

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

Andhra Pradesh Forest Department Code – Delegation of enhanced financial powers at various levels – Orders – Issued.

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ENVIRONMENT, FORESTS, SCIENCE & TECHNOLOGGY (FOR.III) DEPARTMENT

**G.O.Ms.No.2**

**Dated: 7<sup>th</sup> January, 2004**

Read the following:

1. Govt.Memo.No.27008/For.I/1/92, EFES&T (For. I) Dept., dt.24.22.1993.
2. G.O.Ms.No.323, EFES&T (For.II) Dept., dt.3.7.1997.
3. G.O.Ms.No.13, EFS&T (For.III) Dept., Dated 12.2.2002.
4. G.O.Rt.No.76, EFS&T (For.III) Dept., Dated 22.2.2002.
5. From Prl.CCF, Lr.Rc.No.39274/2001/PMU.III-2, dt. 26.8.2002.
6. Govt.Memo.No.94/For.III/2002-7, EFES&T (For.III) Dept., dt.27.5.2003.
7. From Prl.CCF, Lr.Ref.No.39274/ PMU.III/1, dt. 31.5.2003 & 22.8.2003.

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**ORDER:**

With the introduction of Joint Forest Management in 1992, there has been increase in the workload of staff at all levels both in field and offices in the Forest Department of Andhra Pradesh. With financial assistance from World Bank and other sources, the Forest Department has taken up large scale activity for development of forest resources. A significant proportion of these works are executed through the 7250 Vana Samrakshana Samithies constituted in the proximity of forests as a measure to encourage peoples' participation in improved Forest Management. In terms of G.O.2<sup>nd</sup>, read above, the works in VSS areas are to be executed through the agency of the VSS only with the funds provided by the Forest Department.

2. In the light of the above, in the G.O.4<sup>th</sup> read above, a Committee has been constituted to make an in depth study of the existing procedures and work load and to suggest necessary ways and means so that the work in the Forest Department can be implemented effectively and efficiently. The Committee has suggested certain enhanced financial powers to the Sections 59,84,93,95,99,102,104 and 105 of A.P.Forest Code with a view to reduce the work load and documentation work to the field and office staff in the various cadres of the Forest Department.

3. The Principal Chief Conservator of Forests after detailed discussions held with the departmental officials and service associations, has submitted proposals to the Government for issue of orders on the enhanced delegation of financial powers relating to the relevant sections of the APFD Code.Vol.I.

4. Government after careful examination, hereby order that the enhanced financial powers be delegated to the Officers and Subordinate staff of Forest Department as detailed below:

**Section 59:**

In section 59(2), the following shall be substituted:

The Forest Officers of various cadres are empowered to sell, or dismantle immovable property to the extent specified below:

Power for sale or dismantlement of buildings.	PCCF	Rs. 1,00,000/- (as per book value)
	Conservator of Forests	Rs.40, 000/- (as per book value)
	Divisional Forest Officers	Rs.20, 000/- (as per book value)
	Sub-DFO	Rs. 10,000/- (as per book value)

In other cases orders of Government have to be obtained.

**Section 84(3)**

After Section 84(2), the following shall be added:

The Forest Range Officers, Sub Divisional Forest Officers, Divisional Forest Officers, Conservators of Forests and Principal Chief Conservators of Forests are empowered to sanction **‘secret service expenditure’** vide item No.50 of Appendix VII of APFC read with Annexure-1, there to and read with G.O.Ms.No.323, EFS&T (For.II) Department, dated 3-7-1997. The financial powers delegated to each category are as detailed below:

Designation	Financial Powers
FRO	1,000/-
Sub-DFO	2,500/-
DFO	5,000/-
CF	10,000/-
PCCF	No limit

The Officer empowered to audit / countersign the Annual Certificate to be sent to Audit:

The Conservator of Forests is the authority in respect of amount sanctioned by Forest Range Officer and Sub-Divisional Forest Officer. In respect of amounts sanctioned by Divisional Forest Officer, Conservator of Forests and the Principal Chief Conservator of Forests, the Principal Chief Conservator of Forests is the authority to conduct the audit and countersign the Annual certificate to audit. Except the above, all the other conditions covering the secret service expenditure as prescribed in Annexure.I of Appendix VII of Rule 4 against item 50 of A.P Financial Code. Volume.II, shall continue to apply.

### **Section 93:**

The existing section 93 is renumbered as Section 93(1);

After Section 93(1), the following sub-sections (2), (3) and (4) are added:

- (2) The chairperson of the Vana Samrakshana Samithi is the disbursing Officer in terms of G.O.Ms.No.13, dated 12-2-2002. Divisional Forest Officers shall release funds direct to the Vana Samrakshana Samithi Joint Account on the recommendation of Dy.Range Officer/ Forester (Forest Section Officers or FSO), Forest Range Officers(FRO) and Sub-Divisional Forest Officers(Sub DFO) by issue of sanction orders. Copies of the sanction orders are to be marked to Sub-Divisional Forest Officers, FRO, FSO, FBOs (Forest Beat Officers) and ABOs (Assistant Beat Officers). The Vana Samrakshana Samithi is accountable for the funds received by them. The officers of the Forest Department nominated for functioning of the VSS shall be responsible for the quality and quantity of the work executed. The Sub-DFO & DFOs are also responsible for ensuring the quality & quantity of these works and correctness of payments. For this purpose, the following is the procedure prescribed.

#### **I. Procedure for release of Funds by DFOs/CFs to the Government account of VSS**

- a. Upon distribution of budget by the Principal Chief Conservator of Forests and the Conservators of Forests, the Pay and Accounts Officers will issue Letter of Credit (LOC) to the DFOs for the execution of works with sufficient cheque books.
- b. The transfer of money to VSS will be done by DD/Cheque by the concerned D.F.O.
- c. The VSS will open Joint Accounts (referred as Government account in G.O.Ms.13 EFS&T (For.III) Dept., Dt. 12.2.2002) in the respective nationalized, regional rural bank/s or Cooperative banks located in or near their village.
- d. At the beginning of each financial year, each Vana Samrakshana Samithi will prepare an annual work plan and get it approved by the Divisional Forest Officers. These annual work plans will have to be in conformity with the approved micro plans for the Vana Samrakshana Samithi.
- e. A resolution will have to be passed by each Vana Samrakshana Samithi for receipt of funds from Divisional Forest Officers.
- f. These copies of resolutions will be passed on by the respective ABO/FBO/FSO to the Divisional Forest Officers immediately through the FRO and sub-Divisional Forest Officers who will suitably advise the Divisional Forest Officers duly scrutinizing these resolutions immediately.
- g. Upon receipt of such resolutions from the VSS/s, the DFO will, upon due scrutiny, issue proceedings releasing funds to the VSS/s. These releases can be made every month or every quarter of a year depending upon the work load and need.
- h. Upon issuing of such sanction proceedings for release of funds, the DFO will issue cheque for the sanctioned amount, to the Principal Bank account of the corresponding Subsidiary bank with instructions to transfer required amount of funds to the corresponding joint account(Government account) of the VSS/s held in the Subsidiary banks through Demand Drafts or Pay Orders or Bankers' Cheques. Alternatively, DFO may issue cheque directly to the joint account (Government account) of the VSS/s held in the Subsidiary banks.
- i. These Demand Drafts or Pay Orders or Bankers' Cheques will be treated as A.R. advances to the VSS/s.

- j. Such A.R. advances will be recovered in the following manner:
- k. Upon execution of work, vouchers will be prepared by the Vana Samrakshana Samithi and the work will be recorded by the concerned FBO/FSO/FRO. However, FBO/FSO/FRO shall obtain the vouchers in proper form, within the, time limit prescribed.
- l. These works will then immediately be check measured by an officer above the officer recording in seniority of rank.
- m. FRO will carry out 25% check measurement of the works which are 100% check measured by FSOs.
- n. These vouchers will then be passed by FSO or FRO depending upon the delegation given to them (FSO upto Rs.25,000/- per voucher and FRO upto Rs.50,000/- per vouchers)
- o. Upon passing of these vouchers amounts corresponding to the amounts passed will be drawn from the VSS joint account (Government account) and disbursement will be made by the Chairperson/s of the VSS/s.
- p. The FRO will facilitate preparation of Cash Accounts at VSSs level.

(3) The maintenance of cashbook for Vana Samrakshana Samithi works at section and range level is dispended with. Instead, the Chair person of the VSS who is also the disbursing officer in terms of G.O.Ms.No.13, dated 12-2-02 will maintain the cash book duly facilitated by the FRO concerned. He prepares 4 copies of cash book for each month. He/She will maintain 1 copy in the VSS and will send 3 copies to the FSO through FBO/ABO, as the case may be, (as nominated by FRO to operate the government account) along with the vouchers. The FSO/FBO, in turn signs the vouchers, segregates them work wise, duly recording the name of the work reference to the sanction of advance to Vana Samrakshana Samithi by Divisional Forest Officers and estimated No., and forwards to the Forest Range Officer concerned duly retaining one set of cash sheets with him. He will also forward (2) sets of the cashbook to Forest Range Officer. The Forest Range Officer upon scrutiny of these vouchers will enface the vouchers with pass orders. He will retain one copy of the cash sheet and send the remaining copy of the cash sheets to the Divisional Forest Officer through the Sub-DFO concerned. The Forest Range Officer retains one copy of the cashbook and scrutinizes the vouchers to ensure whether:

- 1) Vouchers are in proper order
- 2) The works are executed as per the sanctioned estimate and at the approved rates, and;
- 3) The procedure prescribed for drawal of funds is followed.

After such scrutiny, the FRO prepares section wise list of vouchers in a chronological order for the entire range and sends them after enfacing the pass order through Sub-Divisional Forest Officer to the Divisional Forest Officer along with the relevant cash sheets. The Cash sheets of the Vana Samrakshana Samithi will be counter signed by the FSO and FRO when they pass through them. The FRO will also furnish a statement of opening balance and closing balance of cash for his range, Vana Samrakshana Samithi wise with reference to the AR Ledger maintained by him on the basis of sanctions of advances to the Vana Samrakshana Samithi. For correctness of payments, and quality of work, both the FSO and FRO shall remain responsible. Divisional Forest Officers and Sub-Divisional Forest Officers shall also continue to be responsible, as they are hitherto responsible for the works carried out in their jurisdiction. The Divisional Forest Officers will take further action to incorporate the vouchers in his accounts and adjust the advances in his ledger.

(4) The cashbook maintained at the VSS level is to be treated as an adjunct of M Book and produced to audit and other inspecting officers/agencies whenever needed.

**Section:95.**

After Section 95 (1) (IV), the following shall be added:

- (v) Entrustment of works on nomination.
- (vi) Tender system.

After Section 95 (4), the following shall be added:

(5) The following are the powers of different forest Officers for entrustment of works on nomination at estimated rates:

Forester (Forest Section Officers) D.R.O	25,000/-
FRO	50,000/-
Sub-Divisional Forest Officers	1,00,000/-
Divisional Forest Officers	3,00,000/-
Conservator Forests	5,00,000/-
Prl.CCF.	10,00,000/-

- (i) Entrustment of works on nomination is limited to Rs.1.00 lakh only.
  - (ii) In case of works of above Rs.1.00 lakh, the entrustment on nomination to the selected agencies can be resorted if there is no proper response to the call of tenders or in case of extreme urgency like natural calamities, visits of VVIPs, security etc., to be decided by the Conservator of Forests.
  - (iii) The Forest Officers shall maintain a register of contractors at Section, Range, Sub-Division, Division and Circle level and the nominations will be from out of this list only. Entrustment of works on nomination can be made when (a) the works are to be taken up urgently, (b) it is felt that there will not be any attractive tenders. The FSO, FRO, Sub-DFO and DFO should obtain prior approval of the CF for awarding the works on nomination. Similarly, the CF should obtain the prior approval of the PCCF. The reasons for entrustment of works on nomination should carefully be recorded in writing before awarding the works on nomination.
- 5(a) For all works costing Rs.5000/- and above payment should be made by Cheques, if the agency of execution of works is other than the Vana Samrakshana Samithi.
- (6) (i) The Forest works are broadly classified into major works and Minor works. The value of the former being the work costing more than Rs.1.00 lakhs and the later costing upto Rs.1.00 lakh. The value of work means estimated value of work put to tender. While major works should be got executed through lump sum contract method, minor works are to be got executed through petty contract system which is other wise called the piece work contract. The following are the powers of different forest officers to accept tenders received in excess of the estimated value of the work put to tender.
- |                                  |                   |
|----------------------------------|-------------------|
| Divisional Forest Officers       | -up to 5% excess  |
| Conservator of Forests           | -up to 10% excess |
| Prl.Chief Conservator of Forests | -up to 15% excess |

(ii) Works costing more than Rs.1 lakh for which the department considers it advantageous to call for tenders, tenders with overall (+) or (-) 15% only are to be considered on the analogy of position existing in the PWD. For reckoning the tender premium or tender discount of 15%, the total value of the estimated work only has to be taken into account irrespective of the rates quoted for individual items of works. However, in the case of discount tenders (- tenders) the tender should be asked to produce Bank Guarantee for the amount equivalent to the less (-) percentage quoted as compared to the estimate value of the work.

(iii) Collection of Earnest Money Deposits and Security Deposits.

a) Minor works: EMD shall be limited to 2.5% in all i.e., 1.5% along with tender documents and 1% at the time of entering into agreement. No further Security Deposit shall be withheld from the bills for works costing upto Rs.50,000/-

For works above Rs.50,000/- in value, while the EMD will be at the above rate, further security deposit at 3% of the value if works done shall be with held from the works bill. This will be on the analogy of item 6 of G.O.Ms.No.589, PR and Rural Development (Mandals-1) dated 29-9-1989.

b) Works entrusted on Nomination

EMD should be collected at 2.5% in respect of works awarded on nomination.

The refund of EMDs and further security Deposits of the contractor should be made after the payment of final bill to the contractor and the initial observations period of six months from the date of completion of the works irrespective of the procedure existing in other Departments.

c) Major works

For these works, EMDs should be collected at 1% of the value of work put to tender at the time of submission of tender, and another 1.5% at the time of conclusion of the agreement. The EMD should be paid either in the shape of Demand Draft on any Nationalized Banks or through unconditional Bank guarantees to be got confirmed from scheduled banks in writing before they are finally accepted. Further, security Deposits at 7.5% of the value of work done will be withheld from running accounts bills and out of which 5% will be released in final bill while crediting the remaining 2 ½ % under deposits. The EMD and further security deposits of 2.5% shall be refunded to the contractors after the payment of final bill and after defect liability period of two years for original work, and, one year for maintenance work on the analogy of the procedure prescribed for PWD works through G.O.Ms.No.23, I&CAD (PWCOM) Department, dated 5-3-1999.

(7) The saving on account of tender discount shall not be utilized for any other purpose.

**Section 99:**

After Section 99(2), the following shall be added:.

(3) The powers delegated for sanction of estimates to the Forest Officers of various categories are as follows:

Prl. C C F	No limit
C.F	20,00,000/-
Divisional Forest Officers	10,00,000/-
Sub-DFO	1,00,000/-
FRO	50,000/-

Provision for sales tax at the rates fixed by the Government from time to time for works like percolation ponds, soil & moisture conservation (CCT/SCT), repairs/formation of extraction paths/internal roads wherever earth excavation of embankment is involved, and for other works can be made in the estimate.

The lead statement, working sheets and details of the estimate should be certified by the FRO. This should however be countersigned by the Sub-DFO if the estimate is to be sanctioned by the DFO. The Sub-DFO and DFO will countersign if the estimate is to be sanctioned by the Conservator of Forests. The Sub-DFO, DFO and the CF will have to countersign if the estimate is to be sanctioned by the PCCF. The officers countersigning should ensure the correctness of the leads and other details of estimates and shall be responsible for the over-all correctness of all the details of estimates, along with the FRO.

**Section:102:**

In Section 102, the words “by the Ranger” & “by the Range Officer” wherever occurred shall be deleted.

In Section 102(3) , the following shall be substituted

(3) (I) the following procedure is prescribed for measurement, check measurement and test check measurement of works.

Officer measuring and recording the work in measurement book and the value of the work bill upto which measurement and recording the work can be made.	Designated officer to Check measure	Percentage of check measurement.
F.B.O. Upto work bills of value not Exceeding Rs.25,000/- at a time.	F.S.O	100%
F.S.O: Work bills exceeding Rs.25,000/- at a time. There is no maximum limit.	FRO	100%

Note: I) As a matter of rule the FRO should not record initial measurements except in the cases of emergency in territorial divisions. Functional FROs of research, P&E GIS and T&E can record measurements directly if there are no FSOs/FBOs under their control/jurisdiction.

- ii) Check measurements should be done for 100% of works and should be conducted with discretion, the items selected being those which appear obviously incorrect or which would be most easily susceptible of fraud or which would most seriously affect the total amount of the bill, if inaccurate. The check-measuring officer should invariably record his observations in the M.Book.
- iii) The D.F.Os., should check measure all the works costing Rs.5.00 lakhs and above covering atleast 30% of the value of the work above.
- iv) The C.F. should check measure all works costing Rs.10.00 lakhs and above twice once during execution and the other before payment of final bill covering atleast 30% of value of work done.
- v) The FRO in addition shall test check 25% of the works for which he did not do check measurement. The DFO and Sub-DFO shall test check 10% each (without overlap of works) of the works costing Rs.1 lakh and above and CF 5% of the works costing Rs.2 lakh and above.
- vi) Similarly, for the purpose of test check the concerned officers as stated above should identify corresponding number of works and select such of the works with items that are susceptible for mischief and fraud and record their observation in M.Book.
- vii) A register of check measurements shall be maintained at Sub-Division, Division and Circle levels to record the details of works check measured and dates of check measurements. This should be produced to Accountant General and other Departmental inspecting Officers/agencies on demand.
- viii) On the analogy of the practice existing in the PWD vide Para 297 of A.P. Works Account code, all first and final bills costing upto Rs.500/- need not be check measured.
- ix) Irrespective of the percentages of check measurements, the FSOs, FROs/SDFOs and the DFOs are responsible for the proper quality and quantity of the works and the payments, there for.

In addition to this, the Forest Department should setup a separate quality control wing and all the works should be subjected for verification by Q.C. wing and the final bill should be paid only after the Q.C. wing certifies the work.

#### **Section 104**

For Section 104 to the following shall be substituted.

(2) To enter into contracts for execution of works, the following are the powers delegated to the various Forest Officers.

C.F	20,00,000/-
Divisional Forest Officers	10,00,000/-
Sub-DFO	1,00,000/-
R.O.	50,000/-
Dy.R.O.	25,000/-
Forester	25,000/-

For works costing more than 20 lakhs the C.F. shall invite open tenders with the prior approval of the, Prl.CCF, and, the result of such tenders should be submitted to the Prl.CCF for orders on the selection of tender, after which agreement can be concluded by the C.F. After concluding the agreement at Conservator of Forest's level the tender documents and agreements



in original should be sent to the DFO, for safe custody and execution of the work as per the sanctioned estimates and specifications and designs. The above delegation and the procedure is however, not applicable to works executed with the financial assistance of World Bank, if separate procedures are prescribed by World Bank. The same powers and procedures are to be exercised/ followed in respect of stores also. If a tender other than the lowest is accepted, reasons there for should clearly be recorded in writing by the competent authority.

**Section 105:**

The Powers delegated under section 105(1) (viz) Forest Range Officer- 5000 and Dy. Range Officer –100 is substituted with the following:

Forest Range Officer	Rs.50,000/-
Dy.Range Officer/Forester	Rs.25,000/-

5. This order issues with the concurrence of Finance (Expr.M&F) Department vide their U.O.No.22414/399/A2/Expr.M&F/03, Dated 11.12.2003.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

T.CHARRERJEE  
PRINCIPAL SECRETARY TO GOVERNMENT

To  
The Prl.Chief Conservator of Forests, A.P, Hyderabad.  
The Accountant General, A.P.Hyderabad,  
The Pay & accounts Officer, A.P.Hyderabad,  
Copy to:  
The Finance (Expdr.EFS&T) Department,  
Forest-IV, V Section.  
Sf/Sc

// FORWARDED :: (BY ORDER //

Sd/-  
SECTION OFFICER.

Endt.No.39274/2001/PMU-III/1  
Dated:07.01.2004

Office of the Prl.Chief Conservator of Forests,  
Aranya Bhavan, A.P., Hyderabad.

**Sri S.K.Das IFS,**  
**Prl. Chief Conservator of Forests**

\* \* \* \* \*

Communicated.

Sd/- R.G.Kalaghatgi,  
For Prl. Chief Conservator of Forests.

To  
All Officers in Distribution List "A"  
Copy to Manager/Superintendents of office of the Prl. Chief Conservator of Forests  
Copy to : SF/Spare-10  
.

//t.c.b.o//

Superintendent.