

4. Execution of works

4.1 Method Of Works:

Works can be executed by one or other of the following methods

- (i). The Departmental method.
- (ii). The Piece work Contract method.
- (iii). The lump sum contract method.
- (iv). The schedule contract method.
- (v). Nomination method.
- (vi). Tender system.

For this purpose if the value of work put to tender exceeds Rs.1.00 Lakh it is called major work. If it is less than Rs.1.00Lakh it is called minor work.

4.1.1 The departmental method: - The Department itself engages the necessary daily labor and purchases or supplies the necessary material.

4.1.2. The Piece work contract method: The piece worker agrees to execute a specified work or part of a work at specified rates without reference to quantity or the time taken, and the department arranges for the supervision, setting out and measuring of all the work done.

4.1.3. The Lump-Sum Contract method: The contractor agrees to execute a complete work in accordance with the specifications for a lump sum payment. This method should be adopted except when none of the other methods is considered more advantageous.

4.1.4. The schedule contract method: The contractor agrees to execute one or more of the items included in a work at fixed rates and the amount to be paid to him depends on the quantity and kind of work done or materials supplied.

4.1.5 Nomination Method:

Major work or Minor work can be entrusted on nomination provided the conditions attached to such entrustment of works on nomination are satisfied. Details of procedure and delegation to be adopted are given in subsequent paras of this manual.

4.1.6 Tender System:

Major and minor works can be got executed through Registered contractors by entering into contract after calling and obtaining tenders. Detailed procedure to be followed are given in subsequent paras of this manual.

In all the works enumerated above (with the exception of departmental method), a contractor shall be appointed for execution of the works, Further for all the works the value of which is Rs. 5000/- and above, payments shall be made only through cheques. Contractors shall be selected for appointment from among the list of registered contractors.

Following is the procedure for registration of contractors:

4.2.1 Norms and types: The norms and other details here are applicable only for Forest Department. The contractors registered will be called as Contractors of Forest Department of Government of Andhra Pradesh. Registration of the contractors will be done in the following categories.

4.2.2 Categories of contractors: Registration of contractors in each category will be done in the following classes, separately under each one or more of the classes as they may desire.

- a. Class I
- b. Class II

The contractor of Class-I is eligible to take up the works through out the circle in which he is registered. Contractors of Class-II can tender for works only within the Division where registration is done. The registrations should be done for the class of contracts etc. as mentioned in annexure-III.

4.2.3 Procedure for Registration: Wide publicity should be given by the Officers registering contractors preferably by advertising in news papers having wide circulation

calling for proposals for registration. The contractors shall submit an application in the proforma given in Annexure-IV(a) to the concerned authority. The authority competent to register the contractor in the concerned class will take action to verify the credentials and antecedents and issue suitable order registering the contractor. A draft form for issuing order of registration is given in annexure-IV (b). The following documents shall be submitted along with the application seeking registration as a contractor in a particular class or category.

- a. Application form in the Proforma with Rs 2/- Court fee stamp affixed there on. (Annexure –IV)
- b. Proof of payment of Registration fees
- c. Solvency Certificate valid for one year from the date of issue to be obtained from the officer of Revenue Department of the rank not below that of the Tahsildar of Mandal from Nationalised Bank in the proformae (Annexure-V a & b). The certificate should be got renewed by competent authority for the period of registration or Fixed Deposit Receipt from any Nationalised Bank or adequate Surety.
- d. A list of works executed by the contractor during the past five years duly certified by the concerned Departmental officer

4.2.4 Rules of Registration:

- a. Registration of contractor in any class once done shall be in force only for five (5) years in that particular class. The contractor shall register himself afresh every five (5) years thereafter.
- b. While submitting the application for fresh registration in the same class or for registration in higher class, the contractor shall furnish the certificate of his performance issued by the Officer in charge of the works as detailed in Annexure. III,
- c. A contractor can register his name for more than one category

- d. The contractor shall not apply for registration in his name and also in the name of partnership/company which runs in his name of the same class or category at a time
- e. Contractors of other States shall get themselves registered in this State before offering their tender for works in this State.
- f. The contractor already registered under a particular class can form partnership firms in the same class and category only by separate registration at the time of biennial registration as mentioned in clause (I) above
- g. In the case of partnership/companies any changes in the partners shall be reported to the registering authorities immediately
- h. The applicant is required to furnish the following certificate.
 “Certified that I will employ qualified technical personnel with suitable complimentary staff to meet the requirements of the works as specified in the Tender documents.”
- i. The Contractor so registered shall be eligible to be nominated only after one month of registering. *(For 2009-10 this time limit is exempted).*

4.2.5 Demotion of Contractors: The registering authority may demote a contractor if he:

- a. fails to execute contract or executes it unsatisfactorily or is proved to be responsible for constructional defects
- b. has no longer adequate equipment, technical personnel or financial resources
- c. violates any important conditions of contract
- d. is responsible for any other matter which may justify his demotion to a lower class
- e. is litigant by nature.

The fact of and the reasons for demotion shall be communicated (see Annexures V –A,B&C) and two weeks time shall be given to the contractors to offer his explanation before demoting him. Copies of the order together with a memorandum containing reasons for demotion should be forwarded to the Government through the CF/PCCF. In case of contractor registered for more than one category or work, the order regarding demotion would apply only to one category unless otherwise stated in orders.

4.2.6 Suspension of business: Suspension of business with a contractor may be ordered by the registering authority for any indefinite period pending full enquiry into the allegation, if the registering authority is prima facie of the view that the contractor is guilty of an offence in relation to the business dealings which if established would result in his removal, black listing and it is not desirable to continue business with the contractor.

The reasons for suspension of business shall be intimated to the contractor and two weeks time shall be given to him to offer his explanation. If the explanation is not satisfactory, action may be initiated for suspension of business.

Copies of the orders together with a memorandum containing reasons there of should be forwarded to the Government through the concerned Conservator of Forests . and Prl. Chief Conservator of Forests.

Suspension of business with the contractor for a specific period may be ordered by the registering authority when the contractor is responsible for minor technical offence (s) or when he fails to furnish the Income Tax Clearance certificate. In such a case the fact of suspension should be communicated to the contractor giving reasons for the same. This action need not be reported to the Government.

4.2.7 Removal from Approved List: Registering authority may remove the name of the Contractor from approved list, if the contractor:

- a. Has on more than one occasion failed to execute a contract or has executed it unsatisfactorily (or)
- b. Fails to abide by the conditions of registration or
- c. is found to have given false particulars or information at the time of registration
- d. persistently violates any important condition(s) of the contract
- e. is proved to be responsible for work defects in a number of cases;
- f. Is declared or in the process of being declared bankrupt, insolvent, wound up dissolved or partitioned
- g. Persistently violates the labour regulations and rules
- h. The reasons for removal from the approved list shall be intimated to the contractor and two weeks time shall be given to him to offer his explanation. If

the explanation is not satisfactory action may be taken to remove the contractor from the approved list. The EMD shall also be forfeited.

Copies of orders together with a memorandum containing reasons therefore should be forwarded by the registering authority to the Government through concerned C.F. and P.C.C.F.

In respect of contractors registered under more than one category of work orders regarding the removal should apply only to the particular category unless otherwise stated.

4.2.8 Black listing: Only the administrative department (EFS&T Department of Government of Andhra Pradesh) will black list the contractor. The head of the department (PCCF) may black list a contractor with the approval of the Government where:

- a. There are sufficient and strong reasons to believe that the contractor or his employee has been guilty of malpractice (s) such as irregular practices including formation of ring, bribery corruption, and fraud including substitution and indulges in smuggling, pilfering or unauthorized use or disposals of Government materials issued for specific work.
- b. A Contractor continuously refuses to pay Government dues without showing adequate reasons.
- c. A contractor or his partner or his representative has been convicted by a court of law for offence involving moral turpitude in relation to business dealing (s).
- d. Security Consideration including doubtful loyalty to the State so warrant.

In all such cases the EMD shall also be forfeited.

Contractor should be given an opportunity of two weeks time for offering his explanation on the proposal to black list him before taking final decision. Copies of such orders together with the reasons for the action taken and also the names of the partners and the list of allied concerned coming within the effective influence of the blacklisted contractors should be forwarded to the Secretary of the concerned administrative department (EFS&T Department) who will in turn intimate the other Departments in the

Government for ordering immediate cessation of all future business with the contractor. Decision for black listing of a contractor will be taken by the concerned administrative department and communicated to the Prl. Chief Conservator of Forests giving reasons for blacklisting the contractor as also the names of all the partners of the contractor and allies concerned coming within the effective influence of the blacklisted contractors. Blacklisting orders would however be issued by the Prl. Chief Conservator of Forests who shall intimate the reasons for blacklisting of the contractor concerned. Action for blacklisting a contractor should be taken only where it is established that the offence was committed in order to secure advantage to the contractor and not where the object may be secure advantage to any employee or representative of the contractor personally. The administrative department in the Government while examining any case of a blacklisting of a contractor may refer doubtful marginal cases for advice to the Law Department wherever justified necessary. Once the blacklisting orders are issued they should ordinarily not be revoked unless on review the government is of the opinion that the punishment already undergone is adequate in the circumstances of the case and in respect of the same offence, the accused has been honorably acquitted by a court of law. Prl. Chief Conservator of Forests shall be responsible for keeping up to date list of black listed contractors (Including those black listed at the instance of the Government) and circulate every quarter a list of additions and revocations during the previous quarter.

4.2.9 Restoration: Upgrading a demoted contractor revoking the suspension of business, restoring registration, withdrawal of blacklisting etc., may be considered at an appropriate time on the merits of each case by the authority that has passed the original orders. Copies of restoration orders should also be furnished to the concerned administrative department of the Government.

4.3 Implementation of works on nomination and through tender system:

4.3.1 Nomination of contractors for minor works: Tenders need not be called for works upto Rs. 1.00 lakh. For all such works contractors can be nominated for their execution from among the registered contractors. Delegation for entering into agreement as specified in the APFD Code shall be followed for entrustment of such works.

4.3.2 Nomination of contractors for major works: For all works value of which is more than Rs. 1.00 lakh, tender should be called. When tenders have been called for a work at least once (in case of Forest conservancy works) and at least two times for other works), and there is no response or the tenders received are unsatisfactory and have to be rejected and it is considered that calling for tenders again will be fruitless, or undesirable, or in the event of VVIP security, natural calamities etc. Divisional Forest Officer who is competent to accept the tenders may allot the work to a contractor selected by him from among the register of contractors with the sanction of the concerned Conservator of Forests at rates not exceeding the estimate. Delegation specified in the APFD Code shall be followed for such nominations.

4.3.3 Delegation for entrustment of works on nomination: The reasons for entrustment of nomination should carefully be recorded in writing before awarding the works on nomination. If the Prl.Chief Conservator of Forests himself is entrusting the work on nomination, he should obtain prior approval of the Administrative Department in Government. In exceptional cases, the Conservator of Forests and Prl. Chief Conservator of Forests can accord post facto approvals. In case of extreme urgency like natural calamities, visits of VVIP's Security etc., nomination of works can be decided by the Conservator of Forests. The limits specified for nomination of works are as under:

Category of Officer	Delegation for Nomination	Prior approval needed from
Forest Section Officer (Forester/Dy. RO)	Rs. 25,000/-	Conservator of Forests
Forest Range Officer	Rs. 50,000/-	
Sub-Divisional Forest Officer	Rs. 1,00,000/-	
Divisional Forest Officer	Rs. 3,00,000	
Conservator of Forests	Rs. 5,00,000	Prl. Chief Conservator of Forests
Prl. Chief Conservator of Forests	Rs. 10,00,000	Government of Andhra Pradesh

4.4. Tender system:

4.4.1 Procedure for call of Tenders: Tender notice or Notice Inviting Tender (NIT) will be approved by the officers for the works for which they are competent to accord

technical sanction. The Tender document will be prepared by the concerned officers bringing greater transparency indicating the provisions made in the estimates for items which are reimbursable to the contractor with conditions therefore.

4.4.2 Tender invitation & finalization:

1. For works up to Rs. 50.00 lakh the tender notice shall be published in District Edition of at least one vernacular news paper with wide circulation. For the works costing more than Rs. 50.00 lakh, the tender notice shall be published in at least two news papers having wide circulation at the state level. The Tender schedule should contain not only quantities but also the rates worked out by the department and the amount for each item and the total value of the contract. The Tenderer should indicate his willingness to do the work, either at the estimated value of the work or at a percentage less than the estimated value of the work. Authority should always be reserved to reject any or all the tenders so received without the assignment of a reason and this should be expressly stated in the advertisement.

4.4.3 Publicity to the tenders:

(a) Copies of tender notices may be sent to all the divisions in that as well as neighboring circles for being exhibited promptly on their notice board.

(b) Copies of Tender Notice may be sent to all the registered contractors of the above mentioned divisions/circle.

(c) Copies of tender notice and paper cutting should be recorded with tender documents.

(d) The tender notices should be sent only to the particular class of registered contractors as specified in the Tender Notice depending upon the value of the work.

4.4.4 Prevention of collusion of Contractors: Tender schedules shall be issued till a date prior to the last date of submission of tenders. Once a contractor buys a tender schedule, he is not permitted to return the schedule without quoting for the work. After buying a tender schedule if a contractor does not tender for the work, his E.M.D shall be forfeited.

4.4.5 Receipt of Tenders: The Tenders shall be received at the place and time as specified in the Tender notice. The contractor can submit the tender either personally/ through his agent or by post. In case of submission of tender documents by post the delay in receipt of tender is to the account of the tenderer only. Any tender received after the expiry of date and time for its receipt will not be considered by the tender opening authority. Tenders will be finalized by the respective officers for the works costing upto their powers to accord technical sanctions. The time allowed for submission of tenders from the date of publication of tender notice to the date of receipt of tenders is 14 days for the first call and 7 days for the second call. A Format of the Tender notice, format of tender and notice to tenderer whose tender is under consideration, articles of Agreement are given in Annexure both for lump sum and piece work contracts.

A Register of Tender schedules sold and Register of Tenders received should also be maintained. The formats of these registers are in Annexure I & II. The tenders should be opened in the presence of the tenderers or their authorized representatives, and other officials concerned on the specified dates and time and the result should be recorded then and there only. The signatures of the tenderers or their authorized representatives and other officials concerned who were present at the time of opening of tenders should be obtained in this Register. The action taken on the tenders should also be recorded in the register.

Unsealed tenders should summarily be rejected. Tender shall be valid for a period of 1 to 3 months as the case may be. Before the expiry of the validity, the authority competent to call for the tenders shall seek for further extension of validity from the contractor. In case, validity is not extended, his tender will not be considered and the E.M.D shall be returned. During the period of validity, if any tenderer with-draws his tender, his E.M.D shall be forfeited.

4.4.6 Cost of Tender schedules: The cost of tender schedules should be fixed depending upon the number of pages, nature of print and cost of paper etc., and expenditure incurred. The sale proceeds of tender schedule should be appropriately accounted as revenue. The Cost of tender schedules is not refundable.

4.4.7 Tender Premium: For all works the ceiling of Tender premium is 5 %.(as instructed by the Government in G.O.Ms.No.133, Irrigation & CAD (PE. Reforms) Dept. dt. 20.11.2004). Even after repeated calls (as specified above), if the tender premium is more than 5%, and if it is decided not to accept such tenders the work can be awarded on nomination at the estimated value to a contractor selected from the list of contractors maintained by the department.

4.4.8 Discount Tenders: Tender up to 15% less than the estimate rate can be accepted. In such cases, the tenderers should be asked to produce a bank guarantee for the amount equivalent to the less % quoted as compared to the estimate value of the work put to tender

4.4.9 Comparison of tenders: In most of the cases, the tenders are called for based on sanctioned estimates. But after receiving the tenders, the rates in the sanctioned estimates should not be stated to be unworkable and the tenders compared with modified higher rates based on some data on the plea that the modified higher rates are workable ones. Tenders are invariably to be compared and accepted with reference to the rates in the sanctioned estimates only. If the rates in the sanctioned estimate are found unworkable with reference to the current S.S.R./F.S.R. due to the lapse of time or wrong data etc, the proper course would be either to submit revised estimate adopting current schedule of rates before the tender call is made for approval of the competent authority or to submit the tender along with the data to competent authority justifying higher rates. The powers of accepting tenders up to the permissible limits above the rates in the sanctioned estimates should be used cautiously and only after making sure that the acceptance of such tender is unavoidable.

4.4.10 Acceptance of Tenders: No tender should be accepted from any person directly or indirectly connected with Government Service. The Officer opening the tenders should invariably date and initial all the pages of tender document irrespective of whether they contain any correction, over-writing etc., If there are corrections in the tender unattested by the tenderer, a note of such correction should be made on the tender itself when it is opened. The officer opening the tenders should keep a personal note of the total number of tenders opened by him and verify therewith the number in the

comparative statement of tenders. Other things being equal, normally the lowest tender should be accepted. In selecting the tender the financial status of the tenderer, his capability, the security offered by him or the record of his execution of any works previously should be taken into consideration. In cases where a tender other than the lowest is accepted, a confidential record should be kept of the reasons for doing so, relative merits of various bidders concerned should be discussed and cogent reasons to be given for rejection of the lowest tender. This confidential record should be produced to audit if required by audit.

The acceptance of the tender other than the lowest should be reported to the next higher authority with due justification. The next higher authority shall scrutinize the report carefully and call for more details if necessary. The acceptance or rejection of tenders is however left entirely to the discretion of the officer to whom the duty is entrusted and no tenderer can demand the cause of rejection. Authority should always be reserved to reject any or all of the tenders so received without the assignment of a reason and this should be expressly stated in the advertisement. In the event of two lowest tenders being of same denomination, decision shall be taken by taking lots in the presence of the concerned parties or their nominees.

4.5 Agreements:

4.5.1 Delegation of powers for entering into contracts: Following are the powers delegated to different Forest Officers for entering into contracts and for acceptance of Tenders:

Forest Range Officer	Rs. 50,000
Sub-Divisional Forest Officer	Rs 1,00,000
Divisional Forest Officer	Rs. 10,00,000
Conservator of Forests .	Rs. 20,00,000

For works costing more than Rs.20 lakh, the Conservator of Forests invites open tenders with the prior approval of Prl. Chief Conservator of Forests and the result of such tenders will be submitted to Prl. Chief Conservator of Forests for orders on the selection

of Tenderer. The agreement for such work will be concluded by CF and after concluding the agreement, the tender documents including the tender notification, comparative statement and the agreement will be sent to the D.F.O for safe custody and execution of the work as per the sanctioned estimates, approved specifications and designs and relevant agreement conditions. The above delegation and procedures are applicable for procurement of stores also.

4.5.2. Delegation of powers for acceptance of tenders: (*Tender sanctioning authority*)

DFO/CF/PCCF - 5% excess of the estimated value of the work put to tender

4.5.3. Contract Documents and Enforcement Before a work is given out on contract, the authority competent to accept the contract must prepare “Contract documents” to include.

- a. Complete set of drawings showing the general dimensions of the proposed civil work.
- b. Specification of the sub items of the work to be done and of the material to be used.
- c. Schedule of quantities of the various descriptions of work (only for L.S. tenders).
- d. Set of condition of contractors to amplify as necessary, the preliminary and other specification of Andhra Pradesh Detailed Standard Specifications forming part of contracts based on L.S. tender system. (for piece work contracts, the conditions considered necessary for any particular case should be attached to the agreement. The terms of a contract must be precise and definite – No contract involving an uncertain or indefinite liability or any condition of an unusual character should be entered into without the previous consent of the competent financial authority. Contract should whenever possible, be executed on one or other of the standard form but they may be modified to suit the requirements of a particular case, after consultation with the next higher authority. In cases where it is considered that none of the standard forms can be used even with suitable modifications, the contracts should be got approved specially by the Prl. CCF.

- e. D.F.Os and their subordinates are responsible to ensure the strict enforcement of the terms of contract. No act shall be done which tend to nullify or vitiate a contract.

4.6 Earnest money deposit (EMD)/security deposit and further security deposits (FSD):

4.6.1 EMD: As a rule, no tender for the execution of works of any description should be received unless accompanied by earnest money to the extent notified as necessary in the tender notice. The earnest money is the guarantee of the tender to deposit the requisite security and to enter into the required agreement on intimation of acceptance of his tender. It is forfeited in case of default. It can be paid in the shape of crossed D.D. on any Nationalized Bank. It should be refunded after the payment of final bill to the contractor and the initial observation period as specified from the date of completion of works.

4.6.2 Collection of EMD:

4.6.2.1 Major works: In order to discourage purchase of tender document of non-serious bidders, tender document shall be issued to the contractors on payment of EMD at 1% of the estimate contract value. Successful bidder will pay balance E.M.D. of 1 ½ % contract value at the time of concluding the agreement.

4.6.2.2 Minor works:- For minor works out of EMD of 2.5 % of the value of work put to tender 1.5% of the value of work put to tender should accompany the application for purchase of tender schedules. The balance 1 % should be paid at the time of concluding the agreement.

4.6.3 Further Security Deposits (FSD):- Further security deposits are the amounts withheld from the running account bills of the contractor to ensure due performance of the contract. For the works costing upto Rs. 1,00,000 no further security deposits shall be withheld. For the works above Rs-1,00,000/- in value, F.S.Ds will be with-held at 3% of the value of work done from each running account bill. In respect of woks entrusted on

nomination and for major works E.M.D. should be collected at 2.5% of value of work. In respect of major works the recovery of F.S.Ds will be @ 7.5% of the value of work done from the running account bills out of which 5% will be released in final bill while crediting 2.5% under deposits. The EMD & F.S.Ds of 2.5% shall be refunded to the contractor after payment of final bill and after defect liability period of three months.

4.7 Measurements / check-measurements, test check and preparation of bills:

Delegation of powers: All works done and all supplies relating to a work should be paid for on the basis of measurement recorded in a measurement book('M' book). The measurement book is the original record of actual measurement or count. All payments for work or supplies are based on quantities recorded in the 'M' book. Hence the government servant who takes the measurement must take all possible care to record the measurement clearly and correctly. Check measurement is intended to detect errors and to prevent fraudulent entries. It should, therefore, be done with discretion and precision. The following powers are delegated for taking/recording measurement, conducting check measurements/test check.

Officer measuring and recording the work in 'M' book and the value of the work bill up to which measurement and recording the work, can be made.	Designated officer to check measure	Percentage of check measurement.
F.B.O. up to work bills of value not exceeding Rs. 25,000/- at a time.	F.S.O.	100%
F.S.O: work bills exceeding Rs. 25,000/- at a time. .	F.R.O	100%

As a matter of rule the FRO should not record initial measurements except in the cases of emergency in territorial divisions. Functional F.R.O.s i.e., Research, P&E, GIS and T&E can record measurements directly if there are no FSO/FBOs under their control/jurisdiction.

Check measurements should be done for 100 % of works and should be conducted with discretion, the items selected being those which are liable for mistakes or

which are more susceptible for fraud or which would affect the total amount of the bill, if inaccurate. The check-measuring office should invariably record his observations in the M. Book.

All the works shall be test checked as per delegation prescribed in the APFD Code.

4.7.1 Responsibility for irregularities noticed in the Check Measurement/ Test Check etc.: If the check measuring officer finds that the work recorded does not exist or is of poor quality or it does not agree with the measurements already recorded, he shall correct the measurements and signs the items he check measured. The officer who recorded the original measurements should be called upon to explain the deviations/deficiencies and action as per CCA rules should be initiated. Payment will be limited to actuals only.

If during test check, a non-existent / substandard work is noticed to have been check measured, the officer who conducted check measurement shall be held responsible in addition to the officer who recorded the measurements originally. If this irregularity has been noticed after payment for the non-existent / substandard work, the amount shall be recovered from the contractor. Suitable disciplinary action will also be initiated against the check measuring officer. If this irregularity is noticed before the payment is made, no claim lies for the defective/non-existent work.

If any irregularity is noticed by the Vigilance & Enforcement or other inspecting agencies including quality controlling staff, in the items of work that had already been test-checked, the officer who test checked the item of work shall also be held responsible in addition to the officer who initially recorded and who check measured. Suitable disciplinary action will be taken in addition to action for recovery of the amount involved.

If any irregularity is noticed in the items which have not been subjected to test check, the responsibility lies wholly on the officer who conducted the check

measurement and the officer who initially recorded. The value of the work involved in such cases is recoverable from the contractor.

4.7.2 Time limit for Test Check: Works should be test checked before the period beyond which it is difficult to accurately measure the works. The works such as earth work, cultural operations, etc., should be test checked within (3) months.

4.7.3 Quality control: In all the divisions having Sub DFOs, the Sub DFOs shall act as quality control officers. For other divisions the respective Conservator of Forests will make necessary arrangements.

5. Preparation of Bills and payment:

5.1.Delegation of powers on passing for payment of single bill: The FRO and FSO/DRO are delegated with the following powers for passing bills for making payment on account of work done or supplies made by the contractors/piece workers up to the following limits or any single bill.(Section 101 of A.P. Forest Department Code)

D.F.O.	Above Rs.50000/-
F.R.O.	Rs.50000/-
Dy. R.O./F.S.O.	Rs.25000/-

In respect of works upto Rs. 1.00 lakh, A.R. advances can be issued to FROs (through cheque) following the delegation prescribed in the APFD Code (section 108). In such cases, the FROs shall open an interest bearing S.B. account in any Nationalised Bank to which, such AR Advance shall be advanced. Payments for all the bills passed by the FSO/FRO for these works shall be made by the FRO by cheque. The FRO shall render accounts for advances received and payments made, to the DFO every month by the 5th of the succeeding month.

In respect of all the other works (value of which is more than Rs. 1.00 lak), payments should be made only by the Divisional Forest Officer. After execution of such works, after recording the details of works executed in 'M' Books and Check measurement, detailed Bills should be prepared by the DyRO/FSO/FRO and the same shall be passed duly following the delegation detailed above. All the bills that are passed by the FRO/DRO/FSO for payment, shall be sent along with the 'M' Book to the Divisional Forest Officer for effecting payment. If the Bills have been passed by DRO/FSO, the same shall be countersigned by the Forest Range Officer. All the Bills passed by the FRO and DRO/Forester shall be sent through the Sub-Divl. Forest Officer with his countersignature. They should then be countersigned by the Divl. Forest Officer after due scrutiny with reference to the sanctioned estimates, entries in the 'M' Books and details of check measurement.

5.2 Payment of bills:

All payments shall be made against bills in formats as prescribed in the A.P. Financial Code after recording the pass order as per particulars recorded in the 'M' Book and after check measurement. **The vouchers shall be super scribed as CAMPA works.**

After the bills passed or countersigned by the Divisional Forest Officer, the payment should be made directly to the contractor/supplier through crossed cheque or through Electronic Clearance System duly deducting all the recoveries affected in the bill. After the bill is paid, the amount of recoveries so made shall be properly accounted. The 'M' Books shall then be returned to the Forest Range Officer and the passed and paid Bills shall be maintained in the Division Office and presented to the Audit as and when required. For all the payment made by the DFO, Cash Book should be maintained only in Division Office.

Only for works that are less than Rs. 1,00,000/- AR Advance may be issued to the Forest Range Officers and recoveries may be made by way of work done. For all such works Cash Books should be written by Forest Range Officer and Bills after paying may be sent along with Cash Accounts to the Divisional Forest Officer for incorporating in Division Cash Book after countersigning the Bills. All these Bills should also be retained in the Division Office and produced for Audit as and when required. The consolidated accounts of entire Division shall be compiled and finalized at Division office by 10th of every succeeding month.