

APPENDIX I

(See Chapter IV, paragraph 86)

List of Major and Minor Heads of Account of Public Works Receipts and Disbursements

NOTE—The numbers within brackets indicate references to the explanatory notes.

Major heads	Minor heads
REVENUE	
C—Irrigation, Navigation, Embankment and Drainage Works (1)	
XVII—IRRIGATION, NAVIGATION, EMBANKMENT AND DRAINAGE WORKS FOR WHICH CAPITAL ACCOUNTS ARE KEPT—	
A. Irrigation Works :	
(1) Productive Works :	
Gross Receipts	Direct Receipts.—Water rates. (2) Owner's rates. (3) Water-supply of towns. (4) Sales of water. (5) Plantations. (6) Other canal produce. (7) Water-power. (8) Navigation. (9) Rents. (10) Fines. (11) Recoveries of expenditure. (20) Miscellaneous. (12) <i>Deduct</i> —Refunds. Receipts in England. Receipts from workshops. Loss or gain by exchange. Portion of Land Revenue due to Works. (13)
<i>Deduct</i> —Working Expenses	Extensions and Improvements. (17) Maintenance and Repairs. (17) Establishment. (18) Tools and Plant. (19) Suspense. (19) Loss or Gain by Exchange. (24) Renewal and Replacements Provision for Depreciation* <i>Deduct</i> —Amount met from Depreciation Reserve Fund* Charges in England. (21).
Net Receipts	} Same as for A(1)—Productive Works.
(2) Unproductive Works :	
Gross Receipts	
<i>Deduct</i> —Working expenses	
Net Receipts or Payments	

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(48) For use in respect of transaction with those Indian States only with which the Principal Auditor has dealings. This head should not be operated upon without special authority.

Ordinarily, in the case of payments due to an Indian State, instead of direct cash payments being made by disbursing officers of Government, the Audit Officer, whose duty it is to audit and pass such payments should, unless other special arrangements have been made, request the Principal Auditor of the Government with which the State is in political relation, to make the payment (or give the credit) and debit it to him.

(49) Cash balances of the Public Works Department fall under this head in the general accounts.

(50) *See* paragraph 645 (b).

(51) In use only in Governor's provinces.

(52) For transactions of Public Works Officers with Treasury and other officers of the Civil Department, including the Forest Department within the same circle of account and with officers in other circles of account in cases where the transactions originate in those circles.

(53) If a Public Works Officer deals with treasuries in account with another Audit Officer, the transactions on account of remittance into treasuries and cheques drawn are classified as pertaining to the sub-head "III-Other remittances—(b) Items adjustable by public works officers."

(54) This head is sub-divided into (a) Items adjustable by Civil and (b) Items adjustable by Public Works.

(55) In the Public Works accounts, it will suffice to name the Government concerned, e.g. "Accounts between Civil and Civil, Burma."

This head is intended primarily for transactions with offices and departments, including the Public Works Department, within the audit jurisdiction of another Civil Accountant General. *See* also Notes (48), (53) and (58).

(56) For transactions between Public Works Officers (including Civil officers acting as Public Works Disbursers) rendering accounts to the same Accountant General.

(57) This head is intended for transactions with the Defence Department (including the Military Engineer Services). In the case of transactions with officers of the Military Engineer Services, the name of the Military Engineer Services districts should be specified in addition to that of the Military Account office concerned.

At present there are four Commands and altogether eight Defence Accounts Offices (including Navy) as detailed below :

- (1) Northern Command, Rawalpindi, (2) Military Accounts and Pensions, Lahore, (3) Western Command, Quetta, (4) Southern Command, Poona, (5) Eastern Command, Meerut, (6) Royal Air Force, (7) Army Factory Accounts, and (8) Naval Accounts.

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Receipts and expenditure pertaining to Military Engineer Services or Royal Air Force Works, executed in the Public Works Department as a standing arrangement, should be brought to account as a separate item in the schedule of credits and debits to Remittances under the head "Account current between Civil and Military Sub-audit Officer, M. E. S., or Sub-audit Officer, R. A. F.", as the case may be.

(58) This head is used only in respect of transactions with such railways as exchange accounts with the local Accountant General. Transactions with other railways should be adjusted under the head "Accounts between Civil and Civil," through the Accountant General with whom they are in account.

(59) The minor heads, which are prescribed under the head "41-Civil Works", with the exception of "Repairs" and "Grants-in-aid", should be opened under this head. Expenditure on account of restoration of damages, caused by extraordinary casualties, such as flood, fire, etc., which is permitted to be charged to this major head, should be recorded under a separate minor head "Extraordinary Replacement."

STATEMENT A

(See explanatory note I)

Main Classification of Expenditure pertaining to Irrigation, Navigation, Embankment and Drainage projects

NOTE—All works of Irrigation, Navigation, Embankment, Drainage and Water Storage are primarily grouped into two classes, water storage works being included in Irrigation Works :

A. Irrigation Works.

B. Navigation, Embankment and Drainage Works.

1. Projects of Irrigation, Navigation, Embankment and Drainage are of two classes : (1) Productive and (2) Unproductive.

2. To admit of a new work being classed as a Productive Public Work, the following conditions must be satisfied :

(a) There must be good reason to believe that the revenue derived from it will, within 10 years after the probable date of its completion, repay the annual interest on the capital invested calculated at 4 per cent., but in preparing a project for sanction no deduction is to be made from the total capital outlay on account of anticipated excess of revenue over simple interest.

NOTE—Capital invested includes (1) direct charges, (2) indirect charges, and (3) all arrears of simple interest, if any, i.e., balance of total interest over total net revenue.

(b) It must be susceptible of having clear Capital and Revenue accounts of it kept.

(c) Its classification as a productive public work must be authorized by competent authority.

3. The rules for determining (1) whether a work which has been classed as productive shall continue to be so classed, and (2) whether

an unproductive work may be re-classed as productive, are as follows, the percentage rates referred to being those prescribed for the time being and being subject to alteration at the discretion of the Government:

I—Every irrigation, navigation, embankment or drainage work for which capital accounts are kept should, until 10 years after the date of the closure of its construction estimate, be classed as productive, if the net revenue anticipated from it appears likely to repay, on the expiry of that period, the annual interest charges on the capital invested (including direct and indirect charges and arrears of simple interest), calculated at 4 per cent. in the case of works sanctioned before April 1, 1919, at 5 per cent. in the case of those sanctioned between April 1, 1919, and August 1, 1921, at 6 per cent. in the case of those sanctioned between August 2, 1921, and March 31, 1937, and at 4 per cent. in the case of those sanctioned after the last mentioned date. Conversely, if it is not expected to yield the relevant return, it should be classed as unproductive. If, moreover, at any time during the period of construction, or within 10 years of the date of the closure of its construction estimate, it becomes apparent that a work originally classed as productive will not actually be remunerative according to the criterion prescribed above, it should be transferred from the productive to the unproductive class, and similarly if it becomes obvious, during the same period, that a work sanctioned as unproductive will actually prove remunerative the transfer of the work from the unproductive to the productive class may be effected.

II—Every work classified in accordance with rule I above will retain its classification unchanged during the eleventh, twelfth and thirteenth years after the closure of its construction estimate.

III—If any irrigation, navigation, embankment or drainage work for which a capital account is kept and which is classed as productive fails at any time after the expiry of 10 years, from the date of the closure of its construction estimate, in three successive years to yield the relevant return prescribed, in rule I above, it should be transferred to the unproductive class. A work classed as unproductive which succeeds in yielding, in three successive years, the relevant return prescribed for a productive work may, on the same principle, be transferred to the productive class.

IV—If an extended irrigation, navigation, embankment or drainage work be extended or improved, the criterion of productivity prescribed in rules I to III above shall be applied to the whole system, including such extension or improvement, as if the extension or improvement had been executed simultaneously with the original work, and the date of sanction referred to in those rules for the purpose of determining the percentage to be returned by the system as a whole, shall be that of the accord of sanction to the original project. As an exception to this rule, if any extension be owing either to its nature or magnitude, such as may reasonably be considered to be a separate project and if it be susceptible of having clear capital and revenue accounts kept of it, as distinct from those of the project as a whole, it should be treated as a separate project and in that case the conditions relating to original projects and not those relating to extensions and improvements

shall be applicable. In all such cases separate capital and revenue accounts should be maintained for the extension in order to enable the productivity test to be periodically applied.

V—Government may postpone the transfer of a work from one class to the other in cases in which they are satisfied that its success or failure is due to purely transitory causes.

4. For the purpose of determining the productivity of an old work which has been developed by the British Government, only the capital expenditure expended by that Government should be regarded as the capital at charge on which interest is chargeable.

5. The transfer of a work from the productive to the unproductive category, or *vice versa*, will affect the recording of all future transactions in connexion with it. No adjustment will be made in the general accounts in respect of past transactions, but the necessary transfers will be effected by the Principal Auditor in the *pro forma* accounts of the work in question.

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

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

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

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

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

(i) Estimates exceeding Rs.1,000, for (1) works which are in themselves directly remunerative, such as new distributaries, mills or works for increasing the canal discharge,

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and (2) works which are necessary for the full development of a project, but which are not in themselves directly remunerative, shall be charged to the Capital account.

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

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

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

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

7. Works expenditure which, under the foregoing rule, is chargeable to the Capital account, will be classified under the minor head "Works" of the major head "55". That which is chargeable to the Revenue account will fall under the minor head "Extensions and Improvements" or "Maintenance and Repairs" of the division "Working Expenses" of the major head "XVII", according as the expenditure pertains to the category of "Original Works" or "Repairs", *vide* paragraph 312.

8. The expenditure on productive works is recorded in two sections separately for capital and revenue charges. For unproductive works also, the arrangement is similar where it is desirable and possible to maintain accounts on a *quasi-commercial* basis. When, however, a work of this class is too small to make it worth while to maintain a separate account of it on such a basis, all expenditure on it is treated as a revenue charge, the work being classified as one for which neither capital nor revenue accounts are kept. In the category of unproductive works is also included "Miscellaneous expenditure", which is expenditure upon the preliminary survey of new projects and also for the cost of famine surveys required for the preparation of famine programmes.

Prior to October, 1921, certain unproductive works were classed as "Works for which only revenue accounts are kept", but these will gradually be re-classed in accordance with the classification prescribed above, *vide* Government of India, Public Works Department circular letter no. 3-P.W., dated September 24, 1921.

STATEMENT B

(See explanatory note 14)

Detailed Classification of Works Expenditure pertaining to Irrigation, Navigation, Embankment and Drainage Works

Works expenditure of Irrigation, Navigation, Embankment and Drainage major heads other than 14, 15(1) and 16, falls under one or other of the minor heads "Works", "Extensions and Improvements" and "Maintenance and Repairs." Each of these minor heads is divided

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into (1) Headworks, (2) Main Canal and Branches, (3) Distributaries, (4) Drainage and Protective Works, (5) Water-courses (for "Works" only), (6) Special Tools and Plant (for "Works" only) and (7) Losses on Stock. Under the minor head "Maintenance and Repairs" an eighth head "Compensation" should be opened. The detailed heads subordinate to these heads are enumerated in statement C.

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

3. The following points should receive special attention: (a) when land is taken up for two or more of these sub-divisions at the same time, its cost must be divided in the best way practicable, (b) in the case of Storage Projects all works connected with supply channels to feed the head reservoir come under Headworks, (c) water-power installations at the headworks of a canal, head locks and head regulators of main and branch canals, fall under "Main Canal and Branches", (d) when a canal or a distribution channel therefrom, and a drainage in connexion with it, are planned simultaneously and the two works intersect, the cost of the crossing should be charged to "Drainage and Protective Works" and (e) Buildings required for the general purposes of a canal system, such as workshops, headquarters stations, etc., are chargeable to "Main Canal and Branches."

4. For rules relating to Water-courses, Special Tools and Plant and Losses on Stock, see Appendix XI, and paragraphs 196 and 234 respectively. The head "Water-courses" is not necessary in the case of the minor head "Extensions and Improvements" and "Maintenance and Repairs." The head "Losses on Stock" is intended for all general losses on stock which cannot be attributed to any work the accounts of which are open.

STATEMENT C

(See explanatory note 14)

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

General Remarks—(1) The detailed heads in this list may be varied, under the orders of the Local Government, to suit the circumstances of each project. (2) Combined works falling under two or more heads—e.g., combined bridges and falls, or combined falls and regulators—should be classified according as to which aspect of the work pre-dominates.

A—Preliminary Expenses

Surveys and preliminary investigations—This head does not appear under "Extensions and Improvements" nor under "Maintenance and Repairs".

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B—Land

Compensations for taking permanent or temporary possession of land required for the purposes of the work.

The term "Compensation" includes the following besides the payment for the land itself — (1) payments for buildings, trees, crops, etc., and (2) cost of special land acquisition establishment when it is chargeable to the Public Works Department under paragraph 203 of Volume V of the Handbook. Sale proceeds of wood, building materials, etc. obtained on clearing land taken up should be taken in reduction of the charge if realized before the accounts of the estimate for the acquisition of the land have been closed, *vide* clause (b) of statement E. If any buildings acquired with the land are used as residences or otherwise let they should be brought on the Register of Rents, Form no. 49, and rents realized should be treated as ordinary rent receipts.

C—Works

All construction works, whether of earthwork or of masonry, etc. excluding work falling under the heads I—Navigation and K—Buildings in all cases and under L—Earthwork where this is maintained as a separate detailed head. Ordinarily, the grouped head C—Works, takes the place of such of the heads D, E, F, F(1), G, H, J and L, as are not separately provided for.

D—Regulators

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

E—Falls

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

F—River and Hill Torrent Works

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

F (1)—Other Cross Drainage Works

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

G—Bridges

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

H—Scapes

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

I—Navigation

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

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J—Mills

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

K—Buildings

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

L—Earthwork

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

L(1)—Boundary and Service Roads

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

M—Plantations

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

N—Tanks and Reservoirs

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

O—Miscellaneous

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

P—Maintenance

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

Q—Equipment

Plant and machinery used as a part of work and not any as tools and plant.

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The following service and departmental heads have been prescribed by the Local Government under the major head 68-A—Capital-Loan Fund—Productive works—Works for the Ganges Canal Hydro-electric Scheme and Irrigation by Hydro-electric pumping:

Minor head—Works.

Service heads—Hydro-electric works—

- (a) Power generation.
- (b) Transmission.
- (c) Transformation.
- (d) Distribution.
- (e) Special Tools and Plant.
- (f) Losses on Stock.

Irrigation by Hydro-electric pumping—

Department heads—

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

STATEMENT D

(See explanatory note 15)

Showing the detailed classification of the minor head
“Establishment”

This minor head is primarily divided as follows:

Name of sub-division	Remarks
I—Chief engineer .. ..	.. ..
II—Special officers	For consulting architects and other special officers whose jurisdiction extends beyond a single circle of superintendence or other unit prescribed for the <i>pro rata</i> distribution of establishment charges. Fees recovered, from outside bodies and other departments of the Local Government for services rendered by this establishment are taken in reduction of the charges under this sub-division, <i>vide</i> paragraph 12 of appendix V.
III—Superintending engineer ..	Includes also special officers, if any, not falling under sub-division II.

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Name of sub-division	Remarks
IV—Executive	Establishment charges of workshops for which capital accounts are kept should be kept distinct from other charges, and recoveries on account of work done in such workshops from outside bodies and other departments of the Local Government should be taken in reduction of the charges.
V—Medical .. ..	..
VI—Special survey	Establishment employed on large surveys for new irrigation, navigation, embankment or drainage projects.
VII—Special Revenue	Establishment employed entirely on the revenue management of irrigation, navigation, embankment and drainage projects, and on assessment, etc. of revenue. Includes also plantation, steamer, and water-regulation establishments, etc., and charges debited by the civil department for collection, etc. of revenue.
VIII— <i>Deduct</i> —Recoveries	For credits of all kinds on account of (i) percentage or (ii) lump sum recoveries for work done, but excluding (a) fees for services rendered by special officers, and (b) recoveries for work done in workshops when such credits are adjustable as reduction of expenditure in accordance with the rules in statement E.
IX—Lump sum charges creditable to other Governments, departments, etc.	Debits to the major head on account of establishment charges in cases in which such charges are not adjustable in the account of any particular work under paragraph 426.
X—Establishment charges incurred in England.	This sub-division relates only to the major heads "15-A(3)", "15-B(3)" and "41". All charges pertaining to Irrigation, Navigation, Embankment and Drainage works are incorporated under the major heads 15-A(3) or 15-B(3) as the case may be.
XI—Pensionary charges .. ..	.. See paragraph 18 of appendix V.

2. Under sub-divisions III to VIII, a separate section should be opened in respect of each circle of superintendence or other unit prescribed for the *pro rata* distribution of establishment charges.

3. The sub-divisions I to VII have, below them, the following heads, with such detailed heads as may be prescribed locally:

- (a) Pay of Officers.
- (b) Pay of Establishments.
- (c) Allowances.
- (d) Contingencies.

(e) Collection charges by Civil Department. For use only under sub-division VII.

(f) *Deduct*—Recoveries. For use only under sub-divisions II and IV (Workshop section).

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An additional head, "Bonus," may be opened, where necessary, for bonus paid to non-pensionable subscribers to provident funds.

The heads (b) and (c) include also the charges on account of divisional accounts posted by the Principal Auditor.

4. The following rules govern the incidence of cost of pay and allowances of government servants. They are, however, subject to the rules in paragraph 5 below regarding the distribution of leave-salary between different Governments (paragraphs 85 and 85-A of Volume V of the Handbook) and to the proviso that if a government servant is doing work for more than one Government, his pay and allowances may be distributed between the different Governments as mutually agreed—

(a) The whole pay of an officiating government servant should be taken against the department and the post in which he is actually serving.

(b) When a government servant whose main duties and post fall under one head of charge is entrusted with additional or subsidiary duties coming under another head, no portion of his pay and allowances is to be debited to the latter head. This rule does not apply to separate fixed allowances for additional duties, nor does it apply to cases governed by separate orders issued by competent authority.

(c) The pay and allowances (including travelling allowance) of a government servant proceeding to join an office should, in the absence of special orders to the contrary, whether in respect of a particular case or class of cases, be charged to the office to which he is proceeding.

(d) The pay and allowances of a government servant serving in the Defence Department transferred from Defence Department to a post under a Civil Department are paid by the Civil Department, from the date on which he gives over charge of his Defence Department, and those of a government servant serving in the Defence Department transferred from Civil to Defence Department, cease to be payable by the Civil Department from the date on which he gives over charge of his post under a Civil Department. The same rule holds good in the case of all government servant transferred from one department to another. A government servant transferred to Foreign service draws his emoluments from the foreign employer from the date on which he relinquishes charge of his post under Government and on reversion to his post under the Government he ceases to draw any emoluments from the foreign employer from the date on which he resumes charge of the post under Government.

NOTE—When a government servant is transferred to another department or provinces while on leave the transfer does not take effect until he joins his new post if he is on leave in India or until he lands in India if he is on leave out of India.

(e) When a Military or Medical Officer holding a Civil post on consolidated pay which is less than his Military pay is allowed to draw the difference between them, he draws it from the department from which he receives his consolidated pay.

(f) An European non-commissioned officer or soldier on obtaining service under a Civil Department is ordinarily required to buy his

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discharge from the Army; but, if such a person dies in service under a Civil Department while under a Military contract of service, the Civil Department in which he was serving will bear the charge of any passage money which, under Military pay regulations, may be admissible to his family.

(g) The following rules govern the incidence of the cost of the Military pay and allowances of soldiers employed for temporary duty by Civil Departments, police or railway administrations, etc., under the provisions of paragraph 571, Army Regulations, India, Volume II:

(1) When men are employed for any period less than one month, they shall be given their regimental pay and allowances from Army Estimates *plus* a suitable extra allowance, if such is considered necessary, from Civil Estimates; and

(2) when men are employed for a month or longer, a consolidated pay shall be substituted for their regimental pay and allowances, the whole of the consolidated pay being borne by civil estimates.

(h) Rewards under Military rules to government servants of the Defence Department serving in a Civil Department for proficiency in the Oriental languages have to be met from Army Estimates. Bills for such rewards require pre-audit by the Defence Department.

(i) When Military commissioned, non-commissioned, and warrant officers and soldiers are employed on famine duty in the Civil Department, their Military or Departmental pay and allowances, as well as additional pay and travelling allowances, both when proceeding to and returning from famine duty, should be adjusted as a civil charge under "43-A-Famine". Any additional charges actually incurred in the Defence Department in consequence of the absence on famine duty will be retained by the Military Accounts Department and adjusted as a final charge of the Defence Department.

(j) When soldiers either British or Indian, are sent under Military escort from one station to another to stand a trial on a criminal charge, they will travel like any other party of soldiers on duty, under a warrant furnished by the Military authorities, the charge being met from the Military Estimates. When a soldier is conducted by a Police escort, the charge will be Civil; the warrant issued in such cases should include the accused, as he is a soldier proceeding to a certain place under the orders of his military superior and therefore on duty.

(k) The pay of civilian officers employed as Aides-de-camp or extra Aides-de-camp should be debited to the Civil head to which their pay is ordinarily charged.

5. The leave salaries of Government servants are debited according to the following rules :

(1) When a government servant had served only under one Government before proceeding on leave his leave salary will be debited to that Government.

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(2) When a government servant is transferred to service under a Government other than that under which he was first employed the leave salary drawn by him during any leave taken after the date of transfer shall be charged to the borrowing Government until the entire leave earned under that Government has been exhausted.

NOTE—(1) See paragraphs 85 and 85-A of Volume V of the Handbook for the definition of the term "Government."

(2) Leave salaries of gazetted government servants paid by one provincial government on behalf of another provincial government should be debited to the latter government in Account Current.

1. The Government which received the contribution for leave salary of a government servant in Foreign service should bear the charges for his leave salary in respect of the leave earned by him during such service.

2. Service rendered in a department charged to a divided head before 1st April, 1921, should be treated as service under the central or provincial Government according as the head in question is classified as central or provincial from 1st April, 1921.

6. (a) The travelling allowance of a government servant, on whatever duty he may be employed, is charged to the same head as his pay, unless he be travelling on duty connected with a local fund when it may be charged to the local fund.

(b) The travelling allowance of a government servant called away from his duty to give evidence in his official capacity in a criminal court or in a civil court in a case to which Government is a party is, during the period of his absence, debited to the department which would bear the charge if he were on duty. But, in the following cases, the actual expenses incurred by witnesses are paid by the court and charged to court contingencies:

(i) If the court is situated not more than five miles from the headquarters of the witness, or

(ii) If the pay of the witness does not exceed Rs.10 per mensem.

(c) The travelling allowance of a government servant transferred from one department to another is debited to the department to which he is transferred.

(d) The travelling allowances of a government servant, both when proceeding on transfer to foreign service, and when reverting to duty under Government, shall be borne by the foreign employer.

STATEMENT E

(See explanatory Note 16)

Treatment of Recoveries of Expenditure in the Accounts of the Public Works Department

1. The rules for regulating the exhibition of recoveries of expenditure in Government accounts generally, issued by the Auditor General are given in Government accounts generally, issued by the Auditor General are given their application to Public Works transactions.

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2. The general rule is that, subject to the provisions of rule 5 of the above-mentioned rules, all recoveries of expenditure appearing in the accounts of Public Works Offices should be treated as revenue receipts and not as *minus* expenditure.

Recoveries in respect of overpayments made during the current year, however, should ordinarily be adjusted by deduction from the current year's charge under the detailed head previously overcharged.

3. As an exception to the general rule mentioned at paragraph 2 above, receipts and recoveries on Capital Account, in so far as they represent recoveries of expenditure previously debited to a capital major head should be taken in reduction of expenditure under the major head concerned. For purposes of accounting they should be treated as revenue receipts in the first instance and booked as "Receipts and recoveries on Capital Accounts". At the end of the month they should be deducted from the account of the division or sub-division of the major head concerned in a lump sum.

4. The transactions of stock and other suspense accounts and recoveries of expenditure upon works in progress are also exceptions to the general rule. Expenditure on stock and other suspense accounts is sanctioned on the distinct understanding that the outlay will be recovered and the temporary debit to suspense ultimately extinguished. Recoveries must, therefore, be taken in direct reduction of the charges as explained in the detailed rules in Chapter XVI. As regards works in progress, the technical estimates take cognizance of all anticipated recoveries of expenditure from the sale of temporary works, materials received from old structures, etc., and as the amounts both of these estimates and of the funds allotted represent the anticipated net outlay, all such recoveries must be treated as *minus* expenditure. See also paragraph 738.

5. Recoveries on account of establishment and tools and plant charges should be treated as follows:

- (i) *Recoveries of establishment charges at percentage rates*—These recoveries, in so far as they are effected from outside bodies and from other departments of the same Government, should be adjusted by deduction from expenditure under the minor head "Establishment". Recoveries on account of occasional works carried out by one Government on behalf of another, however, should be treated as revenue receipts unless the recoveries relate to expenditure previously debited to a capital head in which case the credits should be adjusted in reduction of expenditure of the capital major head concerned.
- (ii) *Recoveries of tools and plants charges at percentage rates*—Recoveries from other Departments of the same Government should be adjusted as reduction of expenditure under the minor head "Tools and Plant". In the same way, recoveries relating to expenditure previously debited to a capital head of account should also be treated as reduction of expenditure. All other recoveries should be treated as revenue receipts under the major head concerned.

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(iii) *Pro rate shares of the charges for joint establishment and tools and plants.* The *pro-rate* shares calculated at the end of the year should be treated as reduction of expenditure under the minor head "Establishment" and "Tools and Plants", respectively, of the major head to which the total charges were debited in the first instance.

(iv) *Recoveries on account of charges for leave and pensions*—When the recoveries on account of establishment charges include, as a distinct and separate factor, the charges for leave and pensions, the portion of the recoveries representing leave should be treated as revenue receipts under the Public works major head concerned. Recoveries on account of pensionary contributions should, in the case of civil works be credited to "XLIV—Receipts in aid of Superannuation", while such recoveries, in the case of the Irrigation Department should be credited to the Irrigation major head concerned, as receipts or recoveries of expenditure according as they relate to Revenue or Capital major heads. In cases, however, in which the rates for leave and pension contribution are combined, the recoveries in the case of civil works should be taken to "XLIV—Receipts in aid of Superannuation", while such recoveries in the Irrigation Department should be credited to the Irrigation major heads concerned as revenue receipts or recoveries of expenditure according as they relate to Revenue or Capital major heads.

6. The recoveries of expenditure which are finally creditable as revenue receipts should be recorded under the minor head "Recoveries of expenditure" of the major head XVII, XVIII or XXXIX, as the case may be, while those which are adjustable in reduction of expenditure under the Capital major head should appear under the minor head "Receipts and Recoveries on Capital account" of the capital major head concerned.

7. *Recoveries on account of cost of audit and accounts*—These recoveries when they are made in connexion with works done for Railways, Military, Posts and Telegraphs and other Departments of the Central Government should be treated as reduction of expenditure. In all other cases, such recoveries should be adjusted as receipts under the minor head "Fees for Government Audit" subordinate to the major head XLVI—Miscellaneous".

APPENDIX I

(b) The pay and allowances of an establishment specially entertained for, and mainly employed on, famine relief, shall, together with its contingent expenditure, be debited to the head "54A—Famine Relief."

(c) In all cases falling under clauses (a) and (b), travelling allowances to and from the work and also while engaged on the work, as well as pay and allowances during transit, shall be debited to the head to which the pay of the official while actually employed on the work is debited.

(d) The rules regulating the debit of the pay and allowances of government servants belonging to the Defence Department deputed to famine duty are given in paragraph 4 (i) of statement D of this Appendix.

(45) Divided into Communications; Irrigation Works; Other Works.

The following rules regulate the classification of expenditure of public works undertaken for purposes of famine relief:

(a) Public works undertaken in consequence of the occurrence of famine, but not directly for the employment of famine-stricken people and not, therefore, treated as relief works, will be classified in the accounts as ordinary public works are classified, except that any expenditure in excess of normal rates incurred in consequence of the employment for relief purposes of unskilled and unprofitable labour will be transferred to the head "54A—Famine Relief."

(b) Public Works expenditure which is undertaken directly for the relief of famine and is controlled and managed under the conditions applicable to famine relief works will be charged to "54A—Famine Relief", whether the work is or is not one which would, at some time or other, have to be undertaken irrespective of famine. If, however, the work on which the famine labour is employed is a revenue-producing work in respect of which a capital account is kept (whether within or, without the Revenue Accounts of Government), the value of the work done, reckoned at ordinary rates, will be charged to the ordinary head of account, and the excess only debited to "54A—Famine Relief."

(c) This minor head includes:

- (i) Relief given in Government Institution;
- (ii) Relief given at the house of the people.
- (iii) Relief given in other ways.

(d) The procedure to be adopted for the adjustment of advances granted in connexion with relief work, if recorded under this head in the first instance, may be settled by the Accountant General in consultation with Government.

(46) Special Provident Funds instituted for non-pensionable employees.

(47) For Taqavi Works Advances, see Chapter XIX.

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Major heads	Minor heads
C—Irrigation, Navigation, Embankments and Drainage Works— (<i>continued</i>)	
XVII—IRRIGATION, NAVIGATION, EMBANKMENT AND DRAINAGE WORKS FOR WHICH CAPITAL ACCOUNTS ARE KEPT—(<i>concl'd.</i>)	
B. Navigation, Embankment and Drainage Works. (26)	
(1) Productive :	
Gross receipts	Direct receipts.—Navigation. (9) Sales of water. (5) Plantations. (6) Rents. (10) Recoveries of expenditure. (20) Miscellaneous. (12) <i>Deduct</i> —Refunds. Receipts in England. Receipts from workshops. Loss or gain by exchange. Portion of Land Revenue due to Works. (13)
<i>Deduct</i> —Working Expenses : .. Net Receipts	Same as for A(1) above.
(2) Unproductive :	
Gross Receipts <i>Deduct</i> —Working Expenses .. Net receipts or payments ..	} Same as for B(1) above.
C—Hydro-Electric Works—	
(1) Productive Works—Gross Re- ceipts.	
<i>Deduct</i> —Working Expenses ..	Direct receipts— Sales of Electricity. Rents. Fines. Recoveries of expenditure. Miscellaneous. Interest from Depreciation Reserve Fund. <i>Deduct</i> —Refunds
<i>Deduct</i> —Working Expenses ..	Extension and Improvements. Maintenance and Repairs. Establishment. Tools and Plant. Suspense. Provision for depreciation. Renewals and Replacements. <i>Deduct</i> —Amount met from Depreciation Re- serve Fund. Charges in England. Loss or gain by Exchange.
Net Receipts.	

*For transactions connected with the Depreciation Reserve Fund of the Ganges Canal Hydro-Electric Schemes only.

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Major head

Minor head

C—Irrigation, Navigation, Embankment and Drainage Works— (concluded)

XVII—IRRIGATION, NAVIGATION,
EMBANKMENT AND DRAIN-
AGE WORKS FOR WHICH NO
CAPITAL ACCOUNTS ARE
KEPT

A. Irrigation Works —

Direct receipts.—Water rates. (2)
Owner's rates. (3)
Water-supply of towns. (4)
Sales of Water. (5)
Plantations. (6)
Other canal produce. (7)
Water-power. (8)
Navigation. (9)
Rents. (10)
Fines. (11)
Recoveries of expenditure. (20)
Miscellaneous. (12)
Deduct—Refunds.
Portion of land revenue due to
works.
Receipts in England.
Loss or gain by exchange.

B. Navigation, Embankment and
Drainage Works. (26).

Direct Receipts.—Navigation. (9)
Sales of Water. (5)
Plantations. (6)
Rents. (10)
Recoveries of expenditure.
(20)
Miscellaneous. (12)
Deduct—Refunds.
Portion of land revenue due
to works.
Receipts in England.
Loss or gain by exchange.

H—Civil Works

XXXIX—CIVIL WORKS ..

.. | Rents. (10)
Interest on Cemetery Endowments.
Ferry receipts.
Tolls on roads.
Recoveries of expenditure. (20)
Miscellaneous. (25)
Deduct—Refunds.
Transfer from Central Road Fund. (23)
Receipts in England.
Loss or gain by exchange.

J—Miscellaneous

XLIII—TRANSFERS FROM FAMINE RE-
LIEF FUND. (27)

APPENDIX I

Major heads

Minor heads

EXPENDITURE CHARGED TO REVENUE

C—Revenue Account of Irrigation, Navigation, Embankment and Drainage Works (1)

17. INTEREST ON IRRIGATION WORKS FOR WHICH CAPITAL ACCOUNTS ARE KEPT. (28)	Irrigation Works. Navigation, Embankment and Drainage Works.
18—OTHER REVENUE EXPENDITURE FINANCED FROM ORDINARY REVENUES	
A.—Irrigation Works—	
(1) Works for which no Capital Accounts are kept.	Works, (14) Extensions and Improvements, (14) Maintenance and Repairs, (14) Establishment, (15) Tools and Plant, (16) Suspense, (19) Charges in England, (21) Loss or Gain by Exchange, (24)
(2) Miscellaneous expenditure ..	Establishment, (15) Tools and Plant, (16) Other charges, Grants-in-aid, (18) Suspense, (19) Charges in England, (21) Loss or gain by Exchange, (24)
B.—Navigation, Embankment and Drainage works—	
(1) Works for which no Capital Accounts are kept.	As for A(1) above.
(2) Miscellaneous Expenditure ..	As for A(2) above.
<i>Deduct</i> —Amount financed from Famine Relief Fund. (27)	
Net Amount financed from Ordinary Revenues.	
18 (1). OTHER REVENUE EXPENDITURE FINANCED FROM FAMINE RELIEF FUND. (27)	Irrigation Works. Navigation, Embankment and Drainage Works.

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Major heads

Minor heads

**CC—Capital Account of Irrigation, Navigation and Drainage Works
within the Revenue Account**

19.—CONSTRUCTION OF IRRIGATION, NAVIGATION, EMBANKMENT AND DRAINAGE WORKS (27).	Irrigation Works. Navigation, Embankment and Drainage Works. Same as for A above.
A.—Financed from Famine Relief Fund.	Same as for A above.
B.—Financed from ordinary reve- nues.	Same as for A above.
<i>Deduct</i> —Repayments of Capital Expenditure Charged to Ordinary Revenues.	Same as for A above.
Net Amount charged to Ordinary Revenues.	Same as for A above.

H—Civil Works

50.—CIVIL WORKS	Original Works (29) Buildings (30) :— Land Revenue. Excise. Stamps. Forest. Registration. General Administration. (31) Administration of Justice. (32) Jails and Convict Settlements. (33) Police. Education other than European and Anglo- Indian Education. (34) European and Anglo-Indian Education. (34) Medical. (35) Public Health. Agriculture. Industries. Civil Works. (37) Stationery and Printing. Miscellaneous Departments. (38) Veterinary- Co-operative. Charges in England. (21) Original Works—Communications. (39) Original Works—Miscellaneous. (40) Repairs. (30) (41) Establishment. (15) Tools and Plant. (16) Grants-in-aid. (17) Suspense. (19) Veterinary. Co-operative Charges in England. (21) Block Grant for transfer to Central Road Fund. (23) <i>Deduct</i> —Amount met from Central Road Fund. (23) Loss or Gain by Exchange. (24)
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J—Miscellaneous

54.—FAMINE (42)— A.—Famine Relief. (43).	Salaries and Establishments. (44) Relief Works. (45) Relief to people employed otherwise than on relief works. Gratuitous relief- (45) (c) Miscellaneous (45) (d)
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Ma . heads	Minor heads
CAPITAL EXPENDITURE NOT CHARGED TO REVENUE	
CC—Capital Account of Irrigation, Navigation, Embankment and Drainage Works outside the Revenue Account (1)	
68.—CONSTRUCTION OF IRRIGATION, NAVIGATION, EMBANKMENT AND DRAINAGE WORKS.	
A. Irrigation Works—	Works. (14)
(1) Productive.	Establishment. (15).
	Tools and plant. (16).
	Suspense. (19).
	<i>Deduct</i> —Receipts and recoveries on capital account. (20).
	Charges in England. (21)
	Loss or Gain by Exchange. (24).
(2) Unproductive	Same as for A(1) above.
B. Navigation, Embankment and Drainage Works. (26).	
(1) Productive	Same as for A(1) above.
(2) Unproductive	Same as for A(1) above.
<i>Deduct</i> —(27).	
Amount financed from Famine Relief Fund.	
Amount financed from Ordinary Revenues.	
<i>Add</i> —Repayments of Capital Expenditure charged to Ordinary Revenues. (27).	
Net amount not charged to Revenue.	
HH—Capital Account of the Civil Works and the Miscellaneous Public Improvements outside the Revenue Accounts.	
31 —Capital account of Civil Works outside the Revenue Accounts.	

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Major heads

Minor heads

DEBT-HEADS

O—Unfunded Debt

STATE PROVIDENT FUNDS .. Other Miscellaneous Provident Funds. (46)

P—Deposits and Advances

DEPOSITS OF LOCAL FUNDS ..	District Funds. Municipal Funds. Cantonment Funds. Other funds.
CIVIL DEPOSITS	Public Works Deposits.
ADVANCES REPAYABLE	Civil Advances— Advances of the Public Works Department. Takavi Works Advances. (47).
ACCOUNT WITH INDIAN STATES ..	Account Current with Indian States. (48)
DEPARTMENTAL ACCOUNTS ..	Public Works Cash Balances. (49)

R—Loans and Advances by Provincial Governments (51)

LOANS TO MUNICIPALITIES, PORT FUNDS, ETC.	Advances to Cultivators. (50) Advances under special laws. (50-A) Miscellaneous Loans and Advances. (50-B)
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S—Remittances

CASH REMITTANCES AND ADJUSTMENTS BETWEEN OFFICERS RENDERING ACCOUNTS TO THE SAME ACCOUNTANT GENERAL. ACCOUNTS BETWEEN CIVIL AND CIVIL (68).	Public Works Remittances. (52) I.—Remittance into Treasuries. (52) II.—Public Works Cheques. (53) III.—Other Remittances. (54) Transfer between public Works Officers. (56) In each Province there is one head for each of the Central Revenues and Indian Stores Department and one for each of the Provincial Accountants General and Comptrollers (Central Provinces, Assam, Bengal, Bihar and Orissa, United Provinces, Punjab, Madras, Bombay, Berar, North-West Frontier Province and Sind).
EXCHANGE ACCOUNTS BETWEEN CIVIL AND POSTS AND TELEGRAPHS.	
EXCHANGE ACCOUNTS BETWEEN CIVIL AND DEFENCE SERVICES INCLUDING NAVY).	A separate minor head for accounts between each Civil Accountant General and each Military Accounts Officer including the Comptroller of Naval Accounts. (57)
EXCHANGE ACCOUNTS BETWEEN CIVIL AND RAILWAYS. (58)	
ADJUSTING ACCOUNTS BETWEEN CENTRAL AND PROVINCIAL.	Suitable minor head may be opened when necessary.
INTER PROVINCIAL SUSPENSE ACCOUNTS	A separate head for account between any two Provinces.

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EXPLANATORY NOTES

(1) For the classification of expenditure and revenue pertaining to Irrigation, Navigation, Embankment and Drainage Works, under major heads and sections thereof, see statement A appended.

(2) Sale-proceeds of water for irrigation purposes only.

(3) Rates imposed on owners of land in respect of the benefit which they derive from irrigation.

(4) Sale-proceeds of water supplied to towns for domestic purposes only.

(5) Sale-proceeds of water supplied for purposes other than irrigation or town consumption.

(6) Sale-proceeds of produce from regular canal plantations.

(7) Sale-proceeds of produce (e.g. wood, grass, etc.) from canals or tanks other than from regular plantations.

(8) Mill rents and all charges made for water applied to turn machinery.

(9) Transit dues, transport profits, tolls and hire of ferry boats, etc.

(10) Includes rents of buildings, furniture and other special amenities, but excludes rents of land; suitable detailed heads should be opened for the record of several kinds of these rents according to local requirements.

(11) Fines for wastage of water and infringement of canal rules.

(12) Includes receipts by sale of drift wood, rents of land, supervision charges on sales of stock, value of stores found surplus, profits on stock due to re-valuation, lapsed deposits, and fines [other than those for wastage of water and infringement of canal rules, *vide* (II) above] and confiscated deposits which do not represent compensation for damage to works in progress.

NOTE—When a fine is imposed or deposit confiscated with the object of defraying expenditure caused by the action of an individual or firm, as when a contractor is penalized for abandonment of his contract owing to the fact that such abandonment has increased the cost of the work, the amount of the penalty may be taken in reduction of the expenditure.

A separate minor head should be provided for receipts from quasi-commercial workshops which are not to be taken in reduction of expenditure under rule 1 to paragraph 608 of this volume. This head should be sub-divided according to the requirements of the *pro forma* accounts of the workshops.

Should the Local Government deem any source of revenue, not specifically mentioned in the minor heads provided, to be of sufficient importance to necessitate a separate account being kept of it, this can be done by opening a detailed head for the purpose under the minor head "Miscellaneous".

(13) Indirect receipts due to the works, such as enhancement of land revenue, interest on the proceeds of the sales of waste land, after deduction, where necessary, of the cost of civil administration.

(14) The detailed classification of works expenditure is given in statements B and C appended.

(15) The detailed classification of the minor head "Establishment" is given in statement D appended.

(16) The divisions are (1) New Supplies, (2) Repairs and carriage, (3) Deduct recoveries and (4) Lump-sum charges creditable to other Governments, departments, etc. The first of these is further divided into, Scientific instruments and rawing materials, Plant and machinery, Tools, Navigation plant, Cam equipage, Livestock, and Office furniture.

The third of these is intended for the record of recoveries on account of tools and plant charges, when these are taken in reduction of expenditure, *vide* statement E, clause 5 (ii).

(17) Cash contributions to local bodies for the construction and maintenance of works of the classes the expenditure on which, in the case of Government works, would be classed either under "Original Works (or Repairs)—Buildings—Civil Works" or under "Original Works (or Repairs)—Communications." See also paragraph 629.

(18) Contributions to local bodies for the construction of works which in the case of irrigation, navigation, embankment and drainage works of Government would be classed under either "Works" or "Extensions and Improvements" or for the maintenance of such works. See paragraph 629.

(19) The sub-heads are (1) Purchases, (2) Stock, (3) Miscellaneous P. W. Advances, (4) London Stores and (5) Workshop Suspense. See also Chapter XVI and paragraph 604.

(20) See statement E appended.

(21) (a) Generally the minor head "Charges in England" is divided into the following sub-heads:

- (1) Leave salaries and Deputation Pay.
- (2) Sterling Overseas Pay.
- (3) Stores for India.
- (4) Other charges.

In the case of Public Works Department, however, provision for items (1), (2) and (4) only is made under this head while that for item (3) is made in accordance with the procedure laid down in paragraph 118.

(b) Under each of these sub-heads mentioned in clause (a) above the charges should be distinguished between expenditure of the Secretary of State and that of the High Commissioner for India.

Other sub-heads may be opened to meet the requirements of the Government.

(22) Deleted.

(23) As a result of the recommendations of the Indian Road Development Committee both the excise and import duties on motor

spirit were raised with effect from the 28th February, 1929, the additional revenue being earmarked for credit to the 'Central Road Fund' from which grants are made to Provincial Governments and other bodies for the purposes of road development. The proceeds of the additional duties are first credited to the head 'I—Customs' or 'II—Central Excise Duties' according as they represent extra duty of custom or of excise, but at the end of each year an equivalent amount, after deduction of a certain portion as the share of the Civil Aviation Department in respect of petrol consumed for aviation purposes, is transferred as a block grant to the 'Central Road Fund' by debit to the head '50—Civil Works—Block grant for transfer to Central Road Fund.' Grants made out of this Fund to Provincial Governments and others are charged to the Fund. The charges met out of the 15 per cent reserve retained by the Central Government in the Central Road Fund are brought to account in the first instance under '50—Civil Works—Central', the debit under that head being set off by an equivalent amount transferred from the deposit head 'Central Road Fund' so that the net charge under '50—Civil Works' will be *nil*. This transfer is shown under a distinct minor head 'Deduct amount met from Central Road Fund'.

The subventions made from the Central Road Fund to Provincial Governments and centrally administered areas are credited to the head 'Subventions from Central Road Fund' in the accounts of the Province or of the Central area concerned. This head is debited with the expenditure on objects approved by the Central Government. The actual expenditure incurred from time to time is charged in the Provincial accounts to the head '50—Civil Works' or other appropriate head of account concerned.

The expenditure on interest and amortization charges in respect of loans taken for financing construction, etc. of roads and bridges is debited to the head 'P—Deposits and Advances—Other Accounts—Subventions from Central Road Fund' by *Per Contra* credit to the heads '22—Interest on debt and other obligations—D—Transfers' and '23—Appropriation for reduction or avoidance of debt—Other Appropriations' as the case may be."

(24) Deleted.

(25) Includes rents of land; sales of produce; including wood, grass, fruits, vegetables, etc. from compounds of buildings when such produce is government property; supervision charges on sales of stock; value of stores found surplus; profits on stock due to re-valuation; lapsed deposits; and fines and confiscated deposits which do not represent compensation for damage to works in progress, *vide* Note under (12).

A separate minor head should be provided for receipts from quasi-commercial workshops which are not to be taken in reduction of expenditure under rule 1 to paragraph 608. This head should be sub-divided according to the requirements of the *pro forma* accounts of the workshops.

A separate detailed head should be provided for any important class of miscellaneous receipt, e.g. arboriculture.

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(26) The section "Navigation, Embankment and Drainage Works" is intended for the receipts and charges relating to waterways, navigable canals, embankments and other agricultural and drainage works undertaken primarily not for irrigation purposes but for the general improvement of the country or for general administrative purposes.

(27) Purely transfer heads in which the executive officers of the department are not directly interested and which are operated upon by the Principal Auditor. At the discretion of the Local Government, the transfer heads "19A", "19B" and "18(1)" may be operated on monthly by the executive officers, provided that it is arranged to combine the expenditure recorded thereunder, at the end of the year, with the expenditure brought to account directly under the heads "81" or "18", to show the total capital expenditure relating to each canal. When this procedure is adopted, the expenditure relating to these major heads will be accounted for, separately for each irrigation project in the same detail as regards minor and detailed heads as are prescribed for the major heads "81" and "18" respectively.

(28) Charges under this major head do not appear in the accounts of divisional officers.

(29) (1) The term "original works" indicates new construction, whether of entirely new works or of additions and alterations to existing works, except as hereinafter provided; also all repairs to newly purchased or previously abandoned buildings required for bringing them into use.

(2) The term "repairs" includes primarily operations undertaken to maintain in proper condition buildings and works in ordinary use. It also includes new works in circumstances indicated in clause (3) and the "exception" to clause (4) below.

(3) When a portion of an existing structure or other work, not being a road, road surface, road bridge, causeway, embankment, ferry approach, protective or training work in connection with a road is to be replaced or remodelled (whether or not the change involves any dismantlement) and the cost of the change represents a genuine increase in the value of the property, the work of replacement or remodelling, as the case may be should be classed as "original work", the cost (which should be estimated if not known) of the portion replaced or remodelled being credited to the estimate for "original work" and debited to "repairs". In all other cases the whole cost of the new work should be charged to "repairs".

NOTES—(1) In the case of buildings the capital value of any portion of a building which is abandoned or dismantled without replacement should be written off the total capital value of the building, in any *pro forma* account of its cost.

(2) The expenditure on minor additions and alterations to buildings, up to a limit of Rs.1000 in any one case, may be classed at the discretion of the superintending engineer as petty works expenditure and debited to repairs, provided that if such works relate to residences, the cost is taken into account in determining the capital cost and in calculating the rent in accordance with the rules issued by the Local Government.

(4) When an existing portion of a road bridge, causeway, embankment, ferry approach, protective or training work in connection with a road is to be replaced or remodelled (whether or not the change involves

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any dismantlement) and the change represents a genuine increase in the value of the property, the whole cost of replacement or remodelling, as the case may be, should be classed as "new work" and the cost of value of the portion replaced or remodelled should not be debited to "repairs".

Exception—Petty and miscellaneous items of work in any material as hereinafter described, which ordinarily should be classed as "new works" should be debited to "repairs" up to a limit of Rs.10,000 in any one case, provided that the works in question do not in the opinion of the superintending engineer form part of any comprehensive scheme or project covered by a works estimate :

(a) Super-elevation at curves.

(b) Widening the formation or carriageway of a road, widening a drain, or cutting back a hillside to improve vision at curves, provided that the acquisition of land is not involved in any case.

(c) Improvements of alignment or gradients or changes of grade at Irish bridges or dips, carried out at the time of renewing a surface provided that the acquisition of land is not involved in any case.

(d) Improvements to or reconstruction of the surface of a road in some different material where it is desirable to carry out such improvements or reconstruction at the time of renewing a surface.

(e) The construction or reconstruction of road surfaces in different materials for the purposes of experiment.

(f) The reconstruction or remodelling of bridges, culverts, causeways, embankments, ferry approach, protective or training works in connection with a road.

(5) In addition to all repairs and renewals in material similar to that pre-existing, the following items of road work should be classed as "repairs" :

(i) Ordinary repairs and maintenance including surface painting and the necessary addition of stone chips, gravel or sand, but not including asphaltic concrete, premix asphalt macadam, bitumen grout, bitumen semigrout, mix-in-place, cement concrete or cement macadam.

(ii) Special repairs and periodical renewals.

(iii) Petty and miscellaneous items of work in any material, as described in "exception" to clause (4) above.

(30) When a building is intended for two or more departments, all Original Works and Repairs charges on it should be classified, unless ordered otherwise by the Local Government, as pertaining to the department for which the largest accommodation is required.

Charges on a residential building should be booked under the minor head for the department for which it is intended, even though temporarily allotted to a government servant of another department. Residences not

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reserved for any department fall under the minor head for Civil Works. In the case of minor heads which are sub-divided, if a separate sub-head is not provided for residences, the charges on residences fall under the sub-head "Miscellaneous."

(31) Divided into—

(A) Heads of Provinces (including Governor General, Members of Governor General's Executive Council and Ministers which is sub-divided into (1) Viceregal Residences, (2) Residences for Heads of Provinces, (3) Residences for Members of the Governor General's Executive Council, and (4) Residences for Ministers.

(B) Legislative Bodies, sub-divided into: (1) Council of State, (2) Indian Legislative Assembly, (3) Provincial Legislative Assembly and Council, and (4) Residences.

(C) Secretariat and Headquarters establishments. (This includes buildings for Local Fund Audit establishments also.)

(D) Commissioners and District Officers.

(32) Divided into High Courts (including Chief Courts and Judicial Commissioners' Courts), Small Cause Courts, District Courts and Miscellaneous.

(33) Divided into Central Jails, District Jails, Lock-ups and Miscellaneous.

(34) Divided into University; Secondary; Primary; Special; and Miscellaneous.

(35) The divisions are Hospitals and Dispensaries; Medical Colleges and Schools; Mental Hospitals; Miscellaneous.

(36) Divided into Agricultural; Veterinary; Miscellaneous.

(37) For buildings of the Public Works Department (Civil Work Section), including residences not reserved for any department. Include also, as a distinct detailed head, "Losses on Stock", which is meant for all general losses on stock which cannot be definitely attributed to any work, whether building or road, the accounts of which are open.

Charges incurred by the Public Works Department on conservation, maintenance or annual repairs of protected monuments which vest in His Majesty for the Government of the Province under section 172 of the Act and also of unprotected monuments are debited to this minor head.

(38) Includes all Civil Departments (other than the Irrigation Branch of the Public Works Department and the Railway and Post and Telegraph Departments) not included in the list of minor and detailed heads under major head 41.

(39) This minor head is meant for charges on roads, bridges, ferries, tunnels, ropeways, causeways, tramways, and other means of communication, together with buildings, wells encamping grounds, etc. for travellers, and mile-stones, fencing, arboriculture inspection houses, and other works connected with communications. It should be suitably sub-divided according to local requirements.

(40) This head should be used as sparingly as possible, i.e., only where there is *absolutely* no other head which can appropriately be applied, e.g., "30—Ports and Pilotage", "36—Scientific Departments" and "39—Public Health".

(41) This minor head should be suitably divided so as to record the expenditure on Repairs in the same detail as the charges on Original Works, Buildings, Communications or miscellaneous, as the case may be. One of the detailed heads may be "Losses on Stock", if it is considered necessary to have one under "Repairs" in addition to that provided under "Original Works", *vide* Note (37).

The head "Repairs—Buildings" includes also taxes chargeable to the Public Works Department on both residential and non-residential buildings, *vide* paragraph 550, charges on account of watchmen for the care of vacant buildings, rents of hired residences and compensation for sittings in churches, and rents of buildings used for divine service, payable under the Ecclesiastical Rules.

(42) The term "Famine" is to be interpreted in wider sense to cover famine due to drought or other natural causes, such as flood, earthquake or similar calamity. In case of doubt whether the expenditure on any particular form of distress can properly be regarded as famine expenditure, a reference should be made to the Auditor General for advice. See Foot-note (270) of the list of ~~major~~ and minor heads of accounts issued by the Auditor General.

(43) Public Works Officers are concerned only with the two minor heads mentioned here.

(44) The following detailed heads should be opened :

1. Pay and Allowances, Special Relief Officers.
2. Establishments—
 - (a) Clerks and other superior establishments.
 - (b) Inferior establishments.
3. Travelling allowances.
4. Contingencies.

As regards government servants the following rules should be observed, subject to the provisions of paragraphs 85 and 189 of Volume V of the Handbook

(a) In the case of a government servant already in the service of the Crown (other than a government servant belonging to the Defence Department), his pay and allowances, together with the contingent expenditure, shall be charged to the ordinary service head when he is merely an addition to an existing establishment which requires strengthening owing to famine work, but when he is detached altogether from his own regular duties and is employed mainly on famine, but not directly for the employment of famine-stricken up by fresh appointment, his pay and allowances, together with his contingent expenditure, shall be charged to the head "54A—Famine Relief."

APPENDIX IB

APPENDIX IB

(See paragraph 2A)

Directions by the Governor General regarding certain matters relating to works entrusted to the control of the Public Works Department.

A—Buildings of historical interest

1. All buildings and monuments of historical or architectural interest under the control of the Provincial Government should be carefully attended to, and it will be the duty of divisional officers to arrange for a systematic annual or even more frequent inspection of the monuments in their divisions, and of all divisional officers and superintending engineers to keep the Provincial Government fully informed as to the condition of those monuments and to prepare estimates for their repair.

P.W.D.C.
314.**B—Ecclesiastical Works**

2. In case where the department is entrusted with the construction of a church for which funds have been provided wholly or in part from (i) funds of a public nature, but not included in the financial estimates and accounts of Government; (ii) contribution from the public and are administered under the conditions stated in the Ecclesiastical Rules, the rules mentioned below will be observed provided that where a work is to be carried out partly from funds provided in the estimates of the department and partly from funds of the foregoing nature, the contribution will be considered as a lump sum in addition to the Government grant and the work executed in strict accordance with the procedure laid down for public works.

C.P.W.C.
111.

I—The design and estimate will in the first instance, be drawn up in communication with the party or parties depositing or administering the funds, and must be submitted for the technical sanction of such departmental authority as the extent of the estimate would require in the case of technical sanction to an ordinary public work. percentage as are prescribed in Appendix V or his Handbook.

II—Provision must be made to cover the cost of establishment, tools and plant, accounts and audit and pensionary charges at such

III—Prior to the work being put in hand, a written approval to the estimate and design must be obtained from the authority depositing or administering the funds and an acknowledgment procured to the effect that in undertaking the work the department does not bind itself to complete the work within the amount of the estimate, and that the authority depositing or administering the funds agrees to finance any excess that may occur. Any material alteration in the design must be similarly dealt with.

Works

IV—The necessary funds for the prosecution of the work must be realized and paid into the Government treasury either in a lump sum or in such instalments and by such dates as the Provincial Government may decide in each case. No advance of government money for such purpose will be permitted and in a case where the money is paid by instalments. Government will not be responsible for any increase in cost, or damage to the uncompleted work, caused percentages as are prescribed in Appendix V or his Hand-book.

APPENDIX 1B

by a temporary stoppage of the work pending receipt of further instalments.

V—It will be the duty of the officer in charge of the work to bring at once to the notice of his superiors and of the local body or individuals any anticipated excess over the estimate, as well as to provide the fullest information in connexion with the progress of expenditure, so that no responsibility may attach to Government in the event of the work having to be stopped for want of funds.

VI—In undertaking such works it should be arranged that the extent to which Government is responsible in regard to the execution of the work is thoroughly understood both by the parties for whom the work is to be constructed and by the executive officers to whom its construction is to be entrusted.

VII—In works of great magnitude the contract deeds should be specially prepared by the Crown law officers, but for ordinary contracts, including all such as are based on tenders which a superintending engineer or other subordinate authority is competent to accept, such ordinary forms as may have been approved by the Government will generally suffice.

P.W.D.C.
284.

3. It must be distinctly understood that contributions on account of one work can, in no circumstances, be utilized for meeting outlay on account of another work the contributions for which may be in arrears.

C—Agency Works

4. The general rules contained in paragraphs 52 and 77 of the Central P. W. Code which govern the accord of approval and sanction to contract works are applicable also, *mutatis mutandis* when a work is executed by the Public Works Department of the Provincial Government on behalf of the Central Government, and the officers employed on such works will exercise in respect of them the same powers of technical sanction as they exercise in respect of provincial works.

D—Consultation with the Consulting Engineer to the Central Government

5. It is open to the Provincial Government to seek the advice and assistance of the Consulting Engineer to the Central Government in regard to projects wholly within their own powers of sanction. Such consultations may be held informally between the Provincial Government (or their responsible officers) and the Consulting Engineer.

E—Employment of Military Labour

P.W.A.C.
382.

6. When military labour is employed on the execution of a work, the officer commanding the unit can obtain from the Controller of Military Accounts concerned, a lump sum advance to meet heavy initial expenditure up to Rs.10,000 but not exceeding one quarter of the approximate total amount payable on the contract, as certified by the employing authority. The debit on account of the advance made will be received from the Controller through the exchange account, and the responsibility for the final adjustment of the advance by recovery from the value of the work done rests with the employing authority.

APPENDIX II

APPENDIX II

(See Chapter V, paragraph 97)

Rules regulating personal matters affecting Divisional Accountants

1. Accountants attached to divisional offices are members of the establishment of divisional accountants for the province. This establishment is under the control of the Principal Auditor and the sanctioned cadre provides usually for a trained accountant for each division or other independent executive charge, for certain appointments in the Audit office, and for the usual reserves for leave and training purposes. See also paragraph 97.

2. The establishment of divisional accountants is recruited by the Principal Auditor by selection from the following sources:

(1) Clerks employed in divisional and sub-divisional offices of the Public Works Department, who are recommended by the authorities of that department as suitable candidates.

(2) Clerks employed in the Principal Auditor's office.

(3) Graduates of Indian Universities and other persons who, on account of superior and special qualifications, may be considered suitable for direct appointment.

The examinations if any which these various classes have to pass are prescribed in appendix 3. Clerks in classes (1) and (2) have to pass the prescribed examination prior to selection. After selection they are permitted to retain lien on their substantive appointments until they are confirmed on the permanent establishment of divisional accountants. See also paragraph 11 of this appendix.

3. Recruitment from sources (1) and (2) is subject to the condition that the age of the clerk selected does not exceed 30 years at the time of his first appointment otherwise than in a leave vacancy, but the Principal Auditor may relax this rule in exceptional cases.

4. Direct appointment from source (3) shall, as a general rule, be limited to one-third of the vacancies in the permanent establishment of divisional accountants, the distribution of the remaining vacancies between the other two sources being made at the discretion of the Principal Auditor.

5. All appointments are made on the express condition that divisional accountants are liable for service anywhere within the jurisdiction of the Principal Auditor, including his office.

6. Every person appointed to the establishment of divisional accountants will be on probation. In the case of a person directly appointed from source (3), his position on appointment will be at the bottom of the list of permanent divisional accountants, and in the case of a person recruited from either of the other two sources, his position will if there are any temporary posts in the sanctioned cadre, be that of the most junior man in the temporary establishment.

APPENDIX II

7. A divisional accountant on probation may be confirmed in the permanent or the temporary establishment, as the case may be, when all the conditions specified below are fulfilled:

(a) That he has at his credit—

(i) eighteen months' experience in the accounts work of divisional or sub-divisional offices;

(ii) six months' experience in the Works Audit Department of the Principal Auditor's office;

(iii) twelve months' continuous service on probation as divisional accountant.

NOTE—The Principal Auditor may, for special reasons, relax any of these conditions.

(b) That he has passed the divisional test prescribed in paragraph 9.

(c) That the Principal Auditor is satisfied that the probationer is competent to hold independent charge of the accounts of a division, and considers him (from reports received from the executive officers) fit to hold the position of the senior member of the office establishment of a divisional office.

The period of probation should ordinarily not extend beyond two years in the case of recruits from sources (1) and (2) and beyond three years in the case of those from source (3). Failure to fulfil conditions (b) and (c) within this period, will entail removal from the establishment of divisional accountants; but the Principal Auditor may, at his discretion, extend the period by not more than one year.

NOTE—If under note 1 to rule 9 below the Principal Auditor should, in any year, decide to hold one divisional test examination only instead of two, the period of probation may be correspondingly extended so as to ensure that the persons affected shall have the same number of chances to appear at the examination as they would otherwise have had.

8. Every divisional accountant on probation should, in spite of his previous experience (if any) as an accounts clerk, be given a regular course of practical training, for such period as may be considered necessary in each case. During this period he should be attached as an additional accountant to one or more divisional offices and to the Works Audit Department of the Principal Auditor's office and, except with the sanction of the Principal Auditor, his whole time should be occupied in learning the processes of compilation and audit of divisional and sub-divisional accounts and the rules and orders bearing on the subject. Whilst under training he should be required to keep a diary of the work done and of the progress made by him and to submit it monthly for the information of the Deputy Accountant General who will be generally responsible for the proper training of probationers.

1. The conditions of this rule may also be relaxed in the following cases:

(a) if the sanctioned cadre of divisional accountants includes no provision for a training reserve, or

(b) if, at any time, the number of probationary accountants still under training exceeds the provision in that cadre for the training reserve.

9. A departmental examination in divisional accounts should be held twice a year by the Principal Auditor. This examination should be in

two parts: written and *viva voce*. The former should be a severe practical test of the candidate's knowledge of the rules and processes connected with (1) the preparation and examination of initial accounts, stock and tools and plant returns, contractors' bills and other bills and vouchers and (2) the classification and compilation of divisional accounts. The *viva voce* part of the examination is intended to show whether the probationer can promptly give appropriate advice to the executive officers of the Public Works Department when consulted by the latter in matters concerning the accounts and the financial arrangements of divisional and sub-divisional offices. The examination should be conducted under the supervision of a divisional officer or of a gazetted officer of the Audit office. The candidate should not be allowed access to any books; and to pass the examination he must obtain not less than 66 per cent. marks in either part.

NOTE 1.—The Principal Auditor shall have discretion to hold only one examination in each year instead of two when he considers that the second examination will merely have the effect of swelling to an undue extent the number of accounts clerks qualified for posts as divisional accountants under Rule 7 above, but not promoted owing to lack of vacancies.

NOTE 2.—In order to fix a common standard the candidate's answers to the *viva voce* paper should be taken down by the officer conducting the examination and the answer papers are of all candidates of both the parts of the examination should be marked by one and the same officer of the audit department.

10. Besides divisional accountants on probation, men of the following classes who have passed the public admission examination prescribed in Appendix 3 may also be permitted by the Principal Auditor to sit for the departmental examination referred to in paragraph 9 above:

(i) officiating divisional accountants;

(ii) clerks, serving either in the Audit office or in divisional or sub-divisional offices, who have been employed for at least two years on accounts duties in divisional and sub-divisional offices;

(iii) other clerks of the Principal Auditor's office who have been employed for at least two years on audit and accounts duties in the Works Audit Department and whose qualifications are so superior that the required experience of divisional and sub-divisional accounts may, in the opinion of the Principal Auditor be dispensed with. This permission should, however, be granted sparingly and with discretion.

NOTE 1.—Individuals will not ordinarily be permitted to appear more than three times for the divisional test examination under this rule, but the Principal Auditor may, in special circumstances, allow two additional chances to individuals whom he considers deserving of the concession. The loss of a chance under this rule owing to failure to pass the examination will entail a corresponding reduction in the number of chances allowed under rule 7 if and when the individual concerned should eventually be selected for the post of probationary divisional accountant under Rule 2.

NOTE 2.—An officiating divisional accountant or a clerk should not be permitted to appear at the divisional test examination under this rule unless he is certified by his superior officer being either a Public Works officer not lower in rank than a divisional officer or a gazetted officer under whom he is at the time serving, to be regular in his attendance, energetic, of good moral character and businesslike, to give indication of possessing aptitude for the work of a divisional accountant and to have a reasonable prospect of passing the examination.

11. The passing of the divisional test does not entitle the candidate to claim an appointment to the cadre of divisional accountants.

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NOTE 1.—The Principal Auditor shall have discretion to hold only one examination in each year instead of two when he considers that the second examination will merely have the effect of swelling to an undue extent the number of accounts clerks qualified for posts as divisional accountants under Rule 7 above, but not promoted owing to lack of vacancies.

NOTE 2.—In order to fix a common standard the candidate's answers to the *viva voce* paper should be taken down by the officer conducting the examination and the answer papers are of all candidates of both the parts of the examination should be marked by one and the same officer of the audit department.

10. Besides divisional accountants on probation, men of the following classes who have passed the public admission examination prescribed in Appendix 3 may also be permitted by the Principal Auditor to sit for the departmental examination referred to in paragraph 9 above:

- (i) officiating divisional accountants;
- (ii) clerks, serving either in the Audit office or in divisional or sub-divisional offices, who have been employed for at least two years on accounts duties in divisional and sub-divisional offices;
- (iii) other clerks of the Principal Auditor's office who have been employed for at least two years on audit and accounts duties in the Works Audit Department and whose qualifications are so superior that the required experience of divisional and sub-divisional accounts may, in the opinion of the Principal Auditor be dispensed with. This permission should, however, be granted sparingly and with discretion.

NOTE 1.—Individuals will not ordinarily be permitted to appear more than three times for the divisional test examination under this rule, but the Principal Auditor may, in special circumstances, allow two additional chances to individuals whom he considers deserving of the concession. The loss of a chance under this rule owing to failure to pass the examination will entail a corresponding reduction in the number of chances allowed under rule 7 if and when the individual concerned should eventually be selected for the post of probationary divisional accountant under Rule 2.

NOTE 2.—An officiating divisional accountant or a clerk should not be permitted to appear at the divisional test examination under this rule unless he is certified by his superior officer being either a Public Works officer not lower in rank than a divisional officer or a gazetted officer under whom he is at the time serving, to be regular in his attendance, energetic, of good moral character and business habits to give indication of possessing aptitude for the work of a divisional accountant and to have a reasonable prospect of passing the examination.

11. The passing of the divisional test does not entitle the candidate to claim an appointment to the cadre of divisional accountants. In the

case of clerks of divisional and sub-divisional offices, however, the passing of the divisional test will be considered a special qualification. All appointments to the cadre of divisional accountants are made by selection (*vide* paragraph 2), but the relative seniority for appointment to this cadre, of clerks of divisional and sub-divisional offices who have passed the examination, should ordinarily be determined by the date of passing.

12. Divisional accountants are borne on a time-scale of pay Rs.100-10-270-30/5-300, and when placed in charge of the accounts of a divisional office, are entitled to a special pay of Rs.20 a month, which is reduced to Rs.10 on attainment of the Rs.140 stage and ceases altogether at the Rs.150 stage.

NOTE—The scale of pay in the case of divisional accountants appointed on or after July 16, 1931, is Rs.80-8-200-25/5-225 with a special pay in the case of accountants holding charge of the accounts of a divisional office of Rs.20 subject to the condition that the pay and special pay do not exceed Rs.132.

13. The grant of annual increments on the time-scale of pay rests with the Principal Auditor. It may be assumed that he has sanctioned an increment unless an order withholding the increment has been received.

14. Members of the divisional accounts' establishment are eligible for promotion to the Subordinate Accounts Service of the Audit office under the rules given in the Audit Code. To assist them in qualifying themselves for the examination for promotion prescribed therein, a limited number of them will, from time to time, be attached to the Audit office.

15. To enable the Principal Auditor to maintain the confidential register of divisional accountants in his office, each divisional officer will forward to him a confidential report in form no. 98 on the work and conduct of his divisional accountant—

- (1) on April 1, each year, and
- (2) when himself vacating the charge of the division.

A separate report should be written on each divisional accountant who has served under the divisional officer since the submission of the last report. The report should be written in the Divisional Officer's own handwriting and should be forwarded by him confidentially to the Principal Auditor by name, no copy being kept in the divisional office. Any point in which the accountant is specially good should be mentioned specifically, as also any defects of character or other shortcomings. It should be mentioned specially if the accountant is reliable in all respects, can manage the staff well and exercise healthy influence over his subordinates.

1. It is not necessary that when the divisional officer makes adverse comments on the work or conduct of a divisional accountant, he should tell him so, but it is necessary, that ordinarily, at some time or other during the period under report, the divisional accountant should have been made acquainted with the opinion of the divisional officer and told that he must endeavour to effect an improvement. Only those defects need be pointed out which can be remedied and great attention should be paid to the manner and method of communication in order to ensure that, having regard to the temperament of the accountant, the advice given and the warning administered shall be most beneficial to him. It is important that the effect of the admonition should be mentioned in the confidential report.

APPENDIX II

16. Transfers of divisional accountants from one office to another are ordered by the Principal Auditor.

1. The Principal Auditor will, as far as possible, endeavour to meet the wishes of the Superintending Engineer in regard to the removal of divisional accountants from divisions in their circles, but he is not required to obtain their concurrence to such transfers.

17. The rules regarding examination in the Vernacular, which are applicable to subordinates in the Public Works Department, will apply to divisional accountants also.

18. The following rules of the Audit Code are reproduced for the general information of divisional accountants:

68. The grant of leave to all persons on the establishment lies with the Principal Auditor. In cases of illness, medical certificates should ordinarily be accepted only from recognised medical attendants according to the leave procedure rules applicable to establishments under the control of the Government of India.

74. Government servants of and below the rank of senior accountant and divisional accountants are not at liberty to take up the audit of accounts or other similar private work otherwise than under the rules framed by the Government of India under Rule 47 of the Fundamental Rules.

Principal Auditor should act in accordance with the following principal in exercising the powers conferred by those rules :

(1) The remuneration granted for such work in the case of any official year to any particular government servant should not exceed one-third of his pay for that year;

(2) The previous sanction of the Auditor General should be obtained before any such government servant is allowed to undertake for remuneration the work of maintaining or supervising the accounts of an institution.

75. "The Government Servants' Conduct Rules" * * * are applicable to all members of the establishment. Copies of the rules should be kept available for general reference in each office.

93. Every * * * accountant should be supplied with a copy of this Code and of general books of reference, e.g., the Civil Service Regulations, the Fundamental Rules, the Account Code, the Civil Account Code, the Public Works Department Code and the Public Works Account Code (with the Book of Forms) * * *

* Books so supplied will be treated as personal copies and may be carried away by an officer on his transfer to another office. Corrections issued from time to time will be supplied by the Principal Auditor, but the officers concerned will be personally responsible for the proper maintenance of the books.

APPENDIX III

APPENDIX III

(Referred to in Appendix II)

Rules for the public examination qualifying for admission to the establishment of divisional accountants

1. No one will be eligible for admission to the establishment of divisional accountants until he passes an examination in the following subjects, held under the orders of the Auditor General:

Subjects	Full marks	Minimum pass marks
Writing (neatness, clearness and rapidity)	100	50
Dictation (spelling, punctuation, etc.)	100	50
Essay writing	100	50
Arithmetic (the whole)	240	160
Elementary Geometry	50	25
Mensuration (the whole)	60	30
Book-keeping (mercantile)	100	50

A candidate must also obtain 500 marks in the aggregate, *i.e.*, two-thirds of the total marks, in order to pass the examination.

NOTE.—This examination is conducted by a single examining body, *viz.*, the Bengal Engineering College, Sibpur.

2. The following are exceptions to this rule:

(a) Clerks who have passed the Subordinate Accounts Service examination under the (new) rules laid down in section IV of appendix 4 to the Audit Code.

(b) Persons who have passed the Higher Certificate Examination in Book-keeping and Accountancy of the London Chamber of Commerce or the Government Diploma Examination in Accountancy, with or without qualifying themselves to hold the diploma itself or the Bachelor of Commerce Examination of the Lucknow University in the first or second division with Accountancy as their special subject and hold a certificate of having passed the High School Examination of an Indian University or any other examination of a similar standard of general education are eligible for appointment as Divisional Accountants without further examination.

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(c) Persons who have passed in both the examinations named

(1) The Commercial Diploma Examination of the Board of High School and Intermediate Examinations, United Provinces, or any similar *examination held by any other Indian University which is declared by the University authorities concerned to be of the same standard.

(2) The High School Examination of the Board of High School and Intermediate Examinations United Provinces or any other University examination which is declared by the University authorities concerned to be of the same standard as the High School Examination. B. Com. Examination of the Punjab University.

in the margin, and have obtained a minimum of 50 per cent. of full marks in each of the three subjects named below and two-thirds of the aggregate mark for the three subjects, are eligible for appointment to the Divisional Accountants' Service without further examination.

*The following examinations have been declared to be of the same standard as the Commercial Diploma Examination of the Allahabad University.

The Bachelor of Commerce Examination of the Calcutta University.

The Bachelor of Commerce Examination of the Dacca University.

The Bachelor of Commerce Examination of the Bombay University.

Commercial Diploma Examination of the Punjab University.

Second year Post Matriculation clerical examination of the Education Department, Punjab, with Accountancy as the special subject.

Second year Commercial and Advanced clerical examination of the Education Department, Delhi, with Accountancy as the special subject.

The Bachelor of Commerce Examination of the Agra University.

"The Bachelor of Arts Examination with Higher Accountancy, Auditing and Mercantile Law of the Delhi University.

1. Book-keeping and Accountancy of the Commercial Diploma Examination, or examination in Book-keeping of any other Indian University which the University authorities concerned declare to be of the same standard as that of the Board of High School and Intermediate Examinations, United Provinces.

2. English—

3. Mathematics—

} of the High School or other equivalent examination.

(d) A graduate of an Indian University may be exempted by the Principal Auditor from the examination except in book-keeping if the latter is satisfied that the candidate is an accurate and quick arithmetician.

3. This examination is held during the second whole week of January, at the Bengal College of Engineering, Sibpur, and at the offices of the Accountants General, Madras, Bombay, Bihar and Orissa (Ranchi), United Provinces (Allahabad), Punjab (Lahore), Burma (Rangoon) and Central Provinces (Nagpur), the Comptroller, Assam (Shillong), and N.W. Frontier Province (Peshawar Cantonment), the Accountant General, Central Revenues, Delhi.

4. Other centres of examination may be fixed by Accountants General provided that the number of candidates is sufficiently large and suitable arrangements can be made for the conduct of the examination under the supervision of a gazetted officer.

APPENDIX III

5. Only candidates whose age does not exceed 24 years on January 1, of the year in which the examination is held are eligible, but persons holding permanent pensionable appointments in government service may be permitted to undergo the examination up to the age of 29 years.

NOTE 1.—Candidates holding permanent pensionable posts under the Kashmir and Bikaner States and whose age exceeds 24 years will be admitted to the examination on the condition that they will not be eligible for appointment as divisional accountants under Government.

NOTE 2.—An application for exemption from the prescribed age limit should be submitted by the candidate to the Auditor General through the Accountant General of this province.

6. A candidate if residing in a Governor's Province, will apply to the Accountant General of his province and, if residing elsewhere, to the Accountant General, Central Revenues, Delhi, stating the centre at which he wishes to be examined and enclosing a fee of Rs.12 and the following certificates and a registration form :

(i) Certificate of good character signed by the candidate's immediate official superior, by the instructor under whom he has been educated, or by some other superior under whom he may have been brought up or employed or to whom he may be well known. This certificate must have special reference to the two years immediately preceding the date of the application and this should be specifically mentioned in the certificate.

(ii) A duly verified statement of age, *e.g.*, a baptismal certificate, a birth certificate, an affidavit signed by the guardian or a relative of the candidate before a Magistrate, or an attested extract from the service book if the candidate is already in government employ.

The application, which should be written by the candidate in his own handwriting, and the certificates in original (which will not be returned) should be submitted so as to reach the office of the Accountant General (or the Accountant General, Central Revenues) not later than November 15, preceding the date fixed for the examination.

A certificate to the effect that the application is in the handwriting of the candidate should be endorsed on the application by the person in whose presence the candidate's thumb-impression is taken in connexion with item (9) of the registration form referred to in rule 7.

A graduate candidate for examination in Book-keeping only under paragraph 2 (d) above will also be required to pay the full fee of Rs. 12.

NOTE 1.—Candidates residing in the Kashmir and Bikaner States should apply to the Accountant General of their respective States, who will forward direct to the Principal, Bengal Engineering College, Sibpur, the statement mentioned in Rule 9 below.

NOTE 2.—The Accountant General, Posts and Telegraphs, exercises the same powers as Civil Accountants General do, in respect of candidates appearing from the Posts and Telegraphs Department. These should submit their applications through the Accountant General, Posts and Telegraphs.

APPENDIX III

7. The Registration Form should set forth the following particulars:

- (1) Name of candidate (in full) including Christian or personal names (to be written in capitals).
- (2) Father's name (in full).
- (3) Nationality or class (European, Anglo-Indian or Indian).
- (4) (For Indian candidates only) caste or tribe.
- (5) Date of birth.
- (6) Examinations passed, with dates.
- (7) Signature of candidate.
- (8) Present address to which all communications will be forwarded.
- (9) Thumb-mark of candidate's left hand, to be made in the presence of a well-known responsible person who knows the candidate.

NOTE—A candidate already in government service should in like manner, submit his application through his immediate official superior with a certificate that he is holding a permanent pensionable post, if his age exceeds 24 years.

8. Applications which do not satisfy the requirements of the foregoing rules should be rejected without entering into further correspondence with the candidates. Other applications will be considered on their merits by the Accountant General whose decision as to whether or not the candidate should be allowed to appear for the examination will be final.

9. By December 1, preceding the date fixed for the examination, the Accountant General should forward to the Principal of the Bengal Engineering College, Sibpur, for registration a statement showing in respect of accepted candidates only, their names, dates of birth, addresses and the centres where they are to be examined. This statement should be supported by the accepted candidates registration forms duly signed by the Accountant General in token of acceptance, which should be carefully preserved by the Principal.

10. Simultaneously each candidate should be informed whether or not his application has been accepted.

11. The fees of rejected candidates should be returned to them by postal money order at their cost, and those of accepted candidates should be remitted in consolidated sums to the Accountant General, Bengal, by means of Remittance Transfer Receipts together with a covering letter containing the names of the candidates.

1. If there is only one accepted candidate and the amount to be remitted is thus less than the minimum amount for which a Remittance Transfer Receipt can be issued the amount may be remitted to the Accountant General, Bengal, by money order, at Government expense.

12. As each examination is complete in itself, a candidate who has failed in an examination and presents himself for an examination on a subsequent occasion, must undergo the full examination and furnish a fresh fee with fresh certificates and registration form. If from any cause the candidate fails to appear for the examination the fee paid will not

APPENDIX III

be refunded, nor will it be placed to his credit for any subsequent examination.

13. Examination papers for registered candidates only will be sent by the Principal to the officers conducting the examination in time for the fixed dates.

14. The examination will be held at all the centres simultaneously under the supervision of gazetted officers on the dates and at the hours fixed by the Principal, which should be communicated by the Principal direct to the registered address of each accepted candidate by registered post.

15. The result of the examination will be declared by the Principal within three months after the examination and communicated direct to each examinee, showing only the marks gained by him in each subject and the order of standing in the case of successful candidates. A few printed copies of the complete results of successful candidates only, showing (1) order of merit, (2) name (in full), (3) father's name, (4) date of birth, (5) examinations passed, (6) marks gained in each subject and in the aggregate, and (7) address, should be forwarded to each Accountant General to enable him to maintain lists of passed candidates.

16. It must be distinctly understood that the passing of this examination does not give any claim to appointment as a divisional accountant, and that applications for appointment should not be addressed to the Principal. The passing of this examination is a necessary qualification, but the establishment of divisional accountants is mainly recruited by selection from amongst qualified clerks actually employed on accounts duties in the divisional and sub-divisional offices of the Public Works Department or in civil audit offices. A small number of graduates of Indian universities and other persons of superior and special qualifications who may have passed this public examination, may however be appointed direct by the Accountant General, *vide* paragraph 4 of appendix 2.

17. These rules may at any time be amended or revised by the Auditor General who reserves to himself the power to grant exemptions from this public examination in very special cases. No general revision of the rules affecting the subjects of the examination or the necessary qualifications of candidates will be enforced until three years have elapsed since the date of such revision.

NOTE 1.—Application for these rules should be made to the Accountant General of the Presidency or Province in which the candidate lives.

NOTE 2.—The question papers of previous years may be obtained from the Officer-in-charge of the Book Depot, Writer's Buildings, Calcutta, on pre-payment of the cost. For prices the application should be made to him.

NOTE 3.—All communications to the Bengal Engineering College should be addressed to the Principal, Bengal Engineering College, Botanic Garden, P. O. Howrah.

NOTE 4.—All applications in connection with exemption should be addressed to the Accountant General concerned and not to the Principal, Bengal Engineering College.

NOTE 5.—The Principal, Bengal Engineering College, cannot correspond with candidates who are dissatisfied with the marks awarded to them. Letters received by him on this subject will not be replied to.

APPENDIX V

(See Chapter VIII, paragraph 252)

Rules for the Distribution of Establishment and Tools and Plant Charges

1. The accounts of Establishment and Tools and Plant charges are kept on the following principles :

(i) The charges of a division or special office are, as a rule, met out of a single major head in the first instance.

(ii) Before closing the accounts of the year, the Principal Auditor apportiones the charges of the whole province amongst the major heads to which the cost of the works was charged.

(iii) In certain cases where this annual adjustment is unsuitable, recovery of cost is effected in the accounts of the divisions concerned, from time to time, by the levy of a percentage charge.

(iv) Otherwise, the shares pertaining to individual works are not determined except for the purposes of certain *pro forma* accounts.

2. The establishment charges of a division or of a special office should, in the first instance, be classified under the minor head "Establishment" of the major head under which the division or office is classified for this purpose. The same major head should bear, in the first place, the charges for the ordinary tools and plant of the division, under the minor head "Tools and Plant."

1. For the classification of the charges for (1) the special tools and plant of a division, and (2) the tools and plant of a special office, see paragraph 4 of this Appendix and paragraph 718 respectively.

3. As an exception to the foregoing rule, the under-mentioned special establishments should be charged as indicated below :

(i) Purely revenue establishment (Deputy Revenue Officers, Ziladars, Amins, etc.) employed entirely on the management of irrigation, navigation, or drainage, and assessment, etc. of connected revenue: To the sub-division "Working Expenses" of the major head, "XVII—Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept" or to the major head "18—Other Revenue Expenditure financed from Ordinary Revenues," as the case may be.

1. If in any division of a circle of superintendence, the charges of this special establishment cannot be accurately allocated to either of these two heads, the entire revenue establishment of the circle should be treated as "Joint revenue establishment—XVII and 18" though it will be charged, in the first instance, in accordance with the general rule in paragraph 2.

(ii) Establishment employed on large irrigation surveys for new projects: To the surveys concerned under the head "18—Other Revenue Expenditure financed from Ordinary Revenues—Miscellaneous Expenditure."

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निर्देश (सूची के अन्तर्गत) के अन्तर्गत
 संमान (25 ति वर्ष की अवधि का
 15% की दर से वार्षिक रूप में) **APPENDIX V**
ANNEXURE

1. The percentage charges at the rates given in the table below shall be levied on all works undertaken by the Buildings and Roads and Irrigation Branches of the Public Works Department, on behalf of other departments, local and private bodies, and private persons in this Province with effect from January 1, 1939. They do not apply to works undertaken on behalf of other Provincial Governments.

Classes of work	Charges to be allocated as below	Works costing up to Rs.20,000 or in the case of maintenance Rs.20,000 expenditure per year	Works costing over Rs. 20,000 and up to Rs. 1,00,000	Works costing over Rs. 1,00,000
		Per cent.	Per cent.	Per cent.
1. Road, bund and drain construction, reconstruction or maintenance (excluding bridge construction and including the maintenance or repairs of bridges).	Establishment ..	11	10	9
	Audit and Accounts	1	1	1
	Total ..	12	11	10
2. Bridge construction or any other work not coming under 1 above or 3 and 4 below.	Establishment ..	12	11	10
	Audit and Accounts	1	1	1
	Total ..	13	12	11
3. Building construction and maintenance.	Establishment ..	13	12	11
	Audit and Accounts	1	1	1
	Total ..	14	13	12
4. Works of a special nature.	Establishment ..	14	13	12
	Audit and Accounts	1	1	1
	Total ..	15	14	13

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APPENDIX V

(a) The charges levied for a work costing more than Rs. 20,000 Rs.1,00,000 shall not be less than those leviable for a work of similar nature costing exactly Rs.20,000 Rs.1,00,000.

(b) The Chief Engineer's decision as regards the classification of a work shall be final.

2. The total fee to be charged, i.e. from 10 per cent. to 15 per cent. by the Government for services rendered shall, where necessary, be further sub-divided as follows :—

Total fee	10	11	12	13	14	15
	Per cent. Per cent Per cent. Per cent. Per cent. Per cent.					
Preliminary plans and approximate estimates (chargeable to establishment only).	3/4	3/4	1	1	1 1/2	1 1/2
Complete plans and detailed estimates (including charge for preliminary estimates) (chargeable to establishment only).	2	2	3	3	4	4
Execution of works including Audit.	8	9	9	10	10	11

NOTE 1.—The above rates shall apply also to works carried out by the Buildings and Roads Branch on behalf of the Irrigation Branch and *vice versa*. But if the percentage charges amount to less than Rs.100 on any individual work undertaken by the Irrigation Branch on behalf of the Buildings and Roads Branch, or by the Buildings and Roads Branch on behalf of any other Government department including the Irrigation Branch, the charges in such cases will be waived.

NOTE 2.—The above rates shall also apply with effect from July 2, 1940, in the case of works done by the Tarai and Bhabar Government estates on behalf of other departments of Government, local and private bodies and private persons in the Province vide Revenue Department G. O. no. 2281—1939, dated July 2, 1940.

3. (a) In respect of Central works, viz., Central Civil Archaeological, Military and Posts and Telegraph works executed by this Government on behalf of the Central Government and *vice versa* the departmental charges at the rates given in paragraphs 1 and 2 above, shall be levied with effect from April 1, 1940, subject to the following conditions :

(i) that Central Civil and Archaeological works shall, as hitherto, not be subject to the levy of a charge of one per cent. for audit and accounts; and

(ii) that the new rates shall be subject to the periodical review by the Provincial Government.

(b) In respect of railway works executed through the agency of the United Provinces Government and *vice versa* the departmental charges at a uniform rate of 12½ per cent. shall be levied with effect from February 27, 1941. The rate of 12½ per cent. shall be distributed as :

1 per cent. for audit and accounts charges.
11½ per cent. for establishment charges.

NOTE—The rate given above will not apply to those works for which a different rate was decided on prior to February 27, 1941.

4. In respect of municipal, sanitary or health works executed by the Public Health Engineering department the percentage charges given below will be levied :

Serial number	Name of work	Percentage for Establishment	Percentage for Tools and Plant	Percentage for Accounts and Audit	Total Percentage charges	Date of effect	Authority	Remarks
1	2	3	4	5	6	7	8	9
1	Municipal, Sanitary or Health works—							
	(a) Drainage works up to Rs.50,000.	13½	1½	1	16	29th January, 1926.	1. Government Municipal Department notification no. 313/XI-747F, dated the 29th January, 1926.	NOTE—These charges will not be leviable on works done for the Buildings and Roads Branch of the Public Works Department. *The percentage charges do not include the fees of Electrical Inspector to Government under the Indian Electricity Act, 1910. Under this Act it is obligatory to have electric works inspected by the Electric Inspector and the fees for such inspection should be paid out of the contribution received from the Municipality.
	(b) Drainage works over Rs.50,000 but not exceeding Rs.5 lakhs.	10½	1½	1	13	Ditto	2. G. O. Finance Department no. B.-742/X-N-94-21, dated the 8th September, 1926.	
	* (c) Drainage works over Rs.5 lakhs, electric supply works, water supply works other than tube-wells; tube-wells entirely constructed by a contractor under a lump sum contract.	8½	1½	1	11	Ditto	3. G. O. Finance Department no. B.-4757/X-94, dated the 14th December, 1926.	
	(d) Other tube-wells ...	36½	12½	1	50	Ditto	4. G. O. Municipal Department no. 4486-C/XI-747E, dated the 18th October, 1928	
							5. G. O. Municipal Department no. 2980/XI-64, dated the 19th September, 1931.	
							6. G. O. Municipal Department no. 3398/XI-64, dated the 5th December, 1931.	

2 Town Planning Schemes,
Slaughter houses, mar-
kets, model lodging
houses, houses, hotels,
dispensaries, sarais
bathing ghats, latrines
and the like—

(a) up to Rs.50,000 ..

13½

1½

1

16 29th January
1926.

(b) over Rs.50,000 ..

8½

1½

11 Ditto.

Municipal Department
notification no.
1378/XI—747E, dated
the 5th May, 1931.

APPENDIX V

(iii) Establishment employed on famine relief works: To the head "54A—Famine Relief".

(iv) Establishment employed in workshops of a *quasi*-commercial character: To the workshop concerned under the major head under which its maintenance charges may be classified.

4. The cost of special tools and plant, i.e. tools, plant, machinery, etc. obtained to meet the special requirements of a particular work or project, and of a nature not usually to be found in the general stores of the province, should be treated as a direct charge to the work or project, and not classified under the minor head "Tools and Plant." Similarly, tools, plant and machinery required for a workshop of a *quasi*-commercial character should be charged direct to the accounts of it.

1. In cases of doubt the Chief Engineer will decide whether any item of tools and plant should be classified as ordinary or special.

2. The cost of Tools and Plant required for use on Famine Relief should be treated as "Special" and classified in accordance with rule 4 above.

5. Recovery of the cost of establishment and tools and plant should be made at percentage rates in the following cases :

(a) Work done for Public Works divisions of other provinces.

(b) Work done occasionally for Railways, Defence Deptt. Posts and Telegraphs or the Archaeological Department.

(c) Work done for all other departments, when the cost is chargeable to those departments.

(d) Work done occasionally by the Civil Works branch for the Irrigation Branch of the province, or *vice versa*, when the two branches are separate and distinct, provided that the percentage charges on any individual work amount to not less than Rs.100.

(e) Non-Government works.

(f) Sale of Government undertakings.

1. For work done in workshops see paragraph 9.

6. The percentages are fixed, separately for establishment and tools and plant charges, and readjusted, if necessary, at quinquennial intervals, by the Local Government in consultation with the Principal Auditor the rates being based on the actual average cost (per 100 rupees of outlay on works) in the province or branch concerned during the previous five years. Subject to the following maxima :

For establishment	.. .. .	21½ per cent.
For tools and plant	.. .. .	1½ per cent.

1. When some only of the operations necessary to the completion of a non-Government project are undertaken at one time, different percentages may, if desired, be adopted for each operation ; provided that, if subsequently the remaining operations are undertaken, the aggregate recovery is equal to the full charge leviable under this paragraph.

2. Similarly, different rates of charge may, if desired, be prescribed for large and small works, or for scattered and concentrated works, respectively, the different rates being so fixed as to give approximately the same aggregate return to Government as if one rate only, as determined under this paragraph, were being charged.

APPENDIX V

3. As a permanent arrangement the Central Government have agreed to a rate of 21 per cent., viz. 19½ per cent. for establishment charges and 1½ per cent. for tools and plant charges for centage charges in respect of central works executed through the agency of the United Provinces Public Works Department, viz. Central Civil, Archaeological, Defence and Post and Telegraph works. This will be in addition to (1) a charge of 1 per cent. to cover the cost of audit and accounts establishments which will be levied on works done for Defence Department and Posts and Telegraphs in terms of rule 11, note 1, and rule 19 below and (2) pensionary charges under rule 18 below.

7. As an exception to paragraph 6, the establishment charge on new supplies and repairs of barrack furniture of the Defence Department is fixed at 10 per cent. on the outlay.

8. The prescribed percentage can be remitted, with the sanction of Government in the Finance Department, in the case of works for non-Government bodies or institutions. Relief in respect of payment should ordinarily be given through a grant-in-aid rather than by remission of dues. In special cases Government may allow relief through remission of dues.

9. For work done in workshops, which are of a *quasi*-commercial character, percentage charges are leviable in all cases, i.e., even when work is done for Public Works divisions of the province. The rates are fixed by the Local Government, *see* paragraph 608 of this Volume.

10. The percentages referred to in paragraphs 6 and 7 are leviable on the actual outlay booked in the accounts, i.e. on the net outlay in case there are any refunds or writes-back. No item of expenditure should be excluded from the levy on the plea that it involved little or no departmental supervision etc. but the prescribed percentage charges for tools and plant should not be levied in the case of non-Government works on which tools and plant of the Department are not used.

1. Under this rule, even the cost of land acquired through the Civil Department is not exempt when it is adjusted in the divisional accounts as part of the cost of a non-Government work : if the estimate for the work does not include the cost of the acquisition of the land and this cost is not passed through the Public Works accounts, no percentage charge is leviable on account of it.

11. Recoveries made in accordance with the rules in paragraphs 5 to 10 should be classified as indicated in rule 5 of statement E of Appendix I, the adjustments being made in the accounts of the Divisional Officer, whenever the cost of work done is adjusted by charge to the deposit, remittance or other account concerned.

1. An additional charge of 1 per cent. should be recovered in respect of works of the classes referred to in item (b) excluding the works of the Archaeological Department and in item (e) and (f) of paragraph 5, to cover the cost of audit and accounts establishment and credited respectively to the heads "26—Audit and XLVI Misc.—Fees for Government Audit."

2. In the case of work done in workshops of a *quasi*-commercial character, the percentage charges referred to in paragraph 9 may be so regulated as to include this 1 per cent. even in the case of jobs executed for other divisions or departments, both of the same province and of other provinces, but such recoveries should not be credited to "26—Audit" or XLVI Misc.—Fees for Government Audit except in the cases referred to in Rule 1 above.

NOTE—An annexure appended to these rules gives the different percentages for establishment, tools and plant and accounts and audit, which the Local Government have prescribed to be levied on certain works.

APPENDIX V

12. Recoveries on account of services rendered by Special Officers other than Chief and Superintending Engineers, do not appear in the accounts of the Divisional Officer in cases in which there is no works expenditure, e.g. fees for advisory work. Such fees should be paid direct into the treasury to be credited to the head of account which bears the cost of the establishment of the Special Officer concerned, when the fees have been recovered from outside bodies or departments of the same Government and to the corresponding receipt or capital head of expenditure in other cases, *vide* Statement E of Appendix I.

13. In the case of large surveys for new projects of Irrigation, Navigation, Embankment and Drainage works, for which special establishment is entertained, an addition of 5 per cent. to the cost of this establishment should be made in the Audit office to cover the supervision charges thereon.

1. This rule applies also to workshops of a *quasi*-commercial character and to famine relief works, but the rate of charge may be even less than 5 per cent. if so fixed by the Local Government on a consideration of the special features of each case.

14. Thus, when the accounts of the year are about to be closed, the charges detailed below will represent the residual charges to be apportioned to the several classes of works executed in the year, other than those for which either percentage charges were levied under paragraphs 5 to 9 and 13 or special establishment was employed (paragraph 3). This apportionment will then be made in the Audit office as indicated in paragraphs 15 to 17.

(i) Net charges booked under the minor head "Establishment,"

(ii) Net charges booked under the head "Tools and Plant,"

(iii) Minus the recoveries (on account of establishment and tools and plant charges), referred to in paragraph 10, whether credited to "recoveries of expenditure" or "receipts and recoveries on capital account."

under several major heads.

1. The rules of appointment apply also to work done for Railways, Defence Department, Posts and Telegraphs and the Archaeological Department, when work of these departments is carried on in any circle of superintendence as a standing Arrangement. For work done occasionally for these department see paragraph 5.

15. (a) The establishment charges to be distributed *pro rata* will be :

The sum of residual establishment charges (*vide* paragraph 14) in each circle of superintendence, *plus*—

(1) A share of the Chief Engineer's establishment equally distributed over all the circles; but if the Civil Works branch is entirely separate from the Irrigation branch and has a separate Chief Engineer of its own, the cost of his establishment should be distributed over the circles of the Civil Works branch only, and that of the establishment of the Irrigation Chief Engineer or Chief Engineers over the circles of the Irrigation branch only.

(2) A share of the establishment of Consulting Architects and other Special Officers whose jurisdiction extends beyond a

APPENDIX V

single circle of superintendence, equally distributed over all the circles; but if the Civil Works branch is entirely separate from the Irrigation branch, even though under the orders of a joint Chief Engineer, this establishment should be distributed over the circles of the Civil Works branch only. (See also paragraph 12)

(3) A share of the leave salaries paid in England (as booked under the detailed head "Establishment" of the minor head subordinate to the several major heads) distributed over all circles in the manner indicated in (1) above.

Minus—The special charges for establishments adjusted separately under paragraph 3 in each circle.

(b) The tools and plant charges to be distributed *pro rata* will be the sum of the residual charges (*vide* paragraph 14) in each circle excluding the charges booked under the major head "43A—Famine Relief."

16. The *pro rata* distribution of the establishment or tools and plant charges, determined under the rules in paragraph 15, should be made thus—

I. *For purely Irrigation or mixed Irrigation and Civil Works circles of superintendence*

(a) The divisible establishment or tools and plant charges of each circle should be divided among the several major heads operated on (paragraph 14) in proportion to the works expenditure under each head.

(b) No items of works expenditure recorded finally under the major head concerned should be excluded.

(c) But, in order to allow for the cost of supervising the work of the purely revenue establishment mentioned in paragraph 3, the works expenditure under the major heads "XVII" and "18" should, for the purpose of *pro rata* distribution of establishment charges, be doubled, and the extra establishment charges to these heads on this account should be debited as Revenue establishment charges under "XVII" and "18". This procedure assumes that the work of the executive branch is equally divided between maintenance and revenue.

II. *For circles of superintendence in which the only work executed falls under the Civil Works branch of the Department*

(a) The divisible establishment or tools and plant charges in all the circles combined should be distributed *pro rata* over the various major heads concerned (paragraph 14) on the basis of the works expenditure in all the circles combined.

(b) No items of works expenditure recorded finally under the major head concerned should be excluded.

NOTE—The debit to "41—Civil Works" under this rule should be again distributed *pro rata* between "50—Civil Works—Provincial" and "50—Civil Works—Central."

III. (a) If a purely Irrigation or mixed Irrigation and Civil Works circle of superintendence consists of divisions with largely varying conditions of work and the Local Government are satisfied that the adoption of the circle as the unit of distribution, will in a series of years, result

APPENDIX V

ultimately in a disproportionate charge to the administrative accounts of one or more important Irrigation, Navigation, Embankment or Drainage projects under construction in one or more divisions of the circle they may order those divisions, collectively or severally, to be treated as a separate unit or units of distributions and the remaining divisions of the circle as another unit.

(b) If this course is adopted, the annual *pro rata* distribution of the establishment and tools and plant charges relating to each unit, should be made as in clause I above, with the exception that the establishment charges to be distributed should be determined as follows :

(i) Take the total establishment charges in each unit.

(ii) Add to this a share of the establishments of the Chief Engineers and Special Officers, and of leave salaries paid in England, calculated thus—

First determine the share chargeable to the entire circle of superintendence under rule 18 (a) (1), (2) and (3). Divide this among the units making up the circle, in proportion to the works expenditure under each head, as in clause I of this paragraph.

(iii) Then deduct the special and percentage charges for establishments adjusted separately under paragraphs 3 and 5 to 12 in each unit.

(c) Orders passed by the Local Government under sub-clause (a) above, will ordinarily cease to be operative on the expiry of the third year subsequent to that in which the construction estimates of the projects whose interests it was sought to protect, were closed, unless an earlier date has been fixed by the Local Government.

17. The Joint Revenue Establishment—“XVII” and “18” (*vide* Rule 1) under paragraph (i) of a circle, or other unit of distribution, should also be distributed between the major heads “XVII” and “18” *pro rata* on the works outlay under the two heads.

18. Pensionary charges at 6.5 per cent. on the gross establishment charges pertaining to the work shall be levied on central works as mentioned in the margin on inter-departmental works and on works on behalf of local bodies, private individuals, etc. executed by both the branches of the department. Credits for amounts so recovered or adjusted shall be classified in accordance with the instructions contained in rule 5 (iv) of

(i) Works done occasionally for Railways, Defence Department, Posts and Telegraphs, and Archaeological Departments.

(ii) Works carried out as by standing arrangement for the following authorities :

(a) Central, (b) Posts and Telegraphs, (c) Archaeological and (d) Military.

Statement E of Appendix I.

19. Finally, an additional charge of 1 per cent., to cover the cost of audit and accounts establishment, should be levied on work done for Railways, Defence Department and Posts and Telegraphs, when works of these departments are entrusted to the Public Works Department, as a standing arrangement.

APPENDIX V

20. The appointment should not be carried further in the regular accounts, but in the *pro forma* (Administrative) accounts of individual productive or unproductive projects of Irrigation, Navigation, Embankment and Drainage Works, prepared annually by the Principal Auditor, suitable additions to the outlay on the projects should be made to cover the cost of establishment and ordinary tools and plant. On the basis of the figure of the establishment (or tools and plant) charges in each circle, or other unit of distribution as finally booked under the major head concerned, should be determined the percentage (to 4 places of decimals) which that figure bears to the total works outlay finally booked under that head in the unit concerned. The establishment (or tools and plant) charge on account of each project under that head should then be calculated by multiplying the works outlay on the project by this percentage.

1. In the Administrative accounts of Irrigation, Navigation, Embankment and Drainage Works, an indirect charge of 1 per cent, on account of audit and accounts establishment should be levied on the works expenditure of the year.

21. For purposes of audit, or of allotment of funds, it is not necessary to include in the estimates for individual works, any provision on account of establishment and tools and plant charges, unless percentage charges are leviable, under the rules on actual works expenditure. See also paragraph 426 of this Volume. For administrative purposes, such provision is, however, made in the project estimates for irrigation works for which Capital and Revenue Accounts are kept and of any others of which it is desirable to forecast the ultimate financial results.

APPENDIX VI

PART I

(See Chapter X, paragraph 278)

An extract from the Government of India (Governors' Allowances and Privileges) Order, 1936

INTRODUCTORY

This order may be cited as "The Government of India (Governors' Allowances and Privileges) Order, 1936".

2. * * * * *

3. In this order—

"Official residences" in relation to the Governor of a Province mean the official residence or residences specified in the First Schedule to this Order in relation to that Province and include the staff quarters and other buildings appurtenant thereto and the gardens thereof:

"Official railway saloons, river craft and air craft" in relation to the Governor of a Province mean such railway saloons, river craft and aircraft, if any, as have been provided for his use or that of his predecessors with the sanction of the Secretary of State or of the Secretary of State in Council;

"Maintenance" in relation to official residences includes the payment of local rates and taxes and the provision of electricity, gas, and water,

"Acting Governor" means a person appointed by His Majesty to act as Governor while the Governor is absent from India, or is for any reason unable to perform the duties of his office.

Allowances, Privileges, etc.

4. * * * * *

5. Each Governor throughout his term of office shall be entitled without payment of rent or hire to the use of his official residences * * * and no charge shall fall on him personally in respect of the maintenance thereof.

6. (1) There shall be paid from time to time to each Governor an allowance equal to his actual expenses in renewing the furnishings of his official residences, so, however, that total amount paid to each person holding the office of Governor of a Province shall not exceed the maximum specified in the Third Schedule to this Order in relation to that Provinces.

(2) This paragraph does not apply to acting Governors.

7. (1) In order that the Governor may be enabled to discharge conveniently and with dignity the duties of his office there shall in each year be charged on and paid out of the revenues of each Province—

(a) for the purpose specified in the Fourth Schedule to this Order such amounts, not exceeding the maximum amounts specified in

APPENDIX VI

that Schedule, as the Governor may, subject to any general or special orders of the Secretary of the State, consider to be necessary for that year ;

(b) such further amounts for the maintenance, improvement renewal or replacement of the Governor's official residences * * as the Secretary of State may by general or special order authorize : Provided that—

(i) * * * * *

(ii) the maximum amount so specified under the sub-head "maintenance and repairs of furnishings of official residences" may in any year be increased by the amount or amounts not expended in previous years, whether before or after the commencement of Part III of the Act, and by such further amount not exceeding twenty-five per cent. of the maximum amount so specified as the Secretary of State may by special direction authorize ; (See Rule 8 of Part II of the appendix).

(iii) * * * * *

(iv) * * * * *

(2) The Governor shall exercise his individual judgment as respects the matter specified in this paragraph, and he shall also exercise his individual judgment as to the amount to be included in any year in the estimates of expenditure laid before the Provincial Legislature for the purpose of giving effect to the provisions of this paragraph.

8. * * * * *

9. No customs duties shall be levied in India on the following articles if imported or purchased out of bond by Governors on appointment or during their tenure of office :

* * * * *

(c) Articles for the furnishing of any of the Governor's official residences ;

* * * * *

First Schedule

Official Residences

* * * * *

The United Provinces The Government Houses at Allahabad, Lucknow and Naini Tal.

* * * * *

Third Schedule

Maximum allowances to Governors for Renewal of Furnishings of Official Residences.

* * * * *

The United Provinces	Rs. 4,000	For each complete twelve months which have, when the Governor assume office, elapsed since his predecessor assumed office (acting Governors being disregarded).
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APPENDIX VI

Fourth Schedule

Maximum Yearly Amounts (in rupees) charged on the Revenues of the United Provinces in respect of certain matters.

*	*	*	*
2. Staff and Household :			
*	*	*	*
(e) Maintenance and repairs of furnishings of official residences	..	Rs.	14,500
*	*	*	*

PART II

(See Chapter XII, paragraph 326)

Procedure relating to the disposal of estimates and expenditure on works in connexion with the official residences of the Governor in the United Provinces.

I—GENERAL

1. Official residences in relation to the Governor of the Province mean the Government Houses at Allahabad, Lucknow and Naini Tal and include the staff quarters and other buildings appurtenant thereto and the gardens thereof.

Maintenance in relation to official residences includes the payment of local rates and taxes and the provision of electricity, gas and water. [See paragraph 3 of Order-in-Council, Part I of the appendix.]

2. The amounts for the maintenance, improvement, renewal or replacement of the Governor's official residences are charged on and paid out of the revenues of the Province. The Governor exercises his individual judgment as to the amount to be included in any year in the estimates of expenditure laid before the Provincial Legislature. [See paragraph 7 of Order-in-Council, Part I of the appendix.]

II—ESTIMATES

(A) Original Works

3. The Military Secretary to the Governor being the departmental head will call for estimates for works pertaining to the Official Residences of the Governor from (a) the Chief Engineer, Public Health Department, for water installations and sanitary fittings; (b) the Electric Inspector to Government, United Provinces, for works connected with electric installations; and (c) the divisional officer concerned for all other works. The technical approval of divisional officer to estimates up to Rs.1,000 will be sufficient. For estimates exceeding Rs.1,000 and up to Rs.25,000 the technical approval of the Superintending Engineer, Public Works Department and the Chief Engineer, Public Health Department, should be obtained. Proposals likely to cost more than Rs.25,000 and all proposals, whatever their cost, affecting a Government House should be sent to the Chief Engineer for approval at both stages (preliminary and detailed).

APPENDIX VI

4. All estimates pertaining to works and special repairs should, after approval by the authorities detailed in paragraph 3, be forwarded to the Military Secretary for his countersignature. His countersignature should be taken as equivalent to administrative approval in all cases.

5. Final technical sanction to estimates costing less than Rs.1,000 will be accorded by the divisional officer and to those costing between Rs.1,000 and Rs.25,000 will be accorded by the Superintending Engineer and above that figure by the Chief Engineer.

(B) Periodical Repairs

6. The estimates will, after countersignature by the Military Secretary, be disposed of as usual by the Superintending Engineers.

III—EXPENDITURE

7. No works or repairs of any kind are to be put in hand in anticipation of final sanction to the estimate and allotment of funds.

Exception—The Military Secretary may authorize the execution of urgent works in any of the residences up to a limit of 10 per cent. of the total annual provision for original works. On receipt of orders, the officer who is directed to carry out the work shall intimate to the Principal Auditor any liability incurred together with an explanation of the urgency.

NOTE.—In order that the 10 per cent. limit may not be exceeded, the Military Secretary will maintain a record of expenditure ordered to be incurred in the absence of usual formalities in respect of each financial year.

8. Except with the special order of the Secretary of State, which must be obtained in advance, the amount of expenditure incurred on the maintenance, improvement, renewal or replacement of the official residences of the Governor shall not in any one year exceed the amounts respectively specified in the table given below :

Provided that the Governor may, without exceeding the maximum specified in column 7 of the said table, reappropriate, whenever necessary, from or to one sub-head of the said table to or from another sub-head thereof.

Expenditure in respect of Official Residences of Governor

Improvements	Maintenance and repairs					Total
	Gardens	Electricity	Water	Taxes	Repairs	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
30,000	16,000	20,000	11,000	13,000	75,000	1,65,000

NOTE.—In those cases also where the above limit of Rs.30,000 is increased by reappropriation under the sanction of the Governor, the Administrative approval to the estimates for original works may be accorded by the Military Secretary under rule 4.

APPENDIX VI

9. If during the progress of a work any excess over (1) the estimate, or (2) the allotment for the year is anticipated by the divisional officer he should immediately inform the Chief Engineer, who will report the matter to the Military Secretary if necessary. This should preferably be done by telegram, followed by a detailed report, justifying the excess and noting any special need for proceeding with the work.

10. If on receipt of such a report, it is found that further expenditure will cause an excess over the maximum limit for any sub-head specified in the table referred to in paragraph 8 His Excellency the Governor's orders will be taken by the Military Secretary. Pending the receipt of final orders, no liability in excess of the amount of the limit should be incurred.

APPENDIX VII

APPENDIX VII

(See Chapter XII, paragraph 352)

*Rules for the Execution of Works on "Work Orders" in the
Irrigation Branch*

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

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

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

(c) When work has to be performed within 5 miles of the headquarters of a civil district where it is possible to call for tenders as laid down in paragraphs 360 to 364, Public Works Account Rules, the full instructions in those rules must be observed for all contracts exceeding Rs.1,000.

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

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

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

When, however, the urgency of a project requires the work to be commenced forthwith and before the tender and contract documents have been accepted by competent authority, the work may, for recorded reasons and under the written orders of the divisional officer, be started temporarily on a piece-work agreement prescribed for the purpose which should be immediately cancelled as soon as the proper contract bond is completed and signed. The sub-divisional officer and the divisional officer (except

in cases where the sub-divisional officer is empowered to deal with the contract finally) will be held personally responsible for getting the bonds completed and signed with the least possible delay.

General

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

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

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

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

6. Special attention is also invited to the first section of paragraph 367 and to the necessity of either enforcing penalty for failure to finish the work within the time-limit laid down in the contract or of getting proper sanction of competent authority in writing to its extension. In such cases where the sub-divisional officer accepted the contract, the power to extend the time-limit or enforce the penalty lies with him. In other cases sub-divisional officers should submit the case with their recommendations to the divisional officer for orders. The orders passed on the case, which should give the reason for the decision, should be filed with the contract documents.

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

APPENDIX VII

FORM No. 10B

Work Order No.

Sub-Division

Division

MEMORANDUM OF AGREEMENT made the _____ day of _____
between _____ son of _____ resident of _____

(Which expression where the context so admits includes his heirs, executors, administrators and permitted assigns) (hereinafter called "the contractors") of the one part AND the Governor of the United Provinces (which expression where the context so admits includes the successors and assigns) (hereinafter called "the Governor") of the other part;

WHEREBY the parties mutually agree with each other as follows :

1. In consideration of a sum to be calculated at the rates set forth in the Schedule hereto annexed which said sum the Governor hereby agrees to pay to the contractor within _____ months after the said contractor has completed the works set forth in the specification and special instructions hereto attached and to read as part of this agreement, the contractor hereby agrees that all the works shall be executed with great promptness, care and accuracy, in a workmanlike manner and shall be completed within _____ months from the date of these presents.

2. The contractor shall use materials of the best quality and shall take articles of Government stock after giving a due receipt and shall use them carefully.

3. If the Governor shall make the said contractor any payment on account during the execution of the said works he shall be entitled to deduct the same from such sum as is found to be payable to the contractor on completion of the works as aforesaid. From all bills for payment on account a deduction at the rate of 10 per cent. on their total value will be made, which deductions will be refunded to the contractor in the final payment to be made on the completion of the works as aforesaid.

4. If the _____ shall at any time during the progress of works be dissatisfied with the rate of progress or the quality of the materials that have been used or of the workmanship he the said _____ may without notice immediately determine this agreement and call in another contractor or employ daily labour to dismantle bad work if necessary and to renew and complete the said works and may pay the cost of such contractor or daily labour for such dismantling, renewing or completion out of such sums as are or would have been payable under this agreement to the contractors or the balance of that sum if payments on accounts of work done have been made to the contractor and if such cost be more than such sums or the balance of such sum the difference between it and the such sum or balance shall be a debt due from the contractor to the Governor and shall be recoverable as such.

5. If the contractor fails to complete as aforesaid the said works by the time fixed in this agreement for completion the Governor may deduct from the sum found to be payable under this agreement or the balance

APPENDIX VII

of the sum then unpaid the sum of Rs. _____ for every day that shall elapse between the day fixed for completion and the day of actual completion if action has not been taken under clause 4 hereof.

6. (1) The contractor will indemnify the Governor from all claims for injury caused to any person, whether a workman or not, while in or upon the works or the site of the same, and Governor shall not be bound to defend any claim brought under the Workmen's Compensation Act (VIII of 1923) or any of its subsequent amendments, unless the contractor makes a written request for the same and first deposits with the Governor a sum which the Governor deems sufficient to meet any liability which the Governor might incur by reason of defending any such claim.

(2) The Governor shall further be entitled to recover the amount so paid by way of compensation under the aforesaid Act or any part thereof by deducting the same from the security money deposited by the contractor or from any other sum due by him to the contractor under this agreement or on any other account whatsoever.

7. Notwithstanding anything stipulated in the aforesaid clauses, the Governor shall have power to retain any sum due to the contractor (s) and set off all claims against him (them) whether arising out of the particular contract or out of any other transaction or contract held by him (them) alone or in partnership with others.

8. Every dispute, difference or question which may at any time, during the continuance of this agreement or after its termination from any cause whatsoever, arise between the parties hereto or any person claiming under them, touching or arising out or in respect of the same, or the subject-matter thereof shall be referred to the arbitration of the Executive Engineer of the _____ and the decision of the arbitrator shall be final and binding on the parties.

IN WITNESS WHEREOF

and _____ on behalf of the _____ Governor
and acting under his authority in this behalf have signed this deed here-
under on the dates mentioned under their respective signatures.

Signature of the contractor _____

Witness _____

Witness _____

Signed by _____ on behalf of the Governor
of the United Provinces.

Witness _____

Witness _____

_____ and special instructions
referred to.

APPENDIX X

(See Chapter XIX, paragraph 646)

Account Rules relating to Watercourses..

1. As a general rule, watercourses of irrigation, etc., projects are not constructed by Government as integral parts of the projects, the liability of the state being confined to the provision of the main canal and of such branches and major and minor distributaries as may be decided upon by competent authority from time to time. Under the ordinary arrangements in force in the several provinces, persons desiring to use the water of a canal are required either to make their own arrangements for the construction of the necessary watercourses or to bear the charges that may be incurred by the department in constructing them on their behalf. This liability of the cultivators, or other persons benefiting by canal irrigation, extends also to works of improvements and repair to watercourses and to construction and repair of bridges, culverts or other works that may be required for the passage of the water of such watercourses across any public road, drainage, channel, etc. In the general interest of the cultivators, especially when a canal project, or an integral part of it, is launched in a new locality and it is desired to afford special facilities to the cultivators, with a view to the more rapid development of irrigation, it is some times decided by Government to lay out and construct, at the cost of Government in the first instance, the entire system of the main watercourses required for a project or a substantial section of it, at the outset. When this course is adopted, a scheme is simultaneously devised for effecting recovery in a number of years, of the additional burden thus thrown on the state finances. As no separate account can be kept satisfactorily of the liabilities of each individual person benefited, usually the recovery takes the form of a general enhancement of the water rates or the imposition of a special acreage rate. The amount which it is usually sought, under such a scheme, to recover in the aggregate, is the initial capital cost of the works (including such cost of maintenance during construction as may be charged to the capital account) *plus* the usual percentage charges referred to in appendix V, *plus* the interest calculated at a rate fixed by the Local Government. In some cases, where an entire system of watercourses has been constructed by Government and the particular circumstances of the tract have rendered such a course desirable, the whole or a portion of the cost of construction has been charged finally to the account of the project concerned, or the charge on account of interest waived.

2. It will thus be seen that works outlay on watercourses, which may be incurred by Public Works officers, falls under the following distinct categories :

I—Recoverable from individual cultivators concerned, in lump sums equivalent to the charges incurred on behalf of each.

II—Recoverable by a general levy, whether for a specified or indefinite period—

(a) when the actual recoveries are required to be set off against the outlay,

(b) when the actual recoveries are not to be set off against the outlay.

III—Borne finally by Government.

Works of the first class are styled "Takavi works" and the account rules relating to them are given in chapter XIX. This appendix deals only with works of the other two classes.

3. In respect of sanctions to estimates, etc., all works in connexion with watercourses are treated like other works of the irrigation, etc. project concerned, the expenditure being booked finally under the appropriate detailed head subordinate to the head "Watercourses". After a work has been constructed, the cost of maintenance and repairs as, in all cases, borne by the cultivators concerned.

4. Recoveries actually made under clause II of paragraph 2 should be shown in the accounts :

(a) as receipts on the capital account of the project, if the levy takes the form of a lump sum recovery of cost in one or more years, or

(b) as revenue receipts of the project, if the levy takes the form of an enhancement of revenue, the exact classification being determined by the form in which the recoveries are made.

5. In cases falling under clause II (a) of paragraph 2, the Principal Auditor, with a view to watch the progress of the recoveries, will maintain a suitable *pro forma* account without disturbing the booked accounts of receipts and expenditure, the form of the account being determined in consultation with the Local Government. It will ordinarily be found sufficient to keep an account merely in respect of the works outlay, the annual recoveries being distributed rateably, as between works, interest, etc. on a fixed basis determined once for all.

6. In the case of works falling under clause III of paragraph 2 above, the Local Government should decide whether the initial cost of construction should remain at debt of the capital account of the project or whether it should be repaid from revenue in suitable instalments. In the latter case, the periodical contributions from revenue should be regarded as a part of the general debt redemption provision of the province. The contributions from revenue should be treated as distinct items of expenditure for which specific provision of funds is necessary and should be brought to account under a separate minor head "Deduction on watercourses" and not under the minor head "Deduction—Receipts—Contributions from revenue to wipe off unproductive capital expenditure and recoveries on capital account".

APPENDIX XI

(See Chapter XXI, paragraph 678)

List showing names of treasuries which may draw special remittance transfer receipts on sub-treasuries of other districts with names of the latter

Name of Irrigation Division	Treasuries authorized to issue special remittance transfer receipts in full or part payment of bills	Names of sub-treasuries on which special remittance transfer receipt may be drawn
Aligarh Division, Ganges Canal	Aligarh ..	.. Jalesar (Etah).
Northern Division, Ganges Canal	Roorkee ..	.. Nagina (Bijnor).
Fatehpur Division, Lower Ganges Canal.	Cawnpore ..	.. Khaga (Fatehpur). .. Khajuha (Fatehpur). .. Manjhanpur (Allahabad).
Narora Division, Lower Ganges Canal.	Aligarh ..	.. Kasganj (Etah). .. Kaimganj (Farrukhabad).
Mainpuri Division, Lower Ganges Canal.	Mainpuri ..	.. Chhibramau (Farrukhabad).
Mat Branch Division, Ganges Canal.	Muttra ..	.. Sikandrabad (Bulandshahr).
Lower Division, Eastern Jumna Canal.	Muzaffarnagar	.. Baghpat (Meerut).
Upper Division, Agra Canal	.. Muttra ..	.. Palwal (Gurgaon, Punjab).
Jhansi Division, Betwa Canal	.. Jhansi ..	.. Rath (Hamirpur), Nowgong (C. I.)
Ken Canal Division	.. .. Banda ..	.. Mahoba (Hamirpur).
Headworks Division, Sarda Canal	Bareilly ..	.. Khatima (Naini Tal).
South Lucknow Division, Sarda Canal.	Lucknow ..	.. Haidergarh (Bara Banki). .. Sandila (Hardoi).
Shahjahanpur Division, Sarda Canal.	Shahjahanpur	.. Bisalpur (Pilibhit).
Hydro-electric Development Division (West).	Meerut ..	.. Khurja (Bulandshahr).
Fatehpur III Sub-Division, Lower Ganges Canal.	.. Fatehpur ..	.. Manjhanpur (Allahabad).
Rae Bareli Division, Sarda Canal	Rae Bareli ..	.. Haidergarh (Bara Banki).
Rae Bareli Division, Sarda Canal	Rae Bareli ..	.. Kanda (Pratapgarh).

APPENDIX XII

(See Chapter XXV, paragraphs 747 and 776)

Account Rules relating to the receipts and charges of the Public Works Department in connexion with Cemeteries and Churches.

(Deleted)