

## CHAPTER 8

### ACCOUNTS OF PUBLIC WORKS

#### SCOPE OF ACCOUNTS

##### INTRODUCTORY

8.1 The check of works accounts is conducted in three stages:

- (1) Preliminary internal check by the Divisional Accountant in the Divisional Office;
- (2) Checking of monthly accounts in Accountant General's Office; and
- (3) Checking of Divisional Reconciliation statement of expenditure and receipts with reference to Debt Head and Classified Abstracts/Summary Registers maintained in Works Accounts Wing of Accountant General (A&E) office.

8.2 Charged with the responsibility of applying certain preliminary checks to the initial accounts, vouchers, etc, the Divisional Accountant is responsible for examining the Accounts Returns of Sub Divisional Officers to see-

- (i) that they have been received in a complete state;
- (ii) that the sums receivable are duly realised and on realisation credited to the proper head of account, and also to the proper personal account (if any) of the contractor, employee or other individual;
- (iii) that the charges are covered by sanctions and allotments, and are supported by complete vouchers

setting forth the claims and the acknowledgements of the payees legally entitled to receive the sum paid;

- (iv) that all vouchers and accounts are arithmetically correct;
- (v) that they are in all respects properly prepared in accordance with rules;
- (vi) that all charges are correctly classified, those which are debitable to the personal account of a contractor, employee or other individual being recorded as such in a prescribed account; and
- (vii) that on the basis of rates sanctioned by competent authority and of facts (e.g., quantities of work done, supplies made, etc, or service rendered) certified by authorised Government servants, the claims admitted for payment are valid and in order.

Note.-It is not necessary that the Divisional Accountant should check personally the arithmetical accuracy of all vouchers and accounts, but he is responsible to ensure that a cent per cent check is exercised efficiently under his supervision.

8.3 The Divisional Accountant should exercise a similar check from day to day, upon-

- (i) the transactions recorded direct in the accounts of the Divisional Office; and
- (ii) bills and vouchers of Sub Divisions, which are submitted to the Divisional Officer for approval before payment is made by the Sub Divisional Officer; in respect of charges this examination should be conducted before the payment is made.

The cash and stock accounts of the entire division as also all transfer transactions should be scrutinised by the Divisional Accountant before they are included in the Monthly Account and connected registers and schedules.

8.4 The Divisional Accountant should see that every payment is so recorded and a receipt for it so obtained that a second claim against Government on the same account is impossible, and if it represents a refund of a sum previously received by Government, that the amount paid is correctly refundable to the payee.

8.5 It is one of the functions of the Divisional Accountant to see that expenditure, which is within the competence of the Divisional Officer to sanction or regularise, is not incurred, as a matter of course, under the orders of subordinate disbursing officers without his knowledge. All such items of expenditure should at once be brought to the notice of the Divisional Officer and his orders obtained and placed on record.

8.6 The Divisional Accountant should also bring to the Divisional Officer's notice all instances in which subordinate officers exceed the financial limitations

on their powers placed by the Divisional Officer or higher authority.

Note (a)-If the Divisional Officer is allowed a lump sum provision for expenditure on a group of works, and he has made out of it allotments for individual works, expenditure should be watched against individual allotment and excesses brought to the Divisional Officer's notice.

(b) He may further be required by the Divisional Officer to undertake on his behalf, such other scrutiny of the accounts of the receipts and disbursements of Subordinate Officers falling within the Divisional Officer's own power of sanction, as the latter may consider necessary.

8.7 If against a single sanction, two or more disbursing officers have to operate simultaneously, the Divisional Accountant should see that orders of the Divisional Officer are obtained imposing a definite limitation on the money transactions of each officer. Similarly, if disbursing officers of two or more divisions are concerned the orders of the Head of the circle or higher authority should be obtained. In such cases, it may be advisable to have separate working estimate, or other sanction, to cover the transactions of each officer and for the purpose of bringing the expenditure to account these should be treated as far as possible, as independent transactions pertaining to the same group of works or the same project. If this is not possible, special arrangement must be made for the check of the total expenditure against the sanction.

8.8 The Divisional Accountant should check works expenditure with the estimates to ensure that the charges

incurred are in pursuance of the object for which the estimate was intended to provide. In the case of works the expenditure on which is recorded by Sub-Heads (that is, items of work such as brick-works, etc.) the Divisional Accountant is responsible for checking the expenditure on each Sub-Head with the estimated quantity of work to be done, the sanctioned rate, and the total sanctioned cost so that he may bring to notice all deviations from the sanctioned estimate.

8.9 The Divisional Accountant should see that without the orders of Competent Authority the authorised gross expenditure on a work is not exceeded and that any surplus recoveries of expenditure are not utilised towards additional expenditure. He should also see that savings due to abandonment of parts of a work, as evidenced by the quantities of the work executed or otherwise, are not utilised towards an unauthorised object.

The Divisional Accountant should, at the same time watch recoveries of expenditure in order to bring to the Divisional Officer's notice, and obtain that officer's orders on all marked deviations from the provision for such credits in the estimates of works.

8.10 The Divisional Accountant's responsibility extends also to the examination of all claims included in bills, presented direct at Treasuries by the Divisional Officer. He should see that the service books and leave accounts of subordinates are maintained in accordance with rule and that the admissibility of leave applied for by subordinates is verified before the competent authority decides upon their leave applications. In all cases of doubt,

however, he should advise the Divisional Officer to consult the A.G.

Note.-(The State Government of Maharashtra have absolved the Divisional Accountant of the above responsibility.)

The Divisional Accountant must also conduct detailed check of muster rolls and petty vouchers which are not submitted to the Accountant General's office.

8.11.1 The Divisional Accountant is responsible for the arrangements for checking the computed tenders, i.e. for seeing that satisfactory and efficient arrangements are made for checking;

8.11.2 he should conduct personally a test check of the computed and checked tenders sufficient to satisfy himself reasonably that the checking work has been properly done; and

8.11.3 he should see that the comparative statement correctly incorporates the totals as checked on the individual tenders.

8.12 The Divisional Accountant is expected to see that the rules and orders in force are observed in respect of all the transactions of the division. If he considers that any transaction or order affecting receipts or expenditure is such as would be challenged by the Accountant General if the preliminary internal check entrusted to the Divisional Accountant were applied by the former, it is his duty to bring this fact to the notice of the Divisional Officer with a statement of his reasons, and to obtain the orders of that officer. It will then be his duty to comply with the orders of the Divisional Officer, but if he has been

overruled and is not satisfied with the decision, he should at the same time make a brief note of the case in the Register of Divisional Accountant's Objections (Form 23) and lay the register before the Divisional Officer, so that the latter may have an opportunity either of accepting the Divisional Accountant's advice on reconsideration and ordering action accordingly, or of recording, for the information of the Accountant General, his reasons for disregarding that advice. An objection entered in this register should not be considered as finally disposed of until it has been reviewed by the Accountant General, for whose inspection the register should be available at all times.

8.13 The results of the examination of accounts and vouchers received from Sub-Divisional Officers should be intimated to them in all cases in which it is necessary to obtain further information accounts, vouchers, certificates, etc., and they may be directed to correct the relevant records of their offices to avoid the recurrence of any irregularity. The procedure to be observed may be prescribed by the Divisional Officer. The records connected with the results of the examination should be retained so as to be available for the Accountant General's inspection.

8.14 The Divisional Accountant is further required to inspect periodically under the orders of the Divisional Officer, the accounts records of the Sub Divisional Offices to check a percentage of the initial accounts. The defects noticed should be reported to the Divisional Officer for orders, but the Divisional Accountant will be responsible, as far as possible, for explaining personally the defects of

procedure and for imparting necessary instructions thereon to the Sub Divisional Officers and their staff.

The results of these inspections should be placed on record for the inspection of the Accountant General, but serious financial irregularities should be reported at once for the information of that officer, even though set right under orders of competent authority. All defalcations or losses of public money, stores or other property, which required report to the Accountant General, under the financial rules of the Government concerned should be immediately reported to him.

8.15 The quarterly reconciliation of works expenditure/receipts will be carried with reference to the Works Accounts Summary Register maintained for each Division which in turn will be got certified from the monthly classified abstracts of expenditure/receipts maintained in Works Miscellaneous Sections.

8.16. These instructions are intended primarily for the Works Accounts Department which is responsible for the accounting of the transaction of the Public Works Department which are brought to account by Divisional Officers of the Department in accordance with the directions in the Accounts Code Volume-III and the Financial Rules of the Government concerned. Subject to such exceptions as may be authorised by the Accountant General with the prior concurrence of the Comptroller and Auditor General, the instructions in this section should be followed by other departments or sections of the Accounts Office entrusted with the accounting of Works

mentioned in Article 4 of Accounts Code Volume III.

8.17 The Works Accounts Department should be divided into sections, each headed by a Section Officer. The primary responsibility of checking and compiling the accounts of Public Works/Irrigation Divisions and other work connected therewith rests with the Clerk/Accountant/Sr. Accountant. The actual distribution of work which should be set out clearly in the office Manual, will be settled by the Accountant General (A&E) according to local requirements.

8.18 The work of accounting shall commence immediately on receipt of the Monthly Accounts and preliminary checks applied as prescribed below:

*CHECK OF MONTHLY ACCOUNTS IN ACCOUNTANT GENERAL'S OFFICE*

The work of checking of monthly account should be taken as soon as the account is received in Accountant General's office to see that-

- (i) It is complete in all respects with supporting schedules and vouchers as described in the list of accounts from C.P.W.A. 83;
- (ii) all the schedules attached with the monthly account are in proper form;
- (iii) figures of receipts and disbursement as shown in form C.P.W.A. 80 tally with the totals of the items concerned as appearing in various schedules, i.e. form C.P.W.A. 74, 76, 79, 77 etc. and also to see that these

are correctly classified in the monthly account;

- (iv) the items of receipts and disbursements are arithmetically tallied and if they do not agree the difference be taken to "Miscellaneous Public Works Advance" or "Deposit" under intimation to the Divisional Office.
- (v) the opening cash balance agrees with the closing balance of previous months and that the figure "cash balance diminished/increased" is equal to the difference between opening and closing cash balance.
- (vi) the monthly account form C.P.W.A. 80/83 is signed by the Divisional Offices.

In addition to the general checks mentioned above the following further checks should be applied to the various schedules accompanying the monthly account to see that-

Schedule of Revenue Realised C.P.W.A. 46

- (i) the amount brought forward from last month with reference to Form C.P.W.A. 46 of previous month;
- (ii) is arithmetically accurate;
- (iii) the amounts appearing under "Deduct refund" is supported by a separate schedule of refund of revenue and the amount of refund agrees in the amount mentioned in the schedules; and

- (iv) the totalling of schedules of refunds of revenue is done correctly and that the refunds are correctly classified.

#### Schedule of Deposit Works Form C.P.W.A. 65

- (i) the opening balances as shown in Part I & II are correctly entered as per closing balance of previous month's account;
- (ii) the expenditure figures and departmental charges are correct as per schedule Docket Form Central Public Works Account 61 and the Schedule docket for percentage recoveries C.P.W.A. Form 62;
- (iii) the totals of "deposits" and Expenditure charged to Miscellaneous Works Advances agree with corresponding totals in the Schedule of Deposits (Form C.P.W.A. 79) and Works Advances (Form C.P.W.A. 70);
- (iv) the report of progress of expenditure after verification by audit, is transmitted to the responsible administrator of the Work without delay.

#### Classified Abstract of Expenditure

- (i) the totals under each head of account are correct; and
- (ii) the figures are tallied with those appearing in respective schedule, i.e. Form C.P.W.A. 64,62,73, etc. as also that the expenditure has been correctly classified.

#### Schedule of Works Expenditure

- (i) the schedule is arithmetically accurate;
- (ii) the nomenclature of the works and the expenditure shown against each work during the month tallies with that shown in the schedule docket Form Central Public Works Account Code 61;
- (iii) the figures of departmental charges are shown correctly as per Form C.P.W.A.62; and
- (iv) all works relating to Central Road Fund are shown in the schedule for June, September, December and March even if no expenditure appears during the month.

#### Schedule of Takavi Works Form C.P.W.A. 66

The opening balance agree with the closing balances of the previous month's schedules, that the posting of works in the works register is done as per rules and that closing balance is correctly arrived at.

#### Schedule of Debits/Credits to Misc. Heads of Account. Form Public Works Account Code 40

- (i) the totals are correctly stuck;

Further the schedule for September, March (S) shall include all works, including those relating to which no transactions have appeared in the accounts of these months.

- (ii) the figures and classification agrees with that in schedule of works expenditure; and
- (iii) the suspense slips are prepared.

Schedule of Debits/Credits to Remittances Form C.P.W.A. 77 & 77 A

- (i) the totals and classifications are correctly made;
- (ii) items have been correctly classified as originating/responding;
- (iii) all debit entries are supported by proper vouchers, transactions on account of cost of works done by Divisional Officer for other parties are supported by detailed schedule of works expenditure in Form C.P.W.A. 64.
- (iv) reference to authority of acceptance of transfer exists; and
- (v) the Suspense Slips are prepared.

Schedule of Settlement with Treasuries Form C.P.W.A. 51

- (i) the differences as per line 1 have been correctly brought forward from previous month;
- (ii) the figure of 'differences' (Line 5) have been correctly worked out; and
- (iii) the figures in line 4 are supported by consolidated Treasury Receipts and certificates of cheques by Treasury Office.

Schedule of Cash Settlement Suspense Account

- (i) the opening balance agrees with closing balance of previous month;
- (ii) the totals and balances are struck correctly; and
- (iii) the entry of debits is agreed with the entry in the corresponding schedules (Form C.P.W.A. 73 and 64).

Stock Accounts Form C.P.W.A. 73

Check of current month's Receipts with reference to Form C.P.W.A. 72 and Schedule Docket.

8.19.1 All corrections made in the Monthly Account or in any of the schedule should be advised to the Divisional Office through special letters for correction, after verification, of the relevant records of the division.

8.19.2 The supplementary Account of the year should be dealt with in accounts, as far as possible, in the same way as the Monthly Account of one of the month of the year.

Schedule of Misc. Works Advances

Check of opening balance with closing balance of previous month.

*MISCELLANEOUS*

8.20 Whenever a Divisional Accountant is relieved of his duties in a divisional office, it should be seen that the memorandum referred to in paragraph 7.21 of the Manual of Standing Orders (Administrative) is received from the Divisional Officer.

8.21 When a minimum period for the preservation of an initial or compiled account record in a Divisional or Sub Divisional Office has not been prescribed in the rules framed by the Government concerned for the destruction of records, Divisional Officers are required to obtain the approval of the Accountant General before destroying that record. If any of the records proposed to be destroyed are connected with works or other accounts in progress or are likely to be required at a future date for audit purposes, the Divisional Officer should be advised to postpone their destructions. Such advice should be offered only with the approval of the Accountant General, and as far as possible, the periods of preservation prescribed for corresponding record of the Accountant General's office vide paragraph 12.2 of the Manual of Standing Orders (Administrative).

Note 1 : This criterion should also be applied in the scrutiny of any rules as regards destruction of records which the Government may propose to introduce.

Note 2 : Copies of Sub Divisional cash books or of other accounts records which Sub Divisional Officers submit to the divisional office should be treated as original account records, and not as copies, as the Divisional Officer's accounts rendered to the Accountant General's office are based on such copies and not on the original thereof.

### *WORKS REGISTER*

8.22 A register in Form 15-Works Register should be maintained for each divisional office in two part to serve as collective record of important sanctions.

Part I-of the register will contain sanctions to works and Part II will contain sanctions to contracts.

8.23 In Part-I-sanctions to works-only those sanctions would be registered where the cost of work is Rupees one crore and above and where more than one public works/Irrigation Divisions are engaged in the construction/execution.

8.24 In case of Irrigation etc., projects where centralised Accounting organisations has been set up and if that organisation is maintaining identical records, no register need be maintained by the R.A.O's/or by the Accountant General (A&E).

8.25 Part I, thus written up, will show month by month the progress of expenditure on each work. For watching the progress of works expenditure against the divisional allotment under each unit of appropriation for such expenditure, the total works expenditure incurred during each month as shown in the Schedule of Works Expenditure should be posted each month against the Divisional allotment under each unit of appropriation in a separate folio of the Register. If there are any other heads of accounts for which there is separate allotment in any division, one or more folios of Part I of the Register for that division should be set aside for the record of the monthly progress of expenditure on such heads. Entries on these folios should be made, in respect of both allotment and expenditure, in the same way as those relating to works, the figures of expenditure being taken from the Classified Abstract of Expenditure, Form P.W.A. 41 or other schedules pertaining to the accounts of the division. In respect of suspense heads, if the allotment is only for the net charge



under the whole minor head "Suspense" the month's expenditure to be posted in Part I will be the figure described as "Net Debit" to "Suspense" in Form P.W.A. 41. But if there is a separate allotment for each suspense head, the form of Part I will not be suitable; in this case the form may be modified suitably. The form of the Broadsheet (Form 17) may be used with advantage (a line of the form being reserved for each suspense head), provided that two columns are inserted in it. One for the net allotment, and the other for the permissible limit of the balance (i.e., the opening balance of the year plus the allotment).

In part II-sanctions to contracts-all sanctions relating to construction for works, supplies, carriages etc., as communicated by the authorities higher than the Divisional Officer in respect of sanction works registered in Part I of the Register.

8.26 The register shall be closed monthly and will continue till the work for which it is meant is reported to be completed.

8.27 The following points should receive special attention in connection with Part-I.

(1) Column 1-"Serial Number"-Entries under each detailed head of account should be numbered in a separate series. A number should be assigned to a work, and an entry should be made in respect of it, as soon as any sanction or order of allotment relating to it is received, or expenditure on it appears in the divisional accounts.

(2) Columns 3 and 4-"Sanctioned detailed estimate"-(a) Technical

sanctions to working detailed estimates should be entered in these columns. The entry of the amount of a supplementary estimate should be preceded by the letter "S" in red ink, and underneath the amount should be drawn a line and below it should be noted the total amount of the sanctioned estimates. The amount of a revised estimate should be preceded by the letter "R" which should also be in red ink. Orders of competent authorities passing excesses over technical sanctions should also be noted in these columns and the entry of the amount, preceded by the letter "E" should be put within brackets, so that it may be distinguished from entries relating to sanctioned detailed estimates.

(b) In cases in which, in accordance with any rule, the preparation of detailed estimates for annual repairs to buildings has been dispensed with by competent authority, the entries in these columns will be in respect of the standard lump sum limits of cost prescribed from time to time. Similarly if the preparation of a detailed estimate for a petty purchase or manufacture of Tools and Plant, or for the manufacture or collection of stores, is unnecessary under any rules, the amount of the expenditure authorised by competent authority should be treated as the amount of the technical sanction to a detailed estimate.

(c) If a substantial portion of a work has been abandoned the estimated cost of the abandoned portion should be deducted from the estimated cost of the whole work, and the net operative amount of the estimate worked out.

(3) Columns 5 and 6-"Allotment"-These columns are intended for a record of orders of appropriation and reappropriation. In cases in which funds

are allotted for each work, individually, the order will be noted against the work concerned; in other cases, (where all the works relating to the groups are included in the Works Audit Register) it will be noted in a suitable place assigned to the total of the group of works included in the unit for which a lump sum allotment is made. In the case of non-government works and isolated works executed on behalf of other divisions, departments and Governments, the entries in these columns will be in respect of the gross amount of deposit received, or, if there is no deposit, of any limit prescribed for expenditure to be incurred during the year; see also clause 5(a) below and paragraph 4.3.13 of M.S.O. (Audit).

(4) Column 8-"Permissible limit of expenditure to end of the year"-This column, like columns 4 and 5, should not be used in respect of works for which no individual allotment is required by rule. Nor should it be used in the case of works started during the year, as any allotment shown in column 5 will be the limit for the progressive expenditure to the end of the year.

(5) Column 10-"Full name of work"-(a) In the case of works which are assessable to percentage recoveries on account of establishment tools and plant, etc., the work should be broken up into two parts-one relating to the charges on the work proper and the other to the percentage thereon-and all entries of sanction, allotment and expenditure should also appear in two parts (vide Note 2 on Form P.W.A. 27), though only one serial number will be assigned to the work.

(b) In the case of works of manufacture, the Outturn" should also be recorded, the

entries being made in a separate line below those relating to the "Operation".

(6) Columns 11 to 24-"Expenditure"-Entries should be made in these columns only when there is any transaction during a month, and whenever an entry is made the expenditure of the month should be entered in black ink, and underneath it should be noted, in blue or green ink, the expenditure to date. The figures should be prefixed by a red ink minus sign when they represent minus expenditure. When the expenditure on a work is incurred for the first time, the progressive expenditure need not be entered. When it is entered for last time, i.e. when the work is reported as "completed" a line should be drawn through the space for the remaining month of the year and the word "completed", noted against it in the column for "Remarks".

(7) Column 26-"Remarks"-In this column should be noted any remarks or orders for which no column is specifically provided, e.g. note of the account of work having been closed (see clause 6 above), financial sanctions and administrative approval when they are communicated to Audit, notes of verification and transmission of completion reports, notes of orders relating to the clearance of expenditure on "Land, Kilns, etc." [vide Article 158 (b) of the Account Code Volume III], etc., etc.

8.28 The Accountant General will make suitable arrangements for ensuring the accuracy of the postings in the Works Register.

## *REGISTER OF LAND CHARGES*

8.29 A register in Form 16-Register of Land charges should be kept so that the Land Award Statements which are submitted to the Accountant General under the rules of Government by officers making the award under the Land Acquisition Act, may be checked. The Gazetted Officer-in-charge should review this Register once a month and enquire into the causes of delays in the disposal of the statement.

## *BROADSHEETS OF BALANCED HEADS*

8.30 As it is necessary to prove the accuracy of the monthly transactions under each Suspense and balanced head and of the balances under the head "Deposit" by a comparison of the results brought out in the Divisional schedules with the Department Consolidated Abstract or Detailed book and the Ledger, as the case be, a Broadsheet should be maintained in Form 17 which should be submitted monthly to the Gazetted Officer-in-charge after the reconciliation has been effected.

8.31 Broadsheets of transactions passed through the Remittance heads should be maintained, as described in Paragraph 4.3.17 to 4.3.21 of Chapter 3 of Section IV of M.S.O. (Audit).

## *SETTLEMENT OF REMITTANCE*

8.32 All transactions relating to services rendered or supplies made by one Division to another (whether the Divisions fall within the same Account circle or in different Account circles) including those pertaining to works done by a division on behalf of another division are settled by the divisions

amongst themselves without the intervention of the Accountant General. The Application of this procedure for adjustment of the cost of work done in a division for another division is in relaxation to the provisions of Article 182 of Account Code, Volume III. The detailed procedure is laid down in Appendix 7 of the C.P.W.A. Code (Second Edition) and the corresponding rules in the State P.W.A. Codes.

## *PUBLIC WORKS REMITTANCES*

8.33 The head "Public Work Remittances" is intended 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 (including Treasury Officers) in other circles of account in cases where the transactions originate in those circles. This head comprises the following three divisions:-

- (i) Remittances into Treasuries, i.e. cash remitted by officers of the Public Works Department to Treasuries in account with the same Accountant General.
- (ii) Public Works Cheques, i.e. cheques drawn by officers of the Public Works Department on Treasuries in account with the same Accountant General and cashed at those treasuries.
- (iii) Other Remittances, i.e. transfer transactions between officers of the Public Works Department on the one hand, and officers of Civil Departments (including the Forest Department) in account with the same Accountant General or officers (including

Treasury Officers) in other circles of account in cases where the transactions originate in those circles, on the other.

1. Remittances into, and cheques drawn on treasuries in account with another Accountant General, are treated as transactions originating in the account circle of that Accountant General.
2. Amount due from one Public Works Division to another, including the divisions of other Govts. should be settled in accordance with the procedure prescribed in Para 17.1.8 of CPWA Code. Detailed Procedure is laid down in Appx. 7 to CPWA Code.

8.34 In respect of the Divisions "I-Remittances into treasuries" (i.e. cash remitted by Divisions to Treasuries) and II-Public Works Cheques (i.e. Cheques drawn and cashed by the Divisions) of the head "Public Works Remittances" it is sufficient to see that the totals shown in the schedules are supported by the necessary details in the schedule of Monthly Settlement with Treasuries Form P.W.A. 26 relating to the treasuries within the Account circle.

8.35 On receipt of Form CP..W.A. 51 (P.W.A.26) it should be seen that the figures in line 4 of part I and part II are supported by original Consolidated Receipt/Certificate of issue of cheques signed by Treasury Officers.

8.36 The procedure for dealing with heads I-Remittances into Treasuries and II-Public Works Cheques is as follows. As the Divisional Schedule of monthly settlement with treasuries form C.P.W.A. 51 (P.W.A. 26) are checked,

Broadsheets in Form 19 and 20 should be posted from them in respect of transactions (cheques and cash remittances respectively) with treasuries in account with the Accountant General. Each Broadsheet, when completely posted, should be totalled, and its total agreed with the corresponding figures in the Ledger. At the close of the year, the outstanding differences should represent merely the amounts of cheques drawn upto 31<sup>st</sup> March remaining uncashed by that date and cash remittances in transit on that date. All other differences should form the subject of enquiry and be adjusted before the accounts of the year are closed.

1 This monthly reconciliation, so far as the Civil figures for each treasury are concerned, is made on the basis of Treasury Officer' monthly certificates received with the accounts of Public Works Officers. If the month's total thus arrived at, for "Cheques cashed at treasuries" or "Remittances, acknowledged by Treasury Officers", as the case may be, agrees with the corresponding figures in the Details Book, no reference to treasury schedules will ordinarily be necessary, but in cases of difference, a detailed comparison of the Treasury Officer' certificates with the schedules should be made and the discrepancy traced.

2 If the Schedule of Settlement with the treasuries Form P.W.A. 26 is not received with the monthly accounts, pairing of debits and credits may be done with reference to the cheque-wise and challan-wise details received alongwith the monthly accounts from P.W. Divisions and Treasury Officers, as is the case in respect of C.P.W.D. and some other States. For this purpose, a register in a suitable form may be

maintained to analyse the differences, if any and ensure the expeditious settlement of the differences.

8.37 The head "III-Other Remittances" is sub divided into-

- (a) Items adjustable by Civil Officers; and
- (b) Items adjustable by Public Works Officers.

Transactions pertaining to non-Public Works heads of account, which originate in the accounts of Divisional Officers of the Public Works Department but which cannot be adjusted by the Division through schedules of adjusting account, settlement account or miscellaneous head of account are classified under head (a) of "Other remittances", and is adjusted in the civil section of the accounts. When a transaction relating to the Public Works Department originates in the civil sections of the accounts whether on the authority of Treasury, or Other Departmental account rendered to the Accountant General or on the authority of the Settlement received by him, and it is not classifiable under one of the Public Works revenue or expenditure heads, transactions under which are permitted to be adjusted direct on the Accountant General's books, it is debited or credited as the case may be, to "Other Remittances" under Head (b). A responding debit or credit of either class if allocated under (a) or (b) according as the original transaction (credit or debit) is classified under (a) or (b).

8.38 Accountants are responsible for watching the expeditious adjustment of all items intimated to Divisional Officers for response. To enable them to discharge this responsibility the auditors

concerned should be required to keep a note of all intimations sent out to Divisional Officers. Delays in adjustment should be investigated.

8.39 All debits and credits under head "III-Other Remittances-(a) Items adjustable by Civil Officers" which appear in the accounts of Public Works Officers, should be adjusted in the Civil Section of the accounts in accordance with the procedure prescribed in Chapter V of Accounts Code for Accountants General in respect of the adjustment of non-Public Works transactions should be observed, with such local modifications as the Accountants General may deem advisable, the object being not only to keep a watch over the clearance of each item out also to test the total uncleared balances under this head month by month, and to ensure the absolute adjustment of all items within the account of each year.

8.40 All debits and credits under "III-Other Remittances-(b) Items adjustable by Public Works Officers" should for purpose of settlement be sub divided into the following three classes:-

- (i) remittances into, or cheque drawn on, treasuries in other accounting circles;
- (ii) transactions in respect of which Advices and Acceptances of transfer are exchanged direct with officers of other accounting circle; and
- (iii) miscellaneous Public Works items.

8.41 All debits and credits of class (iii), which appear in the Civil Section of the Accounts whether on the authority of

Treasury or other Departmental Accounts rendered to the Accountant General or on the authority of the Settlement Account received by him, should be collected in a register (separately for debits and credits) in Form-21, and full particulars of each transaction should be intimated, in suitable form, to the Divisional Officer concerned to enable him to respond to the transaction.

8.42 The clearance of debits and credits entered in this Register should be watched on the basis of responding credits and debits as shown under the head in the Divisional Schedule of Remittances (Form C.P.W.A. 77) attached to the Divisional Monthly Account. It is not only essential to watch the adjustment of individual items but also the total uncleared balances should be tested month by month and all transactions of a year should be settled before the accounts of the year are closed.

8.43 The financial results of Irrigation, Navigation, Embankment and Drainage Works for which capital and Revenue Accounts are kept are compiled by the Central Government yearly in Form 18. Each Accountant General should prepare a statement in this form and submit it, in the case of State through the State Government so as to reach the Central Government not later than the 1<sup>st</sup> November. The figures for this return should be obtained from the Administrative Accounts, (Form AC, 33 of Accounts Code for Accountants General), so far as accounts figures are concerned, other figures should be based on information supplied by the Public Works Department authorities.

8.44 In column 2, "Names of Works", of the form should be detailed the names of all works, separate totals being brought out for Productive and Unproductive works thus:

Productive Works-

I. Irrigation Works

.....  
 .....  
 .....

TOTAL \_\_\_\_\_

II. Navigation, Embankment and Drainage Works

.....  
 .....  
 .....

TOTAL \_\_\_\_\_

TOTAL PRODUCTIVE WORKS \_\_\_\_\_

Unproductive works-

A-Irrigation works

.....  
 .....  
 .....

TOTAL \_\_\_\_\_

B-Navigation, Embankment and Drainage Works

.....  
 .....  
 .....

TOTAL \_\_\_\_\_

TOTAL UNPRODUCTIVE WORKS \_\_\_\_\_

8.45 The estimate cost of construction (column 5) should be determined in the manner indicated in Appendix 2 to Account Code of Accountants General and should, therefore agree with the figures shown in Part VI of AC. 33 of Accountant Code for Accountants General.

8.46 As soon as possible after the close of the year, the following annual statements should be prepared and forwarded to the authorities concerned, on such dates as may be settled locally-

Sl. No.	Information to be furnished	To whom Submitted
1.	Detailed schedules of revenue and expenditure of the public works Department (in such detail as the Government may require). These schedules are ordinarily the same as those referred to in Serial No. 5 of Annexure to Chapter 9 of the account Code for Accountant General.	Government
2.	Financial details to be embodied in the Administration Report on the public Work Department (in such form as the Government may prescribe in consultation with the Accountant General).	Public Works Department of the Government

The schedules for Establishment and Tools and plant pertaining to Statement No. 1 should be supported by the necessary details showing the distribution of such charges over major heads, in accordance with the relevant rules.

### *OBJECTION BOOK*

8.47 Objection Book should be maintained in Form 22 in each Works Accounts Section for each division in respect of objections relating to Non-receipt of vouchers and stamped Receipts. As set of pages of the

Objection Book should be reserved for each distinct class of objections of which a separate record may be required for any purpose e.g. for want of vouchers, for want of Stamped Receipts etc.

8.48 Under each head the objection relating to each distinct transaction should be treated as a separate item and a serial number should be assigned to it.

8.49 The amount placed under objection during the month in respect of only item should be noted against it in black ink in the appropriate column of the month concerned, and below this entry should be noted in green ink (as the denominator of a fraction the numerator of which is the entry of the amount placed under objection during the month) the Progressive total of the amount placed under objection to end of the month. In the case of objection classed as miscellaneous, full particulars to the objections should be placed on record. The posting of all items placed under objection should be verified by the Section Officer at the end of each month and in token of this, after the entries of the month have been abstracted he should initial the entries in the abstract.

Note: Objections regarding “vouchers awaited” should be recorded in the objection book as two item viz. (1) number of awaited vouchers, and (2) amount of awaited vouchers.

### *CLEARANCE OF OBJECTIONS*

8.50 An objection should be removed as soon as the necessary vouchers or document is received. The removal of an objection should be indicated in the Objection Book by an entry of the amount adjusted in the column “Amount cleared”, for the month following the

month the accounts of which were closed; the progressive total of the adjustments being also noted at the same time in the manner prescribed for the posting of the amounts placed under objection. In the case of items for which the money column of the objections was not filled in the adjustment should be indicated merely by the initials of the accountant in the column for the month concerned. As a precaution against error, a red ink line should be drawn across the page in all the remaining columns. The reference to the order, account, voucher or other document on the authority of which the objection has been removed, should also be noted in the column provided for the purpose.

Note: Brief notes of, or references to all correspondence or other action taken towards clearance of any objection should be kept in the column "Remarks" of the Objection Book.

8.51 All entries regarding the adjustment of objections should be attested by the Section Officer in respect of objections removed as per provision of para 8.50 above.

#### ***MONTHLY CLOSING***

8.52 After the Section Officer has completed the attestation of entries of adjustment, all entries in the column "Amount placed under objection" and "Amount cleared" for the month should be totalled, separately for each class of objections and a general abstract should be prepared in a separate section of the Objection Book. The Section Officer should examine and initial this abstract.

The progressive totals of each class of objections should be carried forward

from month to month and the unadjusted balance from year to year.

#### ***ANNUAL CLOSING***

8.53 The Objection Book should be closed annually and the balances of outstanding objections should be carried forward to the following year's Book, the entries being attested by a member of the Superintending staff. In the Objection Book of the new year, all such items should be noted (in relevant groups) in a separate section thereof. If the outstanding balances thus brought forward relate to two or more years, the balances of each year should similarly be registered in a separate section. This action, however, cannot be taken completely until the Supplementary Account of the year is received and checked and is accounted for, but it is permissible in anticipation of this event to transfer to the new year's objection book such items of the old Book as may be affected by the account of the new year accounted for before the Supplementary Account. The Section Officer is however responsible to see that any correction due to the Supplementary Account are carried out neatly in the new Objection Book in due course by plus or minus entries as the case may be made with suitable remarks.

#### ***ANNUAL REVIEW ON THE WORKING OF PUBLIC WORKS DIVISION***

8.54 An annual review on the working of all Public Works Divisions is required to be conducted each year and is required to be sent to State Government by 15<sup>th</sup> December after collecting information from Works Accounts sections and the Audit Wing.



The statements which are to be included in the Annual Review and the proforma in which the information is to be collected are shown below separately for Accounts Wing and Audit Wing.

**ACCOUNTS WING**

STATEMENT I : Statement showing the delay in the receipt of accounts, vouchers.

**A-MONTHLY ACCOUNTS**

Sr. Name of the No. Division	Due date of receipt	Months(Actual date of receipt)			
		April	May	June	etc.

**B-VOUCHER**

Sr. Name of the No. Division	Due date of receipt	No. of Vr. amount	Months		
			April	May	June

STATEMENT II : Statement showing the name of Divisions from which the following schedules have not been received and the months for which they are not received.

- (i) Schedule of public Works Deposits.
- (ii) Schedule of Purchases.
- (iii) Schedule of Misc. Public Works Advances.
- (iv) Schedule of Cash Settlement Suspense Accounts.
- (v) Schedule of Reconciliation with Treasury.

Sr. No.	Name of the Division	Schedules wanting	
		Sr. No.	Month

STATEMENT III : Statement showing amounts held under objection to end of March '89 (Position as on 30 September).

STATEMENT IV : Amount outstanding under III OR items adjustable by Public Works Department. (For Works Miscellaneous Remittances issued during 1988-89).

Sr. Name of the No. Division Amount outstanding at the end of March Accounts.  
(Position as on 30 September)

STATEMENT V : Statement showing the Arrears in reconciliation.

STATEMENT VI : Statement showing the defects in the preparation of Monthly Accounts.

Sr. No.	Particulars of Defect	Remarks	list of division to be enclosed.
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**AUDIT WING**

STATEMENT I : Common types of irregularities noticed in Central Audit.

STATEMENT II: Details of Audit Notes and Inspection Report not replied.

STATEMENT III: Important irregularities noticed in the local Inspection of Public Works/ Irrigation Division.

So far accounts wing is concerned, the information should be collected from the Works Accounts Sections and Works Miscellaneous Section for Audit Wing, the information should be collected from the Accountant General (Audit).

## CHAPTER 9

### ACCOUNTS OF FORESTS

#### CASH ACCOUNT

9.1 The accounts of Receipts and Disbursements which are rendered by Divisional Forest Officers in the forms prescribed in Chapter VII of the Account Code Volume III, should be checked to see that the Disbursing Officers have rendered correct accounts of the transactions in their charge and that all the subsidiary accounts correctly work up to the Cash Account in Form F.A.I.

#### CHARGES

9.2 With reference to the particulars furnished in the vouchers, in the Classified Abstract of Revenue and expenditures (Form F.A. 5) and in monthly lists of sanctions received from the Conservator, it should be seen that the charges are correctly classified and in particular that the allocation under 'Capital' and 'Revenue' is in accordance with the prescribed rules. In cases of doubt, the required information should be obtained from the Departmental Officers, so that the charges may be classified correctly. The provisions made in the annual Budget Estimates of the State Govt. under various Forest Major, Minor and Detailed Heads of Account should also be kept in view while looking into the classification of the charges.

#### REMITTANCES

9.3 The Divisional Forest Officer is expected to maintain a Register of cheques drawn by him in which he will enter, in a chronological order, the details of cheques drawn by him.

Ordinarily there is a provision in the Register to note the actual date of encashment of cheque which information the Divisional Officer should obtain from the Treasury. The Divisional Forest Officer should be directed to furnish information given below in the form of a statement which should invariably accompany the monthly compiled account rendered to the Accountant General.

#### AMOUNT IN RUPEES

1. Total amount of cheques that remained un-encashed at the end of the previous month.
2. Total amount of cheques issued during the current month (as per Form F.A. 2).
3. Total (1) + (2)
4. Total amount of cheques encashed during the current month (Certificate from the Treasury Officer to be enclosed)
5. Total amount of cheques remaining un-encashed at the end of current month (3) - (4)
6. Details of un-encashed cheques at the end of the current month

Cheque No.	Date	Amount
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During the scrutiny of monthly compiled account, particular attention should be paid to cheques which have been shown as un-encashed for more than 3 months in the details furnished in column 6 of the statement referred to above. Such cases should be taken up with Divisional

Forest Officer for speedy settlement. It should also be seen that the amount shown against column 5 of the statement is correctly shown against column 1 of the statement in the following months.

9.4 The "Chalans" are filled in the Divisional staff or classification given therein checked and handed over to the parties who then make their own arrangements to remit the amount into Treasury/Reserve Bank of India. The duly receipted challan is brought by the party and surrendered to the Divisional Forest Officer who on being satisfied that the receipted challan is genuine, takes an entry of this revenue on the Receipt side of the Cash Book. If parties send Demand Drafts to the Division, they are first encashed and then the cash is remitted into Treasury at which time an entry is taken in the cash book.

Each Divisional Forest Officer should be directed to send a statement in the form given below along with the monthly account submitted to the Accountant General.

Amount in Rupees

1. Total amount of Forest Revenue remaining unadjusted in the books of Treasury Officer at the end Of the previous month.
2. Total amount of Revenue for the current month as incorporated in the monthly Account of the Division.
3. Total (1) + (2).
4. Total amount of Revenue duly adjusted by the Treasury Officers (Consolidated Try. Receipts to be enclosed).
5. Balances amount of Revenue

remaining unadjusted in the books of Treasury Officers at the end of the current month (3) - (4).

#### 6. Details of unadjusted Revenue.

Sr. No.	Name of the party	Amount	Name of Treasury	Item No. & month of the Register of Revenue
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During the scrutiny of the monthly compiled account it should be seen that (a) the closing balance shown against column 5 of the statement is correctly shown against column 1 of the statement in the following month (b) items remaining unadjusted at the treasury for more than 3 months should be referred to Divisional Forest Officer for speedy settlement.

9.5 Debits and credits arising out of inter-divisional adjustments, where permissible under Article 245 of the Account Code Volume III should be set against corresponding credits and debits respectively. Ordinarily when such transactions are paired a note of agreement should be recorded in red ink by the Accountants dealing with both the Divisions against the relevant entries in the Cash Accounts. But if the number of transactions is large, a suitable register may be prescribed, in addition to facilitate proper watch over unadjusted transfers.

9.6 Transactions with other departments, Government etc., should be classified as pertaining to the Remittance or settlement Account concerned according to the rules laid down in the Account Code. Items passed through inward Remittance Accounts which are adjustable in the Forest Divisional Books should be dealt with in the

manner prescribed in Article 5.13 of Account Code for Accountants General. The clearance of the head "Forest Remittances" should be watched in a Broadsheet as prescribed for Public Works Remittances.

Note.-Transaction between Forest and Public Works Officer of the same Audit Circle whether originating in the Forest or P.W. Account should be classified under the head 'Public Works Remittances'.

### LEDGER ACCOUNTS

9.7 The Abstract of Contractors' and Disbursers' Ledger (Form F.A. 8) should be checked so that It may be verified that all the transactions pertaining thereto have been correctly posted and that the opening and closing balances are correct. The closing balances should be reviewed to ensure that relevant rules and orders governing their clearance are observed. Outstanding balances which are not cleared within a reasonable period should form the subject of special enquiry.

Note.-The instructions in paragraph 4.4.6 of M.S. (Audit) apply mutatis mutandis to forest advances.

### ABSTRACT AND SUMMARIES

9.8 The rules for the preparation of Forest Abstract and summaries are prescribed in Chapter 2 of the Account Code for Accountants General.

### PROGRESS REPORTS

9.9 Monthly reports of progress of revenue and expenditure if required by the Conservators, should be furnished to them in such form as may be prescribed by the State Government to suit local

requirements. An annual summary may similarly be sent if required.

### Annual Review in the working of Forest Divisions

9.10 An annual review of the working of Forest Divisions should be prepared for each financial year and sent to the State Government by 31<sup>st</sup> December of the following financial year. This review should cover the following points:

(I) Extent of delay in the receipt of accounts/vouchers:

Sr. No.	Name of Division	Due date of receipt	Actual date of receipt for April May .....
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(II) Extent of wanting documents which should normally accompany the monthly account. This must fall under the following categories (i.e. documents):

Schedule of cheques drawn  
Schedule of Remittances  
+ Memo for Forest Deposits  
Statement of Forest Advances

Form F.A.5 Schedule of classified expenditure.

For each category the manes of the Divisions and the months in which the deficiencies were noticed should be listed out.

(III) Amount outstanding under 'III. Other Remittances-items adjustable by Forest':

Sr. No.	Name of Dn.	Amount	Outstanding to end of March (Position as on 30 <sup>th</sup> Sept. next)
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(IV) Statement showing the amounts held under objection to end of March

(Position as on 30<sup>th</sup> Sept. next)

which are generally presented to the Governor and later discussed in the P.A.C.

Sr. No.	Name of Dn. For wanting Vrs.	For want of Stamped Receipt
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(V) A Statement showing the arrears of reconciliation:

Sr.	Name of Dn.	Quarters for which Reconciliation is in arrears
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In addition to the above material which should be available in A&E office the following material must be obtained from the A.G. (Audit) and incorporated in the annual review :

Statement-A: Common types of irregularities noticed in Central Audit.

Statement-B: Details of audit objections and Inspection Reports not replied.

Statement-C: Very important irregularities noticed during local audit of Forest Divisions.

Note:

- (i) The names of Divisions should be given.
- (ii) Any other material which is available in Audit Wing and which is important enough to find a mention in the annual review should also be sent to A.G. (A&E).
- (iii) The due dates for sending all these material should be locally fixed in such a way that A.G. (A&E) is in a position to send the annual review to Government by 31<sup>st</sup> December latest.
- (iv) This should not be construed as a substitute for Audit Reports