

CENTRAL RAILWAY

FORMATION OF GROUP "B" PANEL FOR THE POST OF ASSISTANT MATERIAL MANAGER Payscale Rs.9300-38400 + 4800 (GP) AGAINST 70% QUOTA IN STORES DEPARTMENT.

Date of Exam: 18.11.2017

Duration : 3 Hours (From 10:30 hrs. to 13:30 hrs.)

Total Mark: 150

SECTION A

Q.1a Expand the following abbreviated words. (ANY 10):

Marks 10x1

a	PAC	Proprietary Article Certificate
b	EOQ	Economic Order Quantity
c	VED	Vital Essential Desirable
d	SINT	Stores in Transit
e	BOM	Bill of Materials
f	FIFO	First in First out
g	WMS	Workshop Manufacturing Suspense
h	COFMOW	Central Organisation for Modernisation of Workshops
i	ACASH	Association of Corporations and Apex Society of Handlooms
j	M RTP	Monopolies & Restrictive Trade Practices
k	IEEMA	Indian Electrical and Electronics Manufacturers Association
l	LD&DC	Liquidated Damage and Denial clause
m	MITES	Rail India Technical and Economic Service

Q1b Indicate the Main Group and "End Use" of following Items. (Any five) Marks 5x3

S. No.	Item	Main Group	End Use
i	Transition Screw Screw Coupling	25, 37	Locomotive, Coaches & Wagons. For connecting two rolling stock
ii	V Belt	75	Coach, to connect alternator with axle
iii	Orange Vest	79	To Gangmen for wearing
iv	Knuckle	38	CBC, part of CBC
v	Red Oxide Paint	77	Apply on coaches, wagons. To prevent from rusting
vi	Cattle Guard	11, 25, 31	Locomotive & EMU. To prevent damage from cattle run over
vii	RR 606	80	Diesel Loco. for lubrication of engine
viii	Elastic Rail Clips	60	Track, to fix rails to sleeper

Marks 5x5

Q.2 Distinguish between (ANY FIVE):

- a. Surplus Stores: Surplus stocks may be the result either of changes in design, in specification, &c. of the 'stock items' of stores or of consuming departments returning to the depots special items or stocks items of stores no longer required by them such

stores have to be held in custody in stores depots and steps taken for their prompt disposal. These are of two kinds, 'Moveable' and 'Dead'.

Moveable Surplus Stores comprise items of stores which have not been issued for a period of 24 months, but which, it is anticipated, will be used in the near future.

Dead Surplus Stores comprise items of stores which have not been issued for 24 months and which, it is considered, are not likely to be utilised on any railway within next two years.

- b. ABC Analysis and VED Analysis:- There are large number of items in each Railway. It is not possible to exercise control on each item, in order to keep the inventory, as low as possible, hence above analysis are used.

ABC analysis envisages the control based on value of items.

- 5% of items stocked accounts for 70 % of the total value of issue of all the items stocked are classified as 'A' category item.
- 15% of items stocked accounts for 20% of the total value of issue of all items stock are classified as 'B' category items.
- Balance 80 of items stocked accounts for 10% of the total value of issue of all items stock are classified as 'B' category items.

VED Analysis:- The stock items in the depot are classified, according to the critical nature of the items.

- Vital items are those items, which are if not supplied can stop the work, for which they are required. Availability of these items has to ensure at all the time.
- Essential items are no doubt important, but activity will not stop, if not available at the time of required. Probably the item can be repaired and the equipment may work with lesser efficiency. This will give some time to make a corrective action. Availability of these item to be expedited.
- Desirable items are not so important and without these items, the equipment can function.

- c. Buffer Stock:- **Buffer stock** is the excess inventory held as a reserve to take care of uncertain future i.e. unforeseen future demands, supply fluctuations. Buffer stock may be found at all stages of the supply chain, and is intended to reduce the occurrence or severity of stock-out situations and thus provide better line continuity and/ or customer service. Buffer stock is used in production or other inventory situations to ensure that exceptional or unpredictable shortages or demands can be met with some degree of certainty. Safety stock is generally held when there is uncertainty in the demand level or lead time for the product.

Emergency Stores. The depots have also to stock certain items of stores though they do not have a regular turnover caused by a constant demand. These are 'Emergency Stores' and comprise items of stores which do not ordinarily wear out or require renewal, which have, however, to be kept in stock to meet emergencies, such as that due to breakage or unanticipated deterioration, and which are not readily obtainable. The stock cards relating to such stores should be marked with the letter 'E'.

- (*) With a view to have maximum attention on specified objectives/parameters with less efforts various type of categorisation and analysis are followed
- ABC - The prime objective of this categorization is to have close control on turnover and financial saving.
- VED - The prime objective of this categorization to have close control on high service/availability etc.

- d. Counter Offer:- In counter offer the reasonable price as assessed if counter offer to the bidders in place of calling them for negotiation. Generally it is given to bidder quoted higher price than the price of lowest technically acceptable bidder, in case of splitting. Counter offer to lowest technically acceptable bidder is amounts to negotiation but counter offering price of lowest technically acceptable to higher bidders in case of splitting is not amounts to negotiation.

Negotiation:- Negotiations is the process in which lowest technically suitable bidder is called for reduction in price, where it is felt prices are higher. This is an exception rather than the rule and may be resorted to only under the following circumstances:

- Where all the technically suitable tenders are considered to be unreasonably high in value and it is felt that re-tendering would not secure better advantage to the Railways and/or
 - Negotiation shall be called with technically suitable lowest bidders only in each category.
 - During Negotiation validity of original offer shall be obtained, in case of failure of negotiation.
- e. Auction Sale:- Scrap sold through auction is called auction sale. In this disposal is speedy, bonafide purchasers can only bid, direct competition hence may result in higher price, sale can be concluded at the end of auction by collecting EMD from the successful bidder on the spot. However, there can be cartel formation but same can be taken care off by adopting e-auction.

Tender Sale:- Scrap sold through inviting tender is called tender sale This is lengthy process as it involves calling of bids, tabulation, scrutiny of bids and taking decision. There may be lack of competition. This can be adopted in case of continuous arising of scrap i.e turning and borings in workshops, paper off-cutting in printing press etc. Sale through tender can ensure disposal immediately on 'as is where basis', without waiting for accumulation, required for formation of sizeable lot and without shifting to scrap depot. It can be used where auction sale fails due to cartel/mafia formation or market price trend is not available to fix reserve price.

- f. Ground rent is the charge levied for not lifting the rejected materials from stores depot after specified period of 14/21 days at a nominated charge per day per kg.

General Damages: General Damages is the amount recoverable from the defaulting contractor, the extra expenditure incurred in the event of cancellation of contract and consequent risk purchase or difference between contract rate and the market rate on the date of breach, where, no risk purchase is made or where re-purchase is made, deviating from the norms set out. Railway Board has given power to cancel purchase order without going for Risk Purchase @ 10% of value of unsupplied portion of contract.

- g. GST is an indirect & consumption-based tax, therefore, taxes are paid to the state where the goods or services are consumed not the state in which they were produced. GST (goods and service taxes) replaced several former taxes and levies which included: central excise duty, services tax, additional customs duty, surcharges, state-level value added tax and octroi. Other levies which were applicable on inter-state transportation of goods have also been done away with in GST regime. GST is levied on all transactions

such as sale, transfer, purchase, barter, lease, or import of goods and/or services. GST was introduced in India on 1 July 2017. In this also sellers get the input tax credits at each stage of production or distribution.

VAT (value added tax) is a type of general consumption tax that is collected incrementally, based on the increase in value of a product or service at each stage of production or distribution. VAT is usually implemented as a destination-based tax, where the tax rate is based on the location of the customer. There are two main methods of calculating VAT: the invoice-based method, and accounts-based method. In credit-invoice method, sales transactions are taxed, with the customer informed of the VAT on the transaction, and businesses may receive a credit for VAT paid on input materials and services. In accounts-based method, at the end of a reporting period, a business calculates the value of all taxable sales then subtracts the sum of all taxable purchases and the VAT rate is applied to the difference.

- h. FOB: Free on Board is a trade term that indicates whether the seller or the buyer has liabilities for goods that are damaged or destroyed during shipment between the two parties FOB shipping point (or origin) means that the buyer is at risk while the goods are shipped and "FOB destination" states that the seller retains the risk of loss until the goods reach the buyer.

Cost, insurance and freight (CIF) is a trade term requiring the seller to arrange for the carriage of goods by sea to a port of destination, and provide the buyer with the documents necessary to obtain the goods from the carrier.

- i. Tender conditions:- The conditions mentioned in the tenders are tender conditions which includes Bill of materials i.e. description of items & services, required delivery period, consignee details with quantities, FOR condition, Inspection clause, Payment Terms, Instructions to tenderers, Eligibility Criteria, Special terms & conditions, IRS term & conditions, PVC clause if any, General terms & conditions.

PO terms:- Purchase orders is placed with terms & conditions, which includes the acceptable terms & condition offered by bidders in the tenders. Generally purchase order includes all terms & condition of tenders except eligibility criteria & Instructions to tenderers and bidder's acceptable terms & conditions, if deviating from tender conditions.

Q 3 What will be your line of action in following conditions: (ANY FIVE) Marks 5x5

- a. Only one offer is received against a tender: - Explore the reasons for receiving the single offer in the tender, why other likely/approved supplier has not submitted the bid. Generally tender shall be discharge and fresh tender be invited, due to inadequate response & competition. If it is against LT/BT then bid can be considered, in case of urgency certified by JAG/SAG and price received are reasonable. Single bid against open tender can also be accepted if it is PAC item or there is urgency or it is certified adequate intimation has been given and other vendors are not interested in bidding.
- b. Item is out of stock and no covered dues exist:- In this case Stores Officer shall explore the possibility of getting the materials from sister stores depots or other railways on sale

basis. Emergency tender to be issued for covering at least three month's requirement. Even local purchase shall be made to cover immediate requirement. Chase the purchase office for regular coverage.

- c. There is overstock of an item:- First get the delivery of covered dues postponed or orders be cancelled. If overstock is due to less withdrawal by Indentors, then get the AAC reviewed. Offer the materials to Indentors; sister stores depots or other railways on sale basis.
- d. There are large number of inactive items in stock:- A list of items which are having no issues for the past 12 months and over are prepared in the depot. The items are scrutinised and consumers are advised to draw materials as per AAC or furnish justification for the decline in consumption. If the items are not required by them, then following actions are taken-
 - i. to cancel outstanding dues, if any,
 - ii. to offer to sister depots and other Railways and
 - iii. to mark the item as NNR (Need not be recouped)

On the recommendations of the Survey Committee, the above items are classified as under:

- a. Movable surplus - If they have not been issued in the past 24 month, but it is anticipated, that they will be utilised in the next 24 months.
 - b. Dead Surplus - Comprise items of stores, which have not been issued in the past 24 months and are not likely to be utilised on any Railway within the next two years.
- c. Against a tender rates received are too high:- If rates received from the lowest technically acceptable bidder is higher and it is felt retendering will not secure better advantage to railways, then negotiation is called with the lowest technically acceptable bidder with the approval of Tender accepting authority. After the competent authority has decided to call the specific Tenderer for negotiation, the following procedure should be adopted:
 - (i) The Tenderer is called for negotiations indicated time, date & venue, as per approved format, so that the rates originally quoted by them shall remain open for acceptance, in the event of failure of the contemplated negotiations.
 - (ii) Negotiated bid together with reasonable validity should be obtained in writing from the Tenderer at the end of the negotiations. However, if Tenderer prefers to send a negotiated bid, instead of being present at the negotiations, the offer should be taken into account.
 - (iii) The negotiated bid so obtained should be read out and signed by TC members, immediately after completing the negotiations.

- f. Items are lying unaccounted for in the wards

Marks 5x5

Q.4 Write short notes on (ANY FIVE):

- a. FOR:- FOR is a measure of average stocks held in stock at a time. This is measured in percentage by the following formula:

$$\text{Average value of stock of all materials held in stock}$$

$$\text{IOR} = \frac{\text{Total value of Issues made during the year}}{\text{Total value of Issues made during the year}} \times 100$$

In Railways, Stores Balances are reflecting in various capital suspense heads, e.g., Purchase Suspense, Sale Suspense, Stock Suspense. We take value of balances outstanding in all above suspense heads as on 31 st March of the year as average value of stocks and value of total issues made from 1 st April to 31 st March in the year. Railway shall maintain this balance as low as possible without affecting the availability of materials. Surplus and inactive items are not contributing towards inventory turnover however we should control their balances.

- b. Reserve Price is the price fixed for each lot by auction conducting officer prior to auction and is based on
- Highest bids received during the last three auction & last sale rate
 - Current market trend
 - Rate received in nearby auction
 - Condition and position of lot
 - Any other information.

Reserve price is kept as a well guarded secret, based on which auction conducting officer can reject the bid or withdraw the lot from auction. Reserve price for condemned locomotives, non-ferrous scrap are fixed by HQ in consultation with accounts.

- c. Digital Signature:- A digital signature is a mathematical technique used to validate the authenticity and integrity of a message, software or digital document. The digital equivalent of a handwritten signature or stamped seal, but offering far more inherent security, a digital signature is intended to solve the problem of tampering and impersonation in digital communications. Digital signatures can provide the added assurances of evidence to origin, identity and status of an electronic document, transaction or message, as well as acknowledging informed consent by the signer. With the introduction of E-procurement, digital signature are required by vendors for submitting their bids online and by purchase officers or deciding the tenders or signing of purchase orders, amendments or any other documents online in Railway Purchases.
- d. Stock Verification:- The object of Accounts Stock Verification of Stores in the custody of the Depot and other Departmental Officers is to ensure that the materials are as per description & specification and ground balance shall be as per shown in the books. Any excess or deficiencies, if any, noticed on such verification are properly investigated and accounted for. It prevent leakage, pilferage, break down etc.

Frequency of Verification. The programme of inspection of stock should be so arranged that all materials are verified as shown below :

- | | |
|--|-------------------------|
| 1. Materials-at-site -works | Ordinarily once a year. |
| 2. Stores with Imprest holders | Once in two years. |
| 3. All tools and plant | Once in 3 years. |
| 4. All materials in a Depot as under : | |
| 4.1 A category items | Once in 6 months. |

4.2 B category items	Once in a year.
4.3 C category items	Once in two years.
4.4 D category items	Once in a year.
4.5 Miscellaneous items - Stores under the custody of Inspectors entrusted with tools, instruments, etc.	Once in 3 years.
4.6 Verification of in-proces- inventory in all workshops and Production Units especially in respect of costly and pilferable items as per Board's letter No. 77/RS (TC)/165/28 of 9-01-1978.	Once in 3 years.
4.7 Machinery and plant.	Once in 3 years.

Department Stock Verification. Depot officer can arrange departmental verification in addition to Accounts Stock Verification to have a "back check" on the correct receipt and issue of stores in the Wards. The Depot Officer may waive verification in the following circumstances.

- (a) Where the item has been verified by the Accounts Department within the last three months.
- (b) Where the Accounts Verification of the particular class of stores is in progress and, the item is likely to be verified within the next two months.
- (c) Where the item has heavy balances the verification of which involves much labour and handling charges.

Stock Verification Sheets. If the physical balance or stock agrees with the book balance no stock verification sheets to be prepared. The official making the verification will merely make an entry in the ledger card/bin card to show that the physical balances agree with the book balances. Stock Verification Sheets are to be prepared, If there is an excess of stock or deficiency in stock. The stock sheets should, however, on no account be detained longer than two days after the date of verification.

- c. Unsolicited Offer: - Unsolicited offers are received in Limited Tender/ Bulletin Tender from the firms to whom tender enquiries has not been issued or they are not registered with the Railways for the tendered item respectively. Unsolicited offers should be ignored. However, under exceptional circumstances, where it is felt necessary to consider such offers, on account of inadequate competition, non-availability of suitable quotations from Registered suppliers, urgent demands, capacity, capability and reliability of the firms offering to supply the relevant items being known etc., the acceptance should be at the next higher level and in any case not below the rank of a Junior Administrative Officer. The purchase section/staff must ensure that firm whose bid is accepted is not an unsolicited offer and if it is, he shall bring to the notice of the purchase officer the status, regarding valid registration of the tenderers under the consideration zone, such as whether they are registered for the trade group under which the item falls and for the monetary value of the tender under consideration.

f. Risk Purchase: Purchaser procures the materials at the risk & cost of defaulter firm, who has failed to supply the materials against the purchase order placed by the Purchaser.

- On identical terms of the original contract such as mode of tender, specification, terms of payment, inspection authority, conditions regarding liquidated damages, arbitration etc.
- Must be effected under the same or similar conditions of competition as the original purchase, so that it is made at lowest market rate.
- The defaulter to be given tender along with risk purchase notice
- Defaulter can submit the bid with 10% security deposit to ensure against the second default and his bid to be considered, if lowest. As he is entitled to an opportunity to minimize his loss.
- The amount of security also can be enhanced in suitable cases where the defaulter's quotation and the next best quotation indicates that the loss is more than 10 percent subject to the defaulter accepting these special terms.
- If he is excluded, it would end in a risk of being denied the risk purchase extra expenditure exceeding his offer.
- The Risk purchase should be effected within 6/9 months for common items (i.e. items easily available)/of stores not easily available in the market.

g. Reverse Auction:- A reverse auction is a tool used in E-procurement. In this process, the role of the buyer and seller is reversed, with the primary objective to compete purchase prices downwards. In an ordinary auction (sales of scrap) buyers compete to obtain a product or service. In a reverse auction, sellers compete to obtain business. It is usually used as the last leg of sourcing and tendering to obtain the best price by **encouraging competition** among bidders on price. It is hosted by a single buyer and features two or more suppliers competing for business. It is called reverse because during the auction, the price can only come down.

A Reverse Auction has a number of advantages. It is very time efficient as the awarding decision can be taken at the closure of auction. They provide an insight to the bidders on how competitive they are and indicate their ranking amongst their peers. It reduces paperwork and increases transparency in the award process. It also helps in breaking cartels.

Q.5 a) What have been the advantages of e-procurement? How does e-procurement compare with conventional modes of tendering? Marks 10+10

Ans. Advantages of e-procurement:

- a. Using advent of technology, the electronic web-based system called electronic procurement system has emerged that ensures procurement activities (like: floating of tender, receipt of offers, recording of decision and issue of LOA in real-time, in paper-less manner, end-to-end system involving no human efforts thereby making it totally secured, free from human errors and will-full manipulations; so, bring-in more transparency.
- b. The e-procurement is best archived among e-procurement system users; so the rates, tender conditions, procedure restrictions followed, response from traders can be shared among railways, whereby uniformity in procurement procedure and economy in rates is ensured.

- c. Due to depot integration i.e. receipt of materials, ward keeping and the real-time stock position is available with purchase officer, who will use the information to have better control on availability of material, immediately ascertain urgency and initiates procurements, whereby ensuring highest availability of materials.
- d. Effective inventory management is possible: considering real-time stock position, material in receipt-section, exact quantities can be worked out for procurement, which will ensure procurement of barest minimum quantities, therefore over stocking is eliminated.
- e. As system is best-archived, decision and decision making data of every stage is saved in system, which can be retrieved as case (instead of calling files) for examining by seniors, by audit department and by vigilance department as well.

Overall, e-procurement system is more transparent, efficient, integrated with depot working, best archived so, more accountable. Works in real-time basis, no human involvement, more transparent, totally paperless, more economical, fast, contactless, cash-less, self-guiding and user-friendly.

B. Comparison between e-procurement and conventional modes of tendering.

Aspects	Conventional mode	E-Procurement
Tendering	Manual hence paper is used	Electronic hence Paper-less
Convenience	Distances involved, offer to be physically dropped in tender box	Bid can be submitted from anywhere hence no distance movement.
Tender opening	Full team/staff required	Only tender opening officer/official
Time efficient	Time consuming as physically quotation to be opened, circled, numbered, placed in file and given to purchase officer	Efficient as tender to be opened and assigned on line to purchase officer
Sanctity	Procedure being manual can be manipulated or errors cannot be ruled out by staff involved. Addition and removal of offers, rates, etc. not rules out.	Free from manipulation/ human errors,
Rates not available on archives	Depot officer, other railway cannot see/ track the rates as not available on website	Possible to the share details of offer among users being available on line
Per bearer tender	Runner/bearer to go physically	Online, bearer not required
Ordering cost	comparatively high due to manpower involved at purchaser as well as bidder level	Not much staff involved hence low ordering cost
Transparent	Less transparent since manual interference	More transparent as no manual interference
Response	Low as bidders are not aware of tenders	High as tenders are available on website
Participation	Contained	On request, eligible vendors can invited to participate in tender quickly
Late, delayed and unsolicited offers	Possible	totally eradicated, being impossible

- b) Using Modulus Eleven, find last digit of following P.L. Nos. (ANY FIVE) Marks 10
- | | | |
|------------------|------------------|-------------------|
| (i) 3032899 - 8 | (ii) 1698007 - 4 | (iii) 8105105 - 0 |
| (iv) 7601075 - 2 | (v) 4517764 - 8 | (vi) 7706330 - 2 |

How to calculate (i) $3*8+0*7+3*6+2*5+8*4+9*3+9*2=24+0+18+10+32+27+18=129$
 $129/11=11$ & balance is 8 hence last digit will be 8

- Q6 a) What are the various agencies of procurement and generally what type of items are procured through these agencies? Marks 10

Ans: Various agencies of procurement are:-

- (i) Railway Board - Locomotives, Carriages, Wagons and certain nominated spares/components therefore. HSD & certain petroleum products, Wheels, Tyres and Axles, Rails, Fish plates and points & crossings, Sleepers, Track Machines.
- (ii) Purchase through DGS&D - certain general items common to all ministries of Central Government. Now this has been discontinued after closure of DGS&D. Now procurement to be made through GeM.
- (iii) Centralized procurement through certain production Units or Zonal Railways - Nominated spares for Diesel Locomotives through DLW, DLMW. Nominated electrical spares of Electric Locomotives by CLW. Nominated spares of coaches through RCF & ICF, MICO Spares by SR etc.
- (iv) Various types of springs by Spring Karkhana Sitawali, Wheels & Axles by RWF Bangalore and Wheel Factory Bela.
- (v) Zonal Railways - Direct procurement.

- b) What are the different modes of Tendering and under what conditions these are followed.

Marks (10) 15

Ans: Different mode of tendering are

- a) Open Tender/Advertised Tender -- Indigenous Items & Value of Purchase costing above ₹.25 lakhs.
- b) Global Tender - Imported items & Value of purchase costing above ₹.25 lakhs.
- c) Limited Tender & Bulletin Tender - value of purchase costing below ₹.25 lakhs.
- d) Special Limited Tender - Safety item or in Emergency where value of purchase is above ₹.25 lakhs.
- e) Single Tender - PAC items, small value purchase and developmental purchase.

SECTION B

- Q 1 Distinguish between (ANY FIVE):

Marks 5, 5

- a) Removal from service: - It is a major penalty under D&A Rules. Under this penalty, employee is removed from the service but it is not disqualified for future employment under the Government or Railway Administration.

Dismissal from service:- It is a major penalty under D&A Rules. Under this penalty, employee is dismissed from the service therefore he is disqualified for future employment under the Government or Railway Administration.

- b) Leave Average Pay: Permanent or temporary Railway servant is entitled to 30 days LAP in a year. The Leave account is credited @ 15 days on 1st Jan & 1st July. This leave can be carry forwarded maximum to 300 days. The 10 LAP can be encashed maximum 6 times during the service in alternate year. Total credited Leave maximum to 300 days can be encashed on retirement.

Casual Leave: Railway servant is entitled to 8 days Casual Leave in a year to attend sudden/unforeseen needs. CL cannot be combined with any other leave except compensatory leave granted to Group "C" & "D" and SCL. It can be granted for half day also. It can be granted to any extent due at a time. Casual leave can be taken while on tour. Casual Leave not availed in a calendar year will lapse.

- c) P.R.E.M: Participation of Railway Employee in Management - It is up at three levels – i). Railway Board level ii). Zonal Railway Level and iii). Divisional Railway Level
Objective:- To have better and systematic participation of labour's union in the management with an objective to improve the efficiency viability of Railway Organization & building the image of Railways as a Service Organization and to provide free flow of exchange of ideas on the running and shaping of Railway Organization.

Apprise the investment programme particularly in regard to housing and welfare activities.

P.N.M. : Permanent Negotiating Machinery. It is up at three levels – i). Railway Board level ii). Zonal Railway Level and iii). Divisional Railway Level
It aims to maintain contact with Labour and to resolve disputes and differences, which may arise between Railway Labour and Administration.

Collective bargaining, across the table negotiations and given and take policy are the main principles behind PNM

- d) Work study is a tool to help the administration and management, to control and seek optimum utilization of human and material resources available, in achieving the goals. Work study covers two aspects of work: the method of doing work (Method Study) and the numbers of persons or time required to do that work (Work Measurement). It is easy to see that these two aspects, though distinct, are to a very great extent inter-related since the method of doing work would itself greatly affect the amount of time required to do it. The objectives of work study are (i) to improve procedures and method of work (ii) assessment of staff requirements and development of rational work norms (iii) optimum utilization of resources (iv) identification of surplus manpower.

Benchmarking: A measurement of the quality of an organization's policies, products.

programs, strategies, etc., and their comparison with standard measurements, or similar measurements of its peers. The objectives of benchmarking are (1) to determine what and where improvements are called for, (2) to analyze how other organizations achieve their high performance levels, and (3) to use this information to improve performance.

- e) Work charge Post: HOD/GM are empowered to create non-Gazetted posts upto JA Grade level with finance concurrence, if the posts are specifically provided in the Detailed Estimates sanctioned by the Competent Authority for works chargeable to Demand 16 and funds are available during the year of proposed creation of posts.

Ex-cadre posts are those posts which are created to meet the need of special type of work not connected with the regular work. Under ex-cadre the posts of welfare Inspectors, vigilance Inspectors are coming.

- f. SF 5 is major penalty charge sheet and SF 11 is minor penalty charge sheet.

SF5:-No major penalties shall be imposed without an inquiry. The charge-sheet framed by disciplinary authority shall be delivered to Railway servant along with copy of the articles of charges, the statement of the imputation of misconduct or misbehavior and a list of documents and witnesses by which each article of charge is proposed to be sustained. Railway servant shall submit a written statement of his defense long with a list of witnesses if any, within ten days or time allowed by DA. On receipt of the written statement of defense, the disciplinary authority shall proceed with the inquiry either himself or appoint a Board of Inquiry or other Inquiry officer. The Railway servant may also present his case with the assistance of any other Railway servant. On the fixed date for inquiry, the oral, witnesses and documentary evidence produced by the disciplinary authority shall be examined by the Presiding Officer and may be cross-examined by the Railway servant. The inquiring authority may also put such questions to witnesses as it thinks fit. The inquiring authority may, after the completion of the production of evidence, hear the Presiding Officer, if any, and the Railway servant, or, permit them to file written briefs of their respective cases, if they so desire. After the conclusion of the inquiry, a report shall be prepared by the inquiring authority. Taking into consideration the report, the disciplinary authority make a speaking order for imposing penalty. The orders made by the disciplinary authority shall be communicated to Railway servant who shall also be supplied with a copy of report of inquiry and a copy of its finding of the disciplinary authority together with brief reasons for its disagreement, if any, with the findings of the inquiring authority.

SF11:- The charge-sheet framed by disciplinary authority shall be delivered to Railway servant along with copy of the articles of charges, the statement of the imputation of misconduct or misbehavior and a list of documents and witnesses by which each article of charge is proposed to be sustained. Railway servant shall submit a written statement of his defense long with a list of witnesses if any, within ten days or time allowed by DA. Holding of inquiry is on the discretion of disciplinary authority. It shall be necessary, if in a case, it is proposed, after considering the representation, if any, made by the Railway servant, to withhold increments of pay and such withholding of increments is likely to affect adversely the amount of pension or special contribution to Provident Fund payable to the Railway servant or to withhold increments of pay for a period exceeding three years or withhold increments of pay with cumulative effect for any period, an inquiry shall be held, before making any order imposing on Railway

servant any such penalty. Taking the representation, if any, submitted by the Railway servant and the record of inquiry, if any, held, into consideration, the disciplinary authority make a speaking order for imposing penalty. The orders made by the disciplinary authority shall be communicated to Railway servant who shall also be supplied with a copy of report of inquiry, if any and a copy of its finding together with brief reasons for its disagreement, if any. Where no inquiry is held, the disciplinary authority, while passing orders should communicate to the employee concerned the brief reasons for the final decision regarding the guilt of the employee.

- g. Factories Act, 1948:- This act regularises the labour in factories and also regulates the various obligations that Factory/Workshop Incharge has to fulfill, in connection with Health, Welfare, Safety, Hours of employment, leave, overtime, rest for workers working in a Factory. This Act applies to all Railway Workshops and Production Units but does not extend to Loco-sheds and Carriage & Wagon Depots. This is applicable for factory where manufacturing operations are carried out with or without power, but with more than 10 or workers on any day and where manufacturing process is being carried out with the aid of power with 20 or more workers on any day of preceding 12 months. The factory should be registered with State Government and licence obtained.

Workmen's Compensation Act, 1923: Under this Act, an employer is liable to discharge his liability to a workman or his dependents, as the case may be, for an accident arising out of and in the course of his employment, on account of either death or disablement whether permanent total or partial, or temporary. It is applicable to all Railway servants including casual labour and also labour employed by the contractors for carrying out works but excluding those employed in the administrative and divisional offices and those mentioned in Schedule II of the Act.

Q.2 Write short notes on (ANY FIVE):

Marks 5x5

- a. Canons of Financial Propriety:

- Spending of Govt. money as if it is your own money and also as per the need of the occasion.
- Competence for making the expenditure and shall not be for own advantage.
- Public money cannot be used for benefit of self or any other individual or group, exception the awards by Court of law, personal award of small value.
- TA, DA or other allowance shall not be source of income.

- b. Revised Estimate and Final Modification: The Budget Estimates and the reviews are prepared and submitted demand-wise under main heads, sub-heads and detailed heads

Revised Estimate - This estimate is to be submitted along with the Budget Estimate for the ensuing year, so as to reach the Board before 23rd December of each year. The Revised Estimate for the current year is to be worked out, taking into consideration the expenditure of the previous year and the trend of expenditure till October of the current year. Any additional expenditure or surrender, included in the Revised Estimate, should be explained in detail. Along with the Revised Estimate, Budget Estimate for the next year is worked out, based on approved programme and submitted to the Board.

Final Modification - Based on the trend of expenditure incurred till January, necessary review is made and the Railway Board advised of any additional provision required or surrender to be made, as per the following time-table laid down:-

20th Feb. Ordinarily
 1st March Telegraphically
 20th March Under DO letter from GM
 With merging of Railway Budget with Finance Budget date s have been changed

c. Stock Adjustment Account: 7180 & 7190:- This suspense account is maintained in Form No. S.2740 in the following parts, each part representing the record .of the particular class of transactions noted against it:

Difference in Stock

7181 Difference between the ledger balances and ground balances discovered by the Stock Verifier.

7182 Difference between the ledger balances and ground balances discovered during departmental stock verification.

Difference in Value

7183 Differences arising out of revaluation of stocks due to market fluctuation of Purchased stores.

7184 Differences arising out of revaluation of stocks due to market fluctuation of shop manufactured stores.

Miscellaneous Items

7185 Differences in book value and value realised in Sales.

7186 Loss in classification of new stores as second hand/scrap

7187 Other losses i.e. breakage, leakage or losses on Transfer

7188 Rounding off.

7189 Loss due to enemy action

7191 Miscellaneous Items (adjusted through De-

7192 Value brought on books through Depot Stock Sheets pending receipt of vouchers.

Clearance of balance: The utmost vigilance should be exercised in clearing items from the Stock Adjustment Accounts as per Para S.2742 to 2745 and as a rule, items should be finally cleared in six months. Finance concurrence is necessary for clearance of balance in SAA

d. **Miscellaneous Advance Capital 7300:-** In the Railways, accounting is done based on the principle of Double entry book-keeping. Whenever an account is debited another account or cash is credited. Sometimes, the Railway materials are to be issued to outside parties for fabrication. As the materials are issued from stock, Stores suspense will be credited. As the materials are expected back after fabrication, the debit is to be made to a temporary head, as there is no final head at this stage. This temporary head is called Misc. Advance Suspense Account/Capital. On receipt of the finished material, the relevant suspense account will be debited and the Misc. Advance Account/Capital will be credited and thus the account is cleared.

In the Accounts offices, the issue notes chargeable to Misc. Advance Account should be posted into the Register and the clearance of the debits watched there from. At the end of each month the debits, credits and balances in each month should be reconciled with the General Books and a certificate of reconciliation endorsed on the register, as enumerated in code para 2731-S.

- c. **Priced Ledgers:-** The nucleus of the Stores Accounts is the priced ledger section, around which revolves the whole system of the Stores accounting. All the transactions, which originate from the Depot, having a bearing on the value of stores received in or issued from the depot, are effected in the priced ledgers of the Stores Accounts Office. The priced ledgers are maintained for each item, being distinguished by a price list No. under various classes of stores.

With the introduction of iMMIS, priced ledgers are maintained automatically through the system.

- f. **Capital and Revenue Account:-** Two heads of Accounts under "Capital" and 'Revenue' are generally operated upon the accounts books of the Stores Accounts Office which is mainly concerned with the account of transactions connected with 'Stores'.

Capital:- It is the account related to procurement of materials under Demand 16. 71 Stores Suspense has following subheads.

- 7110 Purchases Imported
- 7120 Indigenous Purchase by Railways including Railway Board.
- 7130 Purchases through Centralised Agencies such as DGS & D, etc,
- 7140 Sales other than Fuel
- 7150 Sales (Fuel).
- 7160 Stores-in-Stock.
- 7170 Stores-in-Transit
- 7180 Stock Adjustment Account.
- 7190 Stock Adjustment Account Other items

Revenue. It is the account related to Working Expenses. The following are the heads of accounts under Revenue :

- (i) Revenue Abstracts
- (ii) Miscellaneous Advances
- (iii) Deposits-miscellaneous
- (iv) Transfers-Divisional
- (v) Transfers-Railways.

Q.3 In the context of Stores Budget briefly explain the following.

Marks 25

- a. **Purchase Grant:** It is the grant given to Zonal Railways/PU in Stores Budget to purchase materials in following heads
- (i) Purchase from DGS&D
 - (ii) Direct Purchase or through other agencies
 - (iii) Purchase for construction Depot
 - (iv) Purchase for issue to Coach & wagon Builders
 - (v) Purchase for production of Rolling Stocks
- b. **Credit items in Budget:-**
- (i) All issues to workshop under WMS, Works and MAC
 - (ii) All issues to Coach & Wagon Builder if any
 - (iii) All issues to divisions or other units under Revenue
 - (iv) Sale of scrap
 - (v) Sale/Transfer of materials to other Railways

c. Debit items in Budget

- (i) All purchases i.e. indigenous & import purchase by Zonal Railways, through Railway Board, DGS&D and Production Units
- (ii) Workshop's Manufactured Materials returned to Stores Depot, scrap materials returned to depot, materials returned from works
- (iii) Materials received against fabrication contracts, Adjustments relating to Stock Adjustments and Materials transfer from other Railways on sale or otherwise..

d. Stores balance:- Stores Balance in a budget will be the closing balance for current year & opening balance for the next year. It will includes:

- (a) The estimated book value of stores expected to be in the stock including scrap at the end of the current year;
- (b) The estimated net result of outstanding balance under Stores-in-transit, Stores Purchase Suspense, Sales Suspense and
- (c) The amount expected to be outstanding in the stock Adjustment Account after the accounts for the current year are closed.

e. Purchase Suspense:-

- When the advance payment is made and material is not received then the payment appears as Purchase Suspense. Attempt should be made to reduce the purchase suspense as it is added to inventory and material is not available for use.
- If material is received & accounted for but payment is not made then it will result in negative purchase suspense.

f. Sales Suspense:-

After the sale of scrap or sale to other Railways/Govt. Department, the advance payment is received but material is not issued to the Purchasers or Govt. Department then it appears as negative Sales Suspense.

Q.4 a Under Official Language Act 1976, in how many categories the regions are divided and Name the categories. What is the basis of these categories? (8) Marks 10

Under official Language Act 1978, the regions are divided in to three categories on the basis of languages.

Region A – Means states of Bihar, Haryana, Himachal Pradesh, Madhya Pradesh, Uttarakhand, Rajasthan, Uttar Pradesh, Delhi and Andaman and Nicobar Islands. Chattisgarh, Jharkhand

Region B Means the States of Gujarat, Maharashtra, Punjab and Chandigarh. Dadra and

Region C means the States other than those mentioned under A and B Nagaland, Arunachal Pradesh

Communication from Central Government Offices to Region A: States Offices and Persons shall be in Hindi, if it is in English, a Hindi translation will accompany.

Communication from Central Government Offices to Region B :

(a) State or offices shall be in Hindi, if it is in English, a Hindi translation will accompany.

- ⑧ The basis of this categorisation is the —
- (a) mother tongue of the state is predominantly Hindi.
 - (b) mother tongue of the state may be different from Hindi however the Hindi is used / understood / recognised by majority population and recognised as one of languages for working by state.
 - (c) where mother tongue is mother tongue not understood by masses.
- Singh

(b) Persons may be in Hindi or English.

Communication from Central Government Offices in Region C : State or person will be in English.

Communication between Central Govt. Offices:

- (a) Between one Ministry or Department and another may be in Hindi or English
- (b) Between one Ministry or Department and attached and subordinate offices in Region A may be in Hindi depending on number of persons having working knowledge of Hindi and other facilities.
- (c) Between Central Government offices in Region A shall be in Hindi
- (d) By Central Government offices in region A, B Or C may be in Hindi or English
- (e) Between Central Government offices in Region B or C may be in Hindi or English.

Q.4 b Following cities fall in which categories under Official Language Act 1976?
(ANY FIVE) Marks 5

(i)	Nagpur	B	(v)	Lucknow	A
(ii)	Kalyan	B	(vi)	Kolkatta	C
(iii)	Pune	B	(vii)	New Delhi	A
(iv)	Sholapur	B	(viii)	Jhansi	A

Q.4 c What are the various minor penalties under D&A Rules? Marks 10

Minor penalties are as follows:

- Censure
- Withholding of his promotion for a specified period
- Recovery from his pay of the whole or part of any pecuniary loss caused by him to the Government or Railway Administration by negligence or breach of orders
- Withholding of the privilege passes of PTOs or both
- Reduction to lower stage in the time scale of pay by one stage for a period not exceeding 3 years without cumulative effect and not adversely affecting his pension.
- Withholding of increments of pay for a specified period with further directions as to whether on the expiry of such period this will or will not have the effect of postponing the future increments of his pay.