

(1) Number of pages 46(2) Date of repair 6-11-38(3) Initials of the Referencer J

MADRAS RECORD OFFICE.

Government of Madras.

P. Subramanian DEPARTMENT.
Gen 10/3/60

G.O. No.	<u>493</u>	Press
		<u>Mis.</u>
<u>9394</u>	Dated <u>7-3</u>	<u>18</u> <u>60</u>

Not to be folded or roughly handled

*Proceedings of the Madras Government, Public Works Department,
for the month of March 1860.*

No. 93. Read the following letter from Colonel J. H. BELL, Chief Engineer, to the Secretary to Government, dated 21st February 1860, No. 10506.

I have the honor to submit for the approval of Government the Rules regarding Contracts

1 Bengal Rules on the subject of Contracts. which have been drawn up for embodiment in
1 Circular letter to Dist. Engrs., dated 19th September 1859. the new Code.
1 Revised Rule regarding Contracts.

2. In this Presidency there have, hitherto, been no special rules on the subject of Contracts. The few orders which have from time to time been issued on the subject are to be found in the Circular Order Book in the pages marginally* noted, but no systematic plan of procedure has ever been promulgated for general guidance.

3. In Extract Minutes of Consultation, under date the 25th March 1859, No. 709, Government noticed with disapproval the neglect of the Chief Engineer to issue rules upon the subject. On the 14th July 1857, the Government Solicitor undertook to prepare a series of instructions which, he said, with ordinary care and attention on the part of the Officers of this Department, would enable them to frame their Contracts in proper form. This promise has not yet been fulfilled, although the Government Solicitor has been repeatedly addressed on the subject. But for this promise on the part of that Officer, steps would have been taken long ere this for the preparation of rules on the subject.

4. In the Bengal Code the subject is discussed at great length, and the rules there laid down prescribe minutely the course to be followed at every stage. It was considered advisable to circulate the same to the District Engineers, requesting them to report upon the existing practice in the several districts and upon the applicability of the Bengal rules to the circumstances of this Presidency.

5. Replies have been received from sixteen Officers; and upon the receipt of these replies, after due consideration and discussion of the subject, the enclosed rules were drawn up.

6. It will be seen from these replies which accompany this, that the system of Contracts has hitherto prevailed in this Presidency on a very limited scale. In most of the districts the few Contracts which have been made have been for earthwork, or for the supply of stone-chunam, metal for roads and other similar materials. For these works formal Contracts have seldom, if ever, been framed. The agreements have generally been written in rather an irregular manner, the Contractor engaging to execute the work at a certain rate and acknowledging the receipt of any advance which may have been made.

7. Very different opinions prevail as to the advantage of introducing a system like that which prevails in Bengal. Most of the Officers view the proposal favorably, though almost without exception they consider the Bengal rules to be too elaborate and minute, and that if adopted they must be considerably modified, greater room being allowed to the local Officers for the exercise of their discretion.

8. Even upon the question of the comparative advantages of a good system of Contracts and the cheapness of work done under it as compared with work done by departmental agency, there is a great diversity of opinion. The Garrison Engineer thinks that the system cannot succeed, and although with all the resources of Madras at his command, he considers "that Government can execute work better and cheaper than private individuals." The District Engineer of Kurnool on the other hand considers that a well organized system of Contracts would save Government 20 per cent. on the gross expenditure. Captain Rawlins' opinion is based upon observed facts. That of Lieutenant Beckley is speculative. For my own part I do not think that the Contract system can flourish except in the hands of men of business and of some capital, but there is no reason why such a class of men should not grow up with proper encouragement. Contractors must make profits and work can be performed cheaply to Government and profitably to the Contractor only by men who possess adequate capital, and are engaged in

*Proceedings of the Madras Government, Public Works Department,
for the month of March 1860.*

transactions of adequate number or value. If the expense of supervision be added to the profits which are now necessary to a Contractor taking up an isolated work, it is doubtful if any saving would appear, or rather it is pretty certain that there would be none.

9. In the drawing up of the enclosed rules the opinions of the District Engineers have received every consideration. While the leading elements of the Bengal rules have been preserved, the details have been relaxed so as to leave greater scope for individual Officers to exercise their judgment and discretion. The draft also embodies the various Orders which have been issued by this Government upon the subject from time to time.

10. The opinion of the Officers, in general, is that of the five classes of work named in the Bengal rules, the first and fifth can alone be advantageously given on Contract in this Presidency. These two classes include the execution of work under supervision and the supply of materials. I agree with them in thinking that the other classes of works cannot safely or conveniently be given on Contract, and the rules provide for this.

11. The embarrassment which must arise from a sudden restriction on expenditure to both the contracting parties has been pointed out by the District Engineers of Ganjam, Kurnool and Trichinopoly. Provision for this has been made in the accompanying rules, and the claim of the Contractor to compensation in such a case will be referred to independent arbitration.

12. The forms appended to the Bengal rules seem to be drawn up with legal precision, and to be well suited to their purpose. I propose to adopt them; but it might be as well to submit them previously to the Government Solicitor for his opinion.

No. 91. ORDER THEREON, 7th March 1860, No. 493.
Ordered that the Rules regarding Contracts be forwarded to the Government Solicitor for his opinion.

(Signed) J. D. BOURDILLON,
Secretary to Government.

PUBLIC WORKS DEPARTMENT.

FORT ST. GEORGE.

To

The

SIR,

Under instructions from the Chief Engineer, I have the honor to request that you will favor me, at your earliest convenience, with your opinion on the subject of Contracts. I request that you will be so good as to mention the practice which obtains in your district, especially as regards the following points:—

List of accompaniments.
Rules on the subject of contracts with
Forms.

1st. What kinds of work are usually given on contract.

2nd. Whether tenders for the contracts are invited by public advertisements.

Whether the contractors who undertake the works possess the requisite skill, capital, and energy.

4th. Whether the penalties, prescribed in the bonds, are ever enforced in the event of failure or delay.

2. Enclosed is a copy of the Bengal rules on the subject, and I request that you will be so good as to state whether you think that they could be made applicable to your district, and throughout the department; and what alterations or modifications would be necessary. It is as well to mention that the Executive Engineer in Bengal corresponds with our District Engineer.

I have the honor to be,

Sir,

Your most obedient Servant,

Central office of P. W. }
Fort Saint George, }
19th September 1859. }

(Signed) J. A. New Street Captain,

On special duty, Central office.

Exd. Wm. Thomas.

*Copy of Circular
regarding Contracts*

*1257
944
007454/60*

*Enclosure in a letter
from the Chief Engineer
to the Secretary of the
Board dated 17th February
1860 N^o 10506*

CONTRACTS.

- 1.—In ordinary cases the duties of an Executive Engineer and his Subordinates in regard to works ordered to be commenced may be divided into two classes. The first consists of the duties connected with the provision of the means of executing work; the second, of the duties connected with the application of those means to the object in view. In the first class of duties are comprised the provision and maintenance of artificers, labourers, tools, plant and materials, together with the cash transactions and accounts connected with them. In the second, are comprised the consideration of the sufficiency in quantity and quality of the supply of men and things in order to the timely completion of the work, and the close supervision of all the operations necessary to its correct performance.
- 2.—If qualified Contractors can be found who will undertake to perform all the duties of the first of the above classes, it is manifestly a gain to Government, because the Government retain all the advantages of the skill of the Engineer and Subordinate establishment in supervising the construction of the work, while the latter are relieved of much troublesome duty, and enabled to undertake the supervision of more works. Giving contracts for public works also encourages private enterprise, and so assists in developing the resources of the country.
- 3.—It is to be remembered, however, that this advantage has its value; and that it is not worth while for Government to pay Contractors more than the cost of the work if done by the agency of the Engineer and Subordinate establishment, together with the value of the services of these establishments saved for other duties, and a small premium to encourage private enterprise. When there is a sufficient number of Contractors ready to tender, the price of the work will generally be determined by competition; but the Executive Engineer must always calculate the cost of executing the work by departmental agency, and make an allowance for the value of the services of himself and his establishment, which will be saved for employment on the duties of supervision, so that he may be in a position to report to Government on the comparative economy of giving a contract or carrying out the work himself.
- 4.—It is further necessary for the Executive Engineer to consider every project fully, and to weigh all its difficulties, before he offers it to Contractors (even in cases when the project is not of his own framing), so that he may avoid recommending the acceptance of tenders to execute work for sums which are insufficient for its proper performance, and the acceptance of which would lead Government into unforeseen expense, or into law suits.
- 5.—It is necessary, moreover, to be very careful in entering into engagements with Contractors, to guard against increased expense to Government by the employment of persons who are ignorant of the work, careless, or dishonest; for it is obvious that if the Engineer and his Subordinates have to give much of their attention to instructing the Contractor or to guarding against his carelessness or dishonesty, the contract either only partially relieves the Engineer of the duties of providing the means of executing the work, or imposes on him other duties which are frequently more troublesome. To employ Contractors therefore, who are deficient in proper qualifications, deprives the Government, at least to some extent, of the advantages of the contract system.

Duties of supply and supervision.

Separable. Contractors may advantageously be employed on the first.

The projects must be fully considered.

And care must be taken to employ proper persons.

14.—Tenders must invariably be made on written or printed forms, (Form No. 19) to be supplied, on application, by the Executive Engineer. They should include all the work detailed in each separate portion of the buildings, &c., offered to the Public for execution, in exact accordance with the terms of the specification, no additions being made and no parts being left out; they shall state distinctly the period within which the Contractor engages to complete the work, and to each tender shall be attached an unreserved acceptance of the conditions of the specification, including the general conditions, and a schedule of rates at which any additions to, or deductions from, the specified works shall be calculated.

15.—At a given time and place to be named in the advertisement, all tenders, received for the same contract, shall be opened by the Executive Engineer in person, in the presence of such of the intending Contractors as may choose to attend. No tenders shall be received from parties directly or indirectly connected with the Government service.

16.—It is to be understood as a general rule that the lowest tender will be accepted, unless there be some objection to the capability of the Contractor, the security offered by him, or his execution of former work. At the same time the acceptance or rejection of tenders is left entirely to the discretion of the officer to whom the duty is entrusted, and no explanation can be demanded of the cause of the rejection of his offer by any person making a tender. Such an explanation may of course be called for by superior authority, if it is considered necessary.

17.—An Executive Engineer is competent to accept tenders for the execution of works or supply of materials by contract, within the amount sanctioned by competent authority, provided the sum in each case does not exceed Rupees 2,000; but all contracts exceeding 2,000 Rupees in amount will require confirmation by the Chief Engineer, who is competent to accept finally any tender within the sum sanctioned by proper authority for the execution of a work.

A Schedule of all Contracts, entered into by an Executive Engineer, either on his own authority, or by that of his official superiors, will be submitted by him monthly through the usual channel. (Form No. 20.)

18.—Where the subject-matter of the contract is of small value or frequent occurrence, it is not necessary to execute a formal deed; the acceptance without qualification of the conditions of the specification by the Contractor in his tender, and of the tender by the Executive Engineer being sufficient to constitute a complete contract (See Appendix I.) Likewise if the contract be such that it is necessary to commence the work at once before a formal deed can be drawn up, the deed is not necessary. In ordinary cases not coming under the above two categories, a deed or bond must be prepared, (See Form No. 21.) The bond should be adopted in cases where any difficulty is felt in drawing up a deed, and in which the other contracting party does not require the execution of a formal deed by the E. I. Company, or in cases in which it is thought desirable, though not actually necessary, that the work should be commenced before a formal deed can be prepared. If the work be of great magnitude or importance it will be proper to have a deed prepared by the Government Law Officers, on which subject the orders of the Chief Engineer should be solicited, in submitting tenders for sanction.

19.—Contractors are expected to stand by their agreements, and Executive Engineers are required to enforce all penalties for failures, unless there be very peculiar circumstances, which may induce them to recommend a remission.

20.—Executive Engineers will be held responsible for the exercise of due precautions and proper vigilance in arranging with, and superintending Contractors, but they will not be held liable for losses incurred through failure of contracts, where such precautions have been taken.

21.—The following general conditions, or modifications of them approved by the Chief Engineer, must be appended to all specifications of works to be done by contract, and subscribed to by intending Contractors before their tenders can be accepted. It is to be understood, however, that in the case of any petty transactions the parts of these conditions which are not applicable, or which would cause inconvenience, may be left out.

A. CONTRACTS FOR WORKS UNDER SUPERVISION.

1.—The Contractor is to find all superintendence, labour, materials, plant, tools, engines, and conveyance necessary for carrying on, and completing the works, to the complete satisfaction of the Executive Engineer, and all materials, plant, &c., once brought to the works are to become the property of Government, and are not to be removed without the Executive Engineer's permission, until the completion of the works is certified. The Executive Engineer has power to refuse and reject any materials, or workmanship that may be inferior to that laid down in the specification and to have the same removed, replaced, or done over again, at the expense of the Contractor.

II.—The Contractor shall be bound to remove from the works on the requisition of the Executive Engineer any persons or workmen in the Contractor's employment, who may misconduct themselves, be incompetent, or ignorant of their business, or habitually neglect the orders of the Executive Engineer or his Subordinate.

III.—The whole of the works will be under the direction of the Superintending Engineer of the circle for the time being, whose decision, subject to the confirmation of the Chief Engineer, shall be final, conclusive and binding to all parties to the contract, on all questions relating to the works or to the construction and meaning of plans, working drawings, sections and specifications of the accepted tenders.

IV.—In event of any question arising not otherwise provided for, and not capable of being disposed of by the Superintending Engineer or Chief Engineer under the foregoing clause, it shall, if it be considered by the Local Government equitably to require it, be referred to independent arbitration in the usual way.

V.—The works will be set out by the Executive Engineer or his Subordinate, who will also supply the Contractor from time to time with all necessary drawings, lines and levels, for the execution of the works.

VI.—The Contractor shall find all assistance required by the Executive Engineer, in setting out and measuring the works, both labourers and foremen, all stakes, pegs, line, ranging poles, and all other apparatus that may be required, and the Contractor is to execute without charge all nicking of the ground for boundaries, and other lines that may be required.

VII.—The Contractor is to prevent all trespass by persons or cattle employed by him on the lands adjoining the works, to respect the rights and customs of the Native population, and any damage done by persons or cattle in the employment of the Contractor, either by trespass beyond the limits of the Government property, or otherwise, shall be immediately made good, and compensation given at the Contractor's expense.

VIII.—The Contractor is to carry on no work under the contract on Sundays, without a written order from the Executive Engineer.

IX.—The Executive Engineer has full power to make alterations in orders, plans, levels and designs, which may have been given at any time to the Contractor. The Contractor is to execute the work so altered, and any such alterations shall not tend to invalidate the contract.

X.—The Contractor shall repair all damage done to the works from whatever cause, during the term of contract, and shall make good all imperfections and injuries to works, immediately on being called upon by the Executive Engineer to do so, and on his refusing or neglecting to do the same within seven days of notice being given to that effect, the Executive Engineer may

6.—Executive Engineers, however, must clearly understand, that entering into a contract for the performance of any work in no way relieves them from responsibility as to the manner or time in which the work is done. Contracts framed agreeably to the following rules, give the Engineer full powers to act for himself in cases in which the Contractor delays or fails to do the work to the satisfaction of the Engineer; and the Government holds Engineers responsible for the exercise of proper vigilance both in entering into contracts, and superintending the work of Contractors.

7.—Every work under execution by contract, should be placed under the superintendence of a Subordinate Officer, who should be held responsible for all the details of construction, and who should keep a regular account of the materials brought to site, and of the work done daily. He should furnish the Executive Engineer, at the beginning of each month, with an accurate statement of the measurements, and calculation of the quantities of work done during the previous month, together with a return of all the materials at site on the last day of the month. The Subordinate appointed to supervise the operations of the Contractor, should not be relieved of his charge until after a careful inspection of the whole work by the Executive Engineer, and should obtain a receipt for the quantity of work done and materials at site accepted as good by his successor. It is the duty of the Subordinate in charge to bring to the notice of the Executive Engineer any dilatoriness on the part of the Contractor, and, should he neglect this duty, he will be held primarily responsible for any undue delay in the progress of the work.

Classification of contracts according to their nature.

8.—Contracts may be considered as of five classes.

I.—Contracts for construction or repairs under supervision, in which the Contractor undertakes to provide all the labour, materials, and plant required by the Engineer, and to perform the work under his direction. This is the kind of contract principally referred to in the foregoing paragraphs.

II.—Contracts for construction or repair not under supervision, in which the Contractor undertakes to provide labor, materials and plant, and moreover, engages to execute the work and make it over complete to the Engineer, without any close supervision, though liable to occasional inspection by the Engineer or his establishment. These contracts are only applicable to minor works at a distance from the head quarters of the Engineer or his Subordinates.

III.—Contracts for maintenance; in which the Contractor engages to maintain certain works in a specified condition of efficiency. This kind of contract, like the last only admissible in exceptional cases.

IV.—Contracts for the performance of the labor necessary to complete certain works or portions of works, materials being supplied to the Contractor.

V.—Contracts for the supply of materials.

9.—In each of these cases the contract may be a lump-sum contract, or a schedule contract.

Classification of contracts according to the manner in which payments are calculated.

In the first case the Contractor agrees to execute the work with all its contingencies for a lump-sum. In the second case, he undertakes to execute the work at fixed rates, and the sum he is to receive depends on the quantities and kinds of work done, or materials supplied.

Generally a contract for a complete work partakes of the nature of both. A lump-sum is proposed for the completion of the work as specified, and a schedule of rates is agreed upon, by which to regulate the price to be paid for additions or alterations. A contract for maintenance is generally a lump-sum contract; a lump-sum being paid periodically if the work be kept in the state agreed upon. Contracts for labor or materials are almost always schedule contracts.

10.—No money should be considered as due to a Contractor until the completion of his contract. Until then all payments made must be considered as advances. No advance may be made without adequate security being taken from the Contractor. Materials delivered or work done may be taken as security (they being, by the conditions of the contract, pledged to Government), after measurement and approval

by the Engineer, and deducting a "margin" of 10 per cent. of their value according to the schedule of rates. Monthly payments may be made to Contractors on this principle. But when it is necessary to make advances before any materials are collected or work done, or in excess of their value, the Contractor must give other security, which may be:—

(1.) Government promissory notes endorsed over to the Executive Engineer, on which advances may be made to the extent of 75 per cent. of their value.

(2.) Landed property or buildings; the title to the property and its value being first certified by the Collector of Revenue, and the advance being not more than half the value. (Form 157)

(3.) Personal security, the persons being men of known probity and wealth; on which heads the Magistrate and Collector should be consulted. A formal bond (Vide Form 158) must be executed and registered, and the advance must not exceed half the sum in which the securities are bound. The amount of the security bond must of course depend upon the number and wealth of the persons bound.

11.—When a work is to be offered to Contractors the Executive Engineer shall first draw up a complete specification (See Forms of Estimates) of the work, accompanied by such drawings as may be necessary to explain fully its nature and extent.

The specification shall describe the proportions of ingredients, the nature and quality of materials to be used, and the manner in which they are to be applied in construction. Intending Contractors may be required to deposit samples of the materials which they engage to use on the proposed work.

The period by which the completion of the work is desired, or absolutely required, as the case may be, shall also be stated, and the conditions of contract shall be stated or referred to.

When tenders are invited for lump-sum contracts, the specification shall state the dimensions of every part of the work in words, or by reference to the drawings; and the circumstances, as far as they can be known, likely to affect the contingent expenses.

A statement of quantities shall be prepared by the Executive Engineer, and delivered to intending Contractors who shall fill up the rate and cost of each item, and the sum of the whole will form the lump-sum of the tender.

It is, however, to be expressly understood that the list of quantities being merely given in order to ensure uniformity in the form of the various tenders, and to ascertain the value of the several parts of the work, the Executive Engineer does not guarantee the correctness of the entries, and will not be responsible for any omissions or other errors of calculation. The parties tendering must, therefore, take any means they think advisable for checking the said quantities, by comparison with the drawings and specifications, and are quite at liberty to alter the amounts, or to insert any new items if they think proper.

12.—An Abstract of the probable cost of executing the work, calculated at the departmental rates of the place shall be drawn up in the Executive Engineer's office for guidance in examining tenders.

13.—Tenders shall be invited in the most public manner open to the Executive Engineer, by advertisement in the local newspapers, by Vernacular Notices posted in public places or sent to the Civil Officers for publication, or otherwise. The advertisement or notice shall state the time and place where the specification and drawings may be seen, and where blank forms of tender may be obtained. A date shall be fixed for the reception of tenders usually not less than one month after that of the advertisement.

execute all such repairs and maintenance, as he may consider necessary, the expense of which will be borne by the Contractor.

XI.—If required, the Contractor shall make to the Executive Engineer a correct monthly return of the number of workmen employed by him on a printed form, the pattern of which will be supplied to him by the Executive Engineer.

XII.—The Contractor shall provide at his own expense any watchmen, fencing and lights, that may be required by the Executive Engineer to protect the work from damage during the progress thereof, to prevent trespass thereon, and to protect the public from danger at foundation pits and other places.

XIII.—The Contractor shall commence his operations within a fortnight after he shall have been put in possession of the land, and shall carry out the works with all possible despatch, and complete all the works described in the specification, and have the whole in a fit state to be certified as complete by the Engineer by the—day of—18—.

XIV.—The Contractor is to maintain all the works described in the specification for the term of a year after the date of the Executive Engineer's certificate of their completion.

XV.—The works will be measured monthly by the Executive Engineer, or his Subordinate; and advances will be made on them according to the Schedule of prices, deducting 10 per cent. as a *Guarantee Fund* for the due performance of the contract, which shall remain in the hands of the Executive Engineer, and if amounting to 500 Rs., and likely to be a year in hand, shall be invested by him in Government securities, or deposited in the nearest Civil Treasury, as the Contractor may elect, the interest accruing therefrom being paid to him. One moiety of this fund shall be paid to the Contractor within one month after the works shall have been certified by the Engineer as executed and finished to his satisfaction. The remaining moiety shall be paid to the Contractor on the expiration of the year's maintenance of the works of the contract.

XVI.—If the Contractor should fail in his engagements, or not fulfil the terms or conditions of the specification and contract, the Guarantee Fund shall be forfeited to Government.

XVII.—Monthly advances will be made to the Contractor on account of materials deposited on the work at rates amounting to not more than three-fourths of their value, as estimated by the Executive Engineer. But the Contractor is distinctly to understand that the Government Engineers do not bind themselves to accurate measurements in these quantities.

XVIII.—The advances on works and materials will be made according to the prices in the Tender, except in cases where the work is of a description for which there is no price fixed in the Schedule: then the price shall be the subject of an agreement to be entered into previous to the commencement of such works; and if the Executive Engineer cannot agree with the Contractor as to the price of it, then he shall have power, under sanction of the Superintending Engineer, to employ other parties to do such work in place of the Contractor, without the Contractor having any claim for loss or damage, which he may consider to result from such a proceeding.

XIX.—If at any time the Contractor should, in the opinion of the Executive Engineer, delay his operations, or should not carry them out with sufficient speed to ensure the completion of the work within the specified time, or should fail to commence and actively prosecute any specific work or portion of a work within fourteen days of the Executive Engineer requiring him in writing to do so, without assigning such reason as shall be completely satisfactory to the Executive Engineer, the Executive Engineer shall have power immediately to commence and prosecute any such specific work, independently of the Contractor, and he is empowered to deduct any excess of the amount actually expended upon it, over the price payable for it to the Contractor under the contract and specification from any sums due to the Contractor, on account of other works done, or from any security or Guarantee Fund, as the Superintending Engineer may determine. And the Executive Engineer shall have further power in any of the abovementioned cases to take the works out of the hands of the Contractor giving him fourteen days' notice of such intention, and

to carry on the works independently of the Contractor, who is to bear any loss or injury that the Government may suffer from such a procedure.

B. CONTRACTS FOR WORKS NOT UNDER SUPERVISION.

I.—The Contractor shall find all superintendence, labor, materials, plants, tools, engines and conveyance, necessary for carrying on and completing the works, and all materials and plant once brought to the works shall become the property of Government and shall not be removed without the Executive Engineer's permission, till the completion of the works is certified; and the Contractor shall carry on the works diligently and complete them to the satisfaction of the Executive Engineer.

II.—The Executive Engineer, or any person appointed by him, may at any time inspect the works, and at such inspections shall have power to refuse and reject any materials or workmanship that may be inferior to what is laid down in the specification, and may have the same removed, replaced, or done over again at the expense of the Contractor; and all the persons employed by the Contractor on the works shall be required to obey the orders of the Executive Engineer, or of any person appointed by him, on the occasion of his visiting the works.

The remaining conditions will be the same as under the preceding head with the following exceptions:—

V. and VI. *may be modified if necessary to make it incumbent on the Contractor to lay out the work correctly, and give the levels.*

X.—The Contractor shall repair all damage done to the works from whatever cause, during the term of the contract, and shall make good all imperfections, and injuries to the works. (*Omitting the remainder.*)

XII.—*Omit the words "by the Executive Engineer."*

XV.—*Instead of "monthly" insert, at least once in two months.*

XVII.—*Payments at least once in two months will be made, &c. (as above.)*

C. CONTRACTS FOR THE MAINTENANCE OF WORKS.

(A road taken as an example.)

I.—The Contractor is to keep the road from— to— being— miles in length in good condition as an unmetalled and partially bridged road, and shall execute according to the specification all works required for that purpose, and supply all superintendence, labor, materials, plant, tools, engines and conveyance, necessary for executing all such works for three years, from the 1st day of January next, in consideration of an annual payment of Rupees— to be made by the Executive Engineer within one month after the completion of each year, provided the road shall have been maintained to the satisfaction of the Executive Engineer.

II.—The Contractor shall commence the annual repairs of earth work immediately after the close of each rainy season, and shall complete them within two months.

III.—He shall also, as soon as possible after the floods subside, make and keep in good repair earthen road-ways across the sandy beds of the unbridged rivers, and trestle bridges of 24 feet width of road-way over the dry season streams, of sufficient water-way to pass such floods as ordinarily occur during the dry season, and of sufficient strength to bear the passage of heavily laden carts.

IV.—The Contractor shall at all seasons repair every petty defect in the road surface, in the ditches to the river beds, in the drains and bridges, and in all other works; and shall keep up an establishment to attend to such matters, consisting of

V.—The Contractor shall, before the 15th May, execute such annual repairs consisting of brick work and plastering to the drains and bridges, as shall be considered necessary by the Executive Engineer.

VI.—If any portion of the road, or any of the drains or bridges other than the temporary passages across the beds of the unbridged rivers, shall be carried away by floods, the Contractor shall immediately proceed to make the necessary repairs and renewals under the directions of the Executive Engineer; and shall be allowed to charge for such repairs and renewals, as extra work, according to the Schedule of rates annexed.

VII.—(See II. of the Section B. above.)

VIII.—(See XIX. of the Section A.)

D. CONTRACTS FOR LABOR.

The conditions in the case of extensive contracts will be similar to those of Section A., omitting the references to materials. In the case of petty contracts a simple written agreement as to the prices to be paid will suffice (See Form 2.). The regulations on the subject of contracts for service, including such work, will be found in Chapter XVII.

Conditions: case of contracts for provision of labor only.

E. CONTRACTS FOR MATERIALS.

I.—The Contractor is to deliver materials in certain specified quantities at certain specified places, by certain specified dates; and the materials shall be equal in shape, dimensions and quality to certain specified musters; or shall be of the shape and dimensions specified, and of the best quality; and the Contractor shall receive for such materials prices according to a schedule of rates.

Conditions: case when materials only are to be provided.

II.—In the event of the materials not being considered by the Executive Engineer to be of the proper shape, dimensions of quality, he shall be at liberty to reject them and cause them to be removed by the Contractor, or at his expense; or, if he please, he may receive them at lower prices to be agreed upon between him and the Contractor.

III.—Notwithstanding the materials may have been approved and received by the Executive Engineer, the Contractor will be held answerable that they are fit for the purpose for which they are required, and he will not be held to have completed his contract till the materials shall have been applied to the purpose intended and found suitable, or if they are not intended for early use, until they shall have been a certain specified time in the hands of the Executive Engineer without being found defective.

IV. In the event of the Contractor delaying the delivery of materials of the required shape, dimensions and quality, beyond the specified time, he shall forfeit so much per diem, or so much per cent. per diem of the price of the materials; and the Executive Engineer may procure materials otherwise, and the Contractor shall make good any loss arising from his so doing.

V. The Contractor shall be bound to give timely notice to the Executive Engineer, or to the person appointed by him to receive the materials, of every intended delivery, failing which he shall be answerable for any damage to, or loss of materials which may arise from want of proper shelter or protection.

VI.—No delivery of materials shall be made on a Sunday, except on the written request of the Executive Engineer.

VII.—The price of the materials will not be considered as due to the Contractor until the completion of a certain specified period after the last delivery (See Condition III); but monthly advances will be payable on account of approved materials delivered, at rates not exceeding three-fourths of the Schedule prices. The Contractor must, however, distinctly understand that the Engineer does not bind himself to accurate measurements of the quantities of materials delivered monthly.

VIII.—The Executive Engineer, in settling with the Contractor, may deduct any sum forfeited by the latter, under the foregoing conditions.

IX.—In case of any dispute arising out of the contract, it shall be decided by arbitration.

FORM No. 1.

Form of Security Bond when property is made answerable by the Contractor.

I, A. B., Son of C. D., Inhabitant of Tálug
in consideration of Government through Y. Z., District Engineer of
entering into a Contract with me for the execution of brick work required for
and agreeing to employ me according to the conditions of the said Contract, do hereby mortgage, pledge, and make answerable to the Government my real and personal property, a statement of which is hereunto annexed, from which the said Y. Z., or the District Engineer of
for the time being, shall be authorized to recover any damage sustained by the non-completion of the said Contract according to the conditions thereof.

FORM No. 2.

Form of Security Bond when personal security is given by the Contractor.

I, E. F., son of G. H., Inhabitant of Tálug
in Zillah , in consideration of Government, through Y. Z.,
District Engineer of entering into the contract hereinafter mentioned with
A. B., son of C. D., inhabitant of and agreeing to employ the said
A. B. according to the conditions of the said contract, do hereby agree and bind myself that
the said A. B. shall well and truly perform all and every condition or conditions of the contract
for the supply of bricks on account of Government this day entered into by him with such
District Engineer, on behalf of Government, and should the said A. B. fail in the performance
of any of the stipulations in the above contract, I hereby make myself answerable for any sum
or sums of money, whether as principal of money advanced, or the interest thereof, or the penalties
for non-performance, or on any other account, to which he is or may be liable under the several
conditions of his agreement.

For the further security also of the performance of this contract, I hereby mortgage, pledge and make answerable to the Government my real and personal property, a statement of which is hereunto annexed:

Note to Forms 1 and 2.

[These Deeds are to be dated and signed as the contract is, and on the same day: and attested by the same Witnesses.]

A Statement of the Property made answerable to Government is to be written at the bottom, or on the back of the Deed, and signed by the Mortgager and the Witnesses.

It is also strongly recommended to prevent frivolous pleas being set up at a Trial, that all these Deeds should be registered by the Register of the District. The expense is but two Rupees on each Deed, which is often trifling, compared with the sum litigated.]

and to perform any extra works at the following rates:—

	Rs.	As.	Pie.
Earth work in embankments, cuttings, road approaches, and all other works as specified at per 1,000 cubic feet...			
Extra lead per 100 Linear feet over lineal feet 200, at per 1,000 cubic feet, ...			
Excavation of foundations, which requires the use of pumping, baling or supporting the sides with timber, at per 1,000 cubic feet, ...			
Excavation of foundations or parts of foundations not requiring the use of any of the above means, at per 1,000 cubic feet, ...			
Ashlar stone in place as specified, at per cubic foot, ...			
Stone in flagging or tops of culverts as specified, at per cubic foot, ...			
Brickwork in bridges, culverts, and all other works as specified, at per 100 cubic feet, ...			
Extra price for brickwork above springing of arch when the span of arch exceeds 20 feet per foot of span over 20 feet, at per 100 cubic feet, ...			
Plastering and chunaming as specified, at per 100 square feet, ...			
Sinking foundations, as specified, at per 100 cubic feet, ...			
Filling of well and block foundations below water surface, as specified, at per 100 cubic feet, ...			
Timber work in place in piling girders, wall plates, framing, plank-ing, or in any other form as specified, at per cubic foot, ...			
Timber work in place in framing, wrought fair, and painted on the exposed surfaces, as specified, at per cubic foot, ...			
Timber work in neemchucks or curbs, as specified at per cubic foot, ...			
Wrought iron in place and painted, at per lb.			
Cast iron in place and painted as specified, at per cubic foot, ...			
Road metalling as specified, at per 100 cubic feet, ...			

SCHEDULE OF TENDERS for the performance of work and supply of materials during the month of 18 .

(Station—Date———.)

10

Station—Date—

1

1

REMARKS.

**Tenders accepted
and by whom.**

Mode in which tenders were invited	Number of contracts	Value of contracts in million rupees
Open tender	10	10.00
Invitation to tender	1	0.00
Direct purchase	1	0.00
Other	0	0.00
Total	11	10.00

Time within which
to be executed.

Amount
tendered.

Amount of
t. Engr.
Est.

**Securities
offered.**

names of parties tendering.

work to be done
material to be
supplied.

(Signed) A. B.,
District Engineer.

Form of Contract Bond.

I know all men by these presents that I A. B. am held and firmly bound unto the Secretary of State in Council, in the penal sum of Rupees of lawful money of British India to be paid to the said Secretary of State in Council, for which payment I bind myself, my heirs, executors and administrators by these presents sealed with my seal Dated this day of in the year of Christ One thousand eight hundred and [and I hereby agree with the said Secretary of State in Council that in case of dispute the matter shall be determined in the Supreme Court of Judicature, at Madras.]

1 If there be doubts as to the contractor being a British born subject, and it be thought desirable to subject him to the Jurisdiction of the Supreme Court insert these words, but otherwise omit them.

2 If the document signed by the District Engineer be not in the nature of a specification it should be described as such, as for instance as "Draft Specification".

It will be well to number the specification and to prevent the Bond should be annexed to the specification and tender.

The condition of the above written Bond is such that if the said A. B. his executors or administrators shall well and truly execute the works described in a certain [specification²] signed by C. D. District Engineer of and dated the day of and numbered, and referred to in a certain tender signed by the said A. B. and dated the day of and numbered, and which tender has been accepted by the Government, according to the rates mentioned in the said [specification], and shall well and truly perform and abide by all the conditions and conditions in the said specification and tender contained to be performed and abided by on the part of the Contractor, then the above written Bond or obligation shall be void, otherwise the same shall be and remain in full force and virtue.

Signed Sealed and delivered
by the said
in the presence of

SEAL.

* Care should be taken that this Bond be sealed as well as signed by each party executing it.

If the Contractors constitute a firm, each member of the firm should sign and seal it in his individual name. If any member be absent, e. g. E. F., a power of Attorney, from him authorizing the execution of Deeds or Bonds should be produced, and the Deed should be signed and sealed in the name of the absent partner (e. g. E. F.) by his Attorney, (e. g. A. B.) and not in the name of the Attorney.

Contractor for Labor.

† I, A. B. son of C. D. Inhabitant of Pergunnah in Zillah do hereby agree and bind myself to perform the conditions of the undermentioned contract entered into on account of Government with Captain Executive Engineer at that is to say, I agree and bind myself to execute for the said Captain. or the Executive Engineer for the time being, within the period of months from the date of this agreement all the brick and mortar work required of me by the said Executive Engineer, at—, not exceeding—cubic feet per month, in consideration of receiving the sum of Rupees two for every hundred cubic feet actually executed, and being furnished with the proper quantity of bricks, lime and soorkhee.

I hereby agree to receive payment monthly on the 10th of each month for the work executed during the previous month and admitted to be good by the Executive Engineer or his Overseer.

In the event of my not executing the work to the satisfaction of the Executive Engineer for the time being, I hereby further agree and bind myself to pay by way of liquidated damages a sum of one† Rupee for every hundred cubic feet short of the quantity required of me under this contract left undone or not done to the satisfaction of the said Executive Engineer at the end of — months from this date, to cover all damages which may have been sustained by the non-performance of the contract.

I further make all and every part of this agreement binding upon my heirs and successors.

I hereby further offer E. F. son of G. H. Inhabitant of in Zillah contract. Dated this of the Month of A. D. 18 Corresponding with the of the Month of 122 B. S.

[Witnesses not less than 2, who can read and write.

To be signed at the head of the deed as is usual in native papers.]

† By 2nd Section 10th Regulation of 1814, these Deeds not to be on Stamped Paper.
‡ This sum is assumed, but it should of course be regulated by the loss likely to be incurred by the failure of the contract.
§ Or Company's Paper may be lodged.

Exd. Wm. Thomas.

Bengal Rules
in the subject of Con-
tracts.

Conclusion in a letter
from the Chief Engineer
to the Secretary to Govt.
dated 18th Nov 1859.
1258-
944
1859/60

Grants & C.
Book. page 45
Bengal Rules.
paras 1 to 5-

Bengal Rules
para. 11 & C.
Government 31st
August 1859
No 2085-

191
in the subject of Contracts
General
In the execution of Public
Works, in all practicable cases, recourse
shall be had to Contracts, framed agree-
ably to the following rules; so that
the duties of the Officers of this Depart-
ment shall be confined, as much as
possible, to careful and constant super-
vision and check. Full discretion in
this matter shall be allowed to Dis-
trict Engineers, and other Officers re-
sponsible for the execution of Public
Works, but in the event of their de-
ciding to carry out a work by de-
partmental agency, they must be
prepared to give sufficient reason for
their decision.
Whenever a District
Engineer or other Officer similarly
situated, considers it advisable to
contract for the execution of work, or
for the supply of materials, on behalf
of

of Government, he shall draw up a complete specification of what is required, accompanied, if necessary, by such drawings as will fully explain its nature and extent. The details of the specification will of course vary with the nature of the Contract. In all cases, the period within which the completion of the Contract is desired, shall be mentioned, and the conditions of Contract shall be stated. The penalty to be paid by the Contractor for all delay in the completion of the work beyond the term specified in the Contract, shall also be named.

3. The security required from the Contractor shall also be named in the specification. The amount will depend upon the nature and value of the work contracted for, and upon the advances which will probably be required by the Contractor. The security shall be

Bengal
Rules para. 10

21
one of the following) -
frank to B.C.
Book page 298 - (1) Government, Promissory Notes,
is endorsed to the District Engineer, in his
Official capacity.
(2) Land property or buildings -
the title to the property and its
value being certified by the Collector.
(3) The personal security of two or more
thoroughly men, resident in the District.
frank to B.C.
Book page 376. In each case a formal bond shall be
executed, on stamped paper, and counter-
signed by the District Engineer.

4. In framing the specification of any work, it shall be the duty of the District Engineer to attach thereto, for the information of intending Contractors, and for their formal acceptance, every one of the following rules and conditions which bears upon the particular case -

Bengal Rules
para. 13

G.O. Government
31st August
1859 No. 2085 -

5. Tenders shall then be invited in the most public manner, by advertisements in the Government Gazette and the local newspapers, and
By

by 9 In judging of a tender, of the only points which require consideration are the competency and the solvency of the Contractor, or of his security. Whether the rates named in the tender be remunerative or not, is a question for the Contractor, not for Government. The competency should however be ascertained by very careful inspection. As a general rule, the lowest tender shall be accepted, unless the capability of the Contractor, the security offered by him or his execution of a former Contract, be open to objection. No explanation of the reasons for rejecting his offer, can be demanded by any person who makes a tender.

A Schedule shall be sent every month to the Central Officer by each District Engineer, showing the particulars of all the Contracts entered into in the District during the month.

G.O. Govern.
ment 1st Decr/59
N. 2799-

Bengal Rules
para. 16
Grant & Book
page 381

12 On the acceptance of a tender for any work a Contract Bond, Bengal Rules para. 18 Grant & Book page 381

in prescribed form, shall be duly drawn up and signed by the Contractor, excepting in the following cases-

(1) When the work is of small value, in which case the acceptance without qualification of the conditions of the specification by the Contractor in his tender, and of the tender by the District Engineer, shall be sufficient.

(2) When the work must be commenced at once, before a Bond can be drawn up-

(3) When the work is of great magnitude or importance, in which case a Deed should be prepared by the Government Survey Officers.

133 In every Bond or Deed after the name and official designation of the Officer who actually signs the Contract, shall be added the words "on the District Engineer for the time being"

for the time being

by vernacular notices posted in places of public resort. In the advertisements a place and time shall be named, at which all the tenders received will be publicly opened and examined.

6. Tenders will be made on printed forms supplied on Application to the District Engineer. They shall include all the work detailed in the specifications, in exact accordance with the terms thereof; they shall state distinctly the period within which the Contractor engages to commence, and to complete the work; and to each tender shall be attached an unreserved acceptance of the conditions annexed to the specification, and a Schedule of Rates, at which any additions to, or deductions from, the specified works shall be calculated.

7. At the time and place named in the advertisement.

probably Bengal Rules para-14

Bengal Rules para-15

all

all tenders, received for any work, shall be opened by the District Engineer in person, (or, under his instructions by the Executive Officer, or Agent of the Range), in the presence of one other Government Officer at least, and of such of the intending Contractors as may choose to attend. No tenders will be received from persons connected, directly or indirectly, with the Government service, nor from the relations of servants in the Department Public Works who may be entrusted with the supervision of the particular work.

Excellence of Co.
No. 2546-6
Nov. 1858-

Bengal Rules para-17

8. The District Engineer shall have power to accept any tender below Rupees 2000, and within the limit of the sanctioned amount; but all contracts for sums above Rupees 2000 must be confirmed by the Chief Engineer, who shall have power to accept finally any tender within the sanctioned amount.

14 So that the Contract may not be disturbed in the event of a transfer -

All contracts entered into on account of public works shall be at once published in the Government Gazette by the Officer concerned, with full details of the rates &c. - In the Presidency, in the Port of Saint George Gazette; and in the provinces, in the respective District Gazette, by the local Head of the Department -

15 All payments made to a Contractor before the completion of his Contract shall be considered as advances; no advance being made without being covered by adequate security. Materials delivered, or work done, may be taken as security, after measurement, and approval by the Executive Officer or Agent. Payments within this limit may be made to any amount, and should be as frequent and punctual as possible. No advance shall exceed Rs. 500, without

Ex. Off. of Gov.
No. 1853, 26 May
1858

Bengal Rules
para-10

Grant C. B.
Book page
375-6-

21 without the special permission of the District Engineer -

16 All advances and payments to Contractors shall be made, as far as possible, by means of cheques upon the local Treasuries -

17 If, at any time, in the opinion of the District Engineer, the Contract, owing to the slow progress of the work, will manifestly not be completed within the specified time, the District Engineer shall have power, at his discretion, to take the contract out of the hands of the Contractor, giving him 14 days notice of such intention, and to carry on the work independently. In this case, should the amount actually spent on the work exceed the price payable for it to the Contractor under the Contract and specification, the difference shall be made good to Government by the Contractor -

18 The decision of the Chief Engineer shall be final and binding to both parties, upon all questions relating

Bengal Rules
AXIX

Bengal Rules
A. III

appointed by him to receive the same. Bengal
materials, of every intended delivery, of Rule E.V
fencing which he shall be answerable
for any damage or loss arising from
want of proper shelter or protection.

24. No delivery of ma-
terials shall be made on Sunday
except at the written request of the
Executive Officer or Agent.

25. The Executive Officer
or Agent shall have power to reject
any materials which he may consider
inferior to those detailed in the spe-
cification, and to have the same re-
placed by the Contractor. or if he
please, he may accept of lower
quality to be agreed on between himself
and the Contractor.

26. The materials delivered
and approved of shall be measured
as frequently as possible, and advances
to the Contractor will then be made
to be covered by the value of the ma-
terials thus measured.

Bengal Rules
E.VI Grant
60 Bosh page
22.

Bengal Rules
E.V

Bengal
Rules A.X

33. The Contract shall
not be invalidated by any such ab-
stractions, but if the amount of work
to be done is thereby affected, pay-
ment for the difference shall be cal-
culated according to the rates entered
in the schedule.

33. The Executive Officer,
or Agent shall call upon the Con-
tractor to repair any damage which
the works may sustain during the
time of Contract, and should the
Contractor neglect to do so, within
seven days after being called on,
the Executive Officer or Agent may
execute the necessary repairs, at the
expense of the Contractor.

34. If an Officer or sub-
ordinate neglect any of the foregoing
rules whether in drawing up a spe-
cification, in accepting a tender,
in making an advance, or in super-
vising the progress of a work - he shall
be held responsible for any loss
which Government may thereby sustain.

35. The foregoing rules shall apply only to cases in which the District Engineer, or other Officer concerned, considers it advisable to enter into formal Contracts, and shall in no way preclude him from making agreements of a more informal character, at his discretion. In such a case, the District Engineer, or other Officer concerned, will be responsible for any loss which Government may sustain through the neglect of any formalities on his part. Every agreement of this nature when the sum to be paid exceeds Rs. 100 shall be published in the Government Gazette, as prescribed in para. 14.

36. In the event of a fraudulent breach of Contract on the part of any Officer, workman or labourer in any part of the Chattras (Presidency) who may have received an advance of money on account of work which he has contracted to perform, the course laid

G.O. Government
23rd August
1859 A.D. 1236

Bengal Rules.
A.I.

37. Contracts for the Execution of Work. The Contractor shall find all the superintendence, labour, materials, plant, tools, and machinery necessary for carrying on and completing the works to the complete satisfaction of the Executive Officer or Agent, and all the materials, plant, &c. when once brought to the site of the works, shall become the property of Government, and shall not be removed until the completion of the works, without permission from the Executive Officer or Agent.

Bengal
Rules para. 7-

28. Every work under execution by contract shall be placed under the superintendence of a Subordinate in the Department, who will be responsible to the Executive Officer or Agent for all the details of construction, and who will keep a regular account of the materials brought to site and of the work done daily.

The

29- The work shall be insured once a month or oftener if possible. A XV
either by the Executive Officer or Agent, Chief Engineer
or by the subordinate in charge; and Circular C.VII
advances will be made thereon accord. Grants C.C.
ing to the prices fixed in the Schedule Book page 452
attached to the tender.

30- The Executive Officer or Agent shall have power to refuse or reject any materials or workmanship which he may consider inferior to those detailed in the specification; and to have the same removed, replaced, or rebuilt, at the expense of the Contractor.

31- No work shall be done by the Contractor upon Sundays, except in cases of emergency, with the express permission of the Executive Officer or Agent.

32- When any alterations are authorized in the design of any work under execution on Contract, the Contractor shall be bound to carry out the work accordingly on receiving the necessary orders from the Executive

Bengal Rules
A.VI
Circular C.VII
19 Nov 1853
Grants C.C.
Book page 452

Bengal Rules
A.VII
Grants C.C.
Book page 22.

Bengal Rules
A.IX

laid down in Act XIII of 1859 for the punishment of such persons, shall be pursued, provided that the transaction was subsequent to the 4th May 1859 - see appendix.

G.O. Government
23rd August 1859.
1st 11/36.

37 The powers necessary for giving effect to the Act have been vested by Government in all Session Judges, subordinate Judges, Principal Sudder Amiens, Magistrates, Joint Magistrates, and Assistant or Deputy Magistrates, whether Covenanted or Uncovenanted.

Central Office of
Seraikhan
2nd February 1860

W. H. Hall Colonel
Chief Engineer

Returned 3 Cases
under cover 16 May/60.

№ 504

Central Office. Ind.

Memorandum.

The Chief Engineer
has the honor to request that he
may be favored for a short time
with the rules regarding Contracts
submitted with Colonel Bell's letter
of the 21st February 1860. N^o. 10506
and approved of and sanctioned
in the Proceedings of Government
under date 2^d May 1860 N^o. 906 -

Therapeutics
14 May 1860

Wm. Rossie St. Colonel
Chief Engineer

To
The Secretary of the Government
D. C.

W. H. H. H.

Enclosed is a letter
from the Chief Engineer
of the Academy to you.
Don't delay writing to
me. 10/25/86.

Order of Adm. 1/60
No. 10506

1000/256/00
Date: 27/2/1880

Received

00/08/00

Paulo Reginaldino Can-

Thanks which have been

Attention aux dépendances

Wendell Phillips

2

100

1111

Central Office of P.W.
Department

27 February 1860.

N^o 11506.

From
The Chief Engineer
To
The Secretary to Government
Public Works Department

Public.

Sir,
I have the honor to submit for the approval of Government the rules regarding contracts which have been drawn up for embodiment in the new code.

2 In this Presidency there have hitherto been no special rules on the subject of contracts. The few orders which have from time to time been issued on the subject are to be found in the Circular Order Book in the pages marginally noted, but no systematic plan of procedure has ever been promulgated for general guidance.

3 In Extract Minutes of Consultation under date the 25th March 1859 N^o 709, Government noticed with disapproval the neglect of the Chief Engineer to issue rules upon

* pp 45, 298, 375
381, 452.

2975 1860 Dept
No 1201.

Shewn.
The Chief Engineer
To the Secretary to
Govt of P.W.D.

Dated 27
Received 1/53
May 1860

Requesting that
the original Draft Rules
regarding Contracts
submitted with B.O. No
Bills Letter of the 27th
February 1860 No 10506
may be retained for a
short time to the Civil
Office -

upon the subject: On the 14th July 1857, the Government Solicitor undertook to prepare a series of instructions which he said, with ordinary care and attention on the part of the Officers of this Department, would enable them to frame their contracts in proper form. This promise has not yet been fulfilled, although the Government Solicitor has been repeatedly addressed on the subject. But for this promise on the part of that Officer, steps would have been taken long ere this for the preparation of rules on the subject.

27th July 1857 No 2250.
8th January 1858 No 5478.
9th April 1859 No 9265.
4th February 1860 No 2270.

4 In the Bengal Code the subject is discussed at great length, and the rules there laid down prescribe minutely the course to be followed at every stage. It was considered advisable to circulate these Rules to the District Engineers requesting them to report upon the existing practice in the several Districts and upon the applicability of the Bengal rules to the circumstances of this Presidency.

5 Replies have been received from sixteen Officers; and upon the receipt of these replies, after due consideration and discussion of the subject, the enclosed rules were

were drawn up.

6 It will be seen from these replies which accompany this, that the system of contracts has hitherto prevailed in this Presidency on a very limited scale. In most of the Districts the few contracts which have been made have been for earth work, or for the supply of stone, Chunnam, metal for roads and other similar materials. For these works formal contracts have seldom, if ever, been framed. The agreements have generally been written in rather an irregular manner, the Contractor engaging to execute the work at a certain rate and acknowledging the receipt of any advance which may have been made.

7 Very different opinions prevail as to the advantage of introducing a system like that which prevails in Bengal. Most of the Officers view the proposal favorably. Though almost without exception they consider the Bengal rules to be too elaborate and minute, and that if adopted they must be considerably modified, greater room being allowed to the local Officers for the exercise of their

their discretion.

8 Even upon the question of the comparative advantages of a good system of contracts and the cheapness of work done under it as compared with work done by departmental Agency, there is a great diversity of opinion. The Garrison Engineer thinks that the system cannot succeed, and although with all the resources of Madras at his command, he considers "that Government can execute work better and cheaper than private individuals." The District Engineer of Kurnool on the other hand considers that a well organized system of contracts would save Government 20 per cent on the gross expenditure. Captain Rawlin's opinion is based upon observed facts. That of Lieutenant Beckley is speculative. For my own part I do not think that the contract system can flourish except in the hands of men of business and of some capital, but there is no reason why such a class of men should not grow up with proper encouragement. Contractors must make profits and work can be performed cheaply to Government and profitably to the
Contractor

43
Contractor only by men who possess adequate capital, and are engaged in transactions of adequate number or value. If the expense of supervision be added to the profits which are now necessary to a contractor taking up an isolated work it is doubtful if any saving would appear, or rather it is pretty certain that there would be none.

9 In the drawing up of the enclosed rules the opinions of the District Engineers have received every consideration. While the leading elements of the Bengal rules have been preserved, the details have been relaxed so as to leave greater scope for individual Officers to exercise their judgment and discretion. The draft also embodies the various orders which have been issued by the Government upon the subject from time to time.

10 The opinion of the Officers in general is that of the five classes of work named in the Bengal rules, the first and fifth can alone be advantageous, if given on contract in this Presidency. These two classes include the execution

of work under supervision and the supply of materials. I agree with them in thinking that the other classes of work cannot safely or conveniently be given on contract; and the rules provide for this.

11 The embarrassment which must arise from a sudden restriction on expenditure to both the contracting parties has been pointed out by the District Engineers of Gangam, Kinnak and Trichinopoly. Provision for this has been made in the accompanying rules, and the claim of the Contractor to compensation in such a case will be referred to independent arbitration.

12 The forms appended to the Bengal rules seem to be drawn up with legal precision, and to be well suited to their purpose. I propose to adopt them, but it might be as well to submit them previously to the Government Solicitor for

for his opinion.

Central Office P.W.
S. P. K. Ram
21st February 1860

I have the honor to be
Sir
Your Most Obedient Servt.

J. H. Bell Colonel
Chief Engineer

To
The Secretary to Government
P. W. D.

L. J. May

Wm. L. April 1891 12 61.

Wm. 1889 Deland
Do: of Govt 10th March.
N. 480.

Wm. 1889 Deland
Do: of Govt 10th March.
N. 480.

Dated 2d
Feb 23d 1891

From the Govt Collector
of the 1st March 1891.

Submitting for a
General rule regarding
contracts which have
been drawn up for an
examination in the new
Code.

With an order
No 937. 2 March 1891

1891.

Ordered that the Rules
regarding contracts be forwarded
to the Government Collector for
his opinion.

[Signature]

Printed by the
Govt. 1891
Copy to the Govt. Collector with
3 Aug 1891.