POLICE CIRCULAR ORDER NO. 41

Earnest money of contractors. Police Manual Appendix No. 69 lays down that the earnest money of contractors is to be accepted in cash or in the shape of Treasury Challans. Instances have come to notice that such money when received in cash has not been taken into account and allowed to remain with the Head Clerk as private money unaccounted for in any official register or documents. In consequence, serious irregularities have occurred which reflect very badly on departmental administration.

2.It is, therefore, ordered that the heads of offices and establishments should ensure that such earnest money is always received in the shape of Treasury Challan. If, however, it is received in cash, it must be properly accounted for in the Cash Book like other departmental cash, and deposited in the Treasury as such. Head Clerks and Accountants of all offices and establishments should be cautioned that this order must be strictly adhered to, and any deviation therefrom will be taken serious notice of.

(Previous Police Circular Order No. 6 of 1950)