

CHAPTER – 2

DEFINITIONS

Q. Distinguish between :

(1) **Administrative Approval and Technical Sanction :**

Ans : The term, Administrative Approval means the concurrence of the competent authority of the Secretarial administrative department concerned of the proposals for incurring any expenditure in the P.W.D on a work initiated by or connected with the requirements of such administrative department requiring the work. Whereas, Technical Sanction is an order of the competent authority in the P.W.D that the proposals are technically sound and its detailed estimates are properly and accurately calculated based on the adequate data.

-Para 2.1.1 (2) and 2.1.1 (59) of CPWA Code.

(2) **Advance Payment and On Account Payment :**

Ans : Advance Payment means a payment made on a running account bill to a contractor for the work done by him but not measured but on the basis of a certificate of a responsible officer not below the rank of sub-divisional officer. Whereas, the term on Account Payment indicates a payment made on a running account to a contractor for the work done or supplies made by him when the work has been duly measured.

-Para 2.1.1 (3) and 2.1.1(37) of CPWA Code.

(3) **Appropriation and Reappropriation :**

Ans : Appropriation means the assignment of a particular funds to meet specified expenditure included in a primary unit of appropriation. Whereas, Reappropriation means the transfer of funds from one primary unit of appropriation to another such unit.

-Para 2.1.1 (4) and 2.1.1(45) of CPWA Code

(4) **Deposit Works and Local Works:**

Ans : The term, Deposit Works indicates the work of construction or repair, undertaken by the P.W.D on behalf non-Government organisation the cost of which is met not out of government funds, but out of funds from non-government sources which may place at the disposal of the Divisional Officer

either in cash or otherwise. On the other hand, Local Loan Works indicates works executed by the PWD on behalf of non-government organizations or other corporation when the cost is to form part of a loan given to it by government for the purpose for which it was sanctioned.

-Para 2.1.1 (15) and 2.1.1(31) of CPWA Code.

(5) Contingencies (Works) and Contingencies:

Ans : The term, contingencies (Works) denotes the miscellaneous expenditure to the execution of a work which cannot be classified under any distinct sub-head or sub-work of a work yet pertain to the work as a whole. On the other hand , contingencies indicate the expenditure incurred in an office which is of the nature of unforeseen charges, incidental charges for the maintenance of an office as an office.

-Para 2.1.1 (12) of C.P.W.A. Code

(6) Direct and Indirect Charges :

Ans : Direct charges mean the charges pertaining to a work, project, or job which are incurred directly for its execution and are included in the regular accounts of work concerned. Whereas, Indirect Charges are those charges which pertain or are incidental to a work, project, workshop job or manufacture job which are not incurred directly or solely in connection therewith and as such it cannot be taken directly into such detailed accounts of it, as are incorporated in the regular accounts of the department.

-Para 2.1.1 (17) of CPWA Code

(7) Direct and Indirect Receipts :

Ans : Direct Receipts denote those revenue receipts which are realized in connection with a work, project etc, by the officers of the P.W.D and are brought to account directly as appertaining to the work or project. Indirect Receipts, on the other hand, are the receipts which pertain to or are incidental to a work or project and cannot be taken directly into such detailed accounts of it, as are incorporated in the regular accounts of the receipts of the department.

-Para 2.1.1 (20) of C.P.W.A Code

(8) (a) First and Final payment and (b) Running Account:

Ans : The term, First and Final Payment indicates a single payment made for a work or job or contract on its completion. The payment is finalised by one payment after completion of the work. Whereas, Running Account means an account with a contractor when the payment for work done or supplies is

made to him at convenient intervals subject to final settlement of the account on the completion or determination of his contract.

-Para 2.1.1 (47) of C.P.W.A Code

(b) Final Payment:

Ans : Final Payment means the last payment on a running account made to a contractor on the completion or determination of his contract and in full settlement of the account. On the other hand, the term Running Account denotes to the account with a contractor when payment for work or supplies is made to him at convenient intervals subject to final settlement of the account on the completion or determination of his contract.

-Para 2.1.1 (23) and 2.1.1(47) of C.P.W.A Code

(9) Issue Rate and Market Rate :

Ans : Issue Rate denotes the cost per unit fixed, in respect of an article borne on the stock of the department at a valuation, for the purpose of calculating the amount creditable to the stock account by charge to the account or service concerned, when any quantity of that article is issued from stock. It includes handling charges, storage charges and incidental charges based on percentage of the previous year and fixed at the beginning of the year. Whereas, Market Rate indicates the cost per unit at which the article of similar description can be procured at a given time at the stores-godown from the public market suitable to the division for obtaining supply thereof which include carriage and incidental charges.

-Para 2.1.1 (28) and 2.1.1(34) of C.P.W.A Code

(10) Storage Charges and Supervision Charges :

Ans : Storage charges are the charges levied on issue of stock to cover such actual expenditure as is incurred after the acquisition of stores on work-charged establishment employed on handling and keeping initial accounts, the custody of stock and maintenance of store-godown or yards etc. and are added on a percentage basis to the issue rate, so as to form part of the issue rate. Supervision Charges, on the other hand, mean the charges which are levied in addition to book value in respect of stock materials sold or transferred and are intended to cover such items of expenditure incurred on the stores as do not enter their book value.

-Para 2.1.1 (52) and 2.1.1(56) of C.P.W.A Code

(11) Sub-head and Sub-work

Ans : The term, Sub-head describes the sub-divisions into which the total cost of a work is divided for purposes of financial control and statistical convenience, e.g. earth work, boulder soil cutting, concrete work, brick work, wood work, etc. are the sub-heads of a work of the construction of a building.

Whereas, Sub-work means a distinct unit of a large work when it is sufficiently importance to maintain the accounts thereof separately, e.g. main office building, hostel building, garage, outer pucca wall, residential buildings etc. of the State Academy of Training.

-Para 2.1.1 (54) and 2.1.1(55) of C.P.W.A Code

(12) Works Expenditure and Works Outlay :

Ans : Both the terms are meant to indicate respectively expenditure and capital charges on special services connected with construction, repair and maintenance of work. The charges falling under these categories may be net and any receipts are taken in reduction of expenditure but they do not include the cost of general services, Tools and plant and establishment or any other charges not taken to final heads of account but kept under one of the suspense accounts till cleared.

-Para 2.1.1 (63) of C.P.W.A Code

(13) Advance Payment and Secured Advanced :

Ans : Advance Payment means a payment made on a running account to a contractor for he work done by him but not measured. Whereas, the Secured Advance means an advance payment made to a contractor on the security of materials brought to the site of work for bonafide use on work whose contract is for the completed items of work.

-Para 2.1.1 (3) and 2.1.1(49) of C.P.W.A Code

(14) Rate of Cost and Inclusive Rate of Cost :

Ans : Rate of cost indicates generally the total cost of a work or supply divided by its quantity. Such accounts represent the recorded cost per unit, as arrived at by dividing the upto date final charges on a sub-work, by the upto date progress(quantity) thereof. Inclusive Rate of Cost, on the other hand, means the rate of cost of the entire work relating to a sub-head including the cost of materials, if recorded separately in the accounts.

-Para 2.1.1 (44) of C.P.W.A Code

(15) Departmental Receipts and Departmental Charges :

Ans : Departmental Receipts means the realisation of revenue receipts made by the officers of the departments, and are credited to the Bank as Miscellaneous receipts of the P.W.D. Sale proceeds of certain fruit trees and grass planted on the office compound of the department/Divisional officers, for example, fall under departmental receipts. Whereas, Departmental charges denote percentages on account of establishment, tools and plant, audit and accounts, recoveries by the P.W.D in respect of works executed on behalf of local bodies, other governments and departments etc.

Q. 2 What are the conditions to be looked into before commencing a work ?

Ans: No work shall commence or liability incurred Until :-

- (1) Administrative Approval has been obtained from the authority appropriate in each case.
- (2) sanction to incur expenditure has been obtained from competent authority.
- (3) a properly detailed design and estimates has been technically sanctioned.
- (4) funds to cover the charge during the year have been provided by competent authority – As per G.I.D under chapter- 2 of C.P.W.A Code.

CHAPTER – 3

GENERAL OUTLINES OF SYSTEM OF ACCOUNTS

Q. 1 What are the main heads under which the transactions of Public Works Officers may be grouped ?

Ans : The transactions of Public Works officers may be grouped under the heads as shown below :-

- I. Expenditure Heads – for charges adjustable finally in the accounts of the Divisional officers .
- II. Revenue Heads – for revenue receipts creditable finally to Government in the accounts of the Divisional officers.
- III. Remittance Heads-Receipts as well as payments for cash-stores or other values received from or paid to or on behalf of other departments or Governments.
- IV. Suspense and Deposit Heads- for certain receipts and payments held in Suspense or Deposit pending clearance by payment or recovery in cash or otherwise. The Suspense Accounts for transaction of this group are treated either as heads subordinate to the expenditure heads or as Independent heads of account or as sub-heads in the accounts of works.
Transactions under each of these groups are further sub-divided for purposes of accounts. In the case of Expenditure and Revenue Heads, the main unit of classification is known as the major head, and further divisions of it as minor heads, each of which has a number of subordinate heads, known as sub-heads.
The sub-heads are further divided into detailed heads. Sometimes major heads may be divided into sub-major heads before their further divisions into minor head.

Para 3.1.6. and 3.1.7 of C.P.W.A Code

Q. 2 What are the main features of the system of Public Works Accounts ?

Ans : The main features of the system of Public Works Accounts are :

- (1) The Divisional Officer, is the primary disbursing officer of the Division who is permitted to obtain, by cheque on the banks, the funds required for all disbursements in connection with the execution of works, Pay and allowances, and contingent charges.
- (2) He also collects some of the departmental receipts of the Division and pays them into the banks.
- (3) The accounts of these receipts and disbursements including the transactions of subordinate officials acting on his behalf, are compiled under his supervision by a Divisional Accountant and are submitted monthly to the Accounts officer who audits them against sanctions and

appropriations of funds and then incorporate them in the accounts of the Government.

- (4) He is further required to maintain clear accounts of all stores received by him or by his subordinate officials and to make these accounts available for audit by the Accounts officer as and when called for.
- (5) Under each major head of expenditure, the charges of each work, project or sub-work are recorded separately in the accounts of the Divisional Officers. In the case of works of certain classes e.g. I .Irrigation, etc. commercial undertakings II Quasi-commercial under-takings, such as self supporting workshops. Proforma accounts of all transactions connected therewith are prepared annually by the Accounts officer or by the Divisional officer, as may be required and for this purpose, the receipt pertaining to each work of this class are also shown separately in the divisional accounts.
- (6) Personal payments to all regular Government employees of the Department are made on bills, presented at the bank in accordance with the general provisions of the C.G.A (R and P) Rules and are brought to accounts by the Accounts Officer directly from the data furnished to him by the Treasury Officer.

-Para 3.2.1 of C.P.W.A Code

Q. 3 What are the main principles to be kept in view by a Divisional officer in the maintenance of his accounts ?

Ans : A Disbursing Officer has to satisfy not only himself, but also the Audit Department. In the maintenance of accounts, a Divisional officer has, therefore, to bear in view the following main principles :

- (1) that a claim which has been accepted, is valid, that a voucher is a complete proof of the payment which it supports and that an account is correct in all respects.
- (2) that all accounts should be so kept and the details so fully recorded that they can satisfy any enquiry about the economy or the bonafides of the transactions.
- (3) that the records of payment, measurement and transactions in general must be so clear, explicit and self-contained as to be producible as satisfactory and convincing evidence of facts, if required in a Court of Law.
- (4) that all transactions involving the giving or taking of cash, stores, other properties, rights, privileges and concessions which have money values should be brought to account.
- (5) that the records of transactions of receipt or expenditure should be made at once under the final, debt, deposit or remittance head to which it pertains, if that be known. If it is not known, it should be classified temporarily under "P.W. Deposit" if a receipt, or under "Miscellaneous Works Advances", if a charge.

-Para 3.2.2 of C.P.W.A Code

Chapter 4

Relations with Accounts officer

Q. 1 Who is the senior member of office establishment of a P.W. Division ?

Describe the functions and duties of a Divisional Accountant ?

Ans : The Divisional Accountant is treated as a senior member of office establishment of a division. The Divisional Accountant performs the three-fold functions of an Accountant, an Internal checker and a Financial Assistant.

1. As an Accountant:

- (i) He compiles the accounts of the Division in accordance with the prescribed rules and from the data furnished to him.
- (ii) He inspects periodically the accounts of the Sub-divisional Officers and check a percentage of the initial accounts. He is responsible as far as possible, for explaining personally the defects of procedure and imparting necessary instructions thereon to the Sub-divisional Officers and their staff.

2. As an Internal Checker:

- (i) He is responsible for applying certain preliminary checks to the accounts, vouchers etc.
- (ii) He sees that rules and orders in force are observed in respect of all the transactions of the Division which come within his sphere of duties. If he considers that any transaction or order affecting receipts and expenditures is such as would be challenged by the Accounts Officer, it is his duty to bring this fact to the notice of the Divisional Officer.
- (iii) He is responsible for the Safe custody of tender documents during the period when they remain in the accounts branch.
- (iv) He conducts personally a test check of computed and checked tenders. In the case of Lumpsum Tenders, he has to see that the detailed drawings and specifications form part of the Notice and the cost of various items is correctly assessed.
- (v) He is responsible for making arrangement for checking the computed tenders
- (vi) He also examines the accounts reports and returns furnished by the Sub-divisional Officers.

3. As a Financial Assistant :

- (i) He is the general assistant and advisor to the Divisional Officer in all matters relating to the accounts and budget estimates or to the operation of financial rules generally.
- (ii) He has to bring to the notice of the Divisional Officer, all instances in which subordinate officers, exceed their financial limitations.

- (iii) He may be required by the Divisional Officer to undertake on his behalf scrutiny of accounts of the receipt and disbursements of subordinate officers falling within the Divisional Officer's own powers of sanctions.

-Para 4.2.2 to 4.2.6 of C.P.W.A code.

Q. 2 What has to be done by a Divisional Accountant when he is overruled by his Divisional Officer and is not satisfied with the latter's decision ?

Ans : When a Divisional Accountant is overruled by his Divisional Officer and is not satisfied with the latter's decision, it is his duty to comply with the orders of the Divisional Officer. But at the same time, he has to make a brief note of the case in the Register of Divisional Accountant's objections, in Form 60 and lay it before the Divisional Officer, so that the latter may have an opportunity either of accepting the Divisional Accountant's advice on reconsideration or ordering action accordingly or of recording for the information of the Accounts Officer for disregarding the Divisional Accountant's advice.

An objection entered in this register is not considered as finally disposed of until it has been reviewed by the Accounts Officer.

-Para 4.2.3 of C.P.W.A Code

Q. 3 What are the details to be indicated for all sanctions to expenditures ?

Ans : The details to be indicated for all sanctions are :-

- (1) All proposals for sanction to expenditure including new expenditure should indicate whether such expenditure can be met by valid appropriation, or reappropriation.
- (2) If it is essential to issue a sanction to expenditure before funds are communicated, the sanction should specify that such expenditure is subject to funds being communicated in the budget of the year.
- (3) Date of effect of sanction, subject to the fulfillment of the rules under D.F.P. Rs, all sanctions or orders shall come into force from the date of issue unless any other date from which they shall come into force is specified therein.
- (4) Retrospective sanction : Retrospective effect shall not be given by competent authority to sanctions relating revision of pay or grant of concessions to Government employees, except in very special circumstances without the previous consent of the Finance Department (Ministry).
- (5) Lapsed of sanction : A sanction for any charges shall, unless it is specifically renewed, lapse if no payment in whole or in part has been made during a period of twelve months from the date of issue of the sanction. There are exceptions to these rules. – Government of India's decisions under chapter 4 of C.P.W.A Code.

(CHAPTER 5)

APPROPRIATIONS

Q.1. Write short notes on:

(i) Appropriation and (ii) Reappropriation

Ans: (1) Appropriation : Appropriation means the allotment of a particular sum of money (fund) by a competent authority from funds placed at his disposal to meet specified expenditure included in a primary unit of appropriation.

Para 2.1.1 (4) of C.P.W.A Code

(ii) Reappropriation: Reappropriation of funds from one primary unit to another primary unit within a Grant may be sanctioned by a competent authority (Departments/Administrators/heads of Departments) before the close of financial year to which such Grants or Appropriation relates. However, there are various instructions under D.F.P.Rs. restricting such a Reappropriation, e.g. Reappropriation not permissible between “ charged expenditure” and “voted expenditure” or between “Plan and “Non-Plan” or “Major works” and Other items of expenditure”.

Funds as a whole, will not be reappropriated from any unit with the intention of restoring the diverted reappropriation to that unit when saving becomes available under other units later in the financial year.

Para 5.4.1 (a) of C.P.W.A code.

Q. 2 What are the conditions to be observed before incurring expenditure ?

Ans: The following conditions are to be observed by a Divisional Officer before incurring expenditure:

- I. Sanction, either special or general of competent authority has been obtained authorising the expenditure.
- II. Funds to cover the charges during the year have been provided by competent authority.
- III. The expenditure conforms to the relevant Provisions of the constitution and to the financial rules, regulations and orders issued by Competent Authority.

Para 5.1.1 of C.P.W.A Code

Q.3 It is an important function of the Divisional officer to keep a constant watch over the progress of expenditure? How is this function discharged by him in practice?

Ans: The following plan should be adopted by a Divisional Officer to keep a constant watch over the progress of expenditure:-

- (i) The progress of expenditure on works or other items for which there are specific appropriations, should be watched individually monthly by month, through the Register of Works, Contingent Register and other relevant accounts.
- (ii) In respect of works or items, lump sum appropriations for which are placed at his disposal, he will watch the progress of expenditure against appropriation by the maintenance of a record (i) . of the expenditure in the form of a progressive abstract, showing month by month the upto date expenditure of the year and (ii). Of the Grants, in the form of a register showing the appropriation and reappropriation ordered from time to time.
- (iii) Effect of undischarged liabilities on individual and lump sum appropriation should be watched.
- (iv) Anticipated credits which will ultimately be taken in reduction of expenditure chargeable against any individual or lump sum appropriation should also be taken into account.
- (v) The Review is of special importance in the last three or four months of the years. If desired, this review may also be conducted collectively in respect of each primary or secondary unit of appropriation by the maintenance of register as in clause (ii) above.

-Para 5.5.2 of C.P.W.A Code

Q.4 What are the different classes into which undischarged liabilities are divided?

Ans: Undischarged liabilities are divided into the following four classes:

- (i) Those outstanding in the suspense account, relating to contractors and labourers, in the account of works.
- (ii) Those outstanding in any of the regular suspense accounts of the division.
- (iii) Outstanding debts adjustable by book transfer and
- (iv) Matured claims of contractors, suppliers etc. awaiting settlement and all unmatured claims before the closed of the year.

-Para 5.5.2 (e) Of C.P.W.A Code.

CHAPTER 6

(CASH)

Q.1 Define the term, “Cash” as used in Public works accounts? Are (1). Government securities, (2) Deposit receipts of banks, (3). Debentures and (4) bonds accepted as security deposit to be treated as cash?

Ans: The term, “Cash” as used in P.W. Accounts includes legal tender coins, notes, cheques, Deposit-at-call receipts of scheduled Banks and drafts payable on demand. A small supply of rupee one revenue stamps may be kept as a part of the cash balance.

- (1). Government securities, (2) deposit receipts of bank, (3). Debentures and (4). Bonds accepted as security deposit are not to be treated as cash.

-Para 6.1.1 and Note thereunder of C.P.W.A code.

Q. 2 What is the action to be taken by a cheque-drawing D.D.O on the receipt of information on the incorrect drawal of money ?

Ans: If a cheque-drawing D.D.O., receives information from the Accounts Officer that moneys have been incorrectly withdrawn and that a certain sum, should be recovered in respect of any bill passed by him he shall effect the recovery without delay and without regard to any correspondence under taken with reference to the retrenchment order, he shall without delay, reply the sum in such manner as the Accounts office may direct.

Para 6.1.4(a) of C.P.W.A Code

Q3. What is a cheque? How are time-barred and cancelled chaques treated in P.W. accounts?

Ans:- A cheque means an order addressed by a customer to his banker or to a specified person or to a bearer to pay a stated sum of money in the cheque on demand.

A cheque shall be payable at any time within three months after the month of its issue.

After this specified time, a cheque becomes time-barred. If a time-barred cheque is received back within one year of its original date of issue, it may be revalidated by changing the date under the signature of the cheque drawing Divisional Officer or by issue of a fresh cheque, in lieu thereof and its amount is not written back in accounts, after the Divisional Officer has satisfied himself about the justification for revalidation or issue of a fresh cheque. The revalidation or issue of a fresh cheque should be noted on the counterfoils and against the relevant entry in the Register of Chaques Issued, (Form) G.A.R.4.

In the case of revalidation, no further action is necessary except sending the revalidated cheque to the party concerned.

In the case of issue of a fresh cheque, counter reference should be given in the old and new counterfoils as "fresh cheque issued in lieu of time barred cheque No..... datedcancelled".

If it is necessary to cancel a cheque before issue, the cheque should be destroyed by the Divisional Officer personally and the cancellation and destruction recorded in the counterfoil under the signature of the D.O. When the cheque is issued and latter withdrawn, a note on the counterfoil should be made and the cheque duly defaced and sent to the P.A.O. The entries in the accounts should be suitably reversed by minus entry in the progressive total in the Register of Cheque Issued with a note against the original entry.

-Para 6.2.10, 6.2.11 and 6.2.13 of C.P.W.A Code.

Q. 4 What as the procedure for issuing receipts to individual or party who tendered money at the Divisional Officer?

Ans : (i) When money is received by a Government officer on behalf of Government, it should at once be brought to account in the Cash Book. And a receipt in Form 3 should be issued to the payer unless Government authorise the use of Cash Memo, in Form 3 A in any particular case.

(ii) If, however, the amount be realised by recovery from a payment made on a bill or other voucher setting forth full particulars of the deduction, a receipt should be granted only if specially desired by the payer, but the fact of the recovery having been made by deduction from the payment voucher should be clearly recorded on the receipt.

Final receipt for private cheques and drafts on local banks accepted under proper authority should not be given to the payer until they have been cleared.

There are exceptions as given before.

- (i) In respect of cheques and Bank Drafts received in settlement of inter-divisional transactions which bear the endorsement "Payment by Book Adjustment only", it is not necessary to issue receipts in Form 3, as the acknowledgement given in Form 4 will serve the purpose.
- (ii) A receipt in Form 3 need not be issued for sale of tender forms.

Para 6.3.1 and notes thereunder

Q. 5 Is it permissible to utilise departmental receipt towards departmental current expenditure ?

Ans: Moneys realised by departmental officers should be credited as soon as possible in the accredited bank as misc. receipts of the department. It is permissible

to utilise the receipt temporarily for current expenditure instead of obtaining fresh cash by cheque for the amount utilised. But before the end of the month, he must send to the bank a cheque for the amount used drawn in his own favour and endorsed by himself with the words "Received Payment by transfer credit of the P.W.D".

Para 6.3.5 of C.P.W.A Code

Q.6. What are the important duties of a disbursing officer in respect of verification of entries in his cash Book?

Ans: The following are some of the important duties of a disbursing officer in respect of verifications of entries made in his cash book:

- (1). To compare each entry of payment with the gross amount chargeable as shown in the connected voucher, seeing at the same time that it bears (i). a payment order recorded by himself and (ii). the certificate of disbursement signed by himself or an authorized subordinate and ticking off each voucher as it is passed.
- (2). To see, while examining the postings and of vouchers on the payment side, that all deductions shown in the vouchers are posted as receipts on the receipt side of Cash Book.
- (3). To compare each entry of payment into the Bank with the bank challan and satisfy himself that the amounts have been actually credited into the Bank.
- (4). To verify the **totalling** of the cash book or have this done by some principal subordinate (other than the writer of the cash book) who should initial and date it as correct.
- (5). To verify the total of the postings in the " Bank" column on the payment side by reference to the memoranda recorded by himself on the reverse of the counterfoils of chaques.
- (6). To count the actual balance of cash in each chest on the last working day each month. If it is not possible , the cash balance may be counted on the first working day of the following month before disbursement is made on that date.

Whenever, the balance as per cash book is found to be incorrect, the errors should be detected and set right at once. The cash found short or surplus should be brought to account in the cash book as a payment or receipt under Misc. works advances or P.W. Deposit as the case may be.

-Para 6.6.5 to 6.6.7 of C.P.W.A Code.

Q.7: What are guiding principles which are to be observed by a P.W. Officer before drawing chaques? Or

What are the safe-guards against fraudulent use of cheque forms ?

Ans:- In drawing cheques, drawing officers should be guided by the general rules laid down in C.G.A (R and P) rules, 1983. The special rules applicable to the department are the following:-

- (1). Cheque books received should be recorded in the Register of cheque Books, C.P.W.A Form - 52 and are kept in the personal custody of the Divisional Officer/Sub-Divisional Officer.
- (2). Before a cheque book is brought into use, all the cheque forms in it should be counted and marked by a distinguishing letter.
- (3). In the case of Sub-Treasuries, the advice of the number of the cheque book to be used should ordinarily be sent through the District Treasury bank but in case of urgency, it may be sent direct to the Sub-Treasury, a copy being forwarded simultaneously to the District Treasury.
- (4). If a limit has been set by a Divisional Officer on the drawings of Sub-divisional Officer, the limit prescribed for the drawings on each treasury bank during a month should be entered on the reversed of the counterfoil of the cheque for that treasury bank before any cheques are drawn during that month and the Sub-divisional officer should watch that the limit is not exceeded. The undrawn balance at the close of the month should not be carried forward to the next month.
- (5). Cheques should be drawn only for the minimum of cash actually required for disbursement.
- (6). Petty sums should not be paid by cheques.

-Paraof C.P.W./A Code.

Q.8 What is an Imprest? How is it accounted for? How do you differentiate it from a Temporary Advance?

Ans:- An Imprest is a standing advance of a fixed sum of money given to an individual to enable him to make certain classes of disbursements which may be entrusted to his charge by the Divisional Officer in accordance with such rules, and subject to such restrictions as may be laid down by the local Government. The amount of imprest is kept as low as possible and in no case exceed five thousand rupees without the special sanction of the local Government concerned.

The account of imprest cash is kept in duplicate by the imprest holder, in Form 2, Imprest Cash Account in accordance with the directions given in that form. The counterfoil is retained by the imprest holder and the original supported by the necessary vouchers, is forwarded to the officer from whom the imprest is held, whenever the imprest holder finds it necessary to have the amount recouped, or when it is proposed to increase or decrease the amount of the imprest or to close the account altogether. The account must , in any case be rendered to the officer

from whom the imprest is held in time to enable him to incorporate the account in his Cash Book before it is closed for the month on the date fixed for the purpose.

A Temporary Advance may be differentiated from an Imprest in the sense that the latter is a standing advance of a fixed sum of money. Whereas, the former is an advance made temporarily by a disbursing officer to a subordinate to enable him to make a number of specific petty payments on a muster roll or other voucher which has already been passed for payment. In the case of imprest, payments are made before obtaining the Pay Orders of the recouping officer.

The imprest holder is responsible for the safe custody of imprest money and he must at all times be ready to produce the total amount of the imprest in vouchers or in cash.

-Para 6.6.8, 6.6.9 to 6.6.11 of C.P.W.A Code.

CHAPTER 7

STORES

Q.1. What is the fundamental principle on which the accounts of stores are based? Specify the main categories of stores?

Ans: Fundamental principle on which the accounts of stores are based, is as under:

(1). The accounts of stores are based on the fundamental principle that the cost of their acquisition should be debited to the final head of account concerned or the particular work for which they are required, if either of these can be determined at once, otherwise it should be kept in a suspense account pending clearance, as the materials are actually issued, by debit to specific heads of account or works.

(2). In accordance with the above general rule, the cost of the supply of tools and plant for the general use of the Division, is debited at once to the minor head "Machinery and Equipment" sub-ordinate to the major head under which such charges of the Division are classified. Any special tools and plant, which are required not for general purposes but for a specific work, are debited to that work or project.

(3). Similarly, all roadmetal required for the maintenance of a road or section of a road is debited at once to the sub-head "Maintenance and Repairs" subordinate to minor head under the major head concerned i.e. "3054 - Roads and Bridges" against the estimate sanctioned for the collection of it. When roadmetal is acquired specially for use in the construction of a road or other work, its cost is debited to the estimate for such construction.

(4). In the case of other materials when purchases are made for the requirements of works; generally, the cost is accounted for under the suspense head "Stock". Materials purchased specially for a work are, however, debited to that work.

Stores fall into two distinct categories as shown below:

- (1). Stores debited to suspense – (i) stock.
- (2). Stores debited to final heads – (ii) Tools and Plant.
(iii) Roadmetal,
(iv) Materials charged to works.

-Para 7.1.4 and 7.1.5 of C.P.W.A Code.

Q.2. What are the sources from which materials are generally received on stock of Public Works Division and for what purposes they are issued from stock?

Ans: Materials are received on stock from the following sources:

- (1) Supplies in India or abroad;
- (2) Other sub-divisions, Divisions or Departments including Government Workshops;
- (3) Manufacture; and
- (4) Works, buildings etc.

Purposes for their issue:

- (1) For use on works either by issue to contractors or direct;
- (2) For despatch to other Sub-divisions, Divisions or Departments; and
- (3) For sale to contractors, employees, other persons or local bodies.

-Para 7.24 and 7.2.9 of C.P.W.A Code.

Q.3. What are the Procedures followed for procurement, custody and issue of stock materials in a Public Works Division?

Ans: Procurement : (1). In all cases, there should be proper authority in writing by the Divisional officer or if so authorised, by the Sub-divisional officer for the receipt of materials, by the store-keeper or the sectional officer concerned.

(2). At the time of taking delivery, all materials received should be examined, counted or measured as the case may be.

(3). The record of detailed count or measurement or weightment should be kept in the "Goods Received sheet, Form 8 "A" and the total number of quantity received should be entered in the Bin Card, Form 8 immediately thereafter.

Custody: (1) The stock of a division is same times kept in a single godown or yard in the charge of a store keeper or other officer or each Sub-divisional officer may have separate stock in his charge, either at his headquarters or scattered over the Sub-division in the direct custody of subordinates or section officers.

(2). The officer in-charge of the stores is directly and personally responsible for the safe custody and preservation, of stores.

Issue: (1) Stock materials should be issued only on receipt of an Indent, Form 7, signed by the Divisional officer or Sub-divisional Officer.

(2). Indenting Division should prepare five copies of indents and furnishes four copies thereof to the supplying Division.

(3). When issuing the materials from stock, the store-keeper or sectional officer should examine the indent and sign it in the space provided for the purpose, after entering the quantity issued in all the copies and simultaneously entered in Bin

Card, Form 8. The signature of the officer receiving the materials should be obtained in the space in the indent.

(4). Out of four copies, one copy of the indent should be retained by store keeper of the supplying Division as a voucher in support of the entry in the Bin Card, the second copy being returned at once to the indenting officer. The third and the fourth copies of the indents should be sent to the Divisional officer for further action.

-Para 7.2.1, 7.2.4, to 7.2.11 of C.P.W.A Code.

Q.4. What principle should be observed in fixing the rate at which an article of stock should be issued to works and contractors ?

Ans.: Materials are issued from stock to works and contractors at a rate, known as Issue Rate, which is assigned to each new article as it is brought on stock.

The issue Rate is fixed on the principle that the cost to be charged to works on which materials are to be used should approximately equal the actual cost of the stores and that there may be no ultimate profit or loss in the stock account. It provides, besides the original price paid and the cost of carriage etc. for the storage charges, i.e. charges incurred after the acquisition of stores, on work-charged establishment employed on handling and keeping initial accounts, the custody of stock and maintenance of stores godown etc.

The issue rate of an article of stock is fixed at the beginning of each year. Normally, this rate remains constant throughout the year, but purchases are made, variations in costs should be watched and if there are any material variations in the purchase rate, the issue rate can be revised earlier at the discretion of the Divisional officer. It should, however, be seen that the issue rates are kept within the market rates.

When the issue rate is appreciably less than the market rate, the following precautions should be taken in addition to any restrictions on sales or on issues outside the Division which the Divisional Officer may prescribe;

- (a). Issues to contractors and sales shall be made at market rates.
- (b). issues to other Divisions and departments may be made at a rate higher than Issue Rate.

-Para 7.219 to 7.2.21 of C.P.W.A Code.

Q.5. What is Priced Stores Ledger? How is profit and loss on stock adjusted in accounts?

Ans: An account is maintained in the Accounts Branch of the Divisional Officer to record day-by-day the transactions relating to each item of stock. This account is maintained in Form 12 - Priced stores Ledger, which will have different sections or sets of pages for different articles of stock with columns for receipts, issues and

balances for both quantities and values. Separate Ledgers should be maintained for article falling under each sub-head of stock.

All items of receipts and issues should be entered in the Ledger from the copies of Goods Received sheets and the Indents which are received daily from the sub-divisions. At the end of day's postings, the balances under each article should be worked out in respect of quantities as well as values.

The Ledger should be closed for both quantities and values at the end of each month. An abstract of total receipts, issues and balances is worked out for each sub-head monthly which should agree with the Summary of Stock Receipts and the Summary of Indents.

At the end of each year, the amount of annual excess or shortfall representing the differences in values due to revision of rates, etc. should be worked out Proforma and credited to revenue (or as a receipt on capital account) or charge off as "Losses on Stock" as the case may be.

-Para 7.2.31 to 7.2.34 of C.P.W.A Code

Q. 6. How is the Tools and Plant Ledger maintained ? How is it posted ?

Ans: A consolidated account of the receipts, issues and balances of Tools and Plant should be maintained in the Divisional office in Form 15, Tools and Plant Ledger. The account should be maintained in three parts :

- Part I – For articles in hand.
- Part II - For articles temporary lent or sent out.
- Part III - For shortages awaiting adjustment.

In Part I, articles should be grouped under the prescribed sub-heads. In Part II, the entries should be made in a separate section for each contractor or other person to whom the articles are lent or sent out for repairs etc.

Part III is brought into use only if any shortages come to notice. The Tools and Plant Ledger should be posted in the following manner :

- (i) Part I and Part II of the ledger should be posted from the office copies of the Tools and Plant Received Sheets and the Tools and Plant Indents as and when a transaction takes place.
- (ii) Each separate transaction connected with articles lent or sent out, should further be posted in Part II in the section reserved for the contractor or person concerned, articles lent etc. being shown under "issues" and those received back under "receipts"

-Para 7.3.7 and 7.3.8 of C.P.W.A Code

Q. 7. In what respect does "Stock Accounts" differ from "Tools and Plan Account" ? or How does "Stock Account differ from that "Tools and Plant Account" ?

Ans: The main distinguishing features are indicated as below :-

- (1) In respect of Stock Account, both quantity and value accounts are maintained. Whereas, Tools and Plant Account, it is maintained only quantity accounts.
- (2) Regarding "Stock Account", the value of article/stock is debited to the suspense head, "Stock" under the major head concerned or to the estimate of work for which purchased. In the case of, "Tools and Plan Account", the value is debited to final head of account, "Machinery and Equipment" or to the accounts of the work for which they were purchased.
- (3) In both the cases, the registers are closed yearly.
- (4) In the "Stock Account" the values of articles lost, stolen or fraud or deficit are debited to the head, "Miscellaneous Works Advances" pending recovery or adjustment and quantities are shown as issued. On the other hand, "Tools Plant Account", the article are shown in the accounts until they are replaced or their writes off is sanctioned.
- (5) As regards to articles found surplus in the "Stock Account", the value is credited the revenue or receipt on Capital Accounts as the case may be and the quantities are shown as receipts. In the case of "Tools and Plant Account" the surpluses are shown as receipts but do not affect financial accounts.

Q. 8 How does Stock Account differ from that Tools and Plan Account ? Or In what respect does Stock Account differ from Tools and Plan Account ?

Ans : The distinguishing features are as indicated below :-
Stock Accounts : Tools and Plan Accounts.

1. Maintenance of quantity and value accounts.

Both the accounts are maintained	Only quantity accounts are maintained
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2. Debit for value of articles:

Debited to suspense head, "Stock" under the major head concerned or to the estimate of work for which purchased	Debited to final head, "Machinery and Equipment" of the accounts of the work for which purchased
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3. Closing of the register

Closed the registers yearly	Closed the registers yearly
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4. Articles lost, stolen or grand, deficit

Value is debited to " Misc. Works Advances" pending recovery or adjustment and the quantities are	Closed the registers yearly Articles are to be shown in account until they are replaced or their cost is written off on
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shown as issued

sanctions

5. Articles found surplus

Value is credited to the revenue or receipt on capital Account as the may be and the quantities are shown as receipts

Surpluses shown as receipts but do not affect the financial account.

Q. 9. What is Bin Card ? How is it completed ?

Ans : A chronological record of the receipts, issues and the running balance of each article of stock is kept in the Bin Card, Form 8. These are kept at the place where the materials are stored. These cards are posted from the Goods Received Sheets and the Stores Indents.

Bin Cards are the basic quantity record of stock transactions and as such adequate care is taken for their proper maintenance and safe-Custody. All Bin Cards are serially numbered and a Register of them is maintained in, Form 12-B.

The Divisional Officer arranges to have the balances as per Bin Cards verified periodically with those shown in the Priced Stores Ledger, Form 12. This verification is, in any case, be conducted before any item is taken up for physical verification.

As soon as a Bin Card is completed, it is returned to the Divisional Officer after carrying over the balances to the new card. In the Divisional Office, the entries of the completed cards are checked with Priced Stores Ledger.

-Para 7.2.12 (to) 7.2.(15) of C.P.W.A Code

Q. 10. How is the Monthly Summaries of Stock Receipts and Issues posted in a Public Works Divisions ?

Ans : The receipt and issue transactions of the entire Division should be abstracted in the "Summary of Stock Receipts", Form 9 and the "Summary of Indents, Form 10. These forms should be posted daily in the Divisional office from the copies of Goods Received Sheets and the Indents. The entries should be made only in respect of values. The total value of receipts and issues as brought out in these Summaries should be reconciled with the corresponding monthly total of the Priced Stores Ledger, Form 12.

To secure agreement between the quantity and value accounts, receipts and issues, the value of which cannot be adjusted in the accounts of the month in which the actual transactions takes places, should be accounted for in the Summaries under the suspense heads "Materials purchase Settlement **suspense Account**" and "Miscellaneous Works Advances" respectively. Accordingly, those receipts and issues of the month which represent transaction, the value of which is brought to account in the same month through the cash book or transfer entries should be separated from transactions not so brought to account.

When abstracting the transactions recorded in the Goods Received sheets and Indents, care should be taken to observe strictly the prescribed accounts classifications. It is not sufficient to enter the name of the major head affected, but the minor and detailed head should be also be stated.

-Para 7.2.29 and 7.2.30 of C.P.W.A Code

CHAPTER – 8

TRANSFER ENTRIES

Q. 1 What are Transfer Entries ? What are the purposes for which these are necessary in P.W. Accounts?

Ans : Transfer entries are the entries intended to transfer an item of receipt or charge from the account of a work in progress or of a regular head of account to the account of another work of head.

It serves any of the following purposes :

- (1) It corrects an error of classification in the original accounts,
- (2) It adjusts, by debit or credit to the proper head of account (or work), an item outstanding in a suspense account or under a debt or deposit head,
- (3) It brings to account certain classes of transactions which do not pass through the cash or stock account e.g.
 - (i) For credit to “Material purchase settlements suspense Account” on account of materials received for works from other sources other than stock,
 - (ii) For credit of “P.W. Deposit” on account of balances due to contractors on closed account,
 - (iii) For credit to Revenue heads on account of revenue not recovered in cash, or lapsed deposit.
 - (iv) For original debits or credits to Remittance heads based on transactions not appearing in cash or stock accounts e.g. transfer to Tools and Plant to another department or Government when the value is recoverable from them,
 - (v) For credit to heads concerned of the several percentages leviable under the rules,
 - (vi) It serves to respond to a remittance transaction advised by the Accounts Officer or directed by department concerned, if the corresponding debit or credit to the Remittance head has not already appeared in the accounts,
 - (vii) It relieves the account of a work in progress of :
 - (i) Items which have been ceased to be debitable to the estimate for the work and
 - (ii) Suspense charges which can no longer be kept within the accounts of works.

Para 8.1.1. of C.P.W.A Code

Q. 2 What are the important points which are to be observed by a Sub-divisional Officer while preparing Transfer Entries ?

Ans: Important points for the preparation of Transfer Entries :

- (i) For every transfer entry, there must be an authority in Form C.P.W.A 34. Transfer Entry Order or an order recorded on another document which sets forth all necessary particulars.
- (ii) All Transfer Entries are set forth such explanation of the correction or adjustment proposed to be made as would establish clearly the correctness and necessity of the entry.
- (iii) All transfer entries prepared during a month, are entered/registered in the "Transfer Entry Number Book CAM 35 maintained in the Divisional Office and its effect is reflected in the monthly account, in Form CAM 36:

-Para 8.1.6,8.1.9 and 8.1.10 of C.P.W.A Code

Q.3. What are the important points which are to be looked into by a Divisional Officer during the scrutiny of Transfer Entries received from/proposed by the Sub-divisional officer?

Ans:- The Divisional Officer should see that:

- (1). no transfer entry is made unless it is admissible under the rules,
- (2). a transfer entry is made as soon as it becomes necessary,
- (3). Transfer Entry Order in respect of transactions falling under correction of an error of classification in the original accounts, to the adjustment, by debit or credit to the proper head of account, an item outstanding in a suspense account or under a debt or deposit head, and to bring to account certain classes of transaction which do not pass through the cash or stock account.

Para 8.1.8 of C.P.W.A Code.

Chapter 9

REVENUE RECEIPTS

Q. 1. Give the items which are entered in the “Register of Revenue Realised” before realisation ? Or Revenue should not be credited until it is realised? Enumerate exceptions, if any to this general principle ?

Ans : As an exception of the general rule, the following items may be credited as revenue before realisation :

- (i). Supervision charges on sales of stock on credit,
- (ii). Sale proceeds of such articles of tools and plant as are creditable to the minor head “Other Receipts”, by debit to “Miscellaneous Works Advances”.
- (iii). Rent recoveries made by the disbursing or Accounts Officer of the Defence, Posts and Telecommunications and Railways Accounts circles are remitted to the Divisional Officer by cheques/Demand Drafts who will credit the amount by deposit in the accredited bank.

--Note 2 under para 9.1.4 (a) and 9.3.6 of C.P.W.A Code

Q. 2 What is the safe-guard to be taken up before a remission or refund of revenue ?

Ans : Before a remission or refund of revenue or any kind, otherwise in order, is allowed, the original realisation should be traced out and a reference to the remission or repayment should also be recorded against the original entry in the cash book and relevant accounts so as to guard against the double or erroneous claim impossible. A certificate of such refund should be made in all vouchers for refunds. Any receipt previously granted should be taken back, if possible and destroyed and a note being recorded on counterfoil of the receipt.

-Para 9.4.2 of C.P.W.A Code

Q. 3 What are the procedures for recovery of Licence Fee from Government employees occupying Government buildings or residential buildings ?

Ans : The procedures for recovery of Licence Fee, are :

- (1) The Estate officer/P.W.D has to furnish a list of employees who are occupying Government accommodation Drawing and Disbursing officer-wise to the D.D.O concerned.
- (2) The P.W.D officer will issue the licence fee Demand Statement, Form 48 in triplicate and the Disbursing Officer will attach one copy with the Pay Bill and return the second copy to the Divisional Officer duly certified to the effect that the recovery has been made and the

emoluments are correct. The third copy will be retained as an office copy.

- (3) A copy of allotment of Government quarters has to be sent to the D.D.O concerned. When an employee occupying Government accommodation is transferred to another station, his L.P.C is reflected the amount of licence fee recoverable which is continued to be deducted till such time that he has vacated the Government accommodation.
- (4) A copy of the relevant challan and Deduction Schedule are furnished by the D.D.O to Finance Advisor, P.W.D. It is a proof of actual recovery of the amount credited in the appropriate head of account M.H. 0216-Housing, 01 Government Residential Housing, 106-General Pool Accommodation.
- (5) The licence fee will be recovered from the monthly Pay Bill and credited to the above head of account.
- (6) The licence fee is not accepted by the P.W.D either in the form of cash, draft or cheque without prior authority of the Estate Officer.
- (7) In the case of arrears of licence fee, the P.W.D. has to furnish the amount due against each employees to his D.D.O for deduction of the amount in equal monthly installments at the rate of 1/10th of the emoluments of the employee and credited to Government Account as above. Copies of receipted challan and Deduction Schedules are sent to the Financial Advisor, P.W.D.
- (8) In the case of Central Government and other Government employees occupying State Government accommodation, the foregoing procedures are applied mutatis and mutandis.

All revenue receipts of the Division Should be classified and abstracted in a Register of Revenue, Form 46 maintained in the Divisional Office.

Likewise, a Register in Form 49-Register of Licence-Fee of Buildings and Lands should be maintained in the Divisional Office to show the monthly assessments, realisations and balances.

CHAPTER 10

WORKS ACCOUNTS

Q 1 What are the initial records upon which the accounts of works are based ?

Ans : The initial records upon which the accounts of works are based are as enumerated below :

(1) The Muster Roll, Form 21, (2) the Measurement Book, Form 23 and (3) Work-charged Estt. Bill Form 29.

(1). Muster Roll shows the work done by daily labour and the amount payable on this account. It is prepared in two parts. Part I is meant for keeping a record of daily attendances and absences of labourers and the fines inflicted on them. This helps in the calculation of net wages due to each worker, for a particular period. Part II is meant for keeping a record of the progress of work, if it is susceptible of measurement. If not, a note to this effect is recorded in this part.

(2) Measurement Book forms the basis of account in respect of piece of work and contract work. Separate Measurement Books are maintained for "Detailed and Standard" measurements. Bills of contractors and suppliers are prepared on the basis of measurements recorded in the measurement books.

(3) Work-charged Estt. Bills are drawn for the staff of the entire sub-division or of section, as may be convenient. The Sub-divisional Officer certifies that the men were on duty during the period shown against their names.

- Para 10.2.4, 10.2.8 and 10.2.26 of C.P.W.A Code.

Q.2. What are the important instructions regarding the preparation and maintenance of Muster Roll ? or What should a Divisional Accountant apply to muster rolls in the ordinary course of his duties ?

Ans: The following are the important instructions/checks :

- (1) The Muster Rolls should be prepared in Form 21.
- (2) One or more Muster Rolls should be kept for each work.
- (3) Muster Rolls are never prepared in duplicate.
- (4) Separate muster rolls are prepared for each period of payment.
- (5) The daily attendances, absences and fines inflicted on labourers are recorded in part I of the Muster Roll under proper attestation.
- (6) Original entries made in the muster roll should not be tampered with.
- (7) After a muster roll is passed, payment should be made as expeditiously as possible.

- (8) Wages remaining unpaid should be recorded in the Register of Unpaid Wages, Form 21A, before the memorandum at the foot of the Muster Roll is completed by the person who made the payment.
- (9) Subsequent payment of unpaid wages should be made on Hand Receipt, Form 28, keeping a note of payment in the Register of Unpaid Wages as well as the relevant Muster Roll.
- (10) Wages remaining unpaid for three months should be reported to the Divisional Officer who should decide, whether the account will continue to be exhibited or credited to capital or revenue head.
- (11) The progress of work should be recorded in Part II of Muster Roll in all cases where the work is susceptible of measurement. Otherwise, a note to this effect should be recorded therein.
- (12) The check of Muster Roll with reference to the entries in Measurement Book will be done to the extent of 100 per cent in the sub-divisional office before payments are made by the Divisional Officer.
- (13) In exception and urgent cases, such as urgent silt clearance of canals or closing breaches, where labourers are employed casually for short periods, payments may be made on Casual Labour Roll, Form 22 in which the names of the Labourers need not be given but such payments may not be given except by a gazetted officer.
 - para 10.2.4 of C.P.W.A code.

Q.3. What are the general important instructions regarding the maintenance of Detailed Measurement Book and entries to be recorded therein?

Ans: The following are the important instructions regarding the maintenance of Measurement Book and the entries to be recorded therein :

- (1) All the Measurement Books belonging to a division should be numbered serially and a register of them should be maintained in Form 92 in the Divisional Office showing the serial number of each book, the names of the sub-divisions to which issued, the date of issue and the date of its return, so that its eventual return to the Divisional Office may be watched.
- (2) Detailed measurements should be recorded only by Executive Engineer, Assistant Executive Engineer or Assistant Engineers or by the executive subordinates in-charge of the works to whom M. Bs. have been supplied for the purpose.
- (3) All measurements should be recorded neatly and directly in a Measurement Book, Form 23 at the site of work and no where-else.
- (4) Each set of measurements should commence with the entries stating :
 - (a) In the case of bills for works done :
 - (i) full name of work as given in estimate/agreement, (ii) situation of work, (iii) name of contractor, (iv) number and date of his agreement, (v) date of written order to commence work, and (vi) date of actual completion of work, (vii) date of measurement.
 - (b) In the case of bills for supply of material required for specific work:

(i) name of supplier, (ii) number and date of his agreement or order, (iii) purpose of supply, (iv) date of written order to commence supplies, (v) date of actual completion of supplies, (vi) date of actual completion of work and (vii) date of measurement, and in both the above cases, should end with the dated initial of the person making the measurements.

(5) Reference to the last set of measurements in the case of measurements relating to a running contract account should always be traced out and compared.

(6) Entries should be made continuously and no blank pages left or torn out. Any pages left blank inadvertently should be cancelled by diagonal lines, the cancellation being attested and dated.

(7) The entries should ordinarily be made in ink, only when this is not possible the entries should be made in indelible pencil and they should not be inked over, but should left untouched. The entries in the "contents or area" column should, however, be made in ink in the first instance.

(8) No entry should be erased, if a mistake is made, it should be corrected by crossing out the incorrect words and figures and inserting the correct one in red ink entry.

(9) When any measurements are cancelled, the cancellation must be supported by the dated initials of the officer who made measurements, the reasons for cancellation also being recorded.

(10) Each measurement book should be provided with an index which should be kept update.

(11) When a bill is prepared for the work measured with reference to the recorded measurements in the Measurement Book, must be invariably scored out by a diagonal red ink line and when payment is made, an endorsement must be made in red ink on the abstract of measurements giving a reference to the number and date of the voucher of payment

- Para 10.2.7 and 10.2.8 of C.P.W.A code.

Q.4. What are the guiding principles which a sub-divisional officer should observe in the preparation, examination and payment of contractors' bills?

Ans : The following are the guiding principles which a Sub-divisional Officer should observe in the preparation, examination and payment of contractor's bills.

(1) The Sub-divisional Officer should scrutinise the entries in the measurement book relating to the description and quantities of work or supplies and check the calculations of "contents or area" arithmetically before preparing the bill of a contractor.

(2) The bill should then be prepared, from the measurement entries in the form applicable to the case.

(3) The rates allowed should be entered by the Sub-divisional Officer in the Abstract of measurements and in the bill itself.

(4) Full rates as per agreement, catalogue, indent or other order should be allowed only if the quality of work done or supplies made is upto the stipulated specification. When the work or supplies fall short of that standard, only such a fraction of the full rate should be allowed as is considered reasonable with regard to the work remaining to be done and the general terms of agreement.

(5) When the bill is on a running account, it should be compared with the previous bill.

(6) Memorandum of payment should then be made up, any recoveries to be made on account of the work or supply on other accounts, being shown therein.

(7) In cases where the Sub-divisional Officer is empowered to pay the bill, he should record a formal payment order specifying both in words and figures, only the net amount payable.

(8) The payee is required to acknowledge in his acquaintance the gross amount payable inclusive of the recoveries to be made from the bill.

(9) Whenever a fraction of a rupee occurs in the totals of contractor's bill, fraction less than half a rupee may be disregarded and half a rupee and over taken as a rupee.

(10) It should be seen that necessary recoveries of the cost of materials supplied to him are being made as per rules.

(11) When a bill is prepared for the work done or supplies measured, every page containing detailed measurements must invariably be scored out by a diagonal red ink line. When the payment is made, an endorsement must be made, in red ink on the Abstract of measurement, giving a reference to the number and date of voucher of payment. This will ensure against double payment of a claim on the same account.

- Para 10.2.16 to 10.2.18 of C.P.W.A Code

Q.5. What are the checks applied to Muster Rolls by the Divisional Accountant as an Internal Checker?

Ans: The Divisional Accountant will have the following checks to Muster Rolls :

- (1) The Muster Rolls are prepared in prescribed form and in accordance with rules,
- (2) Muster Rolls are never prepared in duplicate,

- (3) Separate Muster Rolls are prepared for each period of payment,
- (4) Daily attendances and absences and fines inflicted on labourers are recorded in Part I of the roll under proper attestation.
- (5) No attempt has been made to tamper with the original entries,
- (6) After a muster roll has been passed, payments are made as expeditiously as possible,
- (7) Unpaid wages are properly recorded in the Register of Unpaid wages Form 21A before the memorandum at the foot of the muster roll, is completed by the person making the payment,
- (8) Wages remaining unpaid for three months are being reported to the Divisional Officer,
- (9) The payment through muster roll is made only to daily labourers and not to members of regular or work-charged establishment.
- (10) The progress of work done is shown in Part II of muster roll in all cases where the work is susceptible of measurement.
- (11) If the work is not susceptible of measurement, a certificate to this effect should be recorded.
- (12) The cost of labour is not in excess of the value of the work done to determine if there is any loss to Government for want of laxity of control.
- (13) The check of Muster Rolls with reference to the entries in the Measurement Books will be done to the extent of 100 per cent in the Sub-division before payments are made by the Divisional Officer.

- Para 10.2.4 of C.P.W.A Code.

Q.6. How are the Pay Bills of work-charged Establishment prepared and paid ?

- Ans :**
- (i) Wages of members of the work-charged establishment are drawn and paid on Form 29 Pay Bill of Work-charged Esstt. which is a combined Pay Bill and acquittance roll form.
 - (ii) A consolidated bill in this form should be prepared monthly either for the whole Sub-division or for one or more sections of it, as may be convenient, but the names and claims of the entire establishment including absentees should be shown in each bill.
 - (iii) Names should be grouped in the bill by works on which the men are employed.
 - (iv) Sanction to the entertainment of the establishment should be quoted in each case.
 - (v) The Sub-Divisional Officer should certify that the men were on duty during the periods shown against their names, each man being

employed on the work and on the duties for which his appointment was sanctioned .

- Para 10.2.26. of C.P.W.A Code

Q.7. How are the unpaid wages adjusted in accounts ?

Ans : Wages remaining unpaid on a passed bill, on the date fixed for the closing of the accounts of a month may be paid subsequently when claimed. The procedure described below is observed :

- (i) Items remaining unpaid on the monthly bill should be entered in a simple register in Form 21-A. Full particulars of the charge including reference of the bill being noted.
- (ii) Subsequent payments should be made on Hand Receipts, Form 28, reference to the bill in which the charge was originally included, and to the particular item thereof being quoted in each case.
- (iii) When making payments of arrears, suitable notes of payment should be recorded against the original entries in the register, so as to guard against second payment.

- Para 10.2.28 of C.P.W.A Code.

Q.8. What is Standard Measurement Book ? What Purpose does it serve ?

Ans : 1. A measurement book where the detailed measurements of certain item of works of a building is recorded correctly on completion of the construction and its accuracy of which is certified by an Asst. Engineer, is known as "Standard Measurement Book".

2. The book is maintained as a record to facilitates the preparation of estimate for periodical repairs and their execution. In case of annual white washing and colour washing etc., no detailed measurements need to taken/prepared. The contractor's bills are prepared and payments to contractor are made on the basis of measurements in the Standard Measurement Book.

3. Standard Measurement Book is written by the Sub-Divisional officer himself and then examined by the Divisional Officer. It is to be brought uptodate within on a month of closing of the accounts of the estimate **therefor**. The Standard Measurement Book is checked by every five years and alterations, if any, are entered in this book which is known as quin - quennial checking. The S.M.B. is used mainly for annual repair and maintenance of works.

4. The Standard Measurement Book is also used and maintained as in the case of Detailed (Ordinary) Measurement Book.

- para 10.2.10 of C.P.W.A Code

Q.9. What is Works Abstract ? What is its utility ?

Ans : Works Abstract is an important account record in the P.W.D. It is a monthly account of all transactions relating to a work in respect of cash, stock and other

charges which is prepared in Form 33 by the Divisional Officer. Separate Works Abstracts are prepared for each work. Works Abstract shows the Accounts of (i). Final Charges, (2). Suspense Charges and (3). Contingencies .

The estimate, account and completion certificate of petty works costing not more than Rs. 30,000/- each is prepared in a single form, Petty Works Requisition and Account, Form 32, whereby separate works are not necessary.

Ordinarily one Works Abstract is prepared monthly for each working estimate in case of a large work which is divided into several sub-heads. It is prepared separately for each sub-work.

Works Abstract is very useful in positing the Register of Works in respect of the progressive total expenditure incurred on a work against sanctioned estimates. It shows the progressive total quantities of work executed from time and also the rate of cost.

It is useful in so far as the Suspense Accounts are opened in a Works Abstract relating to materials issued direct to works, the personal accounts of contractors and wages of labourers are concerned.

Works Abstract is posted day-to-day from the Cash Book and concerned vouchers entering the Voucher number and other particulars.

- Para 10.5.1 and 10.5.2.of CPWA Code.

Q. 10. Where does the Works Abstract Starts? How is it prepared and completed? Or Describe the procedure for the preparation and completion of Works Abstract?

Ans:- The Works Abstract in Form 33 is prepared in the Divisional Office. It is posted day-by-day from the cash book and the connected bills of contractors and suppliers, cash refunds and readjustments of final charges being posted as minus entries. At the end of the month, stock and adjustment transactions are added, writes back of final charges, are posted as minus entries.

The quantities of work executed are posted from measurement books or latest running bills or other sources. The closing balances of contractor's account are detailed contractor-wise so as to prove the correctness of up-to-date totals under the suspense heads (1) "Contractors-Advance Payments", (2). "Contractors-Secured Advance" and (3). "Contractors –Other Transactions" which should agree with the balances as per the ledger accounts of the contractors in respect of that particular estimate work. The balances arrived at under the suspense head "Labourers" should be agreed with the connected record of unpaid wages and its correctness should be certified over the dated initial by the Sub-divisional officer.

The Works Abstract is then forwarded to the Divisional Office where all necessary completing entries are made in respect of the direct charges and adjustments made by the Divisional office. Works abstract is checked and closed

under the supervision of the Divisional Accountant who should ensure the correctness of the postings of the Works Abstract and also of the closing balances of the contractors account and its agreement with the Ledger.

-Para 10.5.24. of CPWA Code

Q. 11. Write short notes on:

(1) Contractor's Ledger and (2) Schedule of Rates

Ans: (1) Contractor's Ledger: A Contractor's Ledger is a personal account of a contractor where all transactions regarding the particular contractor, are entered.

It is maintained in the Divisional Office in the prescribed form (Form 43). All payments, recoveries, adjustments etc., are taken down in the ledger so that watch may be kept on the recoveries from the contractor.

Recoveries of the debit balance of the ledger are made from the contractor regularly at the first available chances to avoid accumulation of arrears.

For every contractor, separate ledger is maintained and each contractor's ledger is closed and balanced monthly.

-Para 10.7.1 of C.P.W.A Code

(2). Schedule of Rates: Rates specifying for different items of work usually require to be made out by the P.W.D., is called Schedule of rates. It facilitates the preparation of estimates and also serves as a guide in settling rates in connection with contract agreements. It is prepared on the basis of rates prevailing in each locality and analysis of rates for each description or work and for varying conditions thereof, is recorded.

Thus rates so indicated and shown in the schedule are subject to revision after intervals when market rates are either gone up or down to such an extent that the rates indicated in the schedule do not give a correct idea of rates.

-Para 10.6.13 of C.P.W.A Code.

Q.12. In what circumstances can advance be given to contractors? How are their adjustment effected?

Ans:- advances to contractors are, as a rule, prohibited and every endeavour should be made to maintain a system under which no payments are made except for work actually done. Exceptions to his general rule are, however, permitted in the following cases:

1. Secured Advance: It is an advance made on the security of materials brought to the site of work, to a contractor whose contract is for completed items of work. Such advance is sanctioned under the following conditions.

- (i). The amount of advance does not exceed 75% of the total value of materials brought to site of work.

- (ii). Materials are of an imperishable nature and that a formal agreement is drawn up with the contractor under which Government secures a lien on the materials and is safeguarded against losses due to the contractor's postponing the execution of the work or to the shortages or misuse of the material, and against the expenses entailed for their proper watch and safe custody.
- (iii). Payment of such advances should be made only on the certificates of an officer not below the rank of sub-divisional officer, that the quantities of materials upon which the advances are made have actually been brought to site, that the contractor has not previously received any advance on that security and that all materials are required by the contractor for use on items of work for which rates for finished work have been agreed upon. Recoveries of advances so made should not be postponed until the whole of the work is completed.
- (iv). The Account of Secured Advance is maintained in Form 26 A as an annexure to Form 26-Running Account.

2. Advance payment: An advance payment may be made to a contractor for work actually executed but not measured. Such an advance is made only on the basis of a certificate of a responsible officer not below the rank of Sub-divisional Officer to the effect that not less than quantity of work paid for has actually been done and the Officer granting such certificate will be held personally responsible for any over payment made on the work in consequence.

3. In all other cases, only with the sanction of government which may, in exceptional circumstances and in respect of certain specialized and capital intensive works costing not less than one crore rupees authorizes such advances as may be deemed indispensable, taking the necessary precautions for securing Government against loss and for preventing the system from becoming general or continuing longer than is absolutely necessary.

-Para 10.2.22 and 10.2.23 of C.P.W.A Code.

Q.13. What is a Detailed (Ordinary) Measurement Book? What purpose does Detailed M.B. Serve?

Ans: The measurements of all works done and supplies made are recorded in Measurement Book, Form 23 and payments of works and supplies are made on the basis of measurements recorded therein. The detailed measurement books are very important and reliable account records. All measurement books are numbered serially and a Register of them is maintained in form 92 in the Divisional Office. The register shows the serial number of each book, the names of the Sub-division or office to whom issued, the date of issue, the date of its return and remarks.

A similar register is maintained in the Sub-divisional Officer showing the names of officer to whom issued, date of issue, date of its return etc. M.Bs, no longer in use should be withdrawn promptly even though not completely written up.

In the case of departmental execution of works carried out through daily labour that the measurement books may be dispense with.

Ordinary Measurement Book constitute the basic initial account records in P.W.D.

Payments of all works done otherwise than by daily labour and for supplies made by the contractors and suppliers are made on the basis of measurement entries in the M.Bs.

-Para 10.2.7 and 10.2.8 of C.P.W.A Code.

Q.14. What is the Register of works? How is it posted ? What are the checks applied to it by the Divisional Officer.

Ans:- The Register of Works is a permanent and collective record of the expenditure incurred in the division, during a year, on each work. This record is maintained in the Divisional Office.

It is prepared separately for each work in the proscribed forms and posted monthly from the Works Abstract.

For major estimate above Rs. 1,00,000, the record is prepared and maintained in Form 40 Sub-head-wise entering both quantities and cost, except for petty works and small items costing less than Rs. 30,000 which are lumped together, where no record is necessary beyond the Petty Works Requisition and Account, Form 32 which is self-explanatory.

For minor estimates below Rs. 1,00,000 headwise record is not required, the record is maintained in Form 41- Register of works. Register of works indicates the total expenditure on a particular work for each year and the total cost of the work upto date.

The amount sanctioned estimates is also entered in the Register of Works so that at any time it may compared with the sanctioned estimated amount or cost.

Posting:

The Register of Works are posted monthly from works Abstract. A separate folio or sets of folios of Form 40 is assigned to each Estimate, but entries relating to two minor Estimates can be made on a single page of Form 41. When separate Works Abstracts are for the sub-works or part of a Major Estimate, the transactions relating to each Works Abstract (Schedule docket) are posted separately and an abstract for the entire work is prepared on a separate folio or set of folios for comparing the cost of the work and with the provision in the estimate.

Checks:

Inter alia, the following points are to be paid special attention of the Divisional Officer while examination the Register of Works:

(i). If there are only petty or no transactions during the previous two or three months, the Divisional Officer has to satisfy himself that there are sufficient reasons to justify the retarded progress of the work.

(ii). If any of the works has been stopped or nearing completion, he should take steps to close its accounts, if however, there is necessarily any delay in closing the accounts, it should be seen in particular that further charges are not incurred without his permission.

(iii). The upto date quantities of work executed are correlated with the total expenditure with a view to ascertaining that there is no tendency towards excess over sanctioned estimates. If however, there is any actual or probable excesses, he has to take steps for the preparation of works slip, where necessary so that they are forwarded to the S.E.

(iv). The Divisional Officer has to ensure that the suspense heads "Contractors", "Labourers" and "Land Acquisition" are cleared as early as possible. The cost of materials debited to the suspense head "Materials" is either written back or distributed over the sub-heads concerned before the accounts of a particular work are closed.

-Para 10.6.1 to 10.6.3 of C.P.W.A Code.

CHAPTER 11: **(ACCOUNTS PROCEDURE FOR LUMP SUM** **CONTRACTS)**

Q.1. What is a Lump sum contract? What are its essential characteristics? How are payments of Intermediate and Final under such a contract regulated made?

Ans: A lumpsum contract is a contract wherein the contractor agrees to execute a complete work with all its contingencies in accordance with the drawings and specifications for a fixed sum.

Essential characteristics : The following are the essential characteristics of lumpsum contract:

- (i). A schedule of Rates is specified in order to regulate the amount to be added to or deducted from the fixed sum on account of additions and alternations not covered by the original contract.
- (ii). Except as provided in clause (i) above, no allusion is made in the contract to the departmental estimate for the work, schedule of rates or quantities of work to be done.
- (iii). Detailed measurements of the work done are not required to be recorded in Measurement Book except in respect of additions and alterations.

Payments: Whenever it is proposed to make any intermediate payment, in Form 27-A, a certificate should be given by a responsible officer of Government, not below the rank of a Sub-divisional Officer to the effect that, by superficial or General Measurement or by some other suitable method laid down by the Local Administration (which should be specified), he has satisfied himself that the value of the work done is not less than a specified amount and is in conformity with contract agreement and that, with the exception of authorized additions and alterations, it has been done according to the prescribed drawings and specifications. The officer granting such a certificate is responsible for the correctness of payments.

In the case of final payments in Form, 27-B, in addition to a record of detailed measurements in respect of additions and alterations, there should be a certificate of completion of the work according to the prescribed drawings and specifications signed by the Divisional Officer or such other officer as may be declared by the Local administration concerned to be the experienced Engineer of Government for the purpose.

Exception: It may be allowed by the Local administration concerned for execution of the work in a border state under the supervision of responsible Civil Officer without intervention of the Public Works Department, a completion certificate, if he is empowered by the local Government to sign it.

-Para 11.1.1, 11.2.2, 11.2.3 and Note thereunder of C.P.W.A. Code.

CHAPTER 13:

(SUSPENSE ACCOUNTS)

Q. No. 1. What are “Suspense Accounts” operated upon in Divisional accounts and bring out the purpose served by each? Describe briefly the accounting procedure followed in each case ?

Ans: The minor head “Suspense” is sub-divided into the following heads as may be required in each division.

(1). **Stock** (2) **Miscellaneous Works Advances** and (3) **Workshop Suspense**.

These heads are of a temporary character and all transactions recorded under them, are ultimately removed either by payment or recovery, in cash or by adjustments. The transactions, therefore, consist of both debits and credits, the latter being treated as reduction of expenditure when making up the account of the Major Head.

(1) **Stock:** It is meant to keep an account of materials maintained in a P.W. Division for general purposes.

It is debited with all expenditures connected with the acquisition of stock materials and with all manufacture operations and with the expenditure incurred on storage. It is credited with the value of materials issued to work or sold or transferred or otherwise disposed of. The balance of account represents the book value of materials in stock plus the unadjusted charges, etc. connected with manufacture.

(2). **Misc. Works Advances:** This head includes the following four classes of transactions:

- (i) Sales on credit
- (ii) Expenditure incurred on Deposit Works in excess of deposits received.
- (iii) Losses, retrenchments, errors etc.
- (iv) Other items

The head “other items” is meant for all debits, the allocation of which is not known or which cannot be adjusted until recovery or settlement is effected or write-off ordered.

The following are cited as examples:

- (i) debits, the classification of which cannot be determined at once,

- (ii) recoverable debits not pertaining to the accounts of a work and
- (iii) recoverable outstandings appertaining to works, the accounts of which are closed.

Items under this head are cleared either by actual recovery or by transfer, under proper authority to some other head of accounts.

Items or balances which have become irrecoverable are, however, not transferred until ordered to be written off.

(3). Workshop Suspense: This is operated upon on Workshop Divisions of P.W.D.

All direct outlays on the jobs executed and on other operations of workshop, is passed through this head and a separate account is kept under it of each job or operation, so that all charges of a general nature may be suitably distributed over all the jobs or operations affected, before the total cost recoverable is determined.

-Para 13.1.1, 13.3.1, 13.3.3, 13.4.1, 13.4.6 and 13.5.1 of C.P.W.A Code.

Q.2. What are the categories under which “Misc. Works advances” divided:

Ans:- Transactions recorded under the head “Misc. Works Advances” are divided into four Classes:

- (1). Sales on credit
- (2). Expenditure incurred on Deposit Works in Excess of deposits received.
- (3). Losses, retirement, errors etc. and
- (4). Other items.

-Para 13.4.1 of C.P.W.A Code.

CHAPTER 15

(DEPOSIT)

Q. 1 What are the two kinds of Deposit transactions of the Public Works Department ?

Ans : Deposit transactions of the P.W.D are of two kinds :-

1. Public Works Deposits which pass through the regular accounts of the Division.
2. Interest-bearing securities.

Deposits of the first kind comprise transactions of the following classes, which are pass through the head Public Works Deposits.

- (a) Cash deposits of subordinate as security,
- (b) Cash deposits of contractors as security, to be done,
- (c) Deposit for work other than)Takavi Works) to be done,
- (d) Sums due to contractors on closed accounts,
- (e) Miscellaneous Deposits

Interest – bearing securities referred to above are deposited by subordinates and contractors. These do not pass through the regular accounts of the Division.

- Para 15.1.1.of C.P.W.A Code

Q.2. What do you mean by the term ‘Lapsed Deposits’ ? State the procedure on the refund of Lapsed and Confiscated Deposits?

Ans:- “Lapsed Deposit” is the term applied to deposits which have been kept under the head “Deposit” and become time-barred or unclaimed for its refund/repayment. As a result in the accounts of the P.W.D., the deposits are transferred or credited to the revenue head of accounts concerned. These cannot be repaid without Pre audit by the Accounts Officer.

These include the following type of deposits for March each year:

- (i) Original deposits not exceeding twenty five rupees remaining outstanding for one whole account year.

- (ii) Balances not exceeding twenty five rupees of items party cleared during the year then closing.
- (iii) Balances unclaimed for more than three complete account years.

Before the amount of lapsed or confiscated deposits is credited to government as revenue, the original realisation should be traced out and reference to the credit should be so recorded against the original entry in the Cash Book and other accounts so as to guard against double or erroneous repayments.

If the Accounts Officer desires to repay the lapsed deposit or confiscated deposit under the rules framed by govt. he will authorize the payment on ascertaining:

- (i) that the item was really received,
- (ii) that it was credited to Govt. as lapsed or confiscated and
- (iii) that the claimant's identity, and title to the money are certified by the Divisional Officer.

The amount repaid should be treated as a refund of receipt under the major head to which it was credited and the repayment should noted in Register of Deposit against the entry for its credit to government.

-Para 15.4.1 to 15.4.3 of C.P.W.A Code.

Q.3. What precautions to be take up before refund of a cash deposit, otherwise in order, is allowed or the amount outstanding in deposit account is converted into interest-bearing security?

Ans:- The following is the precaution:

- (1) The original realisation should be traced out and a reference to the repayment should be recorded against the original entry in the Cash Book and other accounts as to make the entertainment of double or erroneous claim impossible.
- (2) A certificate for such a note, having been made, should be made in all vouchers for refunds.
- (3) Any acknowledgement previously granted should be taken back, if possible and destroyed.

-Para 15.5.2. of CPWA Code.

CHAPTER 16

(NON GOVERNMENT WORKS)

Q. 1. Name the three classes of non-government works which the Public Works Department has sometimes to undertake and describe how the transactions are accounted for in the Divisional books?

Ans. The three classes of Non-government works which the PWD is required to undertake are:

(1). Deposit works, (2). Local Loan Works and (3). Takavi Works.

(1). Deposit works are undertaken by the PWD on behalf of a local body or other party concerned. Before a Deposit Work is carried out, the gross estimated expenditure which is payable by it, to the Divisional officer either in one lump sum or installments, and by such dates as may be specially authorized by government. The amount received is credited to the head "Public Works Deposit" and any subsequent expenditure debited thereunder upto the amount of deposit received. Outlay on Deposit works is required to be limited to the amount of deposits received. Any expenditure incurred in excess of the amount deposited, is chargeable to "Misc. Works Advances" pending recovery.

A consolidated record of all Deposit Works of the Division should be prepared monthly in the schedule of Deposit Works, Form 65. This schedule show, in respect of each work, the amount of deposit received and the expenditure incurred both during the month and update. The percentage charges leviable should be adjusted month by month as the works expenditure is incurred but the Accounts Officer may authorize the adjustment to be made once in a year in the accounts for March Provided that the accounts of a work are not closed in the earlier month.

-Para 16.2.1 to 16.2.4 of CPWA code.

(2). Local Loan Works: Local Loan Works represents works executed by the PWD on behalf of a municipality , port trust or a corporation, when the cost of the work is to form part of a loan given to it by government of the purpose. Expenditure on a Local Loan Works including the portion of expenditure on a joint work which is incurred against sanctioned loan in accordance with the rules under orders of competent authority, is accordance with the rules under orders of competent authority, is accounted for under the Loan head and shown in the schedule of debits to Misc. Heads of Accounts, Form 76, supported by a schedule of Works Expenditure. All charges debitible to a loan should be brought to account as they occur so that interest charges may be correctly calculated and adjusted in the Accounts Officer's office.

- Para 16.3.1. and 16.3.2 of C.P.W.A. Code

(3) Takavi Works : Takavi Works denote works of construction or maintenance relating to water courses or any other works, expenditure on which is treated by government as a takavi advance recoverable from the party concerned.

The transactions relating to Takavi Works are recorded under the head "8550- Civil Advances-other Department Advances " and are accounted for in the Schedule of Takavi Works, Form, showing expenditure incurred on each work the amount realised on account of it and the outstanding balances.

The accounts of all such works of construction or special repair should be closed as soon as the Work is completed. Ordinary maintenance and repair works should, however, be considered as completed on the 31st October of each year or any other date that may be prescribed by government as the last day of the Takavi Year.

-Para 16.4.1, 16.4.4 of C.P.W.A Code

“Practical”

Contractors’ Bills:

1. General: As a general rule, every payment including repayment of money previously lodged with Government for whatever purposes, must be supported by a genuine/valid Voucher setting forth full and clear particulars of the claim/payment and all information necessary for its proper classification and clear identification in the accounts

Para 6.4.6 of C.P.W.A Code

2. Amounts Payable to a contractor:

Amounts due to a contractor are ordinarily fall into three categories as indicated below:

- i. On Account Payment means a payment made, on a Running Account, to a contractor for the work done or supplies made by him and duly measured. Such payments may or may not be for the full value of work or supplies, if it is an Intermediate payment, it is subject to the final settlement of the Running Account on the completion of the contract for the work or supplies .

Para 2.1.1(37) of C.P.W.A Code

- ii. Advance Payment means a payment made on a Running Account to a Contractor for the work done by him but not measured for which a certificate of a responsible officer not below the rank of a Sub - divisional Officer is necessary for the purpose.

Para 2.1.1(3) of C.P.W.A Code

- iii. Secured Advance is a term applied specifically to an advance payment made on the security of materials brought to site of work, to a contractor whose contract is for the completed item of work.

Para 2.1.1(49) C.P.W.A code

3. Forms of Bills:

The authorized forms and vouchers are the following:

- i. First and Final Bill, Form 24 is used for making Payments both to contractors for work and to suppliers, when a single payment is made for a job or contract on its completion .

Para 10.2.13 of C.P.W.A code

- ii. Running Account Bill, Form 26 is used for all running and final payments to contractors and suppliers (other than those relating to Lump sum contracts for which Form 27-A and 27-B are Prescribed). Such a payment is made at convenient intervals subject to final settlement of the account on the completion or determination of his contract. In cases , where Secured Advances are to be made or are already outstanding in respect of the same work against the contractor, Account of Secured Advances , Form 26-A should be attached to the Bill.

Para 10.2.14 of C.P.W.A code

- iii. Hand Receipt, Form 28 is a simple form of voucher to be used for all miscellaneous payments and advances for which the special Forms 24 and 26 are not suitable. The claim for refund of lapsed deposit should be used in Form G.A.R. 46.
4. Now, we have to confine our study only for the preparation of the SECOND RUNNING ACCOUNT BILL of a contractor in Form 26 as per Syllabus of the State Academy of Training.
 5. Running Account Bill , Form 26 is a comprehensive form which consists of four parts as indicated below:
 - i. Account of work executed
 - ii. Certificates
 - iii. Annexure of Secured Advances
 - iv. Memorandum of Payments
 6. How to fill in the six columns of Part –I Account of work executed:
 - i. Each item of work is entered in column 1 from the particulars given in the question itself.
 - ii. The unit and the rate for each of the item of work are entered in column 2 and 3 from the question itself.
 - iii. Quantity of work done “uptodate” in column 4 is entered from the particulars given in the question itself. But at the same time, it has to be worked out by our own knowledge when the desiring particulars are not given.
 - iv. The amount payable on the “ uptodate” quantity of work done (as entered in col.4) on the basis of rate per unit (as entered in col. 2 and 3) is worked out and entered in col.5.
 - v. The amount /figure to be entered in column 6 is the difference in figures of column 5 of the present bill and that of previous bill, that is to say that

the amount payable for works done " Since Previous bill" is entered in this column 6.

- vi. Total up column 5 and 6 and entered against the line entry (A) and (F) respectively.
- vii. Total of column 5 is round off to the nearest rupee one, fraction less than 0.50 paise being ignored and that of 0.50 paise and above being taken over as rupee one.

7. How to fill in the Annexure of Account of Secured Advances allowed to a contractor for the materials brought to site of work for bonafide use on work. The Account of Secured Advances is kept in an annexure to the bill in Form 26-A .It is entered /filled in as below.

- i. The quantity outstanding from Previous bill on which secured advance was granted /allowed is entered in Column 1.
- ii. The quantity of such materials on which Secured Advance was previously allowed as has been utilized in work , measured Since Previous Bill, is entered in col 2.
- iii. The difference of figures to column 1 and 2 is entered in column 3 (Figure in 2 cannot be greater than that in column 1).
- iv. Full rates of the materials as assessed by the Divisional officer is entered in column 4.The rate entered in this column is reduced by $\frac{1}{4}$ th of full rate i.e 75% of full rate in col. 4. and entered in column 7.
- v. Description of materials brought to site of works is entered in column 5.
- vi. In column 8, the value of materials appearing in column 3, calculated at the rate given in column 7 will be entered here.
- vii. Total up col. 8. Below that total, we have to write the amount outstanding as per of the previous bill. This is to be calculated on a rough sheet by **totalling** the value of quantity in col. 1. at the rate as per col. 7.
- viii. The difference between the two totals as stated above, is the NET amount since previous bill. It may be MINUS or PLUS as the case may be.

8. Part III- Memorandum Payments:

When the Bill is on a Running Account, it is to be compared with the Previous Bill. Then, the Memorandum of Payments be made up, any recoveries which should be made on account of the work, supply etc. for the amount creditable to "this or heads of accounts" or amount creditable " other work or head of account" as the case may be being

shown in the Memo. of Payments. i.e. item 8 (a) or item 8 (b) as per nature of recovery.

Item 2 (a) and 2 (b):

First four items of Memo. of Payments are self – explanatory. Advance payment is adjusted in the next /second bill. That is to say that the advance in previous bill is entered in 2 (a) and difference between the two (i.e. 2 (b) is entered against 2 (b) in the inner money col. It may either be Minus or Plus as the case may be.

Item 3.

The amount to be entered is the same amount of entry (C) of account of Secured Advance.

Item 5 – Deduct amount withheld:

The security on the rate Percentage to be recovered is applicable to the figures in col. 5 of Part –I of the bill only and not to Advance Payment and Secured Advance. It should be recovered to the nearest rupee one.

The position of Security Deposit should be coming up in item 8(b) and not in item 5.

If the total security to be deducted for the work is less than Rs. 500/-, the entries are to be noted as under.

The Percentage recovery on item 1 of Memo of payments is entered in the main money col. against item 5 that was deducted in the Previous bill in the inner money col. against item 5 (a) and the difference between the two in 5 (b).

Some more points on Security Deposit:

The security deposit will be deducted by deductions from the Running Account Bill of contractors at the rate mentioned bellow and Earnest Money, if deposited in cash at the time of tender is treated as a part of security deposit. The security deposit will also be accepted in cash or in the form of Government security, Deposit at call receipt of scheduled Banks, Fixed Deposit Receipts, Performance Security may be accepted as Bank Guarantee of schedule Banks and State Bank of India.

A sum @ 10% of the gross amount of the bill shall be deducted from each running bill of the contractor till the sum alongwith the sum already deposited as earnest money will be the amount of security deposit of 5 % of the tendered value of the work. In addition to, the contractor shall be required to deposit an amount of 5% of tendered value of the contract as Performance security within the period prescribed for commencement of work in the latter of award issued to him.

Item7 – Total of Payment already mad as per previous bill:

Total up “Deduct value of work shown in previous bill, “Deduct amount out standing as per entry of previous bill” and 2(a) and put against line entry outer money - col.

Item 8(a). Against item 8 (a) are shown such recoveries as are creditable to the account of “this work or head of account”, e.g. cost of material issued/supplied to contractor for this work, fine for bad work, etc. and recoveries due from contractor on account of expenditure incurred on the work at this own risk and cost.

Item 8 (b): Against item 8(b) are shown recoveries as are creditable to the account of “another work or head of account”. e.g. security deposit, income tax, hiring charge of tools and plant, supervision charges on issue of materials, court attachment, cost of materials issued to contractor for “other/another works, fines for delay and other fines creditable to revenue etc.

Pay order: Pay order of Disbursing Officer is related to the sum equal to the amount of the Cheque to be issued and the acknowledgement of the contractor is for a sum equal to the difference between item 6 and 7 i.e. item 8

Remarks:-

Some of the illustrative Practical solved questions and answers of the preparation of the Second Running Account bills are given below for your Reading and guidance in the preparation. These are not exhaustive.

Q.No. 1. Prepare 2nd running bill from the following data for the work of construction of a school building at Kanchipur.

Name of the Contractor: Shri N. Tombi Singh

Item of Works	Rate	Up-to-date
1. Earth works	Rs. 26/- per thousand cft.	50,000 cft.
2. Brick works	Rs. 110/- per hundred cft.	10,000 cft.
3. Re-enforcement of cement concrete in beams	Rs. 3.50/- per cft.	1,000cft.
4. Wood works	Rs. 8.00/-per cft.	450 cft.
5. Iron works	Advance payment of Rs. 1,000/-	

Materials for which secured advances were given in the previous bill were used as follows.

1. Bricks - 84,000 Nos.
2. Wood – 500 cft.

- (a) Value of cement and Steel to be recovered Rs. 1,500.
- (b) Hire charge of concrete mixture Rs. 150/- to be credited to revenue.
- (c) Security deposit to be recovered from this bill Rs. 746/-.

The contractor was paid in the 1st R.A. bill for the following works.

1. Earth works 20,000 cft.
2. Brick works..... 4000 cft.
3. Re-reinforced of cement concrete in beam..... 250 cft.

4. Advance payment for item 3 above Rs. 2,000/-

Full secured advanced given to the contractor were as follows.

1. Bricks 2,00,000 @ Rs. 24/- per thousand bricks (full value assessed)
2. Wood- 700 cft. @ Rs. 4/- per cft. (full assessed value)

Income tax at Rs. 2% to be deducted.

Q.No. 1. Answer:

**FORM – 26
RUNNING ACCOUNT BILL**

1. Name of contractor : Shri N. Tomba Singh
2. Name of Work : Construction of a school Building at Canchipur.
3. Agreement No. : To be recorded
4. Sl.No. of this bill. : -do-
5. No. & Date of : -do-
Previous bill

I – ACCOUNT OF WORK EXECUTED

Item of work	Unit	Rate/ Rs.	Qty. executed update as per M.B.	Payment on the basis of actual measurement	
				Up-to-date	Since previous bill
1	2	3	4	5	6
		Rs.		Rs.	Rs.
1. Earth work in excavation	% cum.	26	50,000	1,300	780
2. Brick work	% cft.	110	10,000	11,000	6,600
3. Reinforced cement concrete in beams.	/ cft.	3.50	1,000	3,500	2,625
4. Wood works in doors and windows.	/ cft.	8	450	3,600	3,600
5. Iron works	--	--	--	--	--
Total value of work done uptodate				A - 19,400	--
Deduct value of work shown in the previous bill				5,795	
Net value of work done since Previous bill				F - 13,605	13,605

Figure in words (Rupees thirteen thousand six hundred and five only).

FORM - 26 (A)

**ACCOUNT OF SECURED ADVANCE FOR THE MATERIAL
BROUGHT TO SITE OF WORK**

Qty. outstanding from previous bill	Deduct Qty. utilised in work since previous bill	Qty. outstanding	Full Rate Rs.	Description of materials	Unit	Rate of which advance made or reduced rate Rs.	Up-to-date amount of advance Rs.
1	2	3	4	5	6	7	8
2,00,000	84,000	1,16,000	24	Bricks	%	18	2,088
700	500	200	4	wood	cft.	3	600
Total amount outstanding as per this account						(C)	2,688
Deduct amount outstanding as per entry of previous bill							5,700
Net amount since previous bill						(E) (-)	3,012
Figure in words Plus / Minus (Rupees three thousand and twelve only).							

III- MEMORANDUM OF PAYMENT

			Rs.
	1. Total upto date value of work actually measured.	A	19,400
	2. Total up-date advance payments.	B	1,000
	(a) As per previous bill (a) Rs. 2,000		
	(b) As per since previous bill (-) (b) Rs. 1,000 (D)		
	3. Total up to-date secured advance	C	2,688
	4. Total items (1+2+3)		23,088
Figure for works abstract Rs. ---	5. Deduct amount withheld:		
	(a) From previous bill Rs. ----		
	(b) From this bill Rs. ---- (K)		---
	6. Balance (item 4-5)		23,088
	7. Total amount of payment already made as per previous bill.		13,495
	8. Payment now to be made as detailed below		9,593
1,500	(a) By recovery of amount creditable to this work or heads of accounts.		
	(i) Value of steel and cement to be Recovered Rs. 1,500		Rs. 1,500
1,500	Total: 5 (b) + 8 (a) = G		
1,168	(b) By recovery of amount creditable to other work or other heads f accounts.		
	i. S.D. Rs. 746/-		Rs.1,168
	ii. I.T. 2 % Rs. 272/-		.....
	iii. Hiring charge of concrete Mixture Rs. 150/-		.....
6,925	(c) By cheque Rs. 6,925		
Rs. 8,093	Total: 8 (b) + 8 (c) = H		

Pay Rs. 6,925/- (Rupees six thousand nine hundred and twenty five only) by cheque

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs.9, 593 /-(Rupees nine thousand five hundred and ninety three only) as Per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.No. 2. Prepare 2nd R.A. bill for the work of construction of building at Lamphelpat sports Housing complex. Name of constructor is Shri Tomba Singh.

- | | | |
|------|--|---------------|
| i) | Earth work uptodate as per Measurement Book | - Rs. 5,000/- |
| ii) | 10 % Security deposit to be deducted. Security of Rs. 250/- was deducted from the 1 st R.A. bill. | |
| iii) | Secured Advance for 50,000 more bricks | - Rs. 1,500/- |
| iv) | Balance due from the contractor for another Work to be recovered from him. | - Rs. 500/- |
| v) | Masonry works uptodate actually measured 12,000 cmt. @ Rs. 80 per % cmt. | |
| vi) | Fine imposed on contractor for bad work. | ----- |
| vii) | Rs. 1,000 to be recovered being the cost of cement issued to the contractor. | |

Income Tax – 2%

The following amount had been paid in the 1st R.A. bill:

- | | | |
|----|-------------------------------------|---------------|
| a) | Earth work as per measurement | = Rs. 2,500/- |
| b) | Secured Advance for 1,00,000 bricks | = Rs. 3,000/- |
| c) | Advance payment for Masonry works | = Rs. 5,000/- |

Q.No. 2. Answer:

**FORM – 26
RUNNING ACCOUNT BILL**

1. Name of contractor : Shri Tomba Singh
2. Name of Work : Construction of Building at Lamphelpat sports housing complex.
3. Agreement No. : To be recorded
4. Sl.No. of this bill. : --
5. No. & Date of : --
Previous bill

I - ACCOUNT WORK EXECUTED

Item of work	Unit	Rate/ Rs.	Qty. executed update as per M.B.	Payment on the basis of actual measurement	
				Uptodate	Since previous bill
1	2	3	4 Rs.	5 Rs.	6 Rs.
1. Earth work	---	---	---	5,000	2,500
2. Masonry work.	% cmt.	80	12,000	9,600	9,600
Total value of work done uptodate				A - 14,600	--
Deduct value of work shown in the previous bill				2,500	
Net value of work done since Previous bill				F - 12,100	12,100

Figure in words (Rupees twelve thousand one hundred only).

FORM - 26 (A)
ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF
MATERIALS BROUGHT TO SITE OF WORK

Qty. Outstanding from previous bill	Deduct Qty. utilised in work since previous bill	Qty. outstanding	Full Rate	Description of materials	Unit	Rate of which advance made or reduced rate	Up-to-date amount of advance
1	2	3	4	5	6	7	8
			Rs.			Rs.	Rs.
1,00,000	---	1,00,000 (+) 50,000 <hr/> 1,50,000	---	Bricks	---	---	4,500
Total amount outstanding as per this account						(C)	4,500
Deduct amount outstanding as per entry of previous bill							3,000
Net amount since previous bill						(E)	1,500
Figure in words (Minus)(Plus) (Rupees one thousand five hundred only).							

III- MEMORANDUM OF PAYMENT

			Rs.
	1. Total upto date value of work actually measured.	A	14,600
	2. Total upto date advance payments.	B	---
	(a) As per previous bill Rs. 5,000		
	(b) As per since previous bill (-) Rs. 5,000 (D)		
	3. Total up to-date secured advance	C	4,500
	4. Total items (1+2+3)		19,100
Figures for work abstract Rs.	5. Deduct amount withheld:		
	(a) From previous bill Rs.....		
	(b) From this bill (-) Rs..... (K)		-
	6. Balance (item 4-5)		19,100
	7. Total amount of payment already made as per previous bill.		10,500
	8. Payment now to be made as detailed below:-		8,600
1,000	(a) By recovery of amount creditable to this work or heads of accounts.		
	(i) Cost of cement issued Rs. 1,000 to Contractor.		Rs. 1,000
1,000	Total: 5 (b) + 8(a) = G		
1,952	(b) By recovery of amount creditable to other work or other heads f accounts.		
	(i) S.D. 10 % Rs. 1,210		Rs. 1,952
	(ii) I.T. 2 % Rs. 242		.....
	(iii) Balance due for another work Rs. 500		.....
5,648	(c) By cheque Rs.5,648		
Rs. 7,600	Total: 8 (b) + 8 (c) = H		

Pay Rs. 5,648/- (Rupees five thousand six hundred and forty eight only) by cheque

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs.8, 600 /-(Rupees eight thousand six hundred only) as Per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.No. 3. Prepare 2nd R.A. Bill in favour of Contractor, Shri Premchand Singh for the work of School Building at Moirang from the following:

Sl.No.	Item of work	Rate per unit		Quantity upto 1 st R.A. cum.	Up-to date quantity Cum.
		In	Rupee		
1.	Earth work in excavation in Foundation.	10	per cum	2000	4000
2.	Lime Concrete work in Foundation.	40	”	800	1200
3.	Brick works in foundation	50	”	200	400
4.	Cement concrete work	60	”	50	100
5.	Brick work with cement in super- structure.	55	”	200	500
6.	Wood works in doors and windows	400	”	10	20

- 1. Advance payment made in the 1st R.A. for the work done and not measured
(1) Brick work Rs. 5000/- (II) cement concrete work Rs. 1200/-.
- 2. Secured Advance for 3, 00,000 bricks brought to site was paid in the 1st R.A. Bill. The full rate assessed by the Ex-Engineer was Rs. 400/- per thousand bricks, 2,50,000 bricks were used in the works since previous bill. The Contractor brought another 1, 00,000 bricks on which secured Advance was allowed in this bill.
- 1. Following recoveries are to be made from this bill.
 - (i) Security Deposit @ 10 %.
 - (ii) Income Tax @ 2%
 - (iii) Cost of materials issued for this work Rs. 5000/-.
 - (iv) Cost of materials issued for another work = Rs. 500/-.
 - (v) Hire chare of Tools and plant = Rs. 200/-

Q.No.3. Answer**FORM – 26
RUNNING ACCOUNT BILL**

1. Name of contractor : Shri Premchand Singh
2. Name of Work : Work of School Building at Moirang.
3. Agreement No. : --
4. Sl.No. of this bill. : --
5. No. & Date of : --
Previous bill

I - ACCOUNT WORK EXECUTED

Item of work	Unit	Rate/ Rs.	Qty. executed uptodate as per M.B.	Payment on the basis of actual measurement	
				Up-to-date	Since previous bill
1	2	3	4	5 Rs	6 Rs
1. Earth work in excavation in foundation	Cum	10	4,000	40,000	20,000
2. Lime concrete work	Cum	40	1,200	48,000	16,000
3. Brick work in foundation	Cum	50	400	20,000	10,000
4. Cement concrete work.	Cum.	60	100	6,000	3,000
5. Brick work with cement in superstructure.	Cum	55	500	27,500	16,500
6. Wood works in doors and windows.	Cum.	400	20	8,000	4,000
Total value of work done uptodate				A - 1,49,500	--
Deduct value of work shown in the previous bill				80,000	
Net value of work done since Previous bill				F - 69,500	69,500

Figure in words (Rupees sixty nine thousand five hundred only).

FORM - 26 (A)

ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF MATERIALS BROUGHT TO SITE OF WORK

Qty. outstanding from previous bill	Deduct Qty. utilised in work since previous bill	Qty. outstanding	Full Rate	Description of materials	Unit	Rate of which advance made or reduced rate	Up-to-date amount of advance
1	2	3	Rs.	5	6	Rs.	Rs.
3,00,000	2,50,000	50,000 (+) 1,00,000 <hr style="width: 50%; margin: 0 auto;"/> 1,50,000	400	Bricks	‰	300	45,000
Total amount outstanding as per this account						(C)	45,000
Deduct amount outstanding as per entry of previous bill							90,000
Net amount since previous bill						(E) (-)	45,000
Figure in words (Minus) (Plus) (Rupees forty five thousand only).							

III- MEMORANDUM OF PAYMENT

		Rs.
	1. Total upto date value of work actually measured.	A. 1,49,500
	2. Total up-date advance payments.	B ---
	(a) As per previous bill Rs. 6,200	
	(b) As per since previous bill (-) Rs. 6,200 (D)	
	3. Total up to-date secured advance	C 45,000
	4. Total items (1+2+3)	1,94,500
Figure for work abstract Rs.	5. Deduct amount withheld:	
	(a) From previous bill Rs.....	
	(b) From this bill Rs..... (K)	---
	6. Balance (item 4-5)	1,94,100
	7. Total amount of payment already made as per previous bill. 	1,76,200
	8. Payment now to be made as detailed below	18,300
5000	(a) By recovery of amount creditable to this work or heads of accounts.	
	(i) Cost of materials issued Rs. 5,000 Issued for this work	Rs. 5,000
5,000	Total: 5 (b) + 8(a) = G	
9,040	(b) By recovery of amount creditable to other work or other heads f accounts.	
	i. S.D.10 % Rs. 6,950	Rs. 9,040
	ii. I.T. 2% Rs. 1,390	
	iii. Cost of material issued for another work Rs. 500	
	iv. Hire charge of Tools and Plant. Rs. 200	
4,260	(c) By cheque Rs.4,260	
Rs. 13,300	Total: 8 (b) + 8 (c) = H	

Pay Rs. 4,260/- (Rupees four thousand two hundred and sixty only) by cheque.

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs.18,300 /-(Rupees eighteen thousand three hundred only)
as Per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.No. 4. Prepare the 2nd Running Account bill of Shri Tolen Singh for the works of permanent water supply scheme at Porompat under Agreement No. A-15 of 2002 -3 from the following data.

The 1st Running bill contained the following items.

- I. Work done, measured and paid for :-
 - (a) Earth work, 1,00,000 cu ft. Rs. 25.00 per thousand cu.ft.
 - (b) Carrying spun pipes from PWD Stores and laying in position – 1,000 R.mt. at 0.50 per R.mt.
 - (c) Providing lead chawked joints to spun pipes 100 Nos. at Rs. 25.00 each.
- II. Advance payment for work done but not measured - Rs. 500.00p.
- III. Secured Advance for Lead: for 1000 lbs. at 75% of the market rate of Rs. 1.20 per lbs.
Security Deposit at 10 percent which was not recovered from the bill, through oversight.
Data for the 2nd Running bill.
 - (i) Earth work – 2,00,000 cu.ft.
 - (ii) Carrying spun pipes – 1300 R.mt.
 - (iii) Providing Lead joints 170 Nos.

The contractor has used up 800 lbs of Lead out of 1000 lbs. for which he had obtained “secured” advance and has brought to site another 500 of lead against which he desires to have further “secured” advance.

The following amounts are to be recovered from the contractor:-

- (a) Security Deposits at 10% from all bills.
- (b) Hire of lorry for 3 days at Rs. 20.00p per day.
- (c) On account of damage to Lorry – Rs. 100.00p.
- (d) Fine for delay of work – Rs. 50.00.
- (e) Court attachment Rs. 100.00.
- (f) Income Tax 2% from this bill.

Q.No.4. Answer:

FORM – 26
RUNNING ACCOUNT BILL

1. Name of contractor : Shri Tolen Singh
2. Name of Work: Construction of a permanent Water supply Scheme at Porompat.
3. Agreement No. : To be recorded.
4. Sl.No. of this bill. : --
5. No. & Date of : --
Previous bill

I - ACCOUNT OF WORK EXECUTED

Item of work	Unit	Rate / Rs.	Qty. executed uptodate as per M.B.	Payment on the basis of actual measurement	
				Up-to-date	Since previous bill
1	2	3	4	5 Rs.	6 Rs.
1. Earth work	%	.25	2,00,000	5,000	2,500
2. Carrying spun pipes from P.W.D. stores and laying in position	Cuft. /rmt.	0.50	1,300	650	150
3. Providing lead chawked joints to spun pipes	Each joint	25	170	4,250	1,750
Total value of work done uptodate				A - 9,900	--
Deduct value of work shown in the previous bill				5,500	
Net value of work done since Previous bill				F - 4, 400	4,400

Figure in words (Rupees four thousand for hundred only).

FORM - 26 (A)
**ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF
MATERIALS BROUGHT TO SITE OF WORK**

Qty. outstanding from previous bill	Deduct Qty. utilised in work since previous bill	Qty. outstanding	Full Rate	Description of materials	Unit	Rate of which advance made or reduced rate	Up-to-date amount of advance
1	2	3	4 Rs.	5	6	7 Rs.	8 Rs.
1,000	800	200 (+) 500 <hr/> 700	1.20	Lead	lb	0.90	630
Total amount outstanding as per this account						(C)	630
Deduct amount outstanding as per entry of previous bill							900
Net amount since previous bill						(E) (-)	270
Figure in words Minus / Plus (Rupees two hundred and seventy only).							

III- MEMORANDUM OF PAYMENT

		Rs.
	1. Total upto date value of work actually measured.	A 9,900
	2. Total up-date advance payments.	B ---
	(a) As per previous bill Rs. 500	
	(b) As per since previous bill (-) Rs. 500 (D)	
	3. Total up to-date secured advance	C 630
	4. Total items (1+2+3)	10,530
Figure for work abstract (-) Rs. 550	5. Deduct amount withheld:	
	(a) From previous bill Rs. 550	
	(b) From this bill (-) Rs. 550 (K)	---
	6. Balance (item 4-5)	10,530
	7. Total amount of payment already made as per previous bill.	6,350
	8. Payment now to be made as detailed below	4,180
100	(a) By recovery of amount creditable to this work or heads of accounts.	
	i. Damage to lorry Rs. 100	Rs. 100
(-) 450	Total: 5 (b) + 8(a) = G	
1,288	(b) By recovery of amount creditable to other work or other heads f accounts.	
	i. S.D.10% Rs. 990	Rs. 1,288
	ii. I.T. 2% Rs. 88	
	iii. Hire of lorry Rs. 20 X 3 Rs. 60	
	iv. Fine for delay of work Rs. 50	
	v. Court attachment Rs. 100	
2,792	(c) By cheque Rs. 2,792	
Rs. 4,080	Total: 8 (b) + 8 (c) = H	

Pay Rs. 2,792/- (Rupees two thousand seven hundred and ninety two only) by cheque.

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs.4, 180 /-(Rupees four thousand one hundred and eighty only) as Per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.No. 5. Prepare a 2nd Running Account Bill in favour of the contractor, Shri Haridas Sharma for Construction of Police Building at Lamphel.

Item of work	Quantity upto previous bill in C.U.M.	Uptodate Quantity in cu.m.	Rate per unit cu.m. Rs.
1. Earth work in Excavation	2000	4000	10
2. Lime Concrete in foundation	800	1200	40
3. Brick works in foundation	200	400	50
4. Cement concrete Work	50	100	60
5. Brick work in Cement in supper - structure	200	500	55
6. Wood work in doors and windows	10	20	400

Advance payment in the 1st R.A. Bill.

- (1) Brick Work in foundation not measured Rs. 5,000
(2) Cement concrete Work Rs. 1,200

Secured Advance allowed in the 1st R.A. Bill on a Quantity of 3,00,000 bricks brought to site. Full rate assessed by the engineer incharge was Rs. 400 per thousand bricks. 2,50,000 bricks were used in the works since Previous Bill. The Contractor brought further quantity of 1,00,000 bricks on which the advance was allowed in this bill.

Following recoveries are to be made from this bill.

- (1) Security Deposit 10%
(2) Income Tax -2%
(3) Cost of store materials issued for this work Rs. 5000/-
(4) Cost of materials issued for another work Rs. 500/-
(5) No Sales Tax shall be recovered.

Q.No.5. Answer:

FORM – 26

RUNING ACCOUNT BILL

1. Name of contractor : Shri Haridas Sharma
2. Name of Work : Construction of Police Building at Imphal.
3. Agreement No. : To be recorded
4. Sl.No. of this bill. : " "
5. No. & Date of : " "
Previous bill

I - ACCOUNT WORK EXECUTED

Item of work	Unit	Rate/ Rs.	Qty. executed uptodate as per M.B.	Payment on the basis of actual measurement	
				Up-to-date	Since previous bill
1	2	3	4	5 Rs.	6 Rs.
1. Earth work in excavation.	/	10	4,000	40,000	20,000
2. Lime concrete work in foundation.	/	40	1,200	48,000	16,000
3. Brick work in foundation.	/	50	400	20,000	10,000
4. Cement concrete work.	/	60	100	6,000	3,000
5. Brick work in cement in superstructure.	/	55	500	27,500	16,500
6. Wood works in doors and windows.	/	400	20	8,000	4,000
Total value of work done uptodate				A - 1,49,500	--
Deduct value of work shown in the previous bill				80,000	
Net value of work done since Previous bill				F - 69,500	69,500

Figure in words (Rupees sixty nine thousand five hundred only).

FORM - 26 (A)

**ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF
MATERIALS BROUGHT TO SITE OF WORK**

Qty. outstan - ding from previous bill	Deduct Qty. utilised in work since previous bill	Qty. outstanding	Full Rate Rs.	Descrip- tion of materials	Unit	Rate of which advance made or reduced rate Rs.	Up-to-date amount of advance Rs.
1	2	3	4	5	6	7	8
3,00,000	2,50,000	50,000 (+) 1,00,000 <hr style="width: 50%; margin: 0 auto;"/> 1,50,000	400	Bricks	%	300	45,000
Total amount outstanding as per this account						(C)	45,000
Deduct amount outstanding as per entry of previous bill							90,000
Net amount since previous bill						(E) (-)	45,000
Figure in words Minus Plus (Rupees forty five thousand only).							

III- MEMORANDUM OF PAYMENT

		Rs.
	1. Total uptodate value of work actually measured.	A. 1,49,500
	2. Total uptodate advance payments.	B. ---
	(a) As per previous bill Rs. 6,200	
	(b) As per since previous bill (-) Rs. 6,200 (D)	
	3. Total uptodate secured advance	C. 45,000
	4. Total items (1+2+3)	1,94,500
Figure for work abstract Rs. 5,000	5. Deduct amount withheld:	
	(a) From previous bill Rs.....	
	(b) From this bill Rs..... (K)	---
	6. Balance (item 4-5)	1,94,500
	7. Total amount of payment already made as per previous bill.	1,76,200
	8. Payment now to be made as detailed below	18,300
	(a) By recovery of amount creditable to this work or heads of accounts.	
	i. Cost of materials issued for this work Rs. 5,000	Rs. 5,000
5,000	Total: 5 (b) + 8(a) = G	
8,840	(b) By recovery of amount creditable to other work or other heads f accounts.	
	i. S.D.10% Rs. 6,950	Rs. 8,840
	ii. I.T. 2% Rs. 1,390	
	iii. Cost of material issued for another work Rs. 500	
4,460	(c) By cheque Rs. 4,460	
Rs. 13,300	Total: 8 (b) + 8 (c) = H	

Pay Rs. 4,460/- (Rupees four thousand four hundred and sixty) only by cheque

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs.18, 300/- (Rupees eighteen thousand three hundred only) as per
above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.No.6. From the following particulars, prepare the Second Running Account Bill in favour of Shri B. Nilnath Sharma, contractor for the construction of a Pucca building.

Item of work	Rate as per basic schedule rates with unit	Quantity executed	
		Last measurement	This measurement
1. Reinforced cement concrete work in stair cases 1:3	Rs. 2,083 per cum.	15	17
2. M.S. Rod reinforcement for R.C.C. work in Pillars and beams using 20 Kgs. Per cum. including bending, binding and place in position 1:1:2	Rs. 19 per cum.	70	150
3. Second class brick work in foundation 1:6	Rs. 1,437 per cum.	13	17
4. - do - Plinth	Rs. 1,438 per cum.	9	11
5. Second class half brick wall in cement mortar in superstructure.	Rs. 186 per sqm.	23	34

It was came to light or noticed that the contractor used only 18 Kgs. M.S. Rod per cum. On item 2 and as a result the full rate of Rs. 19 was reduced to Rs. 14 per cum. for M.S. Rod less used.

Earnest money of Rs. 3,000 deposited was formed as a part of security deposit.

Max. secured advance for 1,000 kgs. of M.S.R. at the full rate of Rs. 20 per kg. and 1,500 bricks at the full rate of Rs. 1,800 per thousand on which secured advance was allowed in bill – 1.

Entire quantities of materials were used in work in bill – 2.

Recoveries:

- (1) S.D. 10%
- (2) I.T. Rs. 600.
- (3) Value of material issued for the Present work Rs. 2,000
- (4) Transportation chargesRs. 1,000
- (5) Penalty for another work..... Rs. 1,000
- (6) Court attachment.....Rs. 2,000

Q.No.6. Answer:

FORM – 26
RUNNING ACCOUNT BILL

1. Name of contractor : Shri B. Nilnath Sharma
 2. Name of Work : Construction of a Pucca building
 3. Agreement No. : To be recorded
 4. Sl.No. of this bill : ” ”
 5. No. & Date of : ” ”
 Previous bill

I - ACCOUNT WORK EXECUTED

Item of work	Unit	Rate/ Rs.	Qty. executed uptodate as per M.B.	Payment on the basis of actual measurement	
				Up-to-date	Since previous bill
1	2	3	4	5 Rs.	6 Rs.
1. Reinforced cement concrete work in stair cases 1:3.	/cum.	Rs. 2,083	32	66,656	35,411
2. M.S. Rod reinforcement for R.C.c. work in Pillars and beams using 20 Kgs. per cum. including bending, binding and Place in position 1:1:2.	/cum.	14	220	3,080	1,750
3. Second class brick work in foundation 1:6.	/cum.	1,437	30	43,110	24,429
4. – do- in plinth	/cum.	1,438	20	28,760	15,818
5. Second class half brick wall in cement mortar in superstructure .	/sqm.	186	57	10,602	6,324
Total value of work done uptodate			A -	1,52,208	--
Deduct value of work shown in the previous bill				68,476	
Net value of work done since Previous bill			F -	83,732	83,732

Figure in words (Rupees eighty three thousand seven hundred and thirty two only).

FORM - 26 (A)

**ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF
MATERIALS BROUGHT TO SITE OF WORK**

Qty. outstand- ing from previous bill	Deduct Qty. utilised in work since previous bill	Qty. outstanding	Full Rate Rs.	Descript- ion of materials	Unit	Rate of which advance made or reduced rate Rs.	Up-to-date amount of advance Rs.
1	2	3	4	5	6	7	8
1,000	1,000	----	20	M.S. Rod	Kg	15	---
1,500	1,500	----	1,800	Bricks	%.	1,350	---
Total amount outstanding as per this account						(C)	---
Deduct amount outstanding as per entry of previous bill							17,025
Net amount since previous bill							(E) (-) 17,025
Figure in words Minus /Pls (Rupees seventeen thousand and twenty five only).							

III- MEMORANDUM OF PAYMENT

			Rs.
	1. Total upto date value of work actually measured.	A	1,52,208
	2. Total up-date advance payments.	B.	---
	(a) As per previous bill Rs.		
	(b) As per since previous bill Rs..... (D)		
	3. Total up to-date secured advance	C.	---
	4. Total items (1+2+3)		1,52,208
Figure for work abstract Rs.	5. Deduct amount withheld:		
	(a) From previous bill Rs.....		
	(b) From this bill Rs..... (K)		---
	6. Balance (item 4-5)		1,52,208
	7. Total amount of payment already made as per previous bill.		85,501
	8. Payment now to be made as detailed below		66,707
3,000	(a) By recovery of amount creditable to this work or heads of accounts.		
		Rs.	
	i. Value of material issued for the present work ... Rs. 2,000	3,000	
	ii. Transportation charge Rs. 1,000		
3,000	Total: 5 (b) + 8(a) = G		
15,821	(b) By recovery of amount creditable to other work or other heads f accounts.		
	i. S.D. 10% (Rs. 15,221- Rs. 3,000) =Rs. 12,221	Rs.15,821	
	ii. I.T. Rs. 600	.....
	iii. Penalty for another work Rs. 1,000	.....
	iv. Court attachment Rs. 2,000	.....
47,886	(c) By cheque Rs. 47,886		
Rs. 63,707	Total: 8 (b) + 8 (c) = H		

Pay Rs. 47,886/- (Rupees forty seven thousand eight hundred and eighty six only) by cheque

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs.66,707/- (Rupees sixty six thousand seven hundred and seven only) as per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.No.7. Prepare the Second Running Account Bill of Shri K. Karamchand –Dhyanchand Sharma, contractor for the work of Road safety under Agreement No. TD-8/09 as per particulars given below:

Details of work	Unit	Rate	Measurement as per bill -1	Measurement as per bill-2
1. Painting and Printing letters on K.M. stones with synthetic enamel paint with ordinary K.M. stone.	Per K.M. stone	78	20 nos.	80 nos.
2. Painting lines, dashes arrows on road sides in two coats, white and yellow colours, 10 cum. in width.	Per sqm.	38	--	1,000
3. Engraving letters in K.M. stones.	Per letter	2	200	1,000

As per terms and conditions of the contract, the contractor executed the work at 10% BELOW (Abatement) of basic schedule of rates on account of economy cut.

In bill-1 advance payment of Rs. 4,000 on item 2 and secured advance of Rs. 680 were made.

In bill -2, advance payment of Rs. 5,100 on item 3 was made and secured advances were allowed for:-

- 1) Wire brushes with handles – 30 nos. @ Rs. 20 each.
- 2) Coconut brushes – 50 nos. @ Rs. 16 each.
- 3) Jute brushes - 30 kg. @ Rs. 28 per Kg.

Recoveries:

1. S.D. 10%
2. I.T. 2%
3. Cost of material issued in excess Rs. 1,000
4. –do- but not utilized Rs. 1,800
5. Rebate allowed by the contractor Rs. 3,300

Q.No.7. Answer:

FORM – 26

/6

RUNING ACCOUNT BILL

1. Name of contractor : Shri K. Karamchand – Dhyanchand Sharma
2. Name of Work : Road safty work
3. Agreement No. : No. TD – 8/09
4. SI.No. of this bill : to be recorded
5. No. & Date of : " " Previous bill

I - ACCOUNT WORK EXECUTED

Item of work	Unit	Rate/	Qty. executed update as per M.B.	Payment on the basis of actual measurement	
				Up-to-date	Since previous bill
1	2	3 Rs.	4	5 Rs.	6 Rs.
1. Painting and Printing letters on K.M. stones with synthetic enamel paint with ordinary K.M. stone.	/ K.M. stone	78	100	7,800	6,240
2. Painting lines, dashes arrows on road sides in two coats, white and yellow colours, 10 cum. in width.	/ sqm.	38	1,000	38,000	38,000
3. Engraving letters in K.M. stones.	/ letter	2	1,200	2,400	2,000
Total				48,200	46,240
Less 10% Abatement				4,820	4,624
Total value of work done uptodate				A - 43,380	--
Deduct value of work shown to in the previous bill ----				1,764	
Net value of work done since Previous bill				F - 41,616	41,616

Figure in words (Rupees forty one thousand six hundred and sixteen only.)

FORM - 26 (A)
ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF MATERIALS BROUGHT TO SITE OF WORK

Qty. outstanding from previous bill	Deduct Qty. utilised in work since previous bill	Qty. outstanding	Full Rate	Description of materials	Unit	Rate of which advance made or reduced rate	Up-to-date amount of advance
1	2	3	4	5	6	7	8
		30	Rs. 20	Wire brushes	Each	Rs. 15	Rs. 450
		50	16	Coconut brushes	Each	12	600
		30	28	Jute brushes	Each	21	630

Total amount outstanding as per this account (C) 1,680
Deduct amount outstanding as per entry of previous bill 680

Net amount since previous bill (E) 1,000

Figure in words ~~Minus~~ /Plus (Rupees one thousand only).

III- MEMORANDUM OF PAYMENT

1. Total upto date value of work actually measured.	A. Rs. 43,380
---	---------------

	2. Total upto date advance payments. (a) As per previous bill Rs. 4,000 (b) As per since previous bill Rs. 1,100 (D)	B. 5,100
	3. Total up to-date secured advance	C. 1,680
	4. Total items (1+2+3)	50,160
Figure for work abstract Rs.	5. Deduct amount withheld: (a) From previous bill Rs..... (b) From this bill Rs..... (K)	---
	6. Balance (item 4-5)	50,160
	7. Total amount of payment already made as per previous bill.	6,444
	8. Payment now to be made as detailed below	43,716
--	(a) By recovery of amount creditable to this work or heads of accounts. i. .... | Rs. ii. .... | .... iii. .... | ....	
--	Total: 5 (b) + 8(a) = G	
11,095	(b) By recovery of amount creditable to other work or other heads f accounts. i. S.D. 10% Rs. 4,162 | Rs. 11,095 ii. I.T. 2% 833 | ..... iii. Cost of material issued in excess 1,000 | ..... iv. -do- not utilized 1,800 | ..... v. Rebate allowed by Contractor 3,300 | .....	
32,621	(c) By cheque Rs. 32,621	
Rs. 43,716	Total: 8 (b) + 8 (c) = H	

Pay Rs. 32,621/- (Rupees thirty two thousand six hundred and twenty one only) by cheque

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs. 43,716/- (Rupees forty three thousand seven hundred and sixteen only) as per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.No.8. Prepare the 2nd R.A. bill of the repairing to an office building executed by Shri Y. Chandramohon Singh, Contractor, from the following particulars.

- (i) Repairing to plastering including cutting out the patches in proper shape with cement mortar 1:4 complete. Quantity of work executed as per previous bill 300 sq m. and as per since previous bill 2,700 sq m. at the rate of Rs. 50 per sq m.
- (ii) Removal of unserviceable glass panes except polish plates from old wooden frames. Quantity executed as per since previous bill 250 sq m. at the rate of Rs. 24 per sq m.
- (iii) Removal of old putty of glass panes. Quantity of work executed as per since previous bill 180 rm. at the rate Rs. 7 per rm.
Security deposit at 10% from previous bill was not recovered but subsequently credited to Deposit and recovered through this bill.

In previous bill:

- (a) Advance Payment of Rs. 10,700/- on item 1 was made.
- (b) Secured advance for 500 bags of cement at the full rate of R.200/-per bag was allowed for which the material was brought to site of work.

Since Previous bill:

- (a) Advance Payment of Rs. 11,693/- on item was made.
- (b) Secured advance for 450 bags of cement was allowed for which the material was brought to site and utilized 450 bags in work in this bill.

Recoveries:

- 1) S.D. at the above rate.
- 2) I.T. at 2%
- 3) Fine for bad work Rs. 4000/-
- 4) Fine for delay of work Rs. 700/-
- 5) Court attachment Rs. 2,500/-
- 6) Penalty for this work Rs. 1,000/-

Q.No.8.Answer:

**FROM – 26
RUNING ACCOUNT BILL**

- 1. Name of contractor Shri Y. Chandramohon Singh

2. Name of Work : Repairing to an office building.
 3. Agreement No. : To be recorded
 4. Sl.No. of this bill. : " "
 5. No. & Date of : " "
 Previous bill

I-ACCOUNT O WORK EXECUTED

Item of work	Unit	Rate	Qty. executed upto date as per M.B.	Payment on the basis of actual measurement	
				Up-to-date	Since previous bill
1	2	3 Rs.	4	5 Rs.	6 Rs.
1. Repairing to plastering including cutting out the patches in proper shape with cement mortar, complete 1:4.	Sqm.	50	3,000	1,50,000	1,35,000
2. Removal of unserviceable Glass panes except polish plates from old wooden frames.	Sqm.	24	250	6,000	6,000
3. Removal of old putty from glass panes	Rm.	7	180	1,260	1,260
Total value of work done upto date				(A) 1,57,260	---
Deduct value of work shown in the previous bill				15,000	
Net value of work done since Previous bill				(F) 1,42,260	1,42,260

Figure in words (Rupees one lakh forty two thousand two hundred and sixty) only.

FORM - 26 (A)
ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF
MATERIALS BROUGHT TO SITE OF WORK

Qty. outstandi	Deduct Qty.	Qty. outstanding	Full Rate	Descript - ion of	Unit	Rate of which	Since previous bill
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ng from previous bill	utilised in work since previous bill			materials		advance made or reduced rate	
1	2	3	4 Rs.	5	6	7 Rs.	8 Rs.
500	450	50 (+) 450 <hr/> 500	200	Cement	Bag	150	75,000

Total amount outstanding as per this account	(C)	75,000
Deduct amount outstanding as per entry of previous bill		75,000
Net amount since previous bill	(E)	---

Figure in words (Rupees Nil only).

III- MEMORANDUM OF PAYMENT

		Rs.
1. Total uptodate value of work actually measured.	A	1,57,260
2. Total uptodate advance payments.	B	11,693
(a) As per previous bill		Rs. 10,700
(b) As per since previous bill		Rs. 993 (D)

	3. Total upto-date secured advance	C	75,000
	4. Total items (1+2+3)		2,43,953
Figure for work abstract (-) Rs. 1,500	5. Deduct amount withheld: (a) From previous bill Rs. 1,500 (b) From this bill (-) Rs. 1,500 (K)		----
	6. Balance (item 4-5)		2,43,953
	7. Total amount of payment already made as per previous bill.		99,200
5,000	8. Payment now to be made as detailed below..... (a) By recovery of amount creditable to this work or heads of accounts. (i) Fine for bad work Rs. 4,000 | Rs. 5,000 (ii) Penalty for this work Rs. 1,000 (iii)		1,44,753
3,500	Total: 5(b) + 8(a) = G		
21,771	(b) By recovery of amount creditable to other work or other heads f accounts. (i) S.D.10%..... Rs. 15,726 | Rs. 21,771 (ii) I.T. 2% 2,845 | ..... (iii) Fine for delay..... 700 | ..... of work. (iv) Court attachment Rs. 2,500 | ..... (c) By cheque Rs. 1, 17,982.		
1,17,982	Total: 8 (b) + 8 (c) = H		
1,39,753			

Pay Rs. 1, 17,982 (Rupees one lakh seventeen thousand nine hundred and eighty two only) by cheque.

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs. 1,44,753/- (Rupees one lakh forty four thousand seven hundred fifty three only) as per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.No.9. One, Shri Salam Nimai Singh, contractor was awarded a work of the repairing to a barrack for the sports personnel at the Langol Chingkhong. Accordingly, he executed the work as per agreement No. SR-3/99. Prepared his second Running Account bill as per measurements recorded in M.B. as shown below.

1. Fixing window chawkhats in cement mortar, 1:4 complete. Quantity executed upto date 200 nos. and as per since last certificate 180 nos. @ Rs. 60.- each.
2. Providing and fixing best quality uningthou cleasts to doors and windows with iron hinges and screws. Quantity executed upto date 300 nos. and as per last certificate 20 nos. @ Rs. 9/- each.
3. Removal of old broken glass panes from wood frames, complete. Quantity executed since last certificate 400 nos. and as per last certificate 200 nos. @ Rs. 18/- each.

As per terms and conditions of the contract, the contractor executed the work at 10% above (Premium) of the said schedule of rates as above as tendered by him.

Security Deposit deducted from last certificate was credited to the work but it was ultimately credited to "Deposit" through this bill and recovered.

Advance payment of Rs. 800/- on item 1 and secured advance on 720 nos. iron hinges at the full rate of Rs. 20/- each in the last certificate bill were allowed and utilized in work since last certificate.

Since last certificate bill, the following were paid:

- (i) Advance payment..... Rs. 900/- on item 2
- (ii) Secured advance on 2,500 iron hinges.

Recoveries:

1. S.D..... at 10%
2. I.T..... Rs. 410
3. Cost of 40 bags of cement @ Rs. 250/- per bag. whereas, the stipulated rate was Rs. 200/- per bag.
4. Fine for bad work.....Rs. 400/-
5. Fine for another bad work Rs. 300/-
6. Fine for delay of work Rs. 200/-
7. Hiring charge of a Tata Truck for 2 days @ Rs. 961/- per day.

Q.No.9. Answer :

**FROM – 26
RUNING ACCOUNT BILL**

1. Name of contractor Shri Salam Nimai Singh

2. Name of Work : Repairing to a barrack for sports Personnel at Langol chingkhong
 3. Agreement No. : S.R. – 3/99
 4. Sl.No. of this bill. : To be recorded
 5. No. & Date of : “ “
 Previous bill

I - ACCOUNT WORK EXECUTED

Item of work	Unit	Rate	Qty. executed upto date as per M.B.	Payment on the basis of actual measurement	
				Up-to-date	Since previous bill
1	2	3 Rs.	4	5 Rs.	6 Rs.
1. Fixing window chaukhats in cement mortar 1:4	Each	60	200	12,000	10,800
2. Providing and fixing best quality unigthou cleast to doors and windows with iron hinges and screws	Each	9	300	2,700	2,520
3. Removal of old broken glass panes from wood frames.	Each	18	600	10,800	7,200
			Total.	25,500	20,520
			Add 10% Above	2,550	2,052
Total value of work done upto date				A 28,050	---
Deduct value of work shown in the previous bill				5,478	
Net value of work done since Previous bill				F 22,572	22,572

Figure in words (Rupees twenty two thousand five hundred and seventy two only).

FORM - 26 (A)
ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF MATERIALS BROUGHT TO SITE OF WORK

Qty. outstanding	Deduct Qty. utilised	Qty. outstanding	Full Rate	Descrip- ti on of materials	Unit	Rate of which advance	Up-to-date amount of advance
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from previous bill	in work since previous bill					made or reduced rate	
1	2	3	4 Rs.	5	6	7 Rs.	8 Rs.
720	720	-- (+) 2,500	20	Iron hinges	each	15	37,500

Total amount outstanding as per this account (C) 37,500

Deduct amount outstanding as per entry of previous bill 10,800

Net amount since previous bill (E) 26,700

Figure in words (Plus) (~~Minus~~) (Rupees twenty six thousand seven hundred only).

III- MEMORANDUM OF PAYMENT

		Rs.
1. Total uptodate value of work actually measured.	A	28,050
2. Total up-date advance payments.	B	900
(a) As per previous bill Rs. 800		
(b) As per since previous bill Rs. 100 (D)		

	3. Total upto-date secured advance	C	37,500
	4. Total items (1+2+3)		66,450
Figure for Work abstract (-) Rs. 548	5. Deduct amount withheld:		
	(a) From previous bill Rs. 548 | Deposited (b) From this bill (-) Rs. 548 | through this bill 2 (K)		---
	6. Balance (item 4-5) -----		66,450
	7. Total amount of payment already made as per previous bill.		16,530
	8. Payment now to be made as detailed below.....		49,920
8,400	(a) By recovery of amount creditable to this work or heads of accounts.		
		Rs.	
	(i) Cost of 40 bags of cement at the stipulated rate of Rs.200 per bag Rs. 8,000	8,400	
	(ii) Fine for bad work 400	.....
7,852	Total: 5(b) + 8(a) = G		
5,637	(b)By recovery of amount creditable to other work or other heads f accounts.		
		Rs.	
	(i) S.D.10%.....Rs. 2,805	5,637	
	(ii) I.T. ....Rs. 410	.....
	(iii) Fine for another bad work. Rs. 300	.....
	(iv) Fine for delay of work Rs. 200	.....
	(v) Hiring charge of truck Rs. 1,922	.....
35,883	(c) By cheque Rs. 35,883.		
41,520	Total: 8 (b) + 8 (c) = H		

Pay Rs.35, 883/- (Rupees thirty five thousand eight hundred and eighty three only) by cheque

Sd/-

Received the payment of Rs. 49,920/- (Rupees forty nine thousand nine hundred and twenty) only as per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.No.10. From the following particulars, prepare the 2nd Running account Bill of shri A. Shantikumar Singh, Contractor of the work of repairing to an office building under Agreement No. IBD-2/13/07.

Particulars of work	Unit and rate	Measurements recorded in Previous Bill	Measurements recorded upto since Previous Bill
1. Repairing to plastering including cutting out the patches in proper shape with cement mortar 1:4 complete	Per sqm. Rs. 50	300	3,000
2. Removal of old and unserviceable glass panes except polish plates from steel frames.	Per sqm. Rs. 24	-	250
3. -do- old putty of glass panes.	Per rm. Rs. 7	-	180
4. Supplying and fixing new wooden fillets with LEIHAO BEADS	Per rm. Rs. 4	-	230

As tendered by the contractor and accepted by the P.W.D. authority, the work was executed at 10% ABOVE (Premium) of the basic schedule of rates.

In bill 1:

- 1) Advance payment of Rs. 7,700/- on item I was made.
- 2) Secured advance for 500 bags of cement at the assessed rate of Rs. 200 per bag was allowed for which the material was brought to site of work.

In bill 2:

- 1) Advance Payment of Rs. 4,900/- on item 2 was made.
- 2) **Cement utilized 486 bags.**

Recoveries:

- 1) S.D. 10%
- 2) I.T. 2%
- 3) Fine for removal of defective work Rs. 400
- 4) Fine for delay of work Rs. 650
- 5) Water charges on plastering work Rs. 870

Q.No.10.Answer :

**FROM – 26
RUNING ACCOUNT BILL**

1. Name of contractor Shri A. Shantikumar Singh
2. Name of Work : Repairing to an office building.
3. Agreement No. : IBD – 2/13/07.
4. Sl.No. of this bill. : To be recorded
5. No. & Date of : ” ”
Previous bill

I - ACCOUNT WORK EXECUTED

Item of work	Unit	Rate	Qty. executed upto date as per M.B.	Payment on the basis of actual measurement	
				Up-to-date	Since previous bill
1	2	3	4	5	6
1. Repairing to plastering including cutting out the patches in proper shape with cement mortar 1:4 complete.	/ Sqm.	Rs. 50	3,000	Rs. 1,50,000	Rs. 1,35,000
2. Removal of old and unserviceable glass panes except polish plates from steel frames.	/ Sqm.	24	250	6,000	6,000
3. - do- old putty of glass panes.	/ rm.	7	180	1,260	1,260
4. Supplying and fixing new wooden fillets with Leihao beads.	/ rm.	4	230	920	920
Total.				1,58,180	1,43,180
Add 10% premium				15,818	14,318
Total value of work done upto date				A - 1,73,998	-
Deduct value of work shown in the previous bill				16,500	
Net value of work done since				F - 1,57,498	1,57,498

Previous bill

Figure in words (Rupees one lakh fifty seven thousand four hundred and ninety eight only).

Q.No.10.Answer :

FORM - 26 (A)
ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF
MATERIALS BROUGHT TO SITE OF WORK

Qty. outstanding from previous bill	Deduct Qty. utilised in work since previous bill	Qty. outstanding	Full Rate	Description of materials	Unit	Rate of which advance made or reduced rate	Up-to-date amount of advance
1	2	3	4	5	6	7	8
500	486	14	200	cement	bag	150	2,100
Total amount outstanding as per this account						(C)	2,100
Deduct amount outstanding as per entry of previous bill							75,000
Net amount since previous bill						(E) (-)	72,900

Figure in words (~~Plus~~) (Minus) (Rupees seventy two thousand nine hundred only).

III- MEMORANDUM OF PAYMENT

		Rs.
	1. Total upto date value of work actually measured.	A 1,73,998
	2. Total upto date advance payments.	B 4,900
	(a) As per previous bill Rs. 7,700	
	(b) As per since previous bill (-) Rs. 2,800 (D)	
	3. Total up to-date secured advance	C 2,100
	4. Total items (1+2+3)	1,80,998
	5. Deduct amount withheld:	
	(a) From previous bill Rs.....	
	(b) From this bill Rs..... (K)	--
Figure for work abstract Rs. --	6. Balance (item 4-5)	1,80,998
	7. Total amount of payment already made as per previous bill.	99,200
	8. Payment now to be made as detailed below....	81,798
1,270	(a) By recovery of amount creditable to this work or heads of accounts.	
	(i) Fine for removal of the defective work Rs. 400	Rs. 1,270
	(ii) Water charges on plastering work Rs. 870	
1,270	Total: 5(b) + 8(a) = G	
19,550	(b) By recovery of amount creditable to other work or other heads f accounts.	
	(i) S.D.10%.....Rs. 15,750	Rs. 19,550
	(ii) I.T. 2%..... 3,150	.....
	(iii) Fine for delay of work 650	.....
60,978	(c) By cheque Rs. 60,978.	
80,528	Total: 8 (b) + 8 (c) = H	

Pay Rs. 60,978/- (Rupees sixty thousand nine hundred and seventy eight only) by cheque

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs. 81,798/- (Rupees eighty one thousand seven hundred and ninety eight only) as per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.No. 11. From the following Particulars, prepare the 2nd Running Account bill of Shri G.Shunil Sharma, contractor for the construction of a section of a road under Agreement No. IRCD-5/06. Also write out Pay orders and contractor's acknowledgement.

Description of work	Rates as per estimates	Qty. Executed as per bill – I	Qty. Executed as per up-to-date
1. Supplying and stacking at source of stone boulders	Rs. 53 Per cum	2,000	--
2. -do- Screened Shingles – 40 mm.	Rs. 48 Per cum	500	3.500
3. – do- broken of hard stone - 90 mm.	Rs. 98 Per cum	1,500	1.850
4. Spreading over, leveling to gradient and rolling with Power roller.	Rs. 42 Per cum	-	4,090

The contractor had deposited an amount of Rs. 15,677 being the earnest money which he requested to convert it into security deposit and allowed by the P.W. authority as per rules.

Advance Payments of Rs. 3,000 and Rs. 2,000 on item 2 and 3 were made in bill-2.

Secured advance on 1,300 cum. of stone boulders at the assessed rate of Rs. 92 per cum and 1,700 cum. of screened shingles at the assessed rate of Rs. 40 Per cum. were freshly brought to site of work on which allowed the max. secured advance.

Recoveries to be made from the Present bill:

- 1) Security deposit at 10%
- 2) Income Tax at 2%
- 3) Hiring charge of a Power Roller 8/10th capacity @ Rs. 936 per day for 8 days.
- 4) Rebate allowed by the contractor for payment of his bill without delay Rs. 4,000.
- 5) Fine for bad work. Rs. 800.
- 6) Value of materials issued for this work Rs. 1,000.

Q.No.11.Answer

**FROM – 26
RUNING ACCOUNT BILL**

1. Name of contractor : Shri G. Shunil Sharma
2. Name of Work : Construction of a section of a Road.
3. Agreement No. : IRCD –5/06.
4. Sl.No. of this bill. : -
5. No. & Date of : -
Previous bill

I - ACCOUNT WORK EXECUTED

Item of work	Unit	Rate	Qty. executed uptodate as per M.B.	Payment on the basis of actual measurement	
				Up-to-date	Since previous bill
1	2	3	4	5	6
1. Supplying and stacking at source of stone boulders.	cum.	Rs. 53	2,000	Rs. 1,06,000	Rs. --
2. -do- screened shingles – 40 mm.	cum	48	3,500	1,68,000	1,44,000
3. -do- broken of hard stone -90 mm.	cum.	98	1,850	1,81,300	34,300
4. Spreading over, leveling to gradient and rolling with Power Roller.	cum.	42	4,090	1,71,780	1,71,780
Total value of work done uptodate				A - 6,27,080	--
Deduct value of work shown in the previous bill				2,77,000	
Net value of work done since Previous bill				F - 3,50,080	3,50,080

Figure in words (Rupees three lakhs fifty thousand and eighty only).

FORM - 26 (A)
ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF
MATERIALS BROUGHT TO SITE

Qty. outstanding from previous bill	Deduct Qty. utilised in work since previous bill	Qty. outstanding	Full Rate	Description of materials	Unit	Rate of which advance made or reduced rate	Up-to-date amount of advance
1	2	3	4	5	6	7	8
		1,300	92	Stone boulders	/ cum	69	89,700
		1,700	40	Screened shingles	/ cum	30	51,000
Total amount outstanding as per this account						(C)	1,40,700
Deduct amount outstanding as per entry of previous bill							--
Net amount since previous bill						(E)	1,40,700
Figure in words (Plus) (Minus) (Rupees one lakh forty thousand seven hundred only).							

III- MEMORANDUM OF PAYMENT

			Rs.	
	1. Total upto date value of work actually measured.	A	6,27,080	
	2. Total upto date advance payments.	B	5,000	
	(a) As per previous bill Rs. ---			
	(b) As per since previous bill Rs. 5,000 (D)			
	3. Total up to-date secured advance	C	1,40,700	
	4. Total items (1+2+3)		7,72,780	
Figure for work abstract Rs.	5. Deduct amount withheld:			
	(a) From previous bill Rs.....			
	(b) From this bill Rs..... (K)		---	
	6. Balance (item 4-5)		7,72,780	
	7. Total amount of payment already made as per previous bill.		2,77,000	
	8. Payment now to be made as detailed below....		4,95,780	
	1,800	(a) By recovery of amount creditable to this work or heads of accounts.		
		(I). Fine for bad work Rs. 800	Rs. 1,800	
	(II). Value of materials issued 1,000 for this work			
1,800	Total: 5 (b) + 8(a) = G			
65,521	(b) By recovery of amount creditable to other work or other heads f accounts.			
	(i) S.D.10%.Rs.62,708 } Rs. 47,031	Rs. 65,521		
	(-) Rs.15,677 }			
	(ii) I.T. 2% Rs 7,002	.....	
	(iii) Hiring charge of a power Roller @ Rs. 936 per day for eight Days Rs. 7,488	.....	
	(iv) Rebate allowed by contractor Rs.4,000	.....	
4,28,459	(b) By cheque Rs. 4,28,459			
4,93,980	Total: 8 (b) + 8 (c) = H			

Pay Rs.4,28,459/- (Rupees four lakhs twenty eight thousand four hundred and fifty nine only) by cheque

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs.4, 95,780/- (Rupees four lakhs ninety five thousand seven hundred and eighty only) as per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.No.12 From the following particulars, prepare the 2nd Running account bill of Shri P.M. Thomas, Contractor of the construction of a Timber Bridge at Heingang-Khong.

Item of work	Rate	Unit	Qty. Executed	
			1 st R.A. bill	2 nd R.A. bill
1. Supplying of Axe-dressed Uyung Logs, complete.	Rs. 2,900	Per cum	20	---
2. Supplying and fixing of Khangra Planks wheel guards with Iron Hooks.	Rs. 6,530	Per cum	--	10
3. Providing and fixing bolts, nuts and washers	Rs. 4,990	Per qnl.	1	2
4. Providing local wood planks for walling of Track-way and fixing in position	Rs. 240	Per sq.m.	--	45

Security deposit at 10% was withheld from 1st R.A. bill but subsequently it was credited to Deposit and recovered through the present bill.

In 1st R.A. bill, an advance payment of Rs. 12,000 on item 1 was made. The contractor brought to site of work 70 rm. OF UYUNG LOG at the assessed rate of Rs. 12 per rm. and $1\frac{1}{2}$ qntl. of bolts and nuts at the assessed rate of Rs. 5,000 per qntl. On which secured advance was allowed.

In 2nd R.A. bill, an advance payment of Rs. 18,000 on item 2 was made and a further $\frac{1}{2}$ Qntl. of bolts and nuts were brought to site and allowed the max. secured advance.

Out of these quantities, 69 rm. of Uyung log and the entire quantity of bolts and nuts were used on work in 2nd bill.

RECOVERIES

1. S.D. at 10%
2. I.T. at 2%
3. Hiring charge of pile driving machine for 4 days @ Rs. 626 per day.
4. –do- Drill Bit Rs. 1,633.
5. –do- Water pumping set for 4 days @ Rs. 310 per day.

Answer 12**FORM – 26
RUNING ACCOUNT BILL**

1. Name of contractor : Shri P.M. Thomas
 2. Name of Work : Construction of a Timber Bridge at Heingangkhong
 3. Agreement No. : To be recorded
 4. Sl.No. of this bill. : “ “
 5. No. & Date of : “ “
 Previous bill

I - ACCOUNT WORK EXECUTED

Item of work	Unit	Rate	Qty. executed update as per M.B.	Payment on the basis of actual measurement	
				Up-to-date	Since previous bill
1	2	3	4	5	6
		Rs.		Rs.	Rs.
1. Supplying of AXE-dressed UYUNG LOGS, complete.	cum.	2,900	20	58,000	--
2. Supplying and fixing of Khangra planks wheel guards with Iron Hooks.	cum	6,530	10	65,300	65,300
3. Providing and fixing of bolts, nuts and washers.	qnl.	4,990	3	14,970	9,980
4. Providing local wood planks for walling of track-way and fixing in position.	sqm.	240	45	10,800	10,800
Total value of work done update				A - 1,49,070	--
Deduct value of work shown in the previous bill				62,990	
Net value of work done since Previous bill				F - 86,080	86,080

Figure in words (Rupees eighty six thousand and eighty only).

FORM - 26 (A)
ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF
MATERIALS BROUGHT TO SITE OF WORK

Qty. outstanding from previous bill	Deduct Qty. utilised in work since previous bill	Qty. outstanding	Full Rate	Description of materials	Unit	Rate of which advance made or reduced rate	Up-to-date amount of advance
1	2	3	4	5	6	7	8
70	69	1	12	Uyung Log.	/rm.	Rs. 9	Rs. 9
$1\frac{1}{2}$	$1\frac{1}{2}$	-- (+) $\frac{1}{2}$	5,000	Bolts and nuts	/Qnl.	3,750	1,875
Total amount outstanding as per this account						(C)	1, 884
Deduct amount outstanding as per entry of previous bill							5,625
Net amount since previous bill						(E) (-)	3,741
Figure in words (Plus) (Minus) (Rupees three thousand seven hundred and forty one only).							

III- MEMORANDUM OF PAYMENT

		Rs.
	1. Total uptodate value of work actually measured.	A 1,49,070
	2. Total uptodate advance payments.	B 18,000
	(a) As per previous bill Rs. 12,000	
	(b) As per since previous bill Rs 6,000 (D)	
	3. Total up to-date secured advance	C 1,884
	4. Total items (1+2+3)	1,68,954
Figure for work abstract (-) Rs.6,299	5. Deduct amount withheld:	
	(a) From previous bill Rs. 6,299	
	(b) From this bill (-) Rs. 6,299 (K)	---
	6. Balance (item 4-5)	1,68,954
	7. Total amount of payment already made as per previous bill.	74,316
	8. Payment now to be made as detailed below....	94,638
	(a) By recovery of amount creditable to this work or heads of accounts.	Rs.
	(i)	
(-) 6,299	Total: 5 (b) + 8(a) = G	
22,005	(b) By recovery of amount creditable to other work or other heads of accounts.	
	(i) S.D. 10% Rs. 14,907	Rs. 22,005
	(ii) I.T. 2% Rs. 1,721	.....
	(iii) Hiring charge of Pile Driving Machine @ Rs.626 per day for four days.	.....
	(iv) -do- Drill Bit Rs. 1,633	.....
	(v) -do- Water Pumping set @ Rs. 310 per day for four days Rs. 1,240	
72,633	(c) By cheque Rs. 72,633	
Rs. 94,638	Total: 8 (b) + 8 (c) = H	

Pay Rs.72,633/- (Rupees seventy two thousand six hundred and thirty three only) by cheque

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs.94,638/- (Rupees ninety four thousand six hundred and thirty eighty only) as per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.No.13. A contract work of the construction of a building was awarded to Shri Ch. Achouba Singh, Contractor under agreement No. IBC-III/19/06 of which the 1st R.A. bill had been paid. Now prepare his 2nd R.A. bill as per data furnished below:-

Details of work	Unit	Rate Rs.	Measurements in bill -I	Measurement up-to-date.
1. Earth work in excavation in hard soil	Per cum.	25	2,000	3,000
2. Brick work in foundation	Per cum.	30	500	800
3. C.C. Work	Per cum.	40	120	150
4. Wood works in doors and windows.	Per sqm.	50	300	500

An amount of Rs. 3,000/- was deposited by the contractor being earnest money which was converted into a part of Security deposit.

Advance Payments of Rs. 2,000/- and Rs. 1,500/- on item 1 and 2 were made. Secured advance on 1,00,000/- bricks at the full rate of Rs. 1,800/- per thousand bricks was also allowed in bill – 1.

Advance Payment of Rs. 5,000/- on item 4 and secured advance on 120 cum. of teak wood timber at the full rate of Rs. 160/- per ten cum. and 100nos. of tolhao wood planks at the full rate of Rs. 40/- per plank of ten cum. were allowed in bill - 2.

Cost of bricks actually utilized in brick work done in bill -2 was recovered at the calculated rate of 1 cum. requiring 100 bricks.

Recoveries:-

- 1) S.D. at 10%
- 2) I.T. Exempted.

- 3) Cost of 3 qntls. Of M.S. Bars @ Rs. 100 per qntl. but the stipulated rate was Rs. 80/- per qntl. as per contract.
- 4) Removal of defective work Rs. 100.
- 5) Material issued in excess Rs. 150.

Answer 13

**FORM – 26
RUNING ACCOUNT BILL**

6. Name of contractor : Shri Ch. Achouba Singh
7. Name of Work : Construction of a Building
8. Agreement No. : IBC-III/19/06
9. Sl.No. of this bill. : To be recorded
10. No. & Date of : ” ”
Previous bill

I - ACCOUNT WORK EXECUTED

Item of work	Unit	Rate	Qty. executed upodate as per M.B.	Payment on the basis of actual measurement	
				Up-to-date	Since previous bill
1	2	3	4	5	6
		Rs.		Rs.	Rs.
1. Earth work in excavation in hard soil	cum.	25	3,000	75,000	25,000
2. Brick work in foundation	cum	30	800	24,000	9,000
3. C.C. work	cum.	40	150	6,000	1,200

4. Wood works in doors and windows.	sqm.	50	500	25,000	10,000
Total value of work done uptodate				A - 1,30,000	--
Deduct value of work shown in the previous bill				84,800	
Net value of work done since Previous bill				F - 45,200	45,200

Figure in words (Rupees forty five thousand two hundred only).

FORM - 26 (A)
ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF MATERIALS BROUGHT TO SITE

Qty. outstanding from previous bill	Deduct Qty. utilised in work since previous bill	Qty. outstanding	Full Rate Rs.	Description of materials	Unit	Rate of which advance made or reduced rate Rs.	Up-to-date amount of advance Rs.
1	2	3	4	5	6	7	8
1,00,000	30,000	70,000	1,800	Bricks	‰	1,350	94,500
		120	160	Teak wood	10 cudm.	120	1,440
	--	100	40	Tolhao plank	plank	30	3,000

Total amount outstanding as per this account						(C)	98,940
Deduct amount outstanding as per entry of previous bill							1,35,000
Net amount since previous bill						(E) (-)	36,060

Figure in words (~~Plus~~) (Minus) (Rupees thirty six thousand and sixty only).

III- MEMORANDUM OF PAYMENT

			Rs.
	1. Total upto date value of work actually measured.	A	1,30,000
	2. Total up-date advance payments.	B	5,000
	(a) As per previous bill Rs. 3,500		
	(b) As per since previous bill Rs. 1,500 (D)		
	3. Total upto date secured advance	C	98,940
	4. Total items (1+2+3)		2,33,940
	5. Deduct amount withheld:		
	(a) From previous bill Rs. ---		
	(b) From this bill Rs. --- (K)		----
	6. Balance (item 4-5)		2,33,940
	7. Total amount of payment already made as per previous bill.		2,23,300
	8. Payment now to be made as detailed below		10,640
	(a) By recovery of amount creditable to this work or heads of accounts.		
	(i) Cost of three qnls. of M.B. Bars at the stipulated rate of Rs. 80 per qnl. Rs. 240	Rs.	340
	(ii) Removal of defective work Rs.100 .....		.....
340	Total: 5 (b) + 8(a) = G		
10,150	(b) By recovery of amount creditable to other work or other heads f accounts.		
		Rs.	

	(i) S.D. 10% (Rs. 13,000 – Rs. 3,000) = Rs.10,000	10,150
	(ii) I.T. exempted	.....
	(iii) Material issued in excess Rs. 150	.....
150	(c) By cheque Rs. 150	
Rs. 10,300	Total: 8 (b) + 8 (c) = H	

Pay Rs. 150/- (Rupees one hundred and fifty only) by cheque

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs.10, 640 /-Rupees ten thousand six hundred and forty only) as Per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.14. From the following particulars, prepare the second Running Account bill of Shri.L. Dharmachand Sharma, contractor for the construction of a Timber Bridge over Iril river under Agreement No. RBCD-IV/12/08.

Particulars of work	Rate Rs	Unit	Measurements recorded as per M.B.	
			Previous bill	This bill
1. Supplying of AXE-DRESSED UYUNGLOGS 23cm,dia,complete	2,900	Per cum	20	-
2. Supplying and fixing KHANGRA PLANKS WHEELGUARDS with iron hooks.	6,530	Per cum	--	10
3. Providing and fixing bolts, nuts and washers, complete.	4,990	Per qnl	1	2
4. Providing 38 mm thick Local wood planks for walling of track-way and fixing in position complete.	240	Per sqn	--	45

Security Deposit at 10% from previous bill was not deducted but subsequently it was credited to "P.W. Deposit " through the present bill and recovered accordingly.

In the previous bill, the following were paid .

(1) Advance payment –Rs, 3,000 on item 1.

(2). The contractor brought to site of work 80 rm. Of UYUNG LOGS at the market rate of Rs, 12 per rm. And 1 ½ qnl. of bolts and nuts at the market rate of rs,5,000 per qnl. on which secured advance was allowed.

In this bill, the following were paid:

(1). Advance payment Rs, 5,000 on item 2.

(2). A more ½ qnl. Of bolts and nuts were brought to site of work and allowed the payable secured advance.

Out of the quantities, 69 rm. of Uyung logs and entire quantities of bolts and nuts were used in work since previous bill.

Recoveries:

1). S.D. 10 %

2). I.T. 2%

3). Hiring charge of a Pile Driving Machine for five days @ Rs. 626 per day.

4) –do- DRIL BIT. Rs. 1,633.

5) –do- Water Pumping Set for four days @ Rs. 310 per day.

6). Supervision charges on issue of materials Rs. 3,000.

Q.No. 14. Ans.

**FORM-26
RUNNING ACCOUNT BILL**

1. Name of Contractor : Shri L. Dharmachand Sharma
 2. Name of Work : Construction of a Timber Bridge over Iril River.
 3. Agreement No. : RBCD – IV / 12 / 08
 4. Sl. No. of this bill : ---
 5. No. & Date of previous bill : ---

I-ACCOUNT OF WORK EXECUTED

Item of work	Unit	Rate	Qty. executed upto date as per M.B	Payment on the basis of actual measurement	
				Uptodate	Since previous bill
1	2	3 Rs.	4	5 Rs.	6 Rs.
1. Supplying of AXE-DRESSED UYUNG LOGS – 23 cm. dia, complete	Cu.m	2,900	20	58,000	---
2. Supplying and fixing Khangra Planks wheel guards with iron hooks.	Cu.m	6,530	10	65,300	65,300
3. Providing and fixing bolts and nuts and washers complete.	Qnl.	4,990	3	14,970	9,980
4. Providing 38 mm. thick local wood planks for walling of track – way and fixing in position, complete.	Sq.m	240	45	10,800	10,800
Total value of work done upto date				A. 1, 49,070	--
Deduct value of work shown in the previous bill				62,990	
Net value of work done since previous bill.....				F. 86,080	86,080

Figure in words (Rupees eighty six thousand and eighty only).

FORM - 26 (A)
ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF
MATERIALS BROUGHT TO SITE OF WORK.

Qty. outstanding from previous bill	Deduct Qty. utilized in work since previous bill	Qty. outstanding	Full Rate	Description of materials	Unit	Rate of which advance made or reduced rate	Uptodate amount of advance
1	2	3	4	5	6	7	8
80	69	11	12	Uyung logs	rm.	9	99
1 ^{1/2}	1 ^{1/2}	-- (+) 1/2	5,000	Bolts and nuts	qm.	3,750	1,875

Total amount outstanding as per this account	(C)	1,974
Deduct amount outstanding as per entry of previous bill		6,345
Net amount since previous bill	(E) (-)	4,371

Figure in words (Minus) ~~(Plus)~~ (Rupees four thousand three hundred and seventy one only).

III - MEMORANDUM OF PAYMENT

					Rs.
	1. Total up-to-date value of work actually measured.				A.1,49,070
	2. Total up-to-date advance payments.				B. 5,000
	(a) As per previous bill Rs. 3,000				---
	(b) As per since previous bill Rs. 2,000				C 1,974
	(D)				1,56,044
	3. Total up-to-date secured advance				
	4. Total items (1+2+3)				
	5. Deduct amount withheld:				--
	(a) From previous bill Rs. 6,299		Deposited through (K) this bill		1,56,044
	(b) From this bill (-) Rs. 6,299				66,036
	6. Balance (Item 4-5)				90,008
	7. Total amount of payment already made as per previous bill				
	8. Payment now to be made as detailed below:				
	(a) By recovery of amount creditable to this work or heads of accounts.			Rs.	
	(i) .....			.....
	(ii) .....			.....
(-) 6,299	Total: 5 (b) + 8 (a) = G				
25,631	(b) By recovery of amount creditable to other work or other heads of accounts.			Rs.	
	(i) S.D. 10% Rs. 14,907			25,631	
	(ii) I.T. 2% Rs. 1,721			.....
	(iii) Hiring charge of a Pile Driving Machine for five days @ Rs. 626 per day.....				
	(iv) Drill Bit Rs. 3,130				
	(v) Water Pumping set for four days @ Rs. 310 per day 1,240			.....
	(vi) Supervision charges on issue of materials Rs. 3,000				
	(c) By Cheque Rs. 64,377				
90,000	Total : 8(b) + 8 (c) = H				

Pay Rs. 64,377/- (Rupees sixty four thousand three hundred and seventy seven only) by cheque.

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs. 90,008/- (Rupees ninety thousand and eight only) as per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q. No. 15. From the data given below, prepare the second Running Account bill of Shri S. Bijoykumar Singh, contractor of the construction of an office Building under Agreement No. IBC-III/15.08.

Item of work.	Unit	Rate	Qty. executed as	Qty. executed
---------------	------	------	---------------------	------------------

			per previous bill	as per up-to-date
1. Jungle clearance of site of work including uprooting of rank vegetations, complete.	Per sqm.	0.40	8,000	8,000
2. Earth work in excavation in foundation trenches in soft soil including disposal of excavated soil, complete.	Per cum.	12	5,000	15,000
3. –do- in hard soil.	Per cum.	16	3,000	10,000
4. Providing and laying C.C. in foundation and plinth 1:1:2.	Per cum.	26	---	10,000
5. Second class brick work in foundation and plinth in cement mortar 1:3	Per cum	20	6,000	12,000

The work was executed at 10% Abatement (Below) of the basic schedule of rates.

In previous bill, advance payment of Rs. 8,000/- on item 4 was made. Secured advance on 3, 00,000 bricks at the assessed rate of Rs. 200 per thousand bricks had been allowed.

The contractor had deposited an amount of Rs. 18,972 being earnest money and converted it into security deposit.

Since previous bill, advance payment of Rs. 6,000/- on item 2 was made and a more 80,000 bricks were brought to site of work for which secured advance was allowed.

Recoveries:

1. Security Deposit 10%
2. Income Tax 2%
3. Cost of 100 bags of cement @ Rs. 80 per bag.
4. –do- for another work Rs. 200
5. Fine for bad work Rs. 100
6. –do- another bad work Rs. 200
7. Hiring charge of a HYDRALIC Excavator-cum LOADER Rs. 300

Q.No.15. Answer:

**FORM-26
RUNNING ACCOUNT BILL**

1. Name of Controller: S. Bijoykumar Singh.
2. Name of Work : Construction of an officer Building
3. Agreement No. : IBC – III/15/08
4. Sl. No. of the bill : ---
5. No. & Date of : ---
Previous bill

I-ACCOUNT OF WORK EXECUTED

Item of work	Unit	Rate	Qty. Executed Up-to-date as per M.B.	Payment on the basis of actual measurement	
				5	6
1	2	3	4	5	6
		Rs.		Rs.	Rs.
1. Jungle clearance of site of work including uprooting of rank vegetations, complete.	Sqm.	0.40	8,000	3,200	---
2. Earth work in excavation in foundation trenches in soft soil including disposal of excavated soil, complete.	Cum.	12	15,000	1,80,000	1,20,000
3. -do- in hard soil	Cum.	16	10,000	1,60,000	1,12,000
4. Providing and laying C.C. in foundation and plinth 1:1:2	Cum.	26	10,000	2,60,000	2,60,000
5. Second class brick work in foundation and plinth in cement mortar 1:3	Cum.	20	12,000	2,40,000	1,20,000

Figure in words (Rupees five lakhs fifty thousand eight hundred only)

FORM - 26 (A)

ACCOUNT OF SECURED ADVANCE ALLOWED ON THE SECURITY OF MATERIALS BROUGHT TO SITE OF WORK.

Qty. outstanding from previous bill	Deduct qty. Utilised in work since previous bill	Qty. outstanding	Full Rate	Description of materials	Unit	Rate of which advance made or reduced rate	Up-to-date amount of advance
1	2	3	4	5	6	7	8
3,00,000	1,80,000	1,20,000 (+) 80,000 <u>2,00,000</u>	Rs. 200	Bricks	%	Rs. 150	Rs. 30,000

Total amount outstanding as per this account -----							(C) 30,000
Deduct amount outstanding as per entry of previous bill -----							45,000
Net amount since previous bill -----							(E) (-) 15,000
Figure in words (Minus /Plus) (Rupees fifteen thousand only).							

III-MEMORANDUM OF PAYMENT

	1. Total up-to-date value of work actually measured.	A Rs.7,58,880
	2. Total up-to-date advance payments.	B Rs. 6,000
	(a) As per previous bill Rs. 8,000	
	(b) As per since previous bill (-) Rs. 2,000 (D)	
	3. Total up-to-date secured advance	Rs. 30,000
	4. Total items (1+2+3)	Rs. 7,94,880
Figure for work abstract Rs.	5. Deduct amount withheld:	
	(a) From previous bill Rs. ---	-----
	(b) From this bill Rs. ---	
	6. Balance (Item 4-5)	Rs.7,94,880
	7. Total amount of payment already made as per previous bill	Rs. 2,61,080
	8. Payment now to be made as detailed below:.....	Rs. 5,33,800
8,100	(a) By recovery of amount creditable to this Work or heads of accounts.	
	(i) Cement 100 bags @ Rs. 80	Rs.
	Per bag..... Rs. 8,000	8,100
	(ii) Fine for bad work Rs. 100	-----
	(iii)	-----
	(iv)	-----
8,100	Total: 5 (b) + 8 (a) = G	
68,632	(b) By recovery of amount creditable to other work or other heads of accounts.	
	(i) S.D. 10% (Rs.75,888 – 18,972) = Rs. 56,916/-	Rs. 68,632/-
	(ii) Income Tax 2% Rs. 11,016/-	.....
	(iii) Material for another work 200.	-----
	(iv) Fine for another bad work 200	-----
	(v) Hiring charge of Excavator 300	-- ----
4,57,068	(c) By cheque Rs. 4,57,068	
5,25,,700	Total : 8(b) + 8 (c) = H	

Pay Rs. 4,57,068/- (Rupees four lakhs fifty seven thousand and sixty eight only) by cheque

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs. 5, 33,800/- (Rupees five lakhs thirty three thousand eight hundred only) as per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q. 16. From the following particulars, prepare the Second Running Account bill of Shri Ch. Achouba Singh, Contractor for construction of a Protective Works on the embankment of Nag River.

Item of work	Estimated unit and rate	Qty. Upto Bill-1	Qty. as per Bill-2
1. Fixing of SAHI KUHI Posts	Per rm Rs.7	5,000	500
2. Providing splited bamboos, complete	Per sqm Rs.54	300	1,000
3. Providing and fixing G.I. wire netting – 3mm	Per Sqm. Rs.103	-	1,380
4. Supplying and placing empty gunny bags of cement or jute filled with sand, in position	Each bag, Rs.6	-	4,323

Security Deposit at 10 % deducted from previous bill was credited to work but it was subsequently credited to P.W. Deposit and recovered through this bill

In the first bill, an advance payment of Rs.7,000 on item 2 was made. Max. secured advance for 900 sqm. Of G.M.S wire net at the full rate of Rs.104 per sqm. and used fully on work in second bill.

Recoveries:-

- 1) S.D. at the same rate as above.
- 2) I.T. at 2 %
- 3) Fine for bad work Rs.4,300
- 4) Value of 35 bags of cement@Rs.250 per bag. Whereas, the stipulated rate was Rs.240 per bag.
- 5) Penalty for this work, Rs. 1,700
- 6) Excess Payment for work “Z” Rs.8,000.

Q.No.16. Answer:

**FORM – 26
RUNNING ACCOUNT BILL**

- 1.Name of Contractor : Shri Ch. Achouba Singh
- 2.Name of Work : Construction of a Protective Work on the embankment of Nag River
- 3.Agreement No. -
- 4.Sl.No. of this bill: -
- 5.No. & Date of previous Bill -

I – ACCOUNT OF WORK EXECUTED

Item of work	Unit	Rate Rs.	Qty executed uptodate as per M.B	Payment on the basis of actual measurement	
				Uptodate Rs.	Since previous bill Rs.
1.	2	3	4	5	6
1.Fixing of SAHI KUHl Posts	rm.	7	5,500	38,500	3,500
2. Providing splited bamboos	Sqm.	54	1,300	70,200	54,000
3.Providing and fixing G.I.Wire netting 3 mm	Sqm.	103	1,380	1,42,140	1,42,140
4.Supplying and placing empty gunny bags of cement or jute filled with sand in position	Each bag	6	4,323	25,938	25,938
Total value of work done uptodate				A.2,76,778	-
Deduct value of work shown in the previous bill				51,200	
Net value of work done since previous bill				F.2,25,578	2,25,578

Figure in words (Rupees two lakhs twenty five thousand five hundred and seventy eighty only).

FORM - 26 (A)

**ACCOUNT OF SECURED ADVANCE, ALLOWED ON THE SECURITY OF
MATERIALS BROUGHT TO SITE OF WORK.**

Qty. outstanding from previous bill	Deduct Qty utilized in work since previous bill	Qty Outstanding	Full Rate	Descrip- tion of materials	Unit	Rate of which advance made or reduced rate	Uptodate amount of advance
1	2	3	4	5	6	7	8
900	900	-	104	G.M.S Wire net		78	

					/		---
					Sqm		

Total amount outstanding as per this account	(C)	-
Deduct amount outstanding as per entry of pervious bill		70,200
Net amount since previous bill	(E) (-)	70,200

Figure in words Minus/~~Plus~~ (Rupees seventy thousand two hundred only).

III – MEMORANDUM OF PAYMENT

	1. Total Uptodate value of work actually measured	A	Rs.2, 76,778
	2. Total upto-date advance payments.	B	--
	(a) As per previous bill Rs.7,000		
	(b) As per since previous bill (-) Rs.7,000	D	--
	3. Total upto-date secured advance.....	C	--
	4. Total Items (1+2+3)		2, 76,778
Figure for work abstract (-) Rs.5,120	5. Deduct amount withheld:		
	(a) From previous bill Rs.5,120	Deposited through this Bill -2	--
	(b) From this bill (-) Rs.5,120		--
	6. Balance (Item 4-5)		2, 76,778
	7. Total amount of payment already made as per previous bill		1, 23,280
	8. Payment now to be made as detailed below:		1, 53,498
	14, (a) By recovery of amount creditable to this work or heads of accounts		
14,400	(i) Fine for bad work Rs.4,300	Rs.14,400	
	(ii) Value of cement 35 bags at the stipulated rate of Rs.240 per bag Rs.8,400	.....
	(iii) Penalty for this work Rs.1,700	.....
9280	Total: 5 (b) + 8(a) = G		
40,190	(b) By recovery of amount creditable to other work or other heads of accounts.		
	(i) S.D. 10% .....Rs.27,678	Rs.40,190	
	(ii)I.T. 2% .....Rs. 4,512	.....
	(iii)Excess payment for Work "Z" Rs.8,000	.....
98,908	(c) By cheque Rs.98,908		
1,39,098	Total 8(b) + (c) =H		

Pay Rs.98, 908/- (Rupees ninety eight thousand nine hundred and eight only) by cheque.

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs.1,53,498/- (Rupees one lakh fifty three thousand four hundred and ninety eight only) as per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q. No.17. Prepare the 2nd R.A. Bill of the Contractor, M/Schal Works Construction Company for the work of plinth protection, from the following particulars.

Item No.	Description of items	Unit and rates	Quantity executed	
			In previous bill	Upto since previous bill
1.	Providing plinth protection 50 mm thick in cement concrete 1:3:6.	Per Sqm Rs.65/-	210	400
2.	-do- with 3 rd Class bricks in cement mortar 1:6.	Per Sqm Rs.122/-	-	290
3.	-do- under layer of 75 mm thick of stone aggregate including preparation of ground	Per Sqm. Rs. 23/-	-	360

Security deposit at 10% deducted from previous bill was credited to the work but it was ultimately credited to deposit through this bill and recovered.

The following was paid in previous bill:

- 1) Advance payment on item 1. Rs.5,000.
- 2) Max. secured advance for 8,000 bricks at the full rate of Rs.1,700 per thousand bricks.

The following was allowed in the present bill :

- 1) Advance payment on item 2. Rs.6,000
- 2) Secured advance for 50 bags of cement at the full rate of Rs.220 per bag.

The rate for utilization of bricks was calculated at 2,000 bricks for one hundred Sqm. of brick works.

Recoveries.

- 1) S.D at the above rate.
- 2) I.T. Rs.1,000/-
- 3) Value of materials for this work Rs.2,000/-
- 4) -do- for work 'Y' Rs.1,000/-
- 5) Fine for bad work Rs.2,100

Answer 17:-

FORM – 26
RUNNING ACCOUNT BILL

1. Name of contractor :- M/Schal works construction company.
2. Name of work :- Plinth protection
3. Agreement No. :- -
4. Sl. No. of this bill :- -
5. No. & Date of previous bill :- -

I- ACCOUNT OF WORK EXECUTED

Item of work	Unit	Rate	Qty.	Payment on the basis of
--------------	------	------	------	-------------------------

1.	2.	3.	executed upto date as per M.B	actual measurement	
				Upto date	Since previous bill
1.	2.	3.	4.	5.	6.
1. Providing plinth protection -50mm thick in cement concrete 1:3:6	Sqm.	Rs. 65	400	Rs. 26,000	Rs. 12,350
2. -do- with 3 rd class bricks in cement mortar 1:6	Sqm.	122	290	35,380	35,380
3. -do- under layer of 75 mm. thick of stone aggregate including preparation of ground	Sqm.	23	360	8,280	8,280
Total value of work done upto-date			A	69,660	-
Deduct value of work shown in the previous bill				13,650	
Net value of work done since			F	56,010	56,010

Figure in words (Rupees fifty six thousand and ten only).

FOR – 26 (A)
ACCOUNT OF SECURE ADVANCE

Qty. outstanding from previous bill	Deduct Qty. utilized in work since previous bill	Qty. outstanding	Full rate	Description of materials	Unit	Rate of which advance made or reduced	Upto-date amount of advance
1.	2.	3.	4.	5.	6.	7.	8.
8,000	5,800	2,200	1,700	Bricks	‰	1,275	2,805
		50	220	Cement	bag	165	8,250
Total amount outstanding as per this account						(C)	11,055
Deduct amount outstanding as per entry of previous bill							10,200
Net amount since previous bill						(E)	855
Figure in words (Minus) / (Plus) (Rupees eight hundred and fifty five only).							

III - MEMORANDUM OF PAYMENT

		Rs.
	1. Total up-to-date value of work actually measured.	A. 69,660
	2. Total up-to-date advance payments.	B. 6,000
	(a) As per previous bill Rs. 5,000	
	(b) As per since previous bill Rs. 1,000 (D)	
	3. Total up-to-date secured advance 	C. 11,055
	4. Total items (1+2+3) ----	86,715
	5. Deduct amount withheld:	
	(a) From previous bill Rs. 1,365	Deposited through this bill
	(b) From this bill (-) Rs. 1,365	
	6. Balance (Item 4-5) ----	86,715
	7. Total amount of payment already made as per previous bill ----	27,485
	8. Payment now to be made as detailed below:	59,230
	(a) By recovery of amount creditable to this work or heads of accounts.	
	(i) Value of materials for this work Rs. 2,000	Rs. 4,100
	(ii) Fine for this work Rs. 2,100	----
2,735	Total: 5 (b) + 8 (a) = G	
8,966	(b) By recovery of amount creditable to other work or other heads of accounts.	
46,164	(i) S.D. 10% Rs. 6,966	Rs. 8,966
	(ii) I.T. Rs. 1,000	.....
	(iii) Value of material for work "Y" Rs. 1,000	.....
	(c) By Cheque Rs. 46,164	
55,130	Total : 8(b) + 8 (c) = H	

Pay Rs.46, 164/- (Rupees forty six thousand one hundred and sixty four only) by cheque.

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs. 59,230/- (Rupees fifty nine thousand two hundred and thirty only) as per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q. 18 Prepare the second running Account Bill of Shri G. Badrinath Sharma contractor for the work "A" under Agreement IBC-II/29/08 from the following data.

Particulars of Works	Unit	Rate	Quantity executed up-to-date
1. E.W.in foundation	Per hundred	238	48,000
2. C.C.1:3:6:	cum. Per cum.	196	225
3. R.C.C. 1:2:3	Per cum.	532	125
4. First class burnt bricks works in cement and sand mortar.	Per cum	104	100
5. R.R. M.1:6	Per cum	126	110
6. M.S. reinforcement for R.C.C.	Per Qnt.	252	45

In first R.A. bill, advance ferment of Rs. 10,000 and Rs. 2,500 were allowed on item 3 and 4.

Advance payment of Rs. 5,000 and Rs. 2,500 are to be allowed for item 4 and 5 for the portion of work not measured in this bill.

Secured Advance against 50,000 bricks and 2¹/₂ tonnes of steel brought, were allowed in first bill.

The Divisional office assessed the rate of Rs. 50 per thousand bricks and Rs. 1,000 per tonne for steel. All bricks and 1¹/₂ tonnes of steel were utilized in work and the contractor further brought 50,000 bricks and 1 tone of steel for which secured advances are to be allowed in this bill.

The contractor was issued 200 bags of cement from stock at the rate of Rs. 300 per bag after the previous on account bill. Out of these quantities, 150 bags were used on work and the remaining balance of 50 bags were not returned. The book value being Rs. 330 per bag.

The contractor was paid Rs. 58,800 and Rs. 39,200 against item 1 and 2 in first bill for work done and measured.

Recoveries

1. S.D.10%
2. I.T. Rs. 3,000
3. Penalty for uncompletion of another workRs. 4,000
4. Fine for bad work Rs. 1,000.

Answer 18:-

FORM-26 RUNNING ACCOUNT BILL

1. Name of Controller: Shri G. Badrinath Sharma
2. Name of Work : Work "A"
3. Agreement No. : IBC-II/29/08
4. Sl. No. of the bill : --

5. No. & Date of : --
Previous bill

I-ACCOUNT OF WORK EXECUTED

Item of work	Unit	Rate	Qty. Executed Up-to-date as per M.B.	Payment on the basis of actual measurement	
				Uptodate	Since previous bill
1	2	3	4	5	6
		Rs.		Rs.	Rs.
1. E.w. in foundation	% cum	238	48,000	1,14,240	55,440
2. C.C. 1:3:6	/	196	225	44,100	4,900
	Cum.				
3. R.C.C. 1:2:3.	/	532	125	66,500	66,500
	Cum.				
4. First class burnt bricks work in cement and sand mortar	/	104	100	10,400	10,400
	Cum.				
5. R.R.B.M.1:6	/	126	110	13,860	13,860
	Cum.				
6. M.S. reinforcement for R.C.C.	/	252	45	11,340	11,340
	qnl.				
Total value of work done up-to-date				A. 2,60,440	-----
Deduct value or work shown in the previous bill.....				98,000	
Net value of wok done since previous bill				F. 1,62,440	1,62,440

Figure in words (Rupees one lakh sixty two thousand four hundred and forty only).

FORM -26 (A)
**ACCOUNT OF SCEDURED ADVANCE ALLOWED ON THE SECURITY OF
MATERIAL BROUGHT TO SITE OF WORK.**

Qty. Outstandin g from previous	Deduct Qty. Utilised in work	Qty. outstanding	Full Rate	Descri ption of materi	Unit	Rate of which advance made on	Up-to- date amount of
--	---------------------------------------	---------------------	--------------	---------------------------------	------	--	--------------------------------

bill	since previous bill			als		reduced rate	advance
1	2	3	4	5	6	7	8
50,000	50,000	---	50	Bricks	%o	37.50	1,875
$2\frac{1}{2}$	$1\frac{1}{2}$	1 (+) 1 <hr/> 2	1,000	steel	Tonne	750	1,500

Total amount outstanding as per this account ----- (C) 3,375
Deduct amount outstanding as per entry of previous bill ----- 3,750

Net amount since previous bill ----- (E) (-) 375

Figure in words (~~Min~~us/Plus) (Rupee three hundred and seventy five only).

III-MEMORANDUM OF PAYMENT

	1. Total up-to-date value of work actually measured.	A. Rs.2,60,440
	2. Total up-to-date advance payments.	B. 7,500
	(a) As per previous bill Rs. 12,500	
	(b) As per since previous bill (-) Rs. 5,000 (D)	
	3. Total up-to-date secured advance -----	C. 3,375
	4. Total items (1+2+3)	2,71,315
	5. Deduct amount withheld:	
Figure for work	(a) From previous bill Rs.....	
	(b) From this bill Rs.....	---

abstract Rs. --	6. Balance (Item 4-5)		2,71,315
	7. Total amount of payment already made as per previous bill		1,14,250
	8. Payment now to be made as detailed below:		1,57,065
61,100	(a) By recovery of amount creditable to this work or heads of accounts.		
	(i) Recovery of 200 bags of cement @ Rs. 300 per bag	Rs. 60,000	Rs. 61,000
	(ii) Fine for bad work	Rs. 1,000	
61,000	Total: 5(b) + 8 (a) = G		
26,394	(b) By recovery of amount creditable to other work or other heads of accounts.		
	(i) S.D. 10%	Rs.16,244	Rs. 26,394
	(ii) I.T.	3,000	.....
	(iii) Penalty for uncompletion of work	4,000	-----
	(iv) Recovery of 50 bags of cement not returned @ Rs. 63 per bag		-----
69,671	(c) By cheque Rs. 69,671		
96,065	Total : 8(b) + 8 (c) = H		

Pay Rs. 69,671 (Rupees sixty nine thousand six hundred and seventy one only) by cheque
sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs. 1, 57,065/- (Rupees one lakh fifty seven thousand and sixty five only) as per above Memorandum of payment on account of this work.
Sd/-
Contractor
(with revenue stamp & date)

Q.No.19. Prepare the second Running Account Bill of Smt. S. Prativa Devi, contractor for the construction of a Reservoir as per Agreement No. WSD /11/07 from the following particulars. Complete Pay Orders and contractor's acknowledgement?

Item of work done and measured	Unit	Rate Rs.	Qty. Paid in first R.A. bill	Uptodate Qty. as per second bill.
1. Earthwork in excavation of hard rock requiring blasting for foundation	Per cum	55	700	1,000
2. Do hard soil for				

foundation.	Per cum	39	500	1,500
3. Providing and laying cement concrete in foundation and plinth 1:3:6	Per cum	1,300	85	200
4. Reinforced cement concrete in bed of reservoir including Columns, Pillars Piers, complete.	Per cum	2,896	----	21

As per agreement, the work was executed at 5% BOVE (premium) of the basic schedule rates as rendered by the contractor and accepted by the P.W. authority.

In the first bill, an advance Payment of Rs. 44,200 on item 4 was made and Rs. 69,777 on item 3 in second bill was made.

In the first bill secured advance on 1,500 stone blasts at the full rate of Rs. 20 each was also allowed for which he brought to site of work.

Stone blasts used in work in second bill was calculated at the rate of 250 stone blasts for 100 CUM of earth work in item I.

Recoveries to be made from this bill.

1. Security Deposit 10%
2. Income Tax at 2%
3. Value of hard rock excavated and used by the contractor on work Rs. 27,910.
4. Fine for (BAD) work Rs. 5000.
5. Fine for delay of work Rs. 8,000.

Q.NO.19:- Answer:-

**FORM-26
RUNNING ACCOUNT BILL**

1. Name of Controller : Smt. S. Prativa Devi
2. Name of Work : Const. of a Reservoir
3. Agreement No. : No. WSD / II - 07.
4. Sl. No. of the bill : To be recorded.
5. No. & Date of : - do -
6. Previous bill

I - ACCOUNT OF WORK EXECUTED

Item of work	Unit	Rate	Qty. Executed Up-to-date as per M.B.	Payment on the basis of actual measurement	
				Uptodate	Since previous bill
1	2	3	4	5	6
1. Earth work in excavation of Hard rock requiring blasting for foundation	/	Rs. 55	1,000	Rs. 55,000	Rs. 16,500
	/	39	1,500	58,500	39,000
2. -do- hard soil for foundation	/				
3. Providing and laying cement concrete in foundation and Plinth 1:3:6	/	1,300	200	2,60,000	1,49,500
	/	2,896	21	60,816	60,816
4. R.C.C. in bed of reservoir including columns, Pillars Piers, complete.		Total. Add 5% Above		4,34,316 21,716	2,65,816 13,291
Total value of work done up-to-date				A 4,56,032	-----
Deduct value or work shown in the previous bill.....				1,76,925	
Net value of wok done since previous bill				F 2,79,107	2,79,107

Figure in words (Rupees two lakhs seventy nine thousand one hundred and seven only).

FORM -26 (A)
**II -- ACCOUNT OF SCEDURED ADVANCE ALLOWED ON THE SECURITY OF
MATERIAL BROUGHT TO SITE OF WORK.**

Qty. Outstanding from previous bill	Deduct Qty. Utilised in work since previous bill	Qty. outstand ing	Full Rate	Descripti on of materials	Unit	Rate of which advance made on reduced rate	Up-to- date amount of advance
1	2	3	4	5	6	7	8
1,500	750	750	Rs. 20	Stone blasts.	Each blast	Rs. 15	Rs. 11,250

Total amount outstanding as per this account	-----	(C)	11,250				
Deduct amount outstanding as per entry of previous bill	-----		22,500				
Net amount since previous bill	-----	(E) (-)	11,250				
Figure in words (Minus/Plus) (Rupees eleven thousand two hundred and fifty only).							

III - MEMORANDUM OF PAYMENT

			Rs.
1.	Total up-to-date value of work actually measured.	B.	4,56,032
2.	Total up-to-date advance payments.	B.	69,777
	(a) As per previous bill	Rs.	44,200
	(b) As per since previous bill	Rs. 25,577 (D)	
	3. Total up-to-date secured advance	.....	C. 11,250
	4. Total items (1+2+3)	.....	5,37,059

Figure for work abstract Rs....	5. Deduct amount withheld: (a) From previous bill Rs..... (b) From this bill Rs..... (K)	----- -----
	6. Balance (Item 4-5)	5,37,059
	7. Total amount of payment already made as per previous bill	2,43,625
	8. Payment now to be made as detailed below:	2,93,434
32,910	(a) By recovery of amount creditable to this work or heads of accounts.	
	(i) Value of hard rock excavated and Used by the contractor Rs. 27,910	Rs. 32,910
	(ii) Fine for bad work Rs. 5,000	
32,910	Total: 5(b) + 8 (a) = G	
41,492	(b) By recovery of amount creditable to other work or other heads of accounts.	
	(i) S.D. 10% Rs. 27,910	Rs. 41,492
	(ii) I.T. 2% Rs. 5,582	.....
	(iii) Fine for delay of work Rs. 8,000	.....
2,19,032	(c) By Cheque Rs. 2,19,032	
2,60,524	Total : 8(b) + 8 (c) = H	

Pay Rs. 2, 19,032/- (Rupees two lakhs nineteen thousand and thirty two only) by cheque

Sd/-
Disbursing Officer
(Seal & Date)

Received the payment of Rs. 2, 93,434/- (Rupees two lakhs ninety three thousand four hundred and thirty four only) as per above Memorandum of payment on account of this work.

Sd/-
Contractor
(with revenue stamp & date)

Q.20 .From the following particulars , prepare the 2nd Running Account bill of Mr.'Z', Contractor.

Item of work	Unit	Rate Rs.	Qty. Executed as per	
			Previous bill	Up to since Previous bill
1. Reinforced cement concrete work 1.3	Per cum.	2,083	15	32

2. M.S. Rod reinforcement for R.C.C.	Per cum.	19	70	220
--------------------------------------	----------	----	----	-----

In the first running bill, an advance payment of Rs .850 on item I was made. Max. secured advance was also for 1,000 kgs. Of M.S. Rod at the full rate of Rs. 20 per kg.

In the second bill, an advance payment of Rs.1050 on item 2 was made and a further quantity of 200 kgs . were brought to site of work on which max, secured advance was allowed.

M.S. Rod utilized 980 kgs. on work since previous bill.

Recoveries:-

- 1) S.D at 10%
- 2) I.Tax at 2%
- 3) Cost of material issued for this work Rs 700/-
- 4) Fine for bad work.....Rs 800/

Q.No.20 Answer:

FORM -26
RUNNING ACCOUNT BILL

1. Name of the Contractor : Mr 'Z'
2. Name of the work : --
3. Agreement No. : --
4. Sl.No. of this Bill : --
5. No. & Date of Previous bill

Item of Work	Unit	Rate	Qty. executed up-to-date as per M.B	Payment on the basis of actual measurement	
				Up-to-date	Since Previous bill
1	2	3 Rs.	4	5 Rs.	6 Rs.
1. Reinforced cement Concrete work 1.3	Cum	2,083	32	66,656	35,411

2. M.S. Rode reinforcement for R.C.C work.	cum	19	220	4,180	2,850
Total value of work done up-to-date				(A) 70,836	---
Deduct value of work shown in the previous bill				32,575	
Net value of work done since Previous bill				38,261	38,261

Figure in words (Rupee thirty eight thousand two hundred and sixty one only).

FORM-26 -A
ACCOUNT OF SECURED ADVANCE

Qty. out- Standing from previous bill	Deduct Qty. utilized in work since previous bill	Qty. out – standing	Full Rate	Description Of materials	Unit	Rate of which advance made or reduced rate	Up-to-date amount of advance
1	2	3	4	5	6	7	8
			Rs.			Rs.	Rs.
1,000	980	20 (+) 200 <hr/> 220	20	M.S. Rod	kg	15	3,300

Total amount outstanding as per this account						(C)	3,300
Deduct amount outstanding as per entry of Previous bill							15,000
Net amount since previous bill						(E) (-)	11,700

Figure in works (Minus) ~~(Plus)~~ (Rupees Eleven thousand seven hundred only).

III-MEMORANDUM OF PAYMENT

			Rs.
	1. Total up-to-date value of work actually measured.		A. 70,836
	2. Total up-to-date advance payments.		B. 1,050
	(a) As per previous bill	Rs. 850	
	(b) As per since previous bill	Rs. 200	(D)
	3. Total up-to-date secured advance	.....	C. 3,300
	4. Total items (1+2+3)	.....	75,186
Figure for work abstract	5. Deduct amount withheld:		-----
Rs. --	(a) From previous bill	Rs. ----	
	(b) From this bill	Rs. ----	(K) -----
	6. Balance (Item 4-5)	.....	75,186
	7. Total amount of payment already made as per previous bill	.....	48,425
	8. Payment now to be made as detailed below	.....	26,761
	(a) By recovery of amount creditable to this work or heads of accounts.		
1,500	(j) Cost of material issued for this work	Rs. 700	Rs. 1,500
	(ii) Fine for bad work	800	-----
1,500	Total: 5(b) + 8 (a) = G		

4,591	(b) By recovery of amount creditable to other work or other heads of accounts.		Rs. 4,591
	(i) S.D. 10%	Rs. 3,826	
	(ii) I.T. 2%	Rs. 765	
20,670	(c) By Cheque Rs. 20,670		
Rs. 25,261	Total : 8(b) + 8 (c) = H		

Pay Rs. 20,670/- (Rupees twenty thousand six hundred and seventy only) by cheque
Sd/-

Disbursing Officer
(Seal & Date)

Received the payment of Rs. 26,761/- (Rupees twenty six thousand seven hundred and sixty one only) as per above Memorandum of payment on account of this work.

Sd/-
Contactor
(with revenue stamp & date)