenditure of the first year, and remains in operation for each year of the specified term, subject to appropriation or the voting of funds in such year.Note. - The practice of submission of proposals for additional grants by the controlling officers and sanction of re-appropriation of grants late in the financial year leads to a complete laxity of control over expenditure. Government will not approve of any expenditure in excess of the budget provision unless sanction to incurring extra expenditure has been obtained previously. In his application for sanction to exceed the budget grant the controlling officer must explain the reason for the extra expenditure and at the same time suggest the method of financing it-(i)If it is considered that the extra amount can be found by re-appropriation within the grant, the re-appropriation should be suggested and sanctioned at the same time, when approval to incurring the extra expenditure is obtained; the practice of obtaining sanction to the re-appropriation at the end of the year which amounts to a formal adjustment of grants is against the spirit of this rule. The controlling officer must strictly comply with the provisions of this Rule and have a complete grasp over the progress of expenditure under the various heads under his control.(ii)In cases where it is not possible to find the extra fund required by re-appropriation and the expenditure is required to be incurred immediately and it is not possible to wait for the vote of the Legislature to a Supplementary Demand, the extra fund will be allowed by Government and the controlling officer must move for a Supplementary Demand at the earliest opportunity and not to wait till the end of

the year. Special Rules for the Public Works Department

480.

(a) In charges against suspense accounts, any expenditure which is not expected to cause an excess over net provision for the year, may be held to be covered thereby. (b) For payments chargeable to the account of other divisions, departments, or Governments or of non-Government works, and re-payments of deposits, a Divisional Officer does not require any specific provision of funds within the appropriations for his own division. It is sufficient to see that such payments are made only in accordance with the rules.

481.

Controlling officers are responsible for seeing that the grant placed at their disposal is not wasted or exceeded, and where necessary this responsibility will be enforced by surcharge. They, in turn, should impose the same responsibility on their subordinate disbursing officers. The Accountant General will assist by issuing warnings to disbursing officers and, if necessary, to controlling authorities, when excesses appear to be likely.

482.

The Accountant General will warn the department concerned immediately of the first appearance of any excessive proportionate outlay under any grant or under any primary unit of appropriation. It must be clearly understood, however, that the authority administering a grant and not the Accountant General is ultimately responsible for the control of expenditure against the grant.

483.

The High Commissioner for India, as disbursing authority for charges in England will incur expenditure within the budget allotments under the respective grants as communicated to him by the Finance Department. The head of department or controlling officer will be responsible for keeping watch over expenditure under the unit "Charges in England" with reference to the grant as a whole and obtain from the Accountant General details of monthly expenditure adjusted in his accounts from time to time.

484.

All communications to Government regarding re-appropriations and supplementary demands must be based on the Accountant General's and not the departmental figures. Section
VI Re-appropriations

485.

A demand for grant under each service head represents the total gross expenditure under that head leaving out of account all deduction on account of recoveries of expenditure shown within that head. These deductions for recoveries are not available for any kind of re-appropriation or modification of funds. Note. - A detailed statement of these deductions appear at the end of each demand.

486.

No re-appropriation shall be made except-(a) from one voted unit to another voted unit within the same grant; (b) from one unit classed as charged on revenues, to another such unit within the same grant appropriation.

487.

No re-appropriation shall be made-(a) from a voted unit in one grant to a voted unit in another grant; (b) from a unit classed as charged on revenues to a voted unit; or (c) from a voted unit to a unit classed as charged on revenues; or (d) from a charged unit in one grant appropriation to a charged unit in another grant appropriation.

488.

Although the primary unit of appropriation may be sub-divided in the budget estimates into greater details, no order of re-appropriation is required to cover a transfer between these detailed provisions. The Accountant General audits the expenditure classified under each particular unit against the provision for the whole unit, and so long as that is not exceeded no necessity for re-appropriation arises.

489.

(a) No re-appropriation shall be made from one major head to another within a grant voted by the Assembly, except with the sanction of the Finance Department. (b) The Minister-In-Charge of a department may sanction any re-appropriation within a grant between the unit subordinate to the same major head provided that no such re-appropriation-(i) shall create any recurring liability; or (ii) shall be made for a new service or scheme for which provision has not already been made in the annual budget estimate of expenditure; or in a supplementary estimate of expenditure; or (iii) shall be made where both units are not under the charge of the same Minister; or (iv) shall be sanctioned when the amount involved against a single subhead or primary unit of appropriation exceeds Rs. 15,000. (c) A copy of every order sanctioning a re-appropriation under this Rule shall be communicated to the Finance Department as soon as it is passed. (d) The Minister-In-Charge of any department may with the sanction of the Finance Department, re-appropriate from a unit which is under the charge of another Minister, to another unit which is under his charge, if both such units

are within the same major head.

490.

(a) No re-appropriation of sums required to meet the expenditure charged on the revenues of the State shall be made from one major head to another within the same grant appropriation except with the sanction of the Finance Department. (b) The Minister-In-Charge of a department may sanction any re-appropriation within a grant appropriation between the unit subordinate to the same major head provided that no such re-appropriation—(i) shall create any recurring liability; or (ii) shall be made for a new service or scheme for which provision has not already been made in the annual budget estimate of expenditure or in a supplementary estimate of expenditure; or (iii) shall be made where both units are not under the charge of the same Minister; or (iv) shall be sanctioned when the amount involved against a single subhead or primary unit of appropriation exceeds Rs. 15,000. (c) A copy of every order sanctioning re-appropriation under this Rule shall be communicated to the Finance Department as soon as it is passed. (d) The Minister-In-Charge of any department, may with the sanction of the Finance Department re-appropriate from a unit classed as charged on revenues which is under the charge of another Minister to another similar unit which is under his charge, if both such units are subordinate to the same major head within the same grant appropriation. Note. - Even in cases where re-appropriation of funds are to be sanctioned by the Ministers, the Secretaries and Additional Secretaries to Government of the respective departments will be responsible to scrutinize all proposals for re-appropriation submitted by the Controlling Officers, carefully and advising the Ministers on these proposals.

491.

A Minister may, with the sanction of the Finance Department delegate to any officer or a class of officers, the power of re-appropriation conferred on the Minister by Rules 489 and 490 and any such delegation shall be subject to such conditions and restrictions as the Finance Department may prescribe.

492.

(1) When a re-appropriation is sanctioned by the Finance Department or by the Minister-in-charge of a department the procedure prescribed for such re-appropriation in the Secretariat Instructions shall be observed. (2) When any re-appropriation is made in exercise of the power delegated under Rule 491, the procedure prescribed by Rules 493 to 495 shall be observed.

493.

(a) When any re-appropriation is made in pursuance of any power delegated under Rule 491, if the expenditure is sanctioned by Government but the re-appropriation is to be sanctioned by the officer to whom the power is delegated, the order issued by Government to such officer, shall conclude with the following direction: - "The charge will be met by re-appropriation(specify the unit of

appropriation) in the current year's budget. This re-appropriation requires your sanction".(b)The officer concerned shall on receipt of the said order-(i)send a copy of the said order to the Accountant General with the following endorsement: -"Acting under the power delegated to me under. Rule 491 of the Bihar Financial Rules by the Minister-In-Charge, I sanction the above re-appropriation.",(ii)send a copy of the said order and endorsement to the Finance Department for information, and(iii)send a copy of the endorsement to the administrative department concerned.

494.

(a)When a re-appropriation is made in pursuance of any power delegated under Rule 491, if both the expenditure and the re-appropriation are sanctioned by the officer to whom the power is delegated the order issued by the officer shall conclude with the following direction:-"The charge will be met by re-appropriation from ...(specify the unit of appropriation) in the current year's budget. Acting under the power delegated to me under Rule 491 of the Bihar Financial Rules by the Minister-In-Charge, I sanction the re-appropriation".(b)The officer concerned shall send a copy of the said order to the Accountant-General, the Finance Department and the Administrative Department.

495.

(a)Every officer to whom the power to sanction re-appropriation has been delegated shall keep a register of such re-appropriations.(b)Such register shall ordinarily be kept in a form containing a list of the provisions under each unit, under the control of the said officer concerned with enough space opposite to each such unit to permit plus and minus entries to be made.(c)All re-appropriations sanctioned by an authority superior to an officer concerned shall also be entered in the register.(d)The officer maintaining the register shall consult the register whenever the revised estimate is under preparation or whenever any other re-appropriations are being considered.(e)The register of re-appropriations should be maintained in F.R. Form 27.

496.

All applications for extra grant or re-appropriation requiring the sanction of the Minister in Charge or of the Finance Department shall be forwarded by the controlling officer to the administrative department concerned.When an extra grant or re-appropriation is sanctioned by a competent authority for a sum of Rs. 1000 or more, the explanation for the necessity of the extra grant or of the re-appropriation shall be set out as briefly as possible in the sanctioning order which is communicated to the Accountant General, or a copy of the form of application should be attached to the order of sanction, and the extra grant or re-appropriation should be sanctioned for the reasons contained in the accompanying form.All orders of re-appropriations shall invariably specify the exact amount involved, and, in order to ensure this, the standard form of re-appropriation shall be used whenever any proposal for re-appropriation is submitted for sanction or is sanctioned by competent authority. (Schedule LIII, Form No. 212, B. M. Form 2 of the Bihar Budget Manual.)

497.

No re-appropriation can be sanctioned after the close of the Financial year. Excess expenditure not covered by grants may occur against individual primary units of appropriation and also against the total grant or the grant appropriation in the subject. These irregularities are dealt with by the Accountant-General in the Appropriation Accounts and the Audit Report. As regards excesses under primary units of appropriation it is the duty of the controlling officer to scrutinise the factors leading to such excesses so as to be ready to furnish materials to the Accountant General for the appropriation accounts, and also to satisfy himself that the excess expenditure over the grant was unavoidable. He should report to the higher authorities for such action as is considered necessary where he is not satisfied that the excess expenditure was justified and the disbursing officers have failed to ensure adequate control of expenditure. The excesses against the total grant on the subject, are dealt with in accordance with Article 205(1)(b) of the Constitution and Rule 154 of the Bihar Legislative Assembly Rules, after the Appropriation Report has been considered by the Public Accounts Committee.

498.

Savings in the sub-heads of grants accommodating recoveries will not be available for re-appropriation to cover excesses under other sub-heads except sub-heads accommodating other recoveries. The unutilised savings in these subheads will be allowed to lapse and suitably explained in the appropriation Accounts.

499.

The approval of the Legislative Assembly to any additional expenditure over the amount voted by it for the gross expenditure in a grant will be taken by means of a Supplementary grant. The Supplementary grant will take into account the unforeseen additional recoveries in the course of the year and will be taken for the net excess over the total grant, details of the gross expenditure and of the recoveries being placed before the Assembly. If the net effect of the additional recoveries is to reduce the total expenditure against the grant to a figure less than the original grant as to reduce it to a minus figure the Assembly's approval to the increase in the gross expenditure will be taken by means of a token grant. The excess under the sub-heads for gross expenditure which would have been covered by re-appropriation of savings but for the prohibition in Rule 498 will be suitably explained in the Appropriation Accounts.

500.

The procedure set out in Rules 498 and 499 above, will apply mutatis mutandis to items of expenditure which are charged on the revenue of the State. The Finance Department will authorise additional expenditure for which in the case of voted expenditure the Assembly is approached for Supplementary grant. Note. - The excepting clause as in Rule 498 above which provides for re-appropriation between sub-heads accommodating recoveries may not be made compulsory after

a particular date to be fixed by Government for this purpose. Accordingly in cases where the excesses and savings under recovery heads are not known by a date to be prescribed by the Finance Department there will be no occasion for adverse comments in the Appropriation Accounts if effect to such permissible re-appropriation has not been given or has not been taken into account in formulating a Supplementary Demand. This date has been fixed by the Finance Department to be the 20th February each year. Forms F.R. Form 1 [See Rule 42] Registry of Miscellaneous Property Notes

- 1. Every possible source of miscellaneous revenue such as fishery, grass, produce of trees, lease of land for building, agriculture etc. should be entered in column 2 irrespective of whether the revenue is realised in any year or not. The entries should be according to a particular canal or road noting the miles in the case of canal and roads. The items should be arranged in the order of the month in which they are to be leased.**
- 2. Column 4 should show the names of canals, roads or situation of buildings with the mileages in the case of canals and roads.**
- 3. In column 6, the details of the lease, area, agreement number, rate, number of instalments etc., should be noted when necessary. Sufficient space should be left between two entries to permit of all realisations of revenue paid in instalments being posted against the item concerned. Column 12 'due dates of payment' should be filled in as soon as a particular property is leased out.**
- 4. Steps taken to clear the balances outstanding and increases or decreases of revenue as compared with the figures for previous years, etc., should be explained with as guide letter in the remarks column.**
- 5. If any of the properties are leased for periods exceeding two years they should be recorded in a separate register with inter sheets to provide for the entire period of the lease.**
- 6. The register should be maintained in the Sub-divisional office and extracts showing the transactions during the month submitted to the Divisional office along with the accounts of the month. In Headquarters Subdivision the register itself may be sent to the Divisional office.**

7. The properties should be verified annually by the Sub-divisional or sectional officers concerned at the time of sale and a certificate as to the number of properties actually existing noted in the register and in the sale lists.

8. The register should be made available for scrutiny by the Executive Engineer during his inspection of Sub-divisional office.

9. It must be distinctly understood that the S.D.O will be held personally responsible for the recovery of revenue to Government.

| Item number. | Description of Revenue. | Locality. | Particulars. | Name and address of the lessee together with hisfather's name. | Particulars of the lease. | Period of Lease. | |
|-------------------------|--|---|--------------------|--|---|------------------|-------|
| Date of commencement. | Date of expiry. | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Amount Realisable | Due date of payment. | Date of realisation of amount & receipt no.and/or treasury challan. | Amount realisable. | Balance at the end of the year. | Initials of S.D.O. or Divisional Accountantattesting columns 14 and 15. | Remarks. | |
| Arrear brought forward. | Revenue realisable for the current year. | Total | | | | | |
| 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 17 |

F. R. FORM 2.[See Rule 83]Statement of Proposition for Revision of Establishment.

Nature of charges.

| Present scale. | Proposed scale |
|----------------|----------------|
|----------------|----------------|

| Number. | Designation. | Pay. | Average cost | Number. | Designation. | Pay | Average cost. |
|----------|--------------|----------|--------------|------------|--------------|-----|---------------|
| Minimum. | Increment. | Maximum. | Minimum. | Increment. | Maximum. | | |

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Proposition.

Permanent.

Temporary

Increase per
month.Decrease per
month.Increase per
monthDecrease per
month.Order of
sanctioning
authority.

Amount.

Amount.

Period.

Amount.

Period.

Amount.

†

†

†

†

† Money columns. Note. - In preparing this statement particular attention should be paid to the instruction in Rule 4.F.R. FORM 3.[See Rule 86]Charge Report.PlaceI (in Block letters) undersigned have made over charge to Mr. (in Block letters) undersigned as on the forenoon/afternoon of of yearRelieved Officer. Relieving Officer.A permanent advance of Rs. (in words) has been made over by me and taken over by me

2. [Certified that I on assuming charge of the officer of have received a copy of the printed instructions for the guidance of officers receiving, handling or spending the public funds.] [Inserted by Notification No. A3 - 30387/02/10158 F. dated 10.2.1962.]

SignaturePlaceDateFor Use In
Audit Office

Noted in Audit RegisterHistory of Services.Pay slip issued :-

Accountant General's Office.F.R. Form 4[See Rule 98]Form for Application for Leave.Note. - Items 1 to 9 must be filled in by all applicants whether gazetted or non-gazetted. [* * *] [Words commencing with 'Item 10 applied as the case may be' in the Note above deleted by C.S. No. 16 dated 26.11.1960.]Item 12 applies only in the case of Gazetted Officers.Items 13 and 14 apply in the case of non-Gazetted Officers.

1. Name of applicant.
2. Leave Rules applicable.
3. Post held.
4. Department or office.
5. Pay.
6. House allowance, conveyance allowance, or other compensatoryallowances drawn in the present post.
7. Nature and period of leave applied for and date from whichrequired.
8. Ground on which leave is applied for.

9. Date of return from last leave and the nature and period of that leave.
- I undertake to refund the difference between the leave-salary drawn during leave on average pay/commuted leave and that admissible during leave on half average pay/half pay leave which would not have been admissible, had the proviso to F.R. 81 (b)(ii)/Rule 17 (b) (ii) of the Bihar Service Code Rule 11 (c) (iii) of the Revised Leave Rules, 1993 (India) Rule 234 of the Bihar Service Code, not been applied in the event of my retirement from service at the end of during the currency of the leave].
10. [Substituted by C.S. No. 16 dated 26.11.1960.]
- Date. Signature of applicant.
11. Remarks and/or recommendation of the Controlling Officer.
- Date. Signature. Designation.
12. Report of the Audit Officer-
- Date. Signature. Designation.
13. Statement of leave granted to applicant previous to this application.
- | | In current year | During past year. | Total. |
|---|-----------------|-------------------|--------|
| Nature of leave. | | | |
| Casual. | | | |
| Privilege. | | | |
| On average pay (includes Earned Leave under Revised Leave Rules.) | | | |
| On average pay on M.C. | | | |
| On half average pay | | | |
| On half average pay on M.C. | | | |
| On quarter average pay. | | | |
| On half average pay on private affairs. | | | |
| On quarter average pay on M.C. | | | |
| Extraordinary leave. | | | |
| Total | | | |
14. Certified that leave on average pay _____ Earned leave

for Months and

days from ... 20 to 20

is admissible.

Under

.....

Date

ArticleSignatureDesignation

15. *Orders of the sanctioning authority-

Date

Signature.Designation.

* If the applicant is drawing any compensatory allowance the sanctioning authority should state whether on the expiry of leave he is likely to return to the same post or to another post carrying similar allowance.

F.R. Form 5.[SeeRule 167]Indent for Stores.CounterfoilIndent

No.....On.....Dated.....{

Description.

Name of
work or
sub-work
(with nam
of contract
from
whomvalu
Is
recoverabl

Certified that the articlesintended for are not available in my stock.These materials should be..... by(Indenting Officer.)(Divisional orSub-divisional Officer.)|| F.R. Form 5.[SeeRule 167]Indent for Stores.INDENTIndent No.....On.....Dated.....

| Description. | Number of quantity. | Head of account, etc. | Name of work or sub-work (with name of contractor from whomvalue Is recoverable). |
|--------------|---------------------|-----------------------|---|
|--------------|---------------------|-----------------------|---|

These materials should be..... by(IndentingOfficer.)(Divisional or Sub-divisional Officer.)CERTIFICATE OFSUPPLYThis indent has (not)been complied with) in full(The alteration, which Ihave attested have accordingly been made by me)to....on...by....Dated 20.Supplying Officer|| F.R. Form 5.[SeeRule 167]INVOICE.Invoice of StoresSupplied....To.....By.....On Indent no dated.....Issued by the.....

| Description. | Number of quantity. | Head of account, etc. | Name of work or sub-work (with name of contractor from whomvalue Is recoverable). |
|--------------|---------------------|-----------------------|---|
|--------------|---------------------|-----------------------|---|

Dated SupplyingOfficer.Received.Dated Receiving Officer.}|F.R. Form 6.[See Rule 191]Road Metal Rate BookRate table showing lowest rates at which metal can be supplied to the roadside throughout the Division.

| No. of miles. | Quarry from which dug | Class of metals. | Distance carried. | Rates for carrying per cubic | Rate per | Remarks |
|---------------|-----------------------|------------------|-------------------|------------------------------|----------|---------|
|---------------|-----------------------|------------------|-------------------|------------------------------|----------|---------|

| | | | | | |
|--|---|----------|--------|--------|--------------------|
| and its situation. | | | | | Kilo meter. meter. |
| Digging and Kilometer. stacking at roadside. | Charges on account of royalty, contractor's profit, tools and plant. | Carriage | Total. | | |
| | | Rs. P. | Rs. P. | Rs. P. | Rs. Rs. P. P. |

F.R. Form 7.[See Rule 264 (8)]Indenture for Secured Advances.For use in cases in which the contract is for finished work and contractor has entered into an agreement for the execution of a certain specified quantity of work in a given timeThis Indenture made the day of 20 between (hereinafter called the Contractor which expression shall where the context so admits or implies be deemed to include his executors, administrators and assigns) of the one part and the Governor of Bihar (hereinafter called the Governor which expression shall where the context so admits or implies be deemed to include his successors in office and assigns) of the other part.Whereas by an agreement, dated (hereinafter called the said agreement) the Contractor has agreed.....And Whereas the Contractor has applied to the Governor that he may be allowed advances on the security of materials absolutely belonging to him and brought by him to the site of the works the subject of the said agreement for use in the construction of such of the works as he has undertaken to execute at rates fixed for the finished work inclusive of the cost of materials and labour and other charges or for a lump sum.And Whereas the Governor has agreed to advance to the contractor the sum of Rupees on the security of materials, the quantities and other particulars of which are detailed in Part II of a Running Account Bill [F.R. Form 6/T.C. Form 53] for the said works signed by the Contractor on and the Governor has reserved to himself the option of making any further advance or advances on the security of other materials brought by the Contractor to the site of the said works.Now This Indenture Witnesseth that in pursuance of the said agreement and consideration of Rupees on or before the execution of these presents paid to the contractor by the Governor (the receipt whereof the Contractor both hereby acknowledge) and of such further advances (if any as may be) made to him as aforesaid the Contractor doth hereby covenant and agree with the Governor and declare as follows. -(1)That the said sum of Rupeesso advanced by the Governor to the Contractor as aforesaid and all or any further sum or sums advanced as aforesaid shall be employed by the Contractor in or towards expediting the execution of the said works and for no other purpose whatsoever.(2)That the materials detailed in the said Running Account Bill [F.R., Form 6/ T.C. Form 53] which have been offered to and accepted by the Governor as security are absolutely the Contractor's own property any free from encumbrances of any kind and the contractor will not make any application for or receive a further advance on the security of materials which are not absolutely his own property and free from encumbrances of any kind and the contractor indemnifies the Governor against all claims to any materials in respect of which an advance has been made to him as aforesaid.(3)That the materials detailed in the said Running Account Bill [F.R. Form 6/T-C. Form 53] and all other materials on the security of which any further advance or advances may hereafter be made as aforesaid (hereinafter called the said materials), shall be used by the Contractor solely in the execution of the said works in accordance with the direction of the Executive Engineer

..... Division (hereinafter called the Executive Engineer) and the terms of the said agreement.(4)That the contractor shall make at his own cost all necessary and adequate arrangements for the proper watch, safe custody and protection against all risks of the said materials and that until used in construction as aforesaid the materials shall remain at the site of the said works in the Contractor's custody and on his own responsibility and shall at all times be open to inspection by the Executive Engineer or any officer authorised by him. In the event of the said materials or any part thereof being stolen, destroyed, or damaged or becoming deteriorated in a greater degree than as due to reasonable use and wear thereof the Contractor will forthwith replace the same with other materials of like quality or repair and make good the same as required by the Executive Engineer.(5)That the said materials shall not on any account be removed from the site of the said works except with the written permission of the Executive Engineer or an officer authorized by him on that behalf.(6)That the advances shall be repayable in full when or before the Contractor receives payment from the Governor of the price payable to him for the said works under the terms and provisions of the said agreement. Provided that if any intermediate payments are made to the Contractor on account of work done, then on the occasion of each such payment the Governor will be at liberty to make a recovery from the Contractor's bill for such payment by deducting therefrom the value of the said materials than actually used in the construction and in respect of which recovery has not been made previously the value for this purpose being determined in respect of each description of materials at the rates at which the amounts of the advances made under these presents were calculated.(7)That if the Contractor shall at any time make any default in the performance or observance in any respect of any of the terms and provisions of the said agreement or of these presents the total amount of the advance or advances that may still be owing to the Governor shall immediately on the happening of such default be repayable by the Contractor to the Governor together with interest thereon at twelve per cent per annum from the date or respective dates of such advance or advances to the date of repayment and with all costs, charges, damages and expenses incurred by the Governor in or for the recovery thereof, or the enforcement of this security or otherwise by reason of the default of the Contractor and the Contractor hereby covenants and agrees with the Governor to repay and pay the same respectively to him accordingly.(8)That the Contractor hereby charges all the said materials with the repayments to the Governor of the said sum of Rupeesand any further sum or sums advanced as aforesaid and all costs, charges, damages and expenses payable under these presents Provided Always and it is hereby agreed and declared that notwithstanding anything in the said agreement and without prejudice to the powers contained therein if and whenever covenant for payment and repayment hereinbefore contained shall become enforceable and the money owing shall not be paid in accordance therewith, the Governor may at any time thereafter adopt all or any of the following courses as he may deem best:-(a)Seize and utilize the said materials or any part thereof, in the completion of the said works on behalf of the Contractor in accordance with the provisions in that behalf contained in the said agreement debiting the contractor with the actual cost of effecting such completion and the amount due in respect of advances under these presents and crediting the contractor with the value of work done as if he had carried it out in accordance with the said agreement and at the rates thereby provided or in the case of a lump sum contract at the rates provided in the sanctioned schedule of the Division as it stood on the date of the execution of the work. If the balance is against the Contractor he is to pay the same to the Governor on demand.(b)Remove and sell by public auction the seized materials or any part thereof and out of the moneys arising from the sale retain all the

sums aforesaid repayable or payable to the Governor under these presents and pay over the surplus (if any) to the Contractor.(c)Deduct all or any part of the moneys owing out of the security deposit or any sum due to the contractor under the said agreement.(9)That except in the event of such default on the part of the Contractor as aforesaid interest on the said advance shall not be payable.(10)That in the event of any conflict between the provisions of these presents and the said agreement the provisions of these presents shall prevail and in the event of any dispute or difference arising over the construction or effect of these presents the settlement of which has not been hereinbefore expressly provided for the same shall be referred to the Superintending Engineer,.....Circle whose decision shall be final and the provisions of the Indian Arbitration Act for the time being in force shall apply to any such reference.In Witness whereof thefor and on behalf of the Governor of Bihar the said..... have hereunto set their respective hands seals the day and year first above written.Signed, Sealed and Delivered bythe said in the presence of

1st. witness.

2nd. witness,

F.R. Form 8[See Rules 289, 292, 294 (b) and 298.]Account of Receipts, Issues and Balances of Materials-at-site of the for the month of 20.

| Description of materials | Bricks | Surkhi Lime | Total |
|---|--|-------------|-------|
| Unit | Rs. P. | | |
| Opening balance | Quantity | | |
| Value | | | |
| Receipt - | | | |
| Total - Receipts | | | |
| Total – Receipts and Balances | | | |
| Issues | | | |
| Total - Issues | | | |
| Closing Balance. | | | |
| Dated the 20.Sub-divisional Officer | Comparison with estimated Requirements | | |
| Estimated quantity of materials | | | |
| Estimated value of materials | | | |
| | Quantity | | |
| Total - Receipts during the month as above. | | | |
| | Value | | |
| | Quantity | | |

Total - Receipts at end of previous month.

Value

Quantity

Total - Receipts to date.

Value.

Dated the 20. Subdivisional Officer. F.R. Form 9 Report of the Value and Verification of unused Materials. At Site Of [See Rules 294, 295, 297 and 307] Work - Constructing clerks' quarters at Ranchi as on 20 Statement showing the quantities and values of materials issued to the work and of those used in construction.

| Name of Sub-Head of Works | Up to date "progress" | Description | *Principal Items | †Petty Items. | ‡Total | |
|---------------------------|--------------------------|-------------|---------------------|------------------|---------------|------|
| | Ballast | Lime | Surkhi | Bricks | R.S. Beams | Iron |
| Unit | Cft. | Mds. | Cft. | No. | | |

Value

Quantities

Pucca Masonry

Unit

Quantity

Rate

Arch Masonry Concrete R.S.

Beams Iron Work Stone mantle

pieces Stone mantle pieces,

small B. - Total used in

construction.

| Description of Materials | PRINCIPAL ITEMS | Petty Items | Total | | |
|--------------------------|--------------------|----------------|--------|---------------|-------------|
| Ballast | Lime | Surkhi | Bricks | R.S. Beams | Iron - |
| Unit | Cft. | Mds | Cft. | No. | Cwt. Mds. - |

A. - Total issues as per F.R. Form 8B. -

Total used in construction as per

statement overleaf. C. - Paper balances of

unused materials (i.e. A. minus B). D. -

Actual balances after verification. E -

Differences (i.e. C. minus D) F. - Remarks

explaining action taken to adjust

the differences as per E and if the work

has been completed, to dispose of the

surplus balance as per line D.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 etc. |
|---|---|---|---|---|---|---|---|--------|
|---|---|---|---|---|---|---|---|--------|

(1) Due to less wastage. May be credited to Concrete. (2) Trifling. May be debited to Pucca Masonry. (3) Shortage under enquiry. (4) Trifling. May be credited to Pucca Masonry. (5) Shortage under enquiry. (6) Shortage already written off in S. E.'s no. 52, dated the 4th January. 1919. The surplus materials may be sold.

* Both quantities and values should be shown, values being posted in red ink, just above the corresponding quantities. † Only values should be shown in these two columns. ‡ The quantity used in construction should be calculated on the basis of the quantities of work executed, such authorised formulae is being adopted for the purpose as may be in general use locally. †1. Certified that the quantities of principal items and the value of the petty items, as shown in the above statement, have been worked out as accurately as possible on the basis of the quantities of the work actually done. †2. Certified that the quantities of the actual balances recorded against line D, are the results of verification made by me on 20. †3. Certified that the balances of materials at site of this work were verified by me on 20 and that the necessary report in this form was submitted to the Divisional office as per this office no. dated 20. †4. The balances of unused materials were not verified at any time during the year 20 20, as the accounts of this work are expected to be closed within three months. †5. The balances of unused materials were not verified at any time during the year 20 20, as the work was not under construction prior to January of this year. Dated 20 Sub-divisional Officer. *The certificates not applicable to the case should be scored out. Checked. Divisional Accountant. Dated 20 Divisional Officer's Orders

1. The entries relating to the quantities used in construction are approved.

2. The surplus balances as per item D should be disposed of as under :-

3. (Here enter remarks and orders regarding adjustment of losses and difference as per item E).

Items (3) and (5). Await S.D. O's further report. Other items may be adjusted as recommended by the S.D.O. Divisional Officer. Dated 20 F.R. Form 10. [See Rule 309.]

Detailed Completion Report.

DIVISION-

NAME OF WORK-

| | |
|----------------------|-----|
| Amount of estimate- | Rs. |
| Expenditure | Rs. |
| Excess | Rs. |
| Percentage of excess | Rs. |

Date of commencement-

Date of completion-

Names of Engineers and Subordinates by whom the work was supervised.

Name

Period of Incumbency.

From

To

Immediate Charge. Sub-divisional
Officer. Executive Engineer.

Explanation of Excesses. Name of work - Major head - Minor head - Detailed head of classification
- Reference to last schedule docket submitted -

Authority- No. For the month of

Sub-head

Reference to

of As-estimated. As-executed. Differences. Paragraphs overleaf
estimate. explaining excesses.

Quantity Rate.

Amount

Quantity.

Rate.

Amount. Quantity. Rate. Amount.

Rs.

Rs.

Rs.

Excesses to be entered in red ink, savings in black ink. Dated the 20 Executive Engineer. N.B. - In the case of original works and special repairs, if any, considerable deviations from the sanctioned design have occurred, the report of specification drawings and details of measurement of the work actually done in the same form as the estimate should accompany the Completion Report vide Rule 255.F.R. Form 11. [See Rule 309.] Consolidated completion report of works and repairs outstanding

Division.

Month.

1. The statement of works and special repairs completed during the month, excess in respect of which requires sanction of an authority higher than the Executive Engineer, should be prepared separately.
2. The statement of work and special repairs completed and those in progress should not be included in the same statement.

Statement showing works and repairs completed during the month or works and repairs in progress during the month in respect of which excess has been passed by the Executive Engineer.

Forwarded to the Accountant. General, Bihar, Ranchi, vide this office no. dated

{|

for|

Record Verification|

and transmission to the

Superintending Engineer.|-| 3. | As soon as the Executive Engineer has examined the registers of works, two statements, one for works and special repairs completed, and the other for works and

repairs in progress in respect of which excess has been passed by the Executive Engineer, should be submitted to the Audit Office for record there. || Transmitted to the Superintending Engineer Circle, vide this office no. dated, after verification. | - | Accountant General | - | 4. | No completion statement is required for annual repair estimates unless the excess is required to be passed by an authority higher than the Executive Engineer. || } F.R. Form 11. -
 Concl'd. Division Month Completion statement of works and repairs completed during the month of statement of works and repairs in progress in excess in respect of which order has been passed by the Executive Engineer. [See Rule 309].

| Item no. | Name of estimate | Sanction of estimate | Amount expended. | Excess. | Percentage of excess | Date of completion. | Remarks explaining excess, steps taken for the assessment of rent, refund of unspent balance of deposit works, etc., etc. | | | |
|----------|------------------|----------------------|------------------|---------|----------------------|---------------------|---|---|----|----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |

Executive Engineer Division. Divisional Accountant. F.R. Form 12 [See Rule 381.] Statement of Loans and Advances sanctioned by the State Government. year.

| Name of person receiving the loan. | Amount of loan sanctioned. | Rate of interest. | No. and date of orders authorising the loan. | Balance from last year. | Amount Received this year. | Total. | Amount repaid during the year. | Balance of loan at close of the year. | Amount of interest reserved and credited to revenue | Balance of interest unpaid. |
|------------------------------------|----------------------------|-------------------|--|-------------------------|----------------------------|--------|--------------------------------|---------------------------------------|---|-----------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Rs. P. | Rs. P. | Rs. P. | Rs. P. | Rs. P. | Rs. P. | Rs. P. | Rs. P. | Rs. P. | Rs. P. | Rs. P. |

F.R. Form 13. [See Rule 393 Note.] Form of Mortgage. This Indenture made the day of two thousand and between of a Civil Officer of (hereinafter referred to as the mortgagor which term shall where the context so admits include his heirs, executors, administrators and assigns) of the one part and The Governor of Bihar (hereinafter referred to as the mortgagee which term shall where the context so admits include his successors and assign) of the other part. Whereas the mortgagor is absolutely seized and possessed of or otherwise well entitled to the land hereditaments and premises hereinafter described and expressed to be hereby conveyed, transferred and assured (hereinafter referred to as the said hereditaments). And Whereas the mortgagor has applied to the mortgagee for an advance of

sum of the Rs..... for the purpose of enabling him to defray the expenses [.....]
 [Insert 'the purchase of the said hereditament', 'building house on the said hereditaments' or
 'repairing the said hereditament', as the case may be.] of as a suitable residence for his own use. And
 Whereas under the provisions contained in Rule 388, et seq. of the Bihar Financial Rules
 (hereinafter referred to as the said Rules which expression shall where the context so admits include
 any amendment thereof or addition thereto for the time being in force) the mortgagee has agreed to
 advance to the mortgagor the said sum of Rs..... [Payable as follows, that is to say, the sum
 of Rs. on or before the execution of these presents and the balance (unless and until the
 power of sale applicable hereto shall have become exercisable) by equal instalments payable
 quarterly, the first of such instalments to be payable on theday of] [Delete
 words in crotchets if advance is not to be paid by instalments.]. Now This Indenture Witnesseth that
 in pursuance of the said agreement and in consideration of the sum of Rs. paid on or
 before the execution of these presents to the mortgagor by the mortgagee (the receipt whereof the
 mortgagor doth hereby acknowledge for the purpose of enabling the mortgagor to defray the
 hereinbefore recited) expenses the mortgagor hereby covenants with the mortgagee to repay to the
 mortgagee the said sum of Rs. [and such further sum as shall hereafter be paid by
 him to the mortgagor pursuant to the hereinbefore recited agreement in that behalf] [Ditto.] and
 interest thereon calculated according to the said Rule on the[day ofnext]
 [Insert a date two and & half or five years as the case may be from the date of commencement of
 repayment of the loan. Where possible the land should also be described with reference to
 Government map or survey.] and if the loan shall not be repaid on that date will pay interest in
 accordance with the said Rules. And This Indenture Also Witnesseth, that for the consideration
 aforesaid the mortgagor doth hereby convey, transfer and assure unto the mortgagee All that piece
 of land situate in the district registration district of
 sub-registration district of. containing more or less now in the occupation of
 the mortgagor and bounded on the North by on the South by on the East by
 and on the West by together with dwelling-house and the out offices, stables,
 cook-rooms and out buildings now erected or hereafter to be erected on the said piece of land
 together with all rights, easements and appurtenances to the said hereditaments or any of them
 belonging To Hold the said hereditaments with their appurtenances including all erections and
 buildings hereafter erected and built on the said piece of land unto and to the use of the mortgagee
 absolutely subject to the proviso for redemption hereinafter contained Provided Always that if and
 as the said advance of rupees and [of such further sums as may have been paid as
 aforesaid] [Delete Words in crochets if advance is not to be given by instalments.] made upon the
 security of these presents shall have repaid and interest thereon calculated according to the said
 Rule by the reduction of monthly instalments of the salary of the mortgagor as in the said Rules
 mentioned or by any other means whatsoever than and in such case the mortgagee will upon the
 request and at the cost of the mortgagor re-convey, re-transfer or re-assure the said hereditaments
 unto and to the use of the mortgagor or as he may direct And it is hereby agreed and declared that if
 there shall be any breach by the mortgagor of the covenants on his part herein contained or if he
 shall die or quit the service before the said sum of Rupees.....(and any further sum as may
 have been paid as aforesaid) and interest thereon calculated according to the said Rule shall have
 been fully paid off then and in any of such cases it shall be lawful for the mortgagee to sell the said
 hereditament or any part thereof either together or in parcels and either by public auction or by

private contract with power to buy in or rescind any contract for sale and to re-sell without being responsible for any loss which may be occasioned thereby And to do and execute all such acts and assurances for effectuating any such sale as the mortgagee shall think fit and it is hereby declared that the receipt of the mortgagee for the purchase money of the premises sold or any part thereof shall effectually discharge the purchaser or purchasers therefrom And it is hereby declared that the mortgagee shall hold the moneys to arise from any sale in pursuance of the aforesaid power Upon Trust in the first place thereout to pay all the expenses incurred on such sale and in the next place to apply such moneys in or towards satisfaction of the moneys for the time being owing on the security of these presents and then to pay the surplus (if any) to the mortgagor; And it is hereby agreed and declared that the said Rules shall be deemed and taken to be part of these presents. The mortgagor hereby covenants with the mortgagee that he, the mortgagor will during the continuance of this security observe and perform all the provisions and conditions of the said Rules on his part to be observed and performed in respect of these presents and the said hereditaments. In Witness Whereof the mortgagor, hath hereunto set his hand the day and year first above written. Signed by the said (Mortgagor) In the presence of 1st witness Address Occupation

2nd. witness

Address Occupation (The deed should be registered.) Note. - There must be two witnesses to a mortgage. F.R. Form 14 [See Rule 394 Note.] Form of Mortgage for House Building Advances granted to Government servants who do not possess full proprietary rights in the land upon which they intend to build a house. This Indenture made the day of between of a Civil Officer of (hereinafter called the mortgagor which term shall where not repugnant to the context include his heirs, executors, and administrators and assigns) of the one part and The Governor of Bihar (hereinafter referred to as the mortgagee which term shall where not repugnant to the context include his successors and assigns) of the other part. Whereas the mortgagor is entitled to the piece of land hereditaments and premises hereinafter described under a lease date of from date for a term of years expiring [.....] [end of lease.] subject to a rental of Rs. ... per [.....] [mensem or annum.] And Whereas the mortgagor has applied to the mortgagee for an advance of the sum of rupees for the purpose of enabling him to defray expenses of [.....] [Insert 'the purchase of the said hereditaments' building a house on the said a hereditaments' or 'Repairing the said hereditaments' as the case may be.] as a suitable residence for his own use. And Whereas under the provisions contained in Rule 388 et seq. of the Bihar Financial Rules (hereinafter referred to as the said Rules which expression shall where the context so admits include any amendment thereof, or addition thereto for the time being in force and shall be deemed to form part of these presents) the mortgagee has agreed to advance to the mortgagor the said sum of Rs. payable as follows, that is to say, the sum of Rs. on or before the execution of these presents and the balance (unless and until the power of sale applicable hereto shall have become exercisable) by equal instalments payable quarterly the first of such instalments to be payable on the day of [.....] [Delete words in crotchets if further advances are not to be made.] Now This Indenture Witnesseth that in consideration of the said advance and in pursuance of the said agreement the mortgagor doth hereby covenant with the mortgagee to pay to the mortgagee the said sum of rupees... (and such further sums as shall hereafter be paid by him to

the mortgagor pursuant to the hereinbefore recited agreement in that behalf [and interest thereon calculated according to the said Rules on the] [Delete words in crotchets if further advances are not to be made.] day [.....] [Two and a half or five years from date of commencement of repayment of loan as the case may be.] next and if the loan shall not be repaid on that date, will pay interest in accordance with the said rules. And The Indenture Also Witnesseth that for the consideration aforesaid the mortgagor doth hereby demise, let and transfer unto the mortgagee ALL THAT piece of land situate in.....in the registration district of sub-district thana containing more or less and bounded on the North by on the South by on the East by and on the West by. together with the dwelling-house and the out-offices, stables, cook-rooms and outbuildings and all kinds used or intended to be used with the said dwelling house [(lately erected)] [Or 'hereafter to be erected or now being erected as the case may be.] together with all rights, easements and appurtenances to the same of any of them belonging to Hold the said premises including all erections and buildings here after erected on the said land unto the mortgagee, his successors and assigns for all the residue now unexpired of the said term of years granted by the said lease except the last day of the said term Provided Always that if and as soon as the said advance of Rs. [and of such further sums as may have been paid aforesaid] made upon the security of these presents and interest thereon calculated according to the said Rules shall have been repaid by the deduction of monthly instalments of the salary of the mortgagor as in the said Rules mentioned or by any other means whatsoever the demise hereby made shall be void And the mortgagor hereby covenants with the mortgagee that the lease creating the term or state for which the said land is held by the mortgagor is now a good, valid and effectual lease and is in full force un-forfeited and un-surrendered and free from encumbrances and in nowise become void or voidable and that all the rents reserved thereby and all the covenants, conditions and agreements contained therein and on his part to be paid, observed and performed have been paid, observed and performed upto the date of these presents AND also that the mortgagor will at all times so long as any money remains due on the security of these presents pay, observe and perform or cause to be paid, observed and performed all the said rents, covenants, conditions and agreements and will keep the mortgagee indemnified against all actions, proceedings, costs, charges, claims and demands, if any to be incurred or sustained by the mortgagee by reason of the non-payment of the said rent or the non-observance or non-performance of such covenants, conditions or agreements or any of them And Also that the mortgagor now has good right and full powers to demise the said premises to the mortgagee in manner aforesaid AND THAT IT SHALL BE LAWFUL For The Mortgagee To Enter Into and Upon and to hold and enjoy the said demised premises during the terms hereby granted without any interruption or disturbance by the mortgagor or any person claiming through or in trust for him, And That the mortgagor at the request at any time hereafter of the mortgagee will at his own cost execute and do all such assurance and things as may be necessary or proper for more effectually vesting the said premises in the mortgagee in manner aforesaid as may by the mortgagee be reasonably required Provided Always and it is hereby agreed and declared that if there shall be any breach by the mortgagor of the covenants on his part here in contained or if he shall die or quit the service at any time before all sums due or payable to the mortgagee on the security of these presents shall have been fully paid of, then and in any of such cases it shall be lawful for the mortgagee to sell the said premises or buildings or any part thereof either together or in parcels and either by public auction or by private contract with power to buy in or to rescind any contract for sale and to re-sell

without being responsible for any loss which may be occasioned thereby or to let the same for any term or period and to do and execute all such acts and assurances for effectuating any such sale or letting as the mortgagee shall think fit And it is hereby declared that the receipt of the mortgagee for the purchase money of the premises sold or any part thereof shall effectually discharge the purchaser or purchasers therefrom And it is hereby declared that after any sale of the said premises or any part thereof under the aforesaid power the mortgagor shall stand possessed of the premises so sold for the last day of the term granted to him by the hereinbefore recited lease in trust for the purchaser, his executors, administrators and assigns to be assigned and disposed of as he or they may direct and it is hereby declared that the mortgagee shall hold any rents, profits, premiums, salami or moneys arising from the premises or from any such letting or sale as aforesaid Upon Trust In The first place there out to pay all expenses attending such sale or otherwise incurred in relation to this security and in the next place to apply such money in or towards satisfaction of the moneys for the time being owing on the security of these presents and then to pay the surplus, if any to the mortgagor And It Is Hereby Declared that no lease made by the mortgagor of the said premises or any part thereof during the continuance of this security shall have effect unless the mortgagee shall consent thereto in writing. In Witness Whereof the mortgagor has hereunto set his hand the day and year first above written.Signed by the said (Mortgagor)In the presence of -

1st. witness -

Address -Occupation -

2nd. witness -

Address -Occupation -(The deed should be registered)Note. - There must be two witnesses to a mortgagee.F.R. Form 15[See Rule 393, Note.]Form of Re-conveyance for house-building Advances.This Indenture made the day of 20 Between The Governor of Bihar (hereinafter called the Governor) of the one part and a Civil Officer of (hereinafter called the mortgagor) of the other part is supplemental to an Indenture of mortgage dated the ... day of ... 20 and made Between the mortgagor of the one part and Governor of the other part and registered at in book volume pages to as no. for (hereninafter called the Principal Indenture) Whereas all moneys due and owing on the security of Principal Indenture have been fully paid and satisfied and the Governor has accordingly at the request of the mortgagor agreed to execute such re-conveyance of the mortgaged premises in the within written Indenture comprised as is hereinafter contained. Now This Indenture Witnesseth That In Pursuance Of The Said Agreement and in consideration of the premises the Governor doth hereby grant, assign and reconvey unto the mortgagor, his heirs, executors, administrators and assigns All That the piece of land situate in the containing more or less bounded on the North by on the South by on the East by on the West by together with the dwelling house and out-offices, stables, cook-rooms and out-building thereon And All, and singular other than the premises in the Principal Indenture comprised or expressed to be thereby assured or which now are by any means vested in the Governor subject to redemption under or by virtue of the Principal Indenture with their rights easements and appurtenances as in the Principal

Indenture expressed and all the estates right, title, interest, property, claim and demand whatsoever of the Governor into, out of or upon them same premises by virtue of the Principal Indenture to have and to hold the premises hereinbefore expressed to be hereby granted, assigned and reconveyed unto and to the use of the mortgagor, his heirs, executors, administrators and assigns for ever freed and discharged from all money intended to be secured by the Principal Indenture and from all actions, suits, accounts claims and demands for, or, in respect of, the said money, or any part thereof or, for or in respect of the Principal Indenture or of anything relating to the premises And the Governor hereby covenants with the mortgagor, his heirs, executors, administrators and assigns that the Governor has not done or knowingly suffered or been party or privy to any thing where-by the said premises or any part thereof, are, is or can be impeached, encumbered or affected in title, estate or other otherwise however. In Witness whereof the parties hereto have hereunto set their hands and seals the day and year first above written. Signed, sealed and delivered by, for and on behalf of the Governor of Bihar (acting in the premises for and on behalf of the Secretary of State for India in Council) in the presence of F.R. Form 16[See Rule 400 sub-paragraph.] Form of Agreement to be executed at the time of drawing an advance for the purchase of land on which to construct a house or of a house ready-made. An Agreement Made on day of two thousand and ; between ... to (hereinafter called the Borrower, which expression shall include his legal representatives and assignees) of the one part and The Governor of Bihar (hereinafter called the Governor) of the other part. Whereas The Borrower has agreed to purchase for the purpose of erecting a house thereon the piece of land situated in a house in the registration district of sub-district thana containing more or less and bounded on the North by on the South by on the East by and on the West by for the sum of Rupees And Whereas The Borrower has under the provisions of the Bihar Financial Rules (hereinafter referred to as the said Rules which expression shall include any amendments thereof for the time being in force) applied to the Governor for a loan of Rupees to enable him to purchase the said piece of house/land and the Governor has agreed to lend the said sum of Rupees to the Borrower on the terms and conditions hereinafter contained. Now It Is Hereby Agreed between the parties hereto that in consideration of the sum of Rupees paid by the Governor to the Borrower (the receipt of which the Borrower hereby acknowledges) the Borrower hereby agrees with the Governor (1) to repay the Governor the said amount with interest calculated according to the said Rules by monthly deductions from his salary as provided for by the said Rules and hereby authorises the Governor to make such deductions and (2) within one month from the date of these presents to expend the full amount of the said loan in the purchase of the said piece of house/land and if the actual price paid is less than the loan to repay the difference to the Governor forthwith and (3) to execute a document mortgaging the said piece of house/land and the house to be erected thereon to the Governor as security for the amount lent to Borrower as aforesaid and interest in the form provided by the said Rules (*And It Is Hereby Further Agreed that the Borrower shall immediately he has purchased the said piece of land commence and erect thereon a suitable residence for his own use). And It Is Hereby Lastly Agreed And Declared that if the said piece of house/land has not been purchased and mortgaged as aforesaid within one month from the date of these presents or if the Borrower within that period becomes insolvent or quits the service of Government or dies the whole amount of the loan and interest accrued thereon shall immediately become due and payable. In Witness Whereof the

Borrower has hereunto set his hand the day and year first before written. Signed by the said in the presence of* To be omitted in the case of purchase of a house. F.R. Form 17. [See Rule 400 sub-paragraph.] Form of Mortgage Deed to be executed in connection with an advance for the purchase of land on which to construct a house. This Indenture made the day of two thousand and Between of a Civil Officer of (hereinafter called the mortgagor which term shall where not repugnant to the context include his heirs, executors and administrators and assignees) of the one part and The Governor of Bihar (hereinafter referred to as the mortgagee which term shall where not repugnant to the context include his successors and assignees) of the other part. Whereas by an agreement dated the day of 20 and made between the mortgagor of the one part and the mortgagee of the other part the mortgagee advanced and lend to the mortgagor the sum of Rs. for the purpose of purchasing the piece of land hereinafter described and intended to be hereby transferred and assured and as security for such loan the mortgagor agreed to execute a mortgage in favour of the mortgagee in the form of these presents And Whereas the mortgagor on the day of 20 duly purchased the said piece of land and is now absolutely seized and possessed of or otherwise well entitled to the said piece of land And Whereas the mortgagor has applied to the mortgagee for a further advance of the sum of Rupees for the purpose of enabling him to defray the expenses of erecting on the said piece of land a suitable residence for his own use And Whereas under the provisions contained in Rule 388, etc. of the Bihar Financial Rules (hereinafter referred to as the said Rules which expression shall where the context so admits include any amendment thereof or addition thereto for the time being in force and shall be deemed to form part of these presents) the mortgagee has agreed to advance to the mortgagor the said further sum of Rupees (payable as follows that is to say the sum of Rupees on or before the execution of these present) and the balance (unless and until the power of sale applicable hereto shall have become exercisable) by equal instalments payable quarterly the first of such instalments to be payable on the day of Now This Indenture Witnesseth that in consideration of the said advances of Rupees and Rupees making a total of Rupees so advanced as aforesaid and in pursuance of the said agreement the mortgagor doth hereby covenant with the mortgagee to pay to the mortgagee the said sum of Rupees (and such further sums as shall hereafter be paid by him to the mortgagor pursuant to the hereinbefore recited agreement in that behalf)* and interest thereon calculated according to the said Rules on the day of next and if the loan shall not be repaid on that date will pay interest in accordance with the said Rules.* To be deleted if the payment is not to be by instalment. And The Indenture Also Witnesseth that for the consideration aforesaid the mortgagor doth hereby transfer, assign and assure into the mortgagee All That piece of land situate in in the registration district of sub-district thana containing more or less and bounded on the North by on the South by on the East by and on the West by together with the dwelling house and the out offices, stables, cook-rooms and out-buildings and all kinds used or intended to be used with the said dwelling house erected or hereafter to be erected on the said piece of land together with all rights, easements and appurtenances to the same or any of them belonging To Hold the said premises including all erections and buildings hereafter erected on the said land (hereinafter referred to as the said premises) and unto and to the use of the mortgagee absolutely subject to the provision for

redemption hereinafter contained Provided Always that if and as soon as the said advance of Rupees (and of such further sums as may have been paid as aforesaid) made upon the security of these presents and interest thereon calculated according to the said Rules shall have been repaid by the deduction of monthly instalments of the salary of the mortgagor as in the said Rules mentioned or by any other means whatsoever then and in such case the mortgagee will upon the request and at the cost of the mortgagor re-convey, re-transfer or re-assure the said premises unto and to the use of the mortgagor And the mortgagor hereby covenants with the mortgagee that the mortgagor now hath good right to transfer the said premises unto the mortgagee free from encumbrance And Further that the mortgagor and all other persons having or lawfully claiming any estate or interest in the said premises or any part thereof, shall and will from time to time and at all times hereafter at his or their own cost do and execute or cause to be done and executed all such acts, deeds and things for further and more perfectly assuring the said premises unto the mortgagee in manner aforesaid as shall or may be reasonably required Provided Always and it is hereby agreed and declared that if there shall be any breach by the mortgagor of the covenants on his part herein contained or if he shall die or quit the service at any time before all sums due or payable to the mortgagee on the security of these presents shall have been fully paid off then and in any such cases it shall be lawful for the mortgagee to sell the said premises or buildings standing thereon or any part thereof, either together or in parcels and either by public auction or by private contract with power to buy in or to rescind any contract for sale and to re-sell without being responsible for any loss which may be occasioned thereby or to let the same for any term or period and to do and execute all such acts and assurances for effectuating any such sale or letting as the mortgagee shall think fit And It Is Hereby Declared that the receipt of the mortgagee for the purchase money of the premises sold or any part thereof, shall effectually discharge the purchaser or purchasers therefrom And It Is Hereby Declared that the mortgagee shall hold any rents, profits, premiums, salami or moneys arising from the premises or from any such letting or sale as aforesaid UPON trust in the first place thereout to pay all expenses attending such sale or otherwise incurred in relation to this security and in the next place to apply such moneys in or towards satisfaction of the moneys for the time being owing on the security of these presents and then to pay the surplus if any to the mortgagor And It Is Hereby Declared that no lease made by the mortgagor of the said premises or any part thereof, during the continuance of this security shall have effect unless the mortgagee shall consent thereto in writing. In Witness whereof the mortgagor hath hereunto set his hand the day and year first above written. Signed By the said (Mortgagor) in the presence of-

1st. Witness.

Address.Occupation.

2nd. Witness.

Address.Occupation.[F.R. Form 17A] [Inserted by C.S. 19 dated 27.4.1961.][See Rule 407]

of the Deduction of Motor Car/Motor Cycle Advances during the Month... 20.

| Full name and designation of the officer in blockletter. | Amount of advance drawn. | No. & date of T.V. including the name of the District with head of Account in which the Advance has been drawn. | Number of instalments. | Amount of instalments. | Balance of amount to be paid. | Remarks. |
|--|--------------------------|---|------------------------|------------------------|-------------------------------|----------|
| (a) Service to which the officer is member. | (b) Head of Account. | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | | | | | | 8 |

F.R. Form 18[See Rule 411]Form of Agreement to be executed at the time of drawing an advance for the purchase of a motor vehicle.An-Agreement Made On day two thousand and between of (hereinafter called the Borrower which expression shall include his heirs, administrators, executors and legal representatives) of the one part and the Governor of Bihar (hereinafter called the Governor, which, expression shall include his successors and assignees) of the other part. Whereas the Borrower has under the provision of the Bihar Financial Rules hereinafter referred to as the said Rules which expression shall include any amendments thereof for the time being in force applied to the Governor for a loan of Rs. ... for the purchase of a motor vehicle and whereas the Governor has agreed to lend the said amount to the Borrower on the terms and conditions hereinafter contained, Now It Is Hereby Agreed between the parties hereto that in consideration of the sum of Rs. paid by the Governor the Borrower (the receipt of which the Borrower hereby acknowledges the Borrower hereby agrees with the Governor (1) to pay the Governor the said amount with interest calculated according to the said Rules by monthly deductions from his salary as provided in the said Rules and hereby authorises the Governor to make such deductions and (2) to expend the full amount of the said loan within one month from the date of these presents in purchase of a motor vehicle or if the actual price paid is less than the loan to repay the difference to the Governor forthwith and (3) to execute a document hypothecating the said motor vehicle to the Governor a security for the amount lent to the Borrower as aforesaid and interest in the form provided by the said Rules and It Is Hereby Lastly Agreed and Declared That If The Motor Vehicle has not been purchased and hypothecated as aforesaid within one month from the date of these presents or if the Borrower within that period becomes insolvent or quits the service of the Government or dies, the whole amount of the loan and interest accrued thereon shall immediately become due and payable.In Witness whereof the Borrower and for and on behalf of the Governor have hereunto set their hands the day and year first before written.

Signed by the said* in the presence of
(Signature of witnesses.)

(Signature and designation of the
Borrower.)

for and on behalf of the Governor of Bihar in the
presence of-

(Signature of witnesses.)

(Signature and designation of the
Officer.)

* Name and designation of the Borrower.F.R. Form 19[See Rule 411]Form of Mortgage bond for Motor vehicle advanceThis Indenture Made thisday of two thousand and Between (hereinafter called "the Borrower", which expression shall include his heirs, administrators, executors and legal representatives of the one part and the Governor of Bihar (hereinafter called "the Governor", which expressions shall include his successors and assignees) of the other part. Where As the Borrower has applied for and has been granted an advance of Rs. to purchase a Motor vehicle on the terms of the Rules in Rules 404 to 418 of the Bihar Financial Rules (hereinafter referred to as "the said Rules" which expression shall include any amendment thereof or addition thereto for the time being in force) And whereas one of the conditions upon which the said advance has been/was granted to the Borrower is/was that the Borrower will/would hypothecate the said Motor vehicle to the Governor as security for the amount lent to the Borrower And Whereas The Borrower has purchased with or partly with the amount so advanced as aforesaid the Motor vehicle particulars whereof are set out in the Schedule hereunder written.Now This Indenture Witnesseth that in pursuance of the said agreement and for the consideration aforesaid the Borrower doth hereby covenant to pay the Governor the sum of Rs.....aforesaid or the balance thereof remaining unpaid at the date of these presents by equal payments of Rs. each on the first day of every month and will pay interest on the sum for the time being remaining due and owing calculated according to the said Rules and the Borrower doth agree that such payments may be recovered by monthly deductions from his salary in the manner provided by the said Rules and in further pursuance of the said agreement the Borrower doth hereby assign and transfer unto the Governor the Motor vehicle the particulars whereof are set out in the Schedule hereunto written by way of security for the said advance And The Interest Thereon as required by the said Rules.And The Borrower doth hereby agree and declare that he has paid in full the purchase price of the said Motor Vehicle and that the same is his absolute property and that he has not pledged and so long as any money remains payable to the Governor in respect of the said advance will not sell, pledge or part with the property in or possession of the said motor vehicle. Provided always and it is hereby agreed and declared that if any of the said instalments "of principal or interest" shall not be paid or recovered in manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time cease to be in Government service or if the Borrower shall sell or pledge or part with the property in or possession of the said Motor vehicle or become insolvent or make any composition or arrangement with his creditors or if any person shall take proceedings in execution of any decree or judgement against the Borrower the whole of the said principal sum which shall then be remaining due and unpaid together with interest thereon calculated as aforesaid shall forthwith become payable And It Is Hereby Agreed and declared that the Governor may on the happening of any of the events hereinbefore mentioned seize and take possession of the said motor vehicle and either remain in possession thereof, without removing the same or else may, remove and sell the said Motor vehicle either by public auction or private contract and may out of the sale moneys retain the balance of the said advance then remaining unpaid and

any interest due thereon calculated as aforesaid and all costs, charges, expenses and payments properly incurred or made in maintaining, defending or realising his rights hereunder and shall pay over the surplus, if any to the Borrower, his executors, administrators or personal representatives Provided Further that the aforesaid power of taking possession or selling of the said Motor Vehicle shall not prejudice the right of the Governor to sue the Borrower or his personal representatives for the said balance remaining due and interest or in the case of the Motor Vehicles being sold the amount by which the net sale proceeds fall short of the amount owing And the Borrower hereby further agrees that so long as any money are remaining due and owing to the Governor, he the Borrower will insure and keep insured the said motor vehicle against loss or damage by fire, theft or accident with an Insurance Company to be approved by the Accountant General Bihar, and will produce evidence to the satisfaction of the Accountant General that the Motor Insurance Company with whom the said Motor vehicle is insured have received notice that the Governor is interested in the Policy and the Borrower hereby further agrees that he will not permit or suffer the said Motor vehicle to be destroyed or injured or to deteriorate in a greater degree than it would deteriorate by reasonable wear and tear thereof And further that in the event of any damage or accident happening to the said Motor vehicle the Borrower will forthwith have the same repaired and made good. The

Schedule Description of Motor vehicle. Maker's name Description. No. of cylinders Engine Number Chasis no. Cost price In Witness whereof the said (Borrower's name) and for and on behalf of the Governor have hereunto set their respective hands the day and year first above written.

Signed by the said* in the presence of

| | | |
|--------------------------|---|--------|
| 1. | ... | |
| 2. | ... | |
| (Signature of witnesses) | (Signature and designation of the Borrower) | |

Signed by (name and designation)

| | | |
|---|-----|--------|
| ... | ... | |
| for and on behalf of the Governor of Bihar in the presence of | | |

| | | |
|---------------------------|---|--------|
| 1. | ... | |
| 2. | ... | |
| (Signature of witnesses.) | (Signature and designation of the Officer.) | |

* Name and designation of the Borrower. Appendix 'A' [See under Rule 417] [Form of agreement to be executed at the time of drawing an advance for the purchase of motor car under Parliamentary Secretaries (Motor Car Advance) Rules, 1961.] [Published in Bihar Gazette (extraordinary) dated 25.5.1961.] An Agreement made this day of two thousand and between (hereinafter called the Borrower, which expression shall include his heirs, administrators, executors and legal representatives of the one part and the Governor of Bihar (hereinafter called the Governor which expression shall include his successors and assignees) of the other part. Whereas the Borrower has under the provisions of the Rules in the Parliamentary Secretaries (Motor Car Advance) Rules, 1961 (hereinafter referred to as the said Rules which

expression shall include any amendment thereof for the time being in force) applied to the Governor for a loan of Rs..., for the purchase of a motor car and whereas the Governor has agreed to lend the said amount to the Borrower on the terms and conditions hereinafter contained, Now It Is Hereby Agreed between the parties thereto that in consideration of the sum of Rs. paid by the Governor to the Borrower hereby agrees with the Governor (1) to pay the Governor the said amount without any interest accruing thereon by monthly deductions from his salary as provided in the said Rules and hereby authorise the Governor to make such deduction and (2) to expand the full amount of the said loan unless otherwise specially permitted by the Governor in writing within one month from date of these presents in purchase of a motor car or if the actual price paid is less than the loan, to repay the difference to the Governor forthwith and (3) to execute a document hypothecating the said motor car to the Governor as security for the amount lent to the Borrower as aforesaid without any interest accruing thereon and It Is Hereby Lastly Agreed and Declared that if the motor car not been purchased and hypothecated as aforesaid within one month, or the period allowed, as the case may be, from the date of these presents, or if the Borrower within that period ceases to be a Parliamentary Secretary or dies, the whole of the loan shall immediately become due and payable. In witness whereof Borrower and for and on behalf of the Governor have hereunto set their hand the day and year first before written. Signed by the said (Borrower) in the presence of

.....(Signature of witness.).....(Signature and designation of the Borrower.) Signed by

..... (Name and designation) for and on behalf of the Government of Bihar in respect of-(Signature and designation of the Officer.).....(Signature of witness.)

Appendix 'B' Form of Mortgage Bond for Motor Car Advance under the Parliamentary Secretaries (Motor Car Advance) Rules, 1961. This Indenture made this day of two thousand and between (hereinafter called "the Borrower" which expression shall include his heirs, administrators, executors and legal representatives) of the one part and the Governor of Bihar (hereinafter called "the Governor", which expression shall include his successors and assignees) of the other part. Whereas the Borrower has applied for and has been granted an advance of Rs. to purchase a motor car on the terms of the Rules in the Parliamentary Secretaries (Motor Car Advance) Rules, 1961 (hereinafter referred to as "the said Rules", which expression shall include any amendment thereof or addition hereto for the time being in force) And Whereas one of thereon conditions upon which the said advance has been/was granted to the Borrower is/was that the Borrower will/would hypothecate the said Motor Car to the Governor as security for the amount lent to the Borrower And Whereas to the Borrower has purchased with or partly with the amount so advanced as aforesaid the Motor Car the particulars whereof are set out in the Schedule hereunder written. Now This Indenture Witnesseth that in pursuance of the said agreement and for the consideration aforesaid the Borrower doth hereby covenant to pay to the Governor the sum of Rs. aforesaid or the balance thereof remaining unpaid at the date of these presents by equal payments of Rs. each on the first day of every month without any interest accruing on the sum for the time being remaining due and the Borrower doth agree that payments may be recovered by monthly deduction from the salary in the manner provided by the said Rules, and in further pursuance of the said Agreement, the Borrower doth hereby assign and transfer unto the Governor the Motor Car the particulars whereof are set out in the Schedule hereunto written by way

of security for the said advance without any interest accruing thereon as required by the said Rule. And Borrower doth hereby agree and declare that he has paid in full the purchase price of the said Motor Car and that the same is his absolute property and that he has not pledged and so long as any money remains payable to the Governor in respect of the said advance, will not sell, pledge or part with the property in or possession of the said Motor Car: Provided Always and it is hereby agreed and declared that if any of the said instalments shall not be paid or recovered in manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time ceases to be a Parliamentary Secretary or if the Borrower shall sell or pledge or part with the property in possession of the said Motor Car or make any composition or agreement with his creditor or if any person shall take proceedings in execution of any decree or judgment against the Borrower the whole of the said sum which shall then be remaining due and unpaid said forthwith become payable. And it is hereby agreed and declared that the Government may on the happening of any of the events hereinbefore mentioned seize and take possession of the said Motor Car and either remain in possession thereof without removing the same or else may remove and sell the said Motor Car either by public auction or private contract and may out of the sale moneys retain the balance of the said advance then remaining unpaid without any interest accruing thereon as aforesaid and all costs, expenses and payments properly incurred or made in maintaining, defending or realising his rights hereunder and shall pay over the surplus if any to the Borrower, his executors, administrators or personal representative: Provided Further that the aforesaid power of taking possession or selling of the said Motor Car shall not prejudice the right to the Governor to use the Borrower or his representative for the said balance remaining due or in the Motor Car being sold the amount by which the net sale proceeds fall short of the amount owing and the Borrower hereby further agrees that so long as any moneys are remaining due and owing to the Government he the Borrower will insure and keep insured and said Motor Car against loss or damage by fire, theft or accident with an Insurance Company to be approved by the Accountant-General, Bihar and will produce evidence to the satisfaction of the Accountant-General, that the Motor Insurance Company with whom the said Motor Car is insured have received notice that the Governor is interested in the policy and the Borrower hereby further agrees that he will not permit or suffer the said Motor Car to be destroyed to injured or to deteriorate in a greater degree than it would deteriorate by reasonable wear and tear thereof and further that in the event of any damage or accident happening to the said Motor Car the Borrower will forthwith have the same repaired and made good. The Schedule Description of Motor Car -Maker's name -Description -No. of cylinders -Engine no. -Chasis no. -Cost Price -In Witness whereof the said (Borrower's name) and for and on behalf of the Governor have here-unto set their respective hands the day and year first above written. Signed by the said (Borrower's name and designation) in the presence of-

1.

2.

(Signature of witnesses.).....(Signature and designation of the Borrower.) Signed by (name and designation) for and on behalf of the Governor of Bihar in the presence of-

1.

2.

(Signature of witnesses.)Signed by (name and designation.).....(Signature and designation of the Officer.)F.R. Form 20[See Rule 414 (3)]Form of the clause to be inserted in Motor Vehicle Insurance Policies

1. It is hereby declared and agreed that Shri (the owner of the Motor Car hereinafter referred to as the insured in the schedule to this policy) has hypothecated the car to the Government of Bihar as security for advance for the purchase of the Motor Car and it is further declared and agreed that the Government is interested in any money which but for this endorsement be payable to the said Shree (the insured under this policy) in respect of the loss or damage to the said Motor Car (which loss or damage is not made good by repairs; re-instalment or replacement, and such moneys shall be paid to the Government of Bihar as long as he is) the mortgagee of the Motor Car and receipt passed by a duly authorised officer of the Government of Bihar shall be a valid discharge to the Company in respect of such moneys.

2. Save as by this endorsement expressly agreed nothing herein shall modify or affect the rights or liabilities of the insured or the Company respectively under or in connection with this policy or any term, provision or condition thereof.

F.R. Form 21[See Rule 422]Sanction to advance for purchase of a bicycle.To,The Accountant-General, BiharSubject. - Grant of an advance of Rs.) to Shree for the purchase of a bicycle.Order - Sanctioned.*2. "Shri is a permanent/temporary Government servant and his substantive/officiating pay is Rs. per month. He was born in the"

3. The advance will be recovered from his pay in 24 monthly instalments, viz., (Rupees) 23 instalments of Rs. each and the 24th instalment of Rs. only plus an additional instalment representing interest at the prescribed rate of 4 per cent of the total advance. In the event of the Government servant retiring or relinquishing the service within the period, the whole outstanding balance will be recovered in one instalment from his last pay.

4. The bicycle purchased with the advance will remain the property of Government till the advance has been recovered in full together with interest thereon.

5. The sanction herein conveyed will remain valid for a period of six months from the date of issue.

6. Shree has been instructed not to ask for payment of the advance until the money is actually required. When he wishes to draw the amount sanctioned he should write to the Accountant-General, Bihar, for authority which will remain valid for a period of fortnight from the date of its issue.

7. The amount is sanctioned on the outstanding that a bicycle is purchased within a fortnight of the date of drawing the advance and the amount taken as an advance is limited to the price of it.

* Inserted by Correction Slip No. 3, dated the 9th June, 1958.[F.R. Form 21-A.] [Substituted by F.D. Memo No. T2-10106/57/100018 F. dated 27.7.1967.][See Rule 426 A]Form of Surety Bond to be executed by a permanent Government Servant.Know all men by these presents that I son of a resident of in the district of at present employed as permanent in the Department hereinafter called "the surety", am firmly bound unto the Governor of Bihar (hereinafter called "the Governor") in the sum of Rs. together with interest thereon for which payment to be well and truly made, I hereby bind myself, my heirs, executors, administrators and representatives by these presents sealed with my seal this dayWhereas son of resident of in the district of at present employed as a temporary in the Department/Office hereinafter called "the borrower") has at his own request, been granted by Governor a loan of Rs. for the purchase of a typewriter for his own use and that the said borrower has undertaken to repay the said amount in 49 equal monthly instalments of Rs. each, and the 50th of Rs. only with interest at the rate from time to time fixed for the purpose by the Governor and has agreed that until repayment, the typewriter shall remain the property of the Government and will not be liable to forfeiture in the event of any instalment remaining unpaid.

3. Now the condition of this obligation is such that if the said borrower shall, while employed in the said Department/Office duly and regularly pay or cause to be paid to the Governor the amount of the loan aforesaid in instalments with interest on the whole or such amount as shall from time to time remain owing on the first day of each calendar month, the first said sum being Rs. payable on 1st day of the month, after drawal of advance

together with interest thereon shall be fully paid, then this bond shall be void, otherwise the same shall be and remain in full force. But nevertheless that if the borrower will make any default in paying the monthly instalments as and when they will fall due, or die or become insolvent or at any time cease to be in the service of the Governor, the whole or so much of the said principal sum of Rs. as shall then remain unpaid, together with interest which shall have accrued thereon, shall immediately become payable to the Governor and be recoverable from the surety in one instalment by virtue of this bond.

Witness Signed by Place Date [F.R. Form 22] [Substituted by F.D. Memo No. T2-10106/57/100018-F. dated 27.7.1967.] [See Rule 474.] Slip to accompany claims for money of disbursing officers on treasuries. (to be returned in original by the Treasury Officer) Major Head Minor Head Sub-Head Previous Expenditure Expenditure up-to-date.

| | | | | |
|---|------------|--------------|------------|---|
| | | | | (To be filled in the Treasury) |
| To | | | | To, |
| The Treasury Officer..... | | | | The..... |
| Please furnish the Treasury Voucher No. and date of the bills sent herewith for encashment. | | | | Returned with Treasury Voucher No. and date as noted below :- |
| Signature Drawing Officer | | | | Signature..... Treasury Officer..... |
| | | | | |
| | | | | Amount paid- T.V. |
| B.No. | Particular | Gross Amount | Net Amount | No..... Signature |
| | | | | Treasury Accountant..... |
| | | Rs. P. | Rs. P. | |

Signature of
Accountant

.....

[F.R. Form 22-A] [Inserted by correction slip no. 7, dated the 15th July, 1958.] [See Rule 474] Register of T.V. slips to be maintained in the Treasury.

| Sl. No. | Designation of the drawing officer. | Gross amount of the bill. | Net amount of the bill. | Description of the bill. | T.V. No. & date. | Full signature of the person receiving the T.V. slip. | Treasury's memo no. with which forwarded to the drawing officer. | Remarks. |
|---------|-------------------------------------|---------------------------|-------------------------|--------------------------|------------------|---|--|----------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |

F.R Form 23[See Rule 475]Register showing expenses by Heads of Account.

| | |
|-----------------|--|
| Office | Head of account -.....Major |
| of.....Month | head.....Minor |
| | head.....Sub-head |
| | |
| No. of Voucher. | Sub-head of Grants |
| | Deduction if any - Net amount of the bill. |

Allotment.

Total for the monthTotal from 1st AprilBalance of the appropriation.

Note 1. - Allowances not drawn with pay should be shown as a separate detailed head in the register.Note 2. - If an allotment is changed, the necessary correction of the register, should be in red ink.Note 3. - This account should be despatched on the 3rd of the following month supported by slips (Bills extracts).SignatureDesignationDate

.....Note. - The horizontal column in 3 parts just below the column for "Sub-head of Grants" is meant for indicating primary units under a sub-head and the vertical columns below the horizontal column, for noting the detailed heads that might exist under a primary unit as well as the amounts of the bills relating the heads. The numbers and dates of treasury vouchers should be noted in the column prescribed for the purpose.F.R. Form 24[See Rule 475]Broad Sheet of watching receipt of account from Disbursing Officers.Office ofMajor head

.....Minor headSub-head

Serial No. Names of Disbursing Officers. District Date of receipt of account.

April May - - - March

Note 1. - Districts are to be arranged according to alphabetical order.Note 2. - Dates of receipts should be noted in monthly columns. Reminder should be sent if not received by the 7th of the month.F.R. Form 25[See Rule 475]Compilation Sheet.Major headMinor headSub-head

| | | | |
|--------|---------------------------------------|------------------------|---------|
| Month. | Serial no. of the Disbursing Officer. | Total of each officer. | Remarks |
|--------|---------------------------------------|------------------------|---------|

Total Expenditure cash.Add Adjustment communicated by A.G.Grand totalAdd total up to previous month.Progressive total up to date.

Note. - The column "serial no. of the disbursing officers" should have sufficient space to accommodate the figures supplied by the Disbursing Officers under the Controlling Officer.F.R. Form 26[See Rule 475]Consolidated AccountsName of officeYear

.....

1 2 3 4

| Heads of Disbursement. | Grant sanctioned | Grant distributed. | (Monthly columns) | |
|---|------------------|---------------------------|-------------------|-----------------|
| April | May | Total from April to date. | | |
| Charged. | Voted. | Charged. | Voted. | Charged. Voted. |
| Total of all primary units including pay of officers and establishment temporary and permanent. | | | | |

Note - Progressive actual should be checked against budgeted appropriation in columns 2 and 3 every month. F.R. Form 27. [See Rule 494] Register of alterations in Appropriations from one unit of appropriation to another for the year 20. Major head Minor head

| Authority. | Sub-head. | Unit of appropriation | Original appropriation. | Supplementary appropriation. | |
|--|------------------|---|-------------------------|------------------------------|-----------------|
| From | Number and date. | Voted. | Charged | Voted | Charged |
| 1 | 2 | 3 | 4 | 5 | 6 |
| | | | | | 7 8 |
| Re-appropriation by Competent Authority. | Surrenders. | Net appropriation after each modification. | Remarks | | |
| Additions. | Deductions. | Major Minor Sub-head and units of appropriation from or to which transferred. | Voted | Charged. | Voted. Charged. |
| Voted. | Charged | Voted. | Charged. | | |
| 9 | 10 | 11 | 12 | 13 | 14 15 16 17 18 |

F.R. Form 28 [See Rule 1 of Appendix 4] Detailed statement of the Permanent Establishment of the as it stood on the 1st March 20.

| Order of competent authority creating the post. | Date of appointment of present incumbent to post with | Name of section and post. | Date of incumbents birth by Christian era (as near | Serial number of post in each class. | Name of incumbent. | Pay of Post. | Pay of present incumbent and total of each section. | Date of last increment. | Remarks (including efficiency when |
|---|---|---------------------------|--|--------------------------------------|--------------------|--------------|---|-------------------------|------------------------------------|
|---|---|---------------------------|--|--------------------------------------|--------------------|--------------|---|-------------------------|------------------------------------|

Indication of nature of appointment e.g. officiating, provisional or permanent.

as possible.)

1 2 3 4 5 6 7 8 9 10

Compared with Service Books and found correct. Signature of the Head of Office. F.R. Form 29 [See Rule 11 of Appendix 4] Statement of new names, leave, etc.

| | From what office and on what date transferred or (in the case of new entrants) with what bill the health and age certificate were furnished. | Name which were in Form A or the previous year are now omitted. | From what date ceased to be borne on the establishment and why. | Names of Government servants who were on leave or under suspension during the previous year. | Description and period of leave or suspension (from and to what date) whether it has been expressly declared that the suspension period will count towards pension. |
|-----------|--|---|---|--|---|
| New names | | | | | |

1 2 3 4 5 6

F.R. Form 30 [See Rule 10 of Appendix 13.] Agreement Form For Passage Memorandum of Agreement made the day of 19 between of (hereinafter called the Borrower) of the one part and the Governor of Bihar (hereinafter called the Lender) of the other part. Whereas the Borrower's (family) is proceeding to/returning from on leave/expiry of leave with his family and has in accordance with Appendix 13 to the Bihar Financial Rules, (hereinafter referred to as the said Rules which expression shall where the context so admits include any amendment thereof or addition thereto for the time being in force), requested the Lender to lend him Rs. to wards defraying the cost of his/their journey (s) to (and back) which the Lender has agreed to do on the terms and conditions hereinafter mentioned. Witnesseth that in consideration of the said loan (receipt of which the Borrower hereby acknowledges) the Borrower for himself, his heirs, executors and administrators covenants with the Lender to repay the said loan (with interest calculated according to the said Rules) by monthly instalments as specified in the said Rules and hereby authorizes the Lender to deduct the amount of such monthly instalments from the pay of the Borrower provided always and it is hereby further agreed and declared that in the event of the Borrower dying or retiring or receiving permission to retire from Government Service before the whole amount of the said loan (and interest) is repaid or if he does not produce receipts for the said journey or does not comply with any of the conditions on which the loan is made, as specified in clause (4) of Rule 8 of the said Rules, the loan (and interest calculated in accordance with the said Rules) is to become immediately due and payable. In Witness whereof the Borrower has hereunto set his hand the day

and the year first above written.Signed by the said (Borrower) in the presence
of:-Witness.Address.Occupation.