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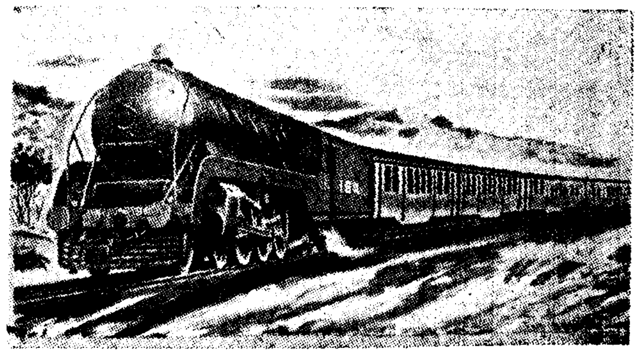

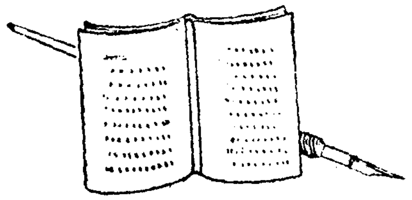

RAILWAY ACCOUNTANT

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Central Railway Magazine—*Apr. 1955*
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North Eastern Railway Magazine—
Western Railway Magazine—*Apr. 1955*
Chartered Accountant—*Apr. 1955*
Eastern Railway Magazine—
Southrailnews—*Apr 1955*
Indian Railway Gazette—*May 1955*
Accountants' Journal, New Zealand—
Australian Accountant—*Mar. 1955*
Careers & Courses—*May 1955*
Wednesday Review—*W. E. 27-4-1955*
Railway Herald—*W. E. 9-5-55*

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Railway Rating Policy

It was only in 1948 that the Railway Rating Policy on Indian Railways, particularly with regard to freight on goods and parcels, (as opposed to passenger fares), was put on a rationalised basis, after a searching examination of the existing classification, the changing trends in the pattern of the trade (both import and export). The chief features were the introduction of telescopic rates, taking the mileage of all the Railways over which the consignment travels, and abolition, in a large measure, of station to station rates and schedule rates. Some changes in classification were also attempted. Previously, each Railway (many of the Railways being managed by Companies) had its own method of rating, not unoften in a spirit of competition not only with other forms of transport, but also with other Railways, although there were certain limitations imposed by the Government, such as the maximum and minimum rates for the several items of the classification. That special treatment was given to British and Continental enterprises in many cases, in order to promote foreign interests as opposed to interests of this country was palpable and, to some extent, actively encouraged by the then alien ruling power.

The rationalisation of the rates structure introduced in 1948 was welcomed by the Public including the indigenous commercial and industrial interests, whose criticism was in regard to particular details as applying to individual commodities or industries, or the question of increase in rates, and not in regard to the rating policy as such. But, conditions in commerce and industry in this country are changing with a rapid pace, unheard of in recent history, and it is true as daylight that the pattern of the trades and industry as obtaining now, after more than six years of rationalisation of the rating structure is not what it was as observed in 1947 or 1948. Indeed, it may be said without fear of contradiction that there has been a metamorphosis in the pattern, what with the starting of industries and factories, both in the private sector and in the public sector, all over the country, the locations being studded at places as far apart as the North end and South end or the East end and West end. It must not also be overlooked that the activities envisaged in the First and Second five-year plans will affect to a considerable extent the trends of internal as well as external trade. To what extent the existing rates structure would subserve the larger interests of the country remains to be seen; but already murmurs are heard from interested parties indicating the imperative and urgent need for a thorough examination and suitable revision of the present rate policy. The fact that the British Railways themselves are now launching a Railway Charges Scheme, intended ultimately not only to give some extra revenues to the British Railways, but also to promote the interests of industry and trade, is an indicator of the angle from which the rating policy is to be evolved; and the Railway Board will, no doubt, give their attention to examine, on a comparative basis, the underlying principles of the British scheme and take such lessons as are appropriate for the promotion of the Indian Rating Policy.

The old theories, such as "what the traffic will bear", cost of transportation theory, etc., will pale into comparative insignificance, when it is remembered that what is good in the interests of the country should be the over—all guiding principle under present circumstances. An integrated transport (rail-road-river-sea and air) providing for the most economic form of transport for particular patterns of traffic and particular areas, should of course be aimed at, if wasteful expenditure in competing forms of transport, resulting in national loss, is to be avoided.

That the Minister for Railways is not unmindful of the need for the revision of the rating policy is evident by the decision to appoint an Expert Committee to examine the problems in its various aspects. The Minister said in the course of his Budget Speech in February last:

"The present freight structure has been a subject matter of some controversy and there has been a persistent demand for its review and re-examination. In the present Budget proposals I have not touched the problem in its wider context and have merely confined myself to making certain limited adjustments in freight and fares. But in order to examine the problem in its various aspects, I am considering the advisability of appointing a Committee to go into it."

The necessity for such a Committee is also emphasised by the Taxation Enquiry Commission who have expressed the view that

"A Committee of Officials of the Railway and other Ministries concerned and the Planning Commission should be set up to consider the formation of an adequate freight rates policy having regard to the interests of industrial and economic development and the resources required for Railway Development."

It is to be hoped that the Minister for Railways will lose no more time in appointing the Expert Committee, so that the revised Rate structure, including simplication of the existing classification to the extent possible, may be introduced before the second Five Year Plan begins to be put into execution in right earnest.

Rail vs. Road Transport

The following extracts from the speech of Mr. N. R. Ramsay, Chairman of the Madras Branch of the Indian Roads and Transport Development Association, at its annual general meeting on the 28th April 1955, referring to the old question of road vs rail transport will be of interest to Ry. Accountants and Railways generally:

"Today the situation is that the Railways cannot carry the passenger and goods traffic available. The position is likely to be even worse at the end of the Second Five Year Plan, for there seems to be no prospect that locomotive and wagon construction and track capacity will keep pace with the increase in production which is forecast. We have reached a situation, therefore, in which the release of Road Transport from the unnecessary and out-of-date restrictions by which it is handicapped is not only vital for the future prosperity of the country, but will actually benefit the Railways themselves by relieving them of intolerable strain."

The Statement that the Railways are not at present able to cope with the traffic offering and that the position will be worse with the execution of the undertakings contemplated in the Second Five Year Plan, may not be accepted by Railwaymen, as wholly correct. With the vast facilities for the Railways contemplated in the Plan and the continuing purchase of increased numbers of Locos, Wagon and carriages, the Railways may hold their own and meet the requirements of all traffic *suitable for Railway transport*. We wish to emphasise the words "suitable for Railway transport", as we consider that the rail and road transportation policy, indeeed rail-road-sea-air transportation policy to be defined by the Government, should be an integrated whole, conceived in the best interests of the country as a whole and *not competitive* forms of transport. For instance, short distance traffic, say upto 50 miles for both passengers and goods, might generally be carried at economic rates by the Road hauliers while long distance traffic would clearly be uneconomic and unsuitable for buses and lorries *vis-a-vis* Railways.

Executive and Finance

That the Railway Accountant should not venture too much into technical domain in offering criticisms on proposals sent by the Executive, needs no repetition, since he is not equipped with such technical knowledge as is necessary for putting forward informed criticism. This, however, is not to say that the Railway Accountant is precluded from getting abstruse points properly elucidated by the executive, because, unless he understands the proposal thoroughly in all its bearings, he will not be in a position satisfactorily to discharge his duty of furnishing a financial appreciation and criticism or comment. Both the Excutive and the Finance have, of course, *one* aim viz., to ensure that the proposal on which the public funds are proposed to be spent is one which is in the best interests of the tax-payer and does not allow of wasteful or avoidable expenditure. If this is realised and appreciated by both "Executive" and "Finance", there will hardly be any room for acrimonious criticism from either quarter; on the other hand there will be more and more co-operation between "Executive" and "Finance". "Finance" will not hesitate to point out items of financial savings that have been admitted by the Executive in the proposal, while the "Executive" will readily bring out items of expenses that would be incurred on the scheme, which had been inadvertently omitted in the proposal originally, but which were subsequently noticed on a technical review (and which could not, by their very nature, have been pointed out by "Finance" acting by itself). Does this suggest the implication that the wolf and the sheep would drink from the same stream, standing side by side in a friendly way or does this bring before the readers' minds the sight of a cat and a rat kissing in the most loving way? No, surely the analogies are not correct. The analogy may perhaps be the composing of their differences before their mother.

Not long ago, an over—enthusiastic Accountant raised the question why *petrol* charges were not provided for (or unprovided) in the working expenses, when a proposal for the purchase of *diesel* lorries was received. He did not realise that a *diesel* lorry does *not* run on *petrol*. No doubt, this gave enough and more entertainment to the Executive, to the apparent chagrin of the Railway Accountant. On the other hand, there was also another case where the Executive had ordered for a large quantity of paint, which resulted in excess over the estimate of the particular item and the usual reply "since found necessary" was given by the Executive. 'Accounts' apparently not satisfied with the reply, began to check the rough working in the office of the Executive on the basis of which the quantity of paint required was ordered. This revealed that owing to an arithmetical error, the decimal point had been entered one more place to the left, which meant that the figure arrived at, was *ten times* the quantity actually required. Needless to say, frantic efforts were immediately made to wire to the firm to cancel the excess quantity ordered. Further narration of this story is not of much interest; suffice it to say that the original explanation "since found necessary" was scorched by the Executive. All this only goes to show that infallibility is not the proud possession of the experts in their respective fields. To understand is to appreciate and a healthy co operation between Executive and Finance (even if it be as between the lawyer and the plaintiff and that of a defendant) is bound to be in the best interests of the tax-payer, in the best interests of the Government and not least in the best interests of the two wings of the Administration. Executive should cheerfully enlighten the Finance on technical aspects, while the latter should, laying aside the role of a carping critic, give his financial advice and constructive criticism, as a lawyer or Doctor would advise his client and make the executive feel that the accredited "Finance" representative is his trusted friend – not to repeat the time – worn phrase "philosopher, friend and guide."

Kalab

Costs and Charges

In the competitive conditions stimulated by the Transport Act, 1953, the Commercial Managers of British Railways will not only want to know their costs, but should understand the general underlying assumptions of the costing figures supplied to them. The need, therefore, is not for costs alone, but for costing officers able to interpret the figures and advise on their application to particular circumstances. This is the conclusion reached by Mr. A. W. Tait, Director of Costings, British Transport Commission, in a paper read to the Railway Students' Association in London recently. Mr. Tait holds that the knowledge and judgment needed by such officers will take many years to acquire. A start in such training has been made, and no doubt the selected officers will bear in mind Mr. Tait's dictum that "costing will fail unless it is able to show something of the qualities of imagination and foresight characteristic of the commercial policy it seeks to serve."

Costing has two main uses, Mr. Tait states. It can be used as a measure of the comparative efficiency of operations or as a guide to price fixing. He concentrates on the latter aspect in his paper but, as he points out, the efficiency aspect is closely interwoven with it. Price reacts on demand and in turn on costs because the volume of sales affects the apportionment of overheads. Also, in a state of competition, the sales organisation may wish to reduce prices. It may then press the production department to lower its costs through improved efficiency. This attitude towards detailed costs is new to railways although familiar in many industries, including some aspects of transport.

The traditional railway charging policy of "what the traffic will bear" survived for so long because of the amalgamations into four group companies after the 1914–18 war, he thinks and the willingness of those companies to pool most of their receipts. The difficulties of costing railway operations have always encouraged the idea of disregarding costs in fixing prices, but railways must compete now and they cannot do this unless there is a more detailed knowledge of the relative costs of particular traffics and services. The new freedom in charging is not a freedom to exploit but a freedom to vary charges to meet wide fluctuations of cost.

A reasonable latitude in charging is the first condition precedent to free and equal competition. The second condition is a more general acceptance of the need to withdraw rail services and substitute road services where they are manifestly cheaper. Rail transport can then concentrate on the routes and traffics for which it is best suited economically.

Reliable estimates of the future can only be obtained by a close analysis of the present. Provision for the difference between depreciation based on historical cost charged in the accounts and that calculated on replacement costs of the renewable railway assets amounts to

ome £15,000,000 a year at present. He efines total costs as including expendi- ure directly and indirectly incurred, vith the addition of provision for replacement of renewable assets; and interest n the net investment in such assets.

In producing costs for use as a guide n charging, the assumptions and allocaions on which the costs are based should e reduced to a minimum, and the ssumption which are made should e understood clearly. One general ssumptions is that costs of movement nd at terminals will vary considerably vith the volume of traffic, but costs of rack, signalling and general administra ion will not vary greatly. These groups re direct and indirect costs respectivety. n extreme cases the variable out-of- ocket expenses of running an extra rain may be limited to fuel costs, or hose of fuel and wages. A train used luring the week for business services, nd having no alternative use on Saturlays, might be used for excursions on hat day at a fare covering out-of-pocket osts and prove profitable. The danger f quoting prices based on marginal costing is that they tend to become generalied and long-term, undermining the whole price structure. Rates quoted on this basis should be limited to the particular occasion. There is great difficulty in allocating indirect costs between passenger and freight traffic. This depends more on time than on use. The best that can be said is that when a line is used almost exclusively by either freight ot passenger traffic, that traffic should bear most of the costs. The provision of rolling stock and its maintenance, Mr. Tait says, is treated as a direct cost. The railway workshops are treated as contractors to the operating organisation. This is equivalent to the practice of obtaining vehicles from outside the industry in other branches of transport.

The general aim of railway charging policy should be to ensure that direct costs are covered in each transaction and indirect costs as a whole are recouped from individual traffics in accordance with the possibilities in a competitive market. The Commercial Manager must be supplied with direct costs for a wide variety of traffic and sales must be analysed to allow of control, through an annual budget, of the general level and relativity of prices in relation to levels of direct and indirect costs.

Direct costs are defined by Mr. Tait as falling into six groups. The first movement, includes provisions, maintenance stabling and servicing of motive power; provision, maintenance, stabling and servicing of carriages and wagons; wages of train crews; costs of fuel, water and so on. The second group deals with ancillary movement, such as shunting, marshalling and carriage empty working. The third consists of terminal charges, including the provision of stations and depots, and the cost of staff at terminals. These three groups are the most important. The remaining three deal with documentation, loss and damage, and commercial administration and so on. The normal choice of unit is the timetabled train service for passenger traffic, the wagon for "full load" traffic and the country wide network for small consignments.

Mr. Tait then deals in detail with the methods of obtaining the information necessary to estimate direct cost. The work carried out so far has been a very broad pilot assessment of the receipts and costs of all British railways passenger services, with a number of more precise sample studies of the main classes of service. He looks forward to a time when a timetable is costed and planned simultaneously. The commercial manager could then forecast demand at various alternative fare levels and indicate any alterations necessary to accord with his policy. He would know the relationship between his receipts and direct costs.

With freight traffic, the costs per ton and ton mile will vary with the wagon loading achieved. The commercial manager will be able to offer inducements to traders to consign in lots which give him better wagon loads. General cost guides can be supplied based on average operating performance for typical classes of transit. For better costing it would be necessary to know, in each case, the wagon load obtained, the wagon turnround, the class of wagon miles hauled on each class of train and train load on each trip and the number of intermediate marshallings.

(*By Courtesy – Railway Gazette, London*)

Functions of the Audit Department

There is a tendency in certain quarters to consider the Audit Department as wooden or acting on mere technicalities or functioning without common sense. Such a criticism indicates lack of a proper appreciation of the situation.

Audit is the watch-dog which looks after the public purse and is a help-mate to the Legislature and the administrative authorities. Whenever public money is spent it is the function of Audit to see that (i) the expenditure is in accordance with the sanction given by competent authority and within its ambit, (ii) service has been rendered or supplies made to justify payment and (iii) the payment is properly vouched for. If any of these conditions are not fulfilled, it is the duty of Audit to treat the item of expenditure as irregular, obtain an explanation from the Officer who incurred the expenditure and to report the irregularity to the Officer competent to deal with it and to regularise it. One may well ask. "Why should not Audit condone the irregularity or waive it, the result being in effect the same"? No. There is a difference in as much as Audit cannot do anything more than condone the irregularity whereas the Departmental head can insist upon and obtain an adequate explanation and deal with the offending public servant before according his sanction.

Sometimes it appears that the sanction of a high authority is required to cover a trivial irregularity which might look like using a sledge hammer to crush a tiny ant. In such a case the fault lies not with the Audit Department but with the method of devolution of powers among the lower authorities. In a well-built system of devolution, there should be provision for every authority to condone irregularities committed by an inferior authority within well - defined limits. This is the only way in which official hierarchy can function smoothly.

Apart from the above which may be considered to deal with routine matters, there is what is called Higher Audit. This is rather dangerous ground and when entering it, the Auditor would do well not to presume that he is more honest or more efficient or better informed and thus better equipped to judge certain aspects of expenditure than other agents of the Government. If with becoming modesty he approaches such questions and tries to help the higher authorities and in the last resort the legislature through "The Appropriation Accounts and the Audit Report thereon" he would have done a good job and justified his place in the field of administration.

The Auditor must always preserve a judicial frame of mind, proceed on the basis of material coming before him and record his decision or judgment. Having noticed an irregularity, he must hand over the defaulting Officer to the competent authority for necessary action. Sometimes his work may look like fruitless post-mortem. For instance, a costly scheme is sanctioned and the expenditure is spread over several years so that by the time the work is completed and it begins to function and bear fruit, neither the sanctioning authority nor many of them closely associated with its execution remain on the scene to receive applause or censure. Even so, the Auditor would be carrying out his duties and within his field of responsibility to examine how far the execution corresponds to the original plan and to what extent results forecast have been achieved. Should the results be disappointing, yet such post-mortem will have served a purpose in bringing out where the faults lie and guarding against their repetition in the future.

Just as it is the duty of the executive to carry on administration in accordance with the policy laid down by Parliament, it is the duty of Audit also to confine itself to such policy; to try to ascend a higher level is a work of superarrogation which will hardly command general approval.

The Audit Department serves an additional purpose which it is not right to ignore. Just as a daughter-in-law drives away an importunate beggar by invoking the name of the mother-in-law, so do administrative officers frighten away worrying sub-ordinates by saying that Audit will object, when they have not the courage to do so on their own authority.

K. V. IYER,

(*By Courtesy – The Hindu*)

Outside Working Hours

When a railwayman has finished his day in the office, the workshop, at the station, or his allotted duty on a train, what does he do? Obviously, he thinks of home and a rest, and spending some time with his family. But if a railwayman's life was merely work and home, boredom would soon creep in and perhaps sap his will to give the best he has for efficient work. Besides work and home a railwayman, like every other human being, must have some hobby, or some form of recreation both for himself and his family, and the administration he serves does take care of such things in the shape of "staff welfare."

Now, what does this "welfare" offer to the railwayman and his family? At the larger stations with big concentrations of staff you will always find at least one Institute. This Institute is another name for a club, and here in a spacious building provided by the administration, the railwayman (and his family) has at his disposal various forms of recreation and entertainment. The reading room will provide newspapers and magazines if he feels like browsing through any. If he is fond of indoor games he can choose from several—table tennis, carrom, and bridge—if he can find some "bridge" cronies to make up foursome.

Most of the larger Institutes also have a well-stocked library–anything up to a couple of thousand books of fiction and other subjects, and in more than one language, depending upon whether the members are predominantly English, Bengali or Hindi speaking. New books are added to these libraries from time to time so that the railwayman and his family can keep up to date with his reading.

The younger railwaymen, who are not so keen on indoor forms of recreation, can have all they want in the way of outdoor sports. The Institutes provide all facilities for such team games as foot-ball, hockey, cricket, volley-ball, and even for tennis and badmintion. Many of the youngsters get their early training in these local and inter-institute matches, who in time graduate to 'stars' in their particular type of sport. Some day many of these youngsters are selected to represent their Railway at Inter-Railway tournaments of an all-India status. Some railwaymen have even had the honour of attaining Olympic standards in various fields of athletics.

At the larger railway centres, usually in the cold weather season, each Institute has its annual sports of field and track events, and it is at these functions that one sees Mr. and Mrs. Railwayman and the children all enjoying a day of grand entertainment. There are events for all—from the toddlers to the veterans who have passed on to the retired list.

Apart from these Institute functions, the Administration encourages the spirit of sportsmanship amongst railwaymen by holding inter-district or inter-divisional tournaments for the more popular types of field and track games.

The larger Railway Institutes also provide another form of perhaps the most popular type of entertainment - to see their favourite film stars on the silver and technicolour screen. The Institute cinema provides screen entertainment by exhibiting British, American, and films produced in India in the various regional languages, and these at an extremely moderate price too.

But the Administration's care of the staff does not end with providing various forms of recreation or entertainment. Staff welfare extends into other spheres also. As most railwaymen know, their own medical department gives them practically all facilities in sickness and in health, but in addition there are the Maternity and Child Welfare centres which function in the larger railway colonies under the management of a local committee and assisted by Lady Doctors and Lady Health Visitors. Every day mothers and their little children come to these centres. Mothers get expert advice on ante and post-natal matters. Babies and toddlers get a generous ration of milk. If children are underweight or in indifferent health, the Lady Doctor looks them over and gives the mother expert advice for their future well-being. If anything of a serious nature is found in mother or children, they are then sent for proper medical treatment to the railway hospitals.

Another welfare facility offered to railwaymen is for the education of their children. At stations where there are large numbers of railwaymen, schools are provided by the Administration, where children from toddlers of three or four up to matriculation standard can get a sound education. There are primary, secondary and high schools where education is given either through the medium of English, or the local regional languages, or a combination of these. At very large railway colonies education is provided even up to the intermediate arts standard. This education is provided for the children of railwaymen who pay much less than they would if they had to send their children to non-railway schools or colleges. If a railwayman happens to be posted at a station where there are no schools or colleges of a requisite standard for his children, he can then get educational assistance according to a prescribed scale.

Recreation, sporting and athletic activities, health for the railwayman's family, education for his children—these are some of the facilities given to him by the Administration which he serves, and these and other welfare activities are being expanded in various directions to keep the railwayman happy not only with the conditions under which he works, but also the conditions under which he lives and has his being.

A. H. P.

Chairmen of Public Accounts Committees Confer.

A Conference of Chairmen of the 'ublic Accounts Committees of 19 State .egislatures was inaugurated on the 0th April 1955 in Parliament House, lew Delhi, by Shri G. V. Mavlankar, peaker of the Lok Sabha. The Chairian of the Estimates Committee of the ok Sabha and the Comptroller and uditor General were also present. The peaker, while inaugurating the Conerence, referred to the importance of inance and proper accounting in public dministration and responsibility of the egislature for scrutinising the Acounts. He observed: "It is vital n the interests of the tax-payer to crutinise and examine not only the ecord of receipts and expenditure, not nerely the acceptance or otherwise of anction by proper authorities but also o examine as to how policies have been vorked out and whether the Adminisration is rendering service to the itizens in proportion to the money pent." It was not true, he added, that he Committee was a mere "post mortem" Committee. Its work is not merely a nechanical work of checking debit and redit entries, but to go below the surface and see whether the money is spent as the Legislature intended, whether it was spent with economy and last but not least whether higher standard of public morality is maintained in all financial matters.

He further stated that it was a function of the Committee to make constructive criticism and not treat itself as opponents of the Government, as if in a spirit of joint effort for advancement, betterment and efficiency of the administration.

The Committee's approach in the matter of examination of accounts and of judging irregularities brought to notice in the Audit Report should be impartial and judicial without any party basis.

Referring to the implementation of the recommendations made by such Parliamentary Committees, the Speaker observed that unless the Committee keeps a watch on the Administration and sees how far its recommendations have been implemented by the Government, the whole purpose of setting up such a Committee and its labours would be wasted. It is a misconception that it is *functus officio* at the close of the year, which is the normal period of the Committee. It is not so. On the other hand, as a Parliamentary Committee, it is a continuous committee and though personnel may change, the Committee continues. Election of a new Committee does not affect, the continuous and perpetual existence of a Financial Committee. If the object and purpose of the Committee should be adequately appreciated, the Administration as well as the Committee will look upon each other as colleagues who have embarked upon the common objective laid down by the Constitution.

Shri A. K. Chanda, Comptroller and Auditor General of India, then traced the origin and development of the Public Accounts Committee in the United Kingdom and dealt with its functions. According to him the nature of the public Accounts Committee control was manifold such as expert control, financial control, judicial control and non-party control and what is more, deterrent control. He also stated that this control though operating *ex post facto* was not a mere post mortem. The Committee itself habitually pursued the enquiries into the present and its decisions affected future expenditure. In proof of this thesis, he quoted the words of Sydney Webb: "The fact that post mortem examination does nothing to keep the patient living is no proof that the existence of a system of post mortem examination does not prevent murders."

The Conference continued on 1st May and discussed among other things, the competence of the Public Accounts Committee to know cabinet decisions; the status of Officers appearing before the Committee as witnesses; presentation of advance Audit reports dealing with cases involving financial irregularities, losses, frauds etc., "new service" and "new instrument of service"; reappropriation of funds within the grant for purposes different from those for which these were obtained; whether a statement can be made by the Minister in the House on the veracity and correctness of the findings of the Public Accounts Committee; and the procedure for the expeditious implementation of the recommendations made by the Public Accounts Committee, etc.

Nation's Finances - Need For Proper Maintenance

Shri A. K. Chanda, Comptroller and Auditor General of India, in his address to the Conference of Accountants General held at New Delhi on the 1st May 1955 stated that the separation of Accounts from Audit could be only the first step towards increasing administrative competence and responsibility. It is tempered by several reservations in many quarters as a result of which implementation of the scheme has been unduly delayed. Now that a start has been made with the scheme in three departments at the Centre, it is anticipated that it will move forward steadily. It is evident that Central accounting controlled by an authority outside the administration could neither secure Parliamentary accountability of the Executive in the field of supplies, nor bring home to Departments their responsibility to Parliament. The readjustment would ensure maximum beneficial utilisation of available resources by process of surrenders and reappropriation of funds. It would further equip Government with a mechanism for watching the progress of schemes within their sphere of responsibility and taking remedial measures in time to accelerate their completion. Devolution of adequate and appropriate authority to the administrative and executive officers could not be in doubt or dispute. Authority and responsibility could not for long remain divorced. A system of excesssive concentration of authority could neither lead to efficiency nor economy.

The future organisation of services and arrangements for training personnel was of paramount importance. An arrangement had hence been made for interchange of officers between Indian Audit and other Administrative services with a view to creating a reservoir of versatile officers who would be familiar with the problems of administration and the principles of Finance, Accounting and Audit.

While inaugurating this Conference, the Vice President, Dr. Radhakrishnan stated:

If they looked around the world, they would find that the so-called upheavals have become inevitable because nations' finances had been mismanaged, economic instability occurred, inflationary tendencies developed and Governments collapsed. The welfare, safety and honour of the nation therefore will be involved in their labours.

The Accounts and Audit Service men should therefore discharge their duties without fear or favour, without malice or ill—will in fulfilling the supreme responsibility of maintaining the soundness of the nation's finances entrusted to them.

Other portions of the Vice President's speech are noted below:

The preamble to the Indian Constitution lays stress on fraternity "assuring the dignity of the individual and the unity of the nation," in other words a Welfare State based on the principles of fraternity and brotherhood. This is not a new concept to this country. In some of the old books it has been told that the ideal State was one where the interests of the rulers and the ruled were identical. In the Kalinga Edict, Asoka said "All men are my children. Just as I desire on behalf of my own children that they should be provided with all kinds of comforts, I would like the same comforts to be extended to all my people. This concept of a Welfare State is now reaffirmed in the country's Constitution. In this context, wealth became a trust—a trust protected by the community and to create which all fellow-workers in the country made some contribution.

We are living in one small corner of the vast spaces of the world. It is therefore essential to learn to live together as one family. One of the greatest disruptive forces of the world today was economic instability and desperate conditions of many nations—especially in Asia and Africa. So long as they lived in such a state and suffered from want, poverty and hunger and the fear to which these consequently led, conditions in the world would not be stabilised. If there were some nations having a higher standard of living, that was so because their wealth was created by the material resources of other countries and through labour of men and women living in the world's slums or drawn from continents like Africa and Asia. Wealth was hence an international product and would therefore have to be distributed on that basis. After discussing the bountiful gifts of nature in India and the efforts needed to create wealth for the purpose of common enjoyment, he stated that it was essential to avoid waste, inefficiency, culpable incompetence and root out dishonesty and corruption. This was where the Officers of the Audit and Accounts Department were looked upon to help. It was desirable to interchange Officers between the Administration and Audit so that they work together in a cooperative spirit as they were not working at cross-purposes but only towards the same objective for bringing out an increased development of the country's resources and distributing them equitably. The proposal of separation of Accounts from Audit would mean training of executive Officers in the techniques of accounting; and when this work was completed, freer interchange would perhaps become possible between the two to mutual advantage.

Inspection of Station Accounts

It is laid down in para 2902-A that every station must be inspected at such intervals as may be fixed by the F. A. & C.A.O., the interval not to exceed four months in any case. In other words, each station is required to be inspected by the Travelling Inspector of Station Accounts once in every four months. Actually for some stations the time limit has been fixed at six months. It is also provided that the Inspectors of Station Accounts are to keep their programmes *confidential* and that the date on which it is proposed to visit a station should not be made known to the Station Master concerned. Although this stipulation provides a certain amount of surprise in the inspection, the fact remains that once a station has been inspected, it is practically certain, so far as the station staff are concerned, that the station accounts will not be checked for about four months from the date of last inspection. Thus it is possible for sometime immediately following the inspection, that any irregularity committed at such stations will not come to light.

With a view to safeguard the interests of the Railway revenues and (prevent and) detect irregularities at the stations, the Railway Board have decided that *surprise* inspections of stations should be made in future, and that, for this purpose, squads of inspectors should be planted at different important stations.

Special cases of investigation of frauds etc., will, of course, be attended to by the Special Squads in addition to the surprise inspections. A directive is being given that the Inspector should make a surprise verification of the parcels and goods on hand at the station, quite apart from the usual *station inspections*. We would go further and suggest that a more intensive check of station accounts at 'surprise' intervals which may be very frequent should be made at the same particular stations noted for serious irregularities, and special reports prepared not only for the purpose of taking deterrent action against the staff at fault but also for drawing lessons for the future. Apart from this, it should be the duty of the Executive Inspecting Officials also to check the station accounts frequently, as they should realise that the responsibility for detection of frauds is not solely that of the Accounts Department; it should be impressed on the Executive that they are equally, if not primarily, responsible for ensuring that the revenues of the Railway are fully safeguarded and there are no frauds or irregularities or loop-holes in regard to station earnings.

"*Surprise*"

Subjects of Moment

Disposal of Railway Buildings to outsiders (private individuals)

As a result of the comments made by the Public Accounts Committee in para 69 of their 9th report for 1953-54, on the Appropriation Accounts of 1949-50 and 1950-51, the Railway Board have issued instructions to the effect that services of expert valuers approved by Improvement Trust wherever it exists should be utilised. Where such expert valuers are not available, it is laid down that a joint valuation should be made by the Executive Engineer concerned, guided by his superiors, in consultation with the PWD Engineers where possible. This will ensure that the interests of Government will be sufficiently protected by realisation of the most favourable price possible for the property disposed off.

* * *

Appropriation Accounts

Para 652-G lays down the form in which the Statement of Unsanctioned Expenditure to be appended to the Appropriation Accounts, should be prepared, under the different headings viz., "Want of estimate", "Excess over estimate" and "Miscellaneous irregularities". Further instructions and details to be appended are prescribed in paras 653-G to 655-G. Items of objection amounting to Rs. 25,000/- each or more are required to be detailed, while items amounting to less than Rs. 25,000/- each should be grouped and shown in lump. It has now been decided by the Railway Board in consultation with Audit that this money limit of Rs. 25,000/-, should be increased to Rs. 1,00,000/- so that only items of objection amounting to Rs. 1,00,000/- each or more will be detailed in future in the Statement of Unsanctioned Expenditure. This takes effect from the Appropriation Accounts for 1953-54.

[This is in keeping with the other reforms recently announced in regard to Appropriation

Accounts such as increase in the money limits for Statement of defects in budgeting etc., Please see pages 207, 210, 260 & 299 of THE RAILWAY ACCOUNTANT: *Ed. R. A.*]

* * *

Accounting of Signal and Tele-Communication Stores

The Railway Board have decided that Signal and Tele-Communication Stores held as imprest in Open Line should be finally debited to Revenue Working Expenses and should not be kept under Stores Suspense. An Advance Correction Slip to give effect to this,has been issued by the Railway Board to para 1707-E, to which the following sub-para is required to be added :—

"The imprest stores in the custody of the subordinates of the Signal and Tele-Communication Department of the Open Line shall be "*charged off*" stores, their cost having been finally debited to the Revenue Working expenses".

* * *

Incidental Charges on Works

By an advance correction slip issued by the Railway Board, the second sentence of para 968-G is required to be re-cast as follows :—

"Accordingly, the freight on materials to the site of work and charges for loading and unloading, dismantlement, shifting and relaying form part of the cost of the work to which they are directly incidental and are not separately chargeable to Ordinary Revenue".

[It may be noted that the freight on materials to the site of work and charges for loading and unloading, would generally be charged to the head to which the cost of materials in question is debited. It is not clear, therefore, whether it was at all necessary for the Railway Board to include the portion "the freight on materials to the site of work and charges for loading and unloading" in para 968-G as such charges cannot directly be deemed as allied to dismantlement, shifting etc., and they would in any case be charged along with the work: *Ed. R. A.*]

* * *

Remittance Transactions

By means of an advance correction slip to para 1439-AI, the note introduced under this para by an earlier correction slip is required to be recast as under:—

"Normally,the advices along with the connected vouchers should be received from the Civil Accounts Offices every month and the head "Reserve Bank Suspense" should be cleared monthly by adjustment against the final heads concerned. Where, however, the items cannot be admitted in internal check and charged to the final heads, for want of full particulars, acceptance of the vouchers etc., the amount together with the amount for which no vouchers are received, should be allowed to remain under "Reserve Bank Suspense" during the course of the year, but before the year's accounts are closed, all balances under the head, 'Reserve Bank Suspense' should be cleared by adjustment to the final heads to the extent possible or to "Misc. Advances" "Deposits Miscellaneous" Capital or revenue, as the case may be."

* * *

Appropriation Accounts—Statement of misclassifications and other mistakes detected

The money limit of Rs. 1,000/- laid down in para 640 G has been raised to Rs. 5,000/- with effect from the Appropriation Accounts for 1953-54. Any item below the revised limit of Rs. 5,000/- constituting a serious mistake or otherwise presenting any special feature should, however, be included in this statement, if so desired by Statutory Audit.

(This in effect, complies with our suggestion vide page 210 of the RY. ACCTT. Nov. 1954. *Ed. R. A.*)

* * *

Check of Luggage Tickets

With a view to detecting frauds, if any, in the booking of luggage tickets, the Railway Board have decided that the following checks should be exercised by the Accounts Department.

(1) In order to guard against the number of the same passenger Ticket being quoted on two or more luggage tickets and free allowance being granted on all the Luggage Tickets, the check already prescribed in para 2104(I)-AII should be tightened up. This check may be exercised by noting down the particulars of passenger tickets quoted on 10% of the luggage tickets either in a separate list or against the connected entries in the Passenger Classification return under an appropriate column, whichever is considered more feasible, and then comparing the numbers with the passenger classification to see that the same passenger ticket does not appear twice, particular care being taken to ensure that no free allowance is allowed of non-issued or cancelled tickets.

(2) The above check should be further supplemented by an on-the-spot check by the Travelling Inspectors of Station Accounts who, during the course of their inspection of station records, should trace the accountal of passenger tickets quoted on the counter - foils of luggage tickets in the Daily Trains Cash Book in respect of a certain number of Luggage tickets to detect irregularities such as:—

(i) Accountal of tickets, in support of which free allowance has been granted subsequent to the date of booking of luggage.

(ii) Issue of luggage tickets on time-expired tickets.

(iii) Whether fictitious or non-issued tickets have been quoted.

(iv) Whether luggage has been booked to a station beyond that to which the ticket was issued.

* * *

Selection Posts

It has been decided by the Railway Board that the posts of sub-heads (Rs. 150-225 grade) in the Railway Accounts Offices should be "selection posts", while the selection-grade-sub-heads (Rs. 200-300 grade) will be treated as non-selection posts, the senior-most suitable staff in the lower grade of Rs. 150-225 being promoted to such posts without having to appear before any selection Board. [Even now, the post of sub-head is a "Selection" post and the only change would appear to be in regard to the post of Selection Grade Sub-Head (Rs. 200 300 grade)].

* * *

Training facilities to new recruits to the Accounts Department of Railways

It has been decided by the Railway Board that new recruits to the Accounts Department of Railways should be given training for a period of *three months* and their suitability should be decided also by holding a written test at the end of their training. It has been further stipulated that the candidates should be clearly warned at the time of their recruitment that their retention in service will be dependent on their successfully completing the training and passing the requisite tests.

During the period of training, the candidates will receive pay at the minimum of the time-scale and dearness allowance, but they will not be eligible for any other allowances.

The training will be arranged in the Railway Training Schools if necessary facilities exist there or separately by the Accounts Department. The training will embrace a general study of the following

(1) Railway Organisation and functions of each Department at various levels.

(2) Structure of Railway accounts including Railway Funds.

(3) Rules relating to classification of Expenditure.

(4) Station Accounts and Traffic Accounts.

(5) Expenditure Accounts.

(6) Workshop and Stores Accounts.

(7) General Establishment Rules.

(8) Budget.

(9) Elements of Book Keeping.

(10) Receipts and Disbursements of cash.

(11) Practice in Precis and Drafting.

(Other subjects not included in the above such as Provident Fund, Booking etc., will also, it is presumed be included in the Training Scheme).

The Railway Board have approved of the creation of necessary training reserve posts, in order to implement this scheme.

[We consider that this is a step in the right direction and have no doubt that the efficiency of the Railway Accounts Department will be enhanced with the implementation of this procedure. *Ed. R. A.*]

* * *

Concurrence of R. S. C. not Necessary When Reemploying Staff

There is no objection to the re-employment of persons who had resigned or prematurely retired, but such employment except in rare cases should be in the post or in the channel of promotion in which the person was serving previously.

Such re-employment should in the first instance be in a temporary capacity.

It is not necessary to get the concurrence of the Chairman, Railway Services Commission, for re-employment in such cases. It should be approved by an Officer of at least the Junior Administrative rank (Divisional Superintendent or Regional Superintendent)

Railway Board's letter No. E. 52/R. C. 1/55/3 dated 14-3-1955.

* * *

Adequacy of Withholding Percentage of Gratuity

Withholding of special contribution as a specific penalty or as a result of a review of the employee's record is purely of administrative importance and the decisions of the controlling officer (General Manager etc.,) in such cases are not open to comment by the F. A. C. A. O. of the Railway.

Railway Board's letter E. 55 RG. 6-8 dated 19-3-1955.

* * *

Expenses for Breaking up Establishment on Transfer to and from outside India and Setting up Another

Where a Railway Servant is proceeding on transfer from one post out of India to another or from out of India to India or on return to India on termination of his tenure, he may be permitted to draw, in addition to travelling allowance, a lumpsum equal to half a month's pay, subject to a maximum of Rs. 250/- to meet the expenses for breaking up his household at one station and setting it up at another.

Railway Board's letter No. F(E)54 AL 28 (14) dated 23-3-1955.

* * *

Pass Admissibility From 1-4-1955

The benefit of higher class passes viz., Second or First against the old Inter and Second to employees drawing Rs. 76/- and Rs. 176/- respectively before 3-5-1948 as a personal concession in terms of Railway Board's letter dated 11-2-1952, will hold good even on the introduction of the new classes from 1-4-1955

Railway Board's letter No. 1,000-TG/55/1 dated the 25-3-1955.

* * *

Privilege Passes and P.T.Os to step-sisters

Privilege passes and P. T. Os. can be issued to a sister or step-sister of a Railway servant when her husband is not alive or is missing for a period of at least seven years. In the latter case, such passes can be issued only on production of an affidavit signed by the employee and attested by a Magistrate.

Railway Board's letter No. 1,000-TG 53/13 dated 11-2-1955.

* * *

Recovery of Income-Tax on Educational Assistance

Hitherto the educational assistance paid to the Railway employees in accordance with Chapter XI of the Establishment Code, has been exempted from Income-tax. It has now been clarifie that there is no authority for this exemption and that this should be deemed to be a "perquisite", paid in cash, and is not covered by the exemption given under Section 4 (3) (vi) of the Indian Income-Tax Act, 1922. This means that the Railway should deduct income-tax on such educational assistance given to employees, as and when payment is made treating it as part of the emoluments of the staff concerned.

* * *

Supply of Provisions to Railway Catering Establishments and Canteens

In supersession of their earlier orders, the Railway Board have now decided that there is no objection to Railwaymen's consumer co-operative societies, which have acquired a certain amount of stability and are in a position to offer the service in an efficient manner, being permitted to supply provisions, groceries, cereals, pulses etc., to the Railway catering establishments including canteens, and that the Co-operative Societies should however, be considered along with others purely on the basis of competitive prices and the quality of the material.

* * *

Procedure for endorsing copies of sanctions to Audit Offices

It has been decided in consultation with the Comptroller and Auditor General that, where a sanction involving authorisation of payment by Audit and Accounts Officers is communicated to more then one such Officer, the particular Accounts Office who should arrange for the payment should be specified in the text of the sanction with a view to avoiding the risk of payment by more than one Audit and Accounts Office on the same authorisation.

(This equally applies to authorisations issued by and/or to Ry.AccountsOfficers. *Ed. R.A.*)

Personnel

1. Sri. B. N. Ghosh, Dy. Chief Commercial Supdt., Eastern Railway is appointed to officiate as Chief Commercial Supdt., with effect from 21-3-55 A.N. vice Sri R. K. Bokil transferred.

2. On return from leave, Sri Quarban Singh took over charge as Controller of Stores, Eastern Railway, with effect from 2-4-55 from Sri P. C. Vaish.

3 Sri M. V. Rao, Dy. Chief Accounts Officer, Eastern Railway, transferred to the Southern Railway, Madras, as Dy. Financial Adviser took charge on the 21st April 1955.

4. Sri A. Sahul Hamid, Dy. Chief Accounts Officer, Western Railway, transferred to the Southern Railway, Madras, in the same capacity, took charge on 25th April 55.

5. Sri B. Linge Gowda, Asst. Accounts Officer, Southern Ry., Madras has been transferred in the same capacity to the Regional Accounts Office, Mysore.

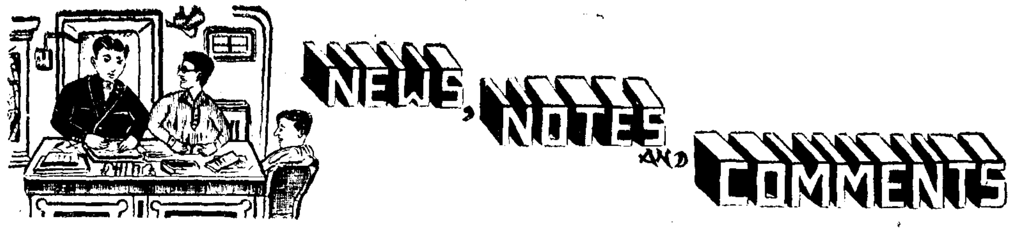
6. Sri P. H. Sethu Rao, Officiating Asst. Accounts Officer, Mysore, has been reverted as Officiating Senior Accountant with effect from 11th April 1955 and granted L. A. P. for sixty days from that date.

7. Sri S. Madhuswamy, Senior Accountant, Southern Railway, Madras, officiated as Asst. Accounts Officer from the 9th to 31st March 55.

8. Sri A. Padmanabhan, Asst. Audit Officer, Central Railway, Secunderabad, has been transferred as Assistant Audit Officer, Southern Railway, Mysore.

9. Sri V. Sowmyamurthi, Asst. Audit Officer, Mysore, has been transferred in the same capacity to Chief Auditor's Office, Madras.

10. Sri D. Ramachandra Rao, I. A. & A. S., Dy. Chief Auditor, Southern Ry., Madras, has been transferred from the Railway to the Civil Side and posted as Dy. Accountant General, Madras.



Through Railway Service between Pakistan & India

In a communique issued jointly by the Indian and Pakistan Governments recently, it is announced that through passenger service between points in India and Pakistan will be resumed very soon, after necessary details have been worked out. It is proposed that Calcutta, Delhi and Bombay will be linked with Lahore, and Hyderabad (Sind) will be linked with Ahmedabad. It is possible that the service may commence by the 1st June, 1955. Police and Customs checks have to be arranged for before then. It was further decided that through booking of Goods traffic between Stations in India on the Eastern Zone via., East Bengal Railway (Pakistan Railway) should commence on the 1st May 1955. Broad principles for working out the freight rates for this traffic were also agreed to.

* * *

Expert Committee on Railway Terms

This Committee has so far examined Hindi terms from A to M and is proceeding with the balance. The Government of India have published a pamphlet containing provisional list of Railway Terms in Hindi under letters A to H and circulated copies thereof to State Governments and Railway Administrations and some learned bodies in the Country for suggestions and opinions.

These steps are part of a plan devised by the Railway Ministry to popularise the National Language. The work is in progress in Standardising in Hindi Name Boards, Notices etc., displayed on Railway premises and in trains. The Railway Board's Hindi Officer is being deputed to go out on the Railways and try to expedite this work. Replies to Parliament originally tabled in Hindi are now being furnished in Hindi, so far as Railways are concerned, in addition to the usual reply in English.

* * *

Expansion of Railway Transport

The Chairman, Railway Board, announced at Kanpur, on the 16th April 1955 that the Pakistan Government had agreed to grant a rebate of 30% over their existing freight rates: i.e., for commodities moving across Pakistan routes, there will be practically no additional or extra freight. He added that greater importance was attached to increasing the number of wagons and the total Railway mileage, doubling of tracks and electrification of important Railway lines under the Second Five Year Plan.

* * *

Chittaranjan Loco Factory

On the occasion of the turning out of this factory the 200th locomotive, the President, Dr. Rajendra Prasad, said, on the 27th April 1955, that if the present remarkable progress ahead of schedule is continued by the Workers, he hoped that we would not only be able to meet our own locomotive requirements, but also be in a position to export them in the near future. The President added that the Chittaranjan Loco Works was not a mere factory or a workshop, but it has also provided the workers with amenities of life so that they could make the best use of their leisure. He hoped the dreams of a prosperous country cherished by Deshabandhu Chittaranjan Das would be realised here gradually.

* * *

Coach Shells for Southern Railway

Thirty five Coach shells intended for use on the Southern Railway arrived in Madras Harbour on the 11th April 1955 from West Germany. These will be converted into regular coaches in the workshops of the Southern Railway.

The last of the consignments of metre gauge Railway coach shells for the Southern Railway was received at Madras Harbour on the 26th April and this receipt was a part of the 400 ordered viz., 100 from the United Kingdom and 300 from West Germany.

* * *

Audit Report on Civil Appropriation Accounts

The Audit Report on the Civil Appropriation Accounts of the Government of India for 1951-52 just published shows the vast scope that exists for further improvements in Budget and control over expenditure in the various Ministries. Some of the important points from the Report are as under:

1. There were several cases of excessive or unnecessary reappropriations and of defective budgeting. Supplementary grants obtained during the course of the year proved to be eventually unnecessary in many cases.

2. There were 34 minor cases of losses, irregularities etc., in the various Ministries involving a sum of nearly Rs. 31 lakhs.

3. Some of the important irregularities disclosed are: (a) purchase of furniture without tenders by the Indian High Commission in London; (b) forged drawal of a cheque in a Mission abroad; (c) unnecessary purchase of stores and spare parts by the Central Tractor Organisations; and (d) extravagant and infructuous expenditure.

4. An instance of extravagant expenditure is one where the Labour Ministry engaged without the requisite financial sanction "one of the most expensive lawyers at Rs 1750/- per day to argue an appeal filed in the Supreme Court by a Bank against an award by the All India Industrial Tribunal. The Industrial Tribunals are only quasi-judicial bodies and are not covered by Article 136 (1) of the Constitution, and therefore no appeal could be made to the Supreme Court. Thus, though the Government of India was not a party in this case and need not have opposed the Appeal, but nevertheless, in order to ensure smooth working of the system of compulsory adjudication, it was thought necessary to contest the right of the parties to file such appeals. A simple case of this sort, therefore, did not justify a very costly lawyer. The total cost involved in contesting this Appeal was nearly Rs. 9,000/-.

* * *

A Farewell Dinner

A delightful dinner was given by the Officers of the Southern Railway in honour of Mr. M. V. Seshadri, Dy. Financial Adviser, on the eve of his transfer to Bombay on promotion as Financial Adviser and Chief Accounts Officer, Western Railway, The high esteem in which Mr. Seshadri was held by the Officers in the Southern Railway was obvious from the fact that several Senior Officers (including Mr. T. A. Joseph, General Manager, Mr. K. Sadagopan, Chief Administrative Officer, Integral Coach Factory, etc.,) attended the function. Messrs. B. Madhavan and B. G. Balakrishnan spoke on behalf of the Accounts Department, while Mr. T. A. Joseph said that, though Mr Seshadri appeared rather hard with the Executive, he was motivated by a high sense of duty marked by sincerity. Mr. K. Sadagopan spoke very appreciatively of Mr. Seshadri's assistance to the Executive in the Integral Coach Factory. Mr. Seshadri replied suitably.

* * *

Committee for Chasing Supply of Track Materials

The Railway Board have appointed a Committee consisting of the following Officers, viz.,

Shri D. Sandilya, Jt. Director. Planning, Railway Board

Shri R. S, Tripathi, Railway Liaison Officer, New Delhi

Shri B, G. Majumdar, Dt. Controller of Stores. Ganga Bridge Project; and

Shri R. Srinivasan, Dy. Director, Establishment, Rly. Board

to go into the question of setting up an organisation in Calcutta which should function directly under the Railway Board for the purpose of chasing the supply of track materials, cement etc., which will be required in considerable quantities by the Railways, particularly in connection with the implementation of the Five Year Plan.

* * *

Transport Policy in Britain

Participating in the debate on Road and Rail Transport policy in the House of Lords recently, the Marquess of Salisbury (Lord President of the Council) said it had been urged that the only way to keep the railways of Britain going was to balance their inevitable losses against the profits of road transport, and run them as a single concern, balancing them one against the other. He would not accept that British Railways by themselves could never make a profit. If the Government had continued the unified system the Railways would have got further and further "into the red", and they would have leant more heavily on road transport until the burden on that also became too heavy to bear. Neither the Government nor the B.T C. accepted the fact that British Railways must always run at a loss. The main purpose of the plan for the railways was to make them a going concern.

x x x

Area Boards

All six of the Area Boards which were appointed under the scheme for the reorganisations of the railways had begun their work, as from February 1. Each Board would have a wide measure of autonomy. The aim of the B. T. C. modernisation scheme was to produce a thoroughly modern railway system to meet the traffic requirements of today and the foreseeable future. The plan recognised that for certain classes of traffic, like bulk goods and coal, the railways would remain the best form of transport and it aimed to develop that traffic on the most economical basis. It recognised equally that certain other types of traffic could no longer be carried so efficiently by rail as by other means. The plan concentrated particularly on freight sevices and it aimed by speeding up movement and reducing costs, to attract some of the traffic which was not contributing to the congestion on the roads and therefore to strike a balance between the two methods of transport.

x x x

Lord Hurcomb supported the Government's policy in its principle of no subsidy: freedom to the railways to charge and the provision of capital on a generous scale, raised by transport stock issued on the market with a Treasury guarantee. It was fortunate that the economic position of the country was now held to make that possible. He welcomed the possibility of spending £ 1,200,000,000 on the railways in 15 years.

Lord Hawke (Lord in Waiting) replying to the debate said that there was a tremendous field for the railways in purely specialised long distance haulage —a field in which they would not come against very severe competition from small people.

(*By Courtesy—the Ry. Gazette, London.*)

[It is needless to say that the views expressed above with regard to the Transport policy in Britain apply in a large measure to the Indian Railways also particularly in regard to marking out fields of activity for rail transport and road transport, the heavier goods and long distance traffic being allotted to the former, which is best fitted for such traffic. What could be hauled more economically by the road, as compared with the rail, should be wholly excluded from rail transport, after a review of all the relevant considerations, the object being an over-all integrated policy of transport in the interests of the country.

Ed. Rly. Accountant.]

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Statistics of Indian Railways

1. *Gross Earnings:* The approximate gross earnings of Indian Railways during February, 1955 were Rs. 23.36 crores as compared with the actuals for February 1954 viz., 23.72 crores; i.e., a a reduction of 0.36 crores. The total approximate gross earnings from 1-4-1954 to 28th February 1955 amounted to Rs. 253.88 crores as against the actuals for the corresponding period in 1953-54 viz., 244.01 crores; i.e., an increase of 9.87 crores, equivalent to 4.04%.

2. *Goods Tonnage:* The number of tons of merchandise lifted during February, 1955 wes 6,546,000 and 1,941,000 for BG. and MG. respectively; which showed a decrease over the January loadings of 3.02 and 6.32% respectively. The total number of tons lifted from 1-4-1954 to 28-2-1955 was 68,927,000 and 18,475,000 for BG. and MG. respectively, showing an increase over the corresponding period of 1953-54 by 2.69 and 1.22% respectively,

3. *Wagon Loading*: During February 1955, the number of wagons loaded with goods traffic, was 3,89,446 and 2,42,209 respectively for BG. and MG, which represented a decrease over the previous month's figures of ·5.15 and 6.89% respectively.

The total number of wagons loaded from 1-4-1954 to 28-2-1955 was 4,147,602 and 2,376,468 for BG. and MG. respectively, representing an increase of 6.65% and 3.48% respectively over the corresponding period of 1953-54.

These loadings for the first eleven months of the year were attributable to greater loadings of coal for public, oil seeds, cement, iron and steel, miscellaneous metallic ores and miscellaneous smalls over the BG, offset to a certain extent by short loadings in jute manufactured, sugar and manganese ore. In regard to MG, there were greater loadings for oilseeds, cotton raw, cement, iron and steel and miscellaneous ores offset to a certain extent by short loadings under sugar, jute raw, tea, pig iron and manganese ore.

* * *

Increasing Railway Productivity

A further suggestion for better use of manpower through the acceptance by the Railway trades unions of an increase in spreadover at quiet stations and of lodging turns, was made last week in a letter to The Glasgow Herald by Major Malcolm Speir, a former Chief Officer for Scotland of the Midland & Scottish Railway, well-known not only as an experienced, efficient and industrious railway officer, but as a humane chief who always considered the interests of his subordinates. The occasion of his plea has been the dispute in the London Midland Region over the collection of tickets by guards on the Liverpool-Southport line, The refusal of those concerned to consent to make use of idle time in their rosters to collect tickets, and so increase productivity by sparing other men for other duties was, he says, "an example of co-operation and pride in their industry and ingratitude which would be hard to beat." Major Speir points out that he himself always worked a 48-hr. week. The course he urges will result ultimately, through enhanced efficiency. in increased remuneration for railwaymen.

By Courtesy—The Rly. Gazette, London

* * *

Accountants' General Conference

It is understood that a Conference of Accountants General, including Chief Auditors of Railways, was held in the first week of May 1955. It is doubtless a good idea to have such periodical conferences to exchange notes, thoughts and views and discuss questions of topical importance in regard to Audit and Financial control generally, and with particular reference to the vast public expenditure proposed to be incurred in the Second Five Year Plan which is more expensive than the first one. The duties and functions of the Auditor General and his representative in respect of the huge commercial and industrial enterprises that have recently been and are being undertaken by the Government will, it is certain, be discussed by the Conference and attempts made to arrive at a precise definition of the scope of responsibility of the Auditor General in regard to such Government undertakings, such as to be in keeping with the true intentions of the Parliament and the imperative duty of Audit to safeguard the interests of the taxpayer. This has added emphasis at the present moment, in view of the opposition by a certain section of investors to the comments of the Audit in regard to certain Government projects. It may be remembered that the "Eastern Economist" in a recent article vehemently protested against the Auditor General's comments which, in its opinion, touched upon matters relating to policy, which were not, it said, in the domain of Audit purview.

The inaugural speeches are reported at pages 50 & 51 *ante.*

* * *

Rail Road Traffic Coordination

"The question of coordinating Rail and Road Traffic is under the consideration of the Government", said Shri Lal Bahadur Shastri, Union Minister for Transport and Railways at Gandhidham on the 9th April, 55 to a Press Conference. He stated further that the Study Group of the Railway Board are still considering this question and had not come to any decision so far.

In regard to the new 2nd Class facilities he stated that the middle class people using this accommodation would always have to suffer and would have to wait and suffer for sometime before anything could be done for them.

He further said that the Railway Ministry was considering the question of providing shower baths in 3rd Class compartments for long distance passengers.

* * *

Rail Link for Aruppukottai

The Chief Minister of the Madras State assured the Taluk Political Conference, held at Virudhunagar recently. that the Government of Madras would certainly recommend consideration of a Railway Line between Aruppukottai and Virudhunagar via., Manamadhuri for inclusion in the Second Five Year Plan.

* * *

International Congress of Accountants

The Seventh International Congress of Accountants will be held at Amsterdam from June 10 to 14, 1957. The organisation of this Conference is in the hands of the Netherlands Institute of Accountants together with the Association of University Trained Accountants, and a Committee has been appointed with Mr. J. Kraayenhof, as Chairman. Mr. A. L. de Bruyne, Director of the Netherlands Institute of Accountants, is the Secretary of the Congress Committee whose address is 491, Herengracht, Amsterdam.

At the last International Congress of Accountants held in England, the Institute of Chartered Accountants in India was represented, and the representatives also made useful contributions to the technical discussions held in the Congress. We dare say it will be admitted on all hands that Railway Accounting is also an important wing of accounting technique and science, and it would be to the advantage not only of Railway Accountancy but also of General Accountancy, if a delegation of Indian Railway Accountants and Auditors attends this International Congress at Amsterdam in 1957. It is essential that the Railway Board should take the necessary steps even from now on, towards this end.

* * *

Railway Tribunal

Mr. Shankar Saran, who constitutes the one-man Tribunal for adjudication of disputes between Railway Labour and the Railway Administration, began the preliminary meeting at the Western Railway Headquarters, Churchgate, Bombay, on the 28th of April. Mr. Kamalakara Rao, Director, Establishment, Railway Board, and Mr. S. Guruswamy, General Secretary, National Federation of Indian Railwaymen, acted as Advisers to the Tribunal on behalf of the Railway Board and the Railway Labour respectively.

The President of the National Federation had wired to the Tribunal asking for an adjournment of two months to enable the parties to settle the disputes by direct negotiations between the Federation and the Railway Board. After obtaining the views of the two Advisers, it was decided that non-controversial issues might be settled by the Tribunal before adjourning.

The disputes referred to the Tribunal related mainly to the re-distribution of grades for various categories of staff, applications for revised scales of pay with effect from January 1947, including payment of arrears; admissibility of officiating pay to staff working in the higher grades without the imposition of any minimum time limit; and conditions covering workshop leave of short duration. The Federation has in its written statement of demands raised over 300 issues for adjudication by the Tribunal.

At its Session on the 29th April, the Tribunal examined the various issues before it and adjourned further sittings till July '55 with a view to enabling the parties—the Railway Board and the Federation—to come to an agreement on the issues raised before the Tribunal.

* * *

Cranes for Indian Railways

As a part of the programme for the re-equipment of the Indian Railways, the Government of India have placed an order for eight large cranes of varying sizes at a cost of £ 2,000,000 with a British firm of Railway plant manufacturers. The order is expected to be completed by the end of 1956 or early in 1957.

* * *

Railway Corruption Enquiry Committee

The Railway Corruption Enquiry Committee, appointed in October 1953, have it is reported, completed their labours and their report will be awaited with interest by the Railway Board, no less than by the public.

* * *

First Class Passengers' Bedding

The charge for the supply of bedding sets to first class passengers has been reduced by the Railway Board, with effect from 9-5-1955, from Rs. 5/- to Rs. 3/- per night.

* * *

Delhi - Madras Janatha Express

The Delhi - Madras Janatha Express Service will run as under:

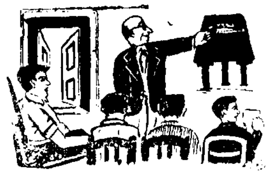
From Delhi: On Sundays, Tuesdays and Fridays (with effect from 20-5-55).

From Madras: On Mondays, Thursdays and Saturdays (with effect from 21-5-1955).

* * *

S. A. S. (Railways) Exam. 1954

The results of the above Examination have been published late on the 11th May 1955, as we went to the Press relieving the anxiety of hundreds of candidates. We congratulate all those who have secured a pass. A full list of the passes is appended for information.



Readers Forum

Rectification of Errors

H. S. KULSHRESTHA, M. Com.,
Banaras Hindu University

The comments appearing in the Feb. issue 'The Railway Accountant' on my article "Errors and Their Correction in Accounts" published in 'The Chartered Accountant' of December, 1954 deserve appreciation specially because by these comments the validity of the method recommended in the article is further enhanced. The treatment of errors provided for in Para 807 of the Indian Government Railway Code for Accounts Department (Part I) Sub para 3 (a) quoted in the comments is in perfect conformity with the principle advocated in the article.

But it should also be noted that even if errors are treated in the Railway Accounts in the scientific way recommended in the above article, almost all the authors of the books on the subject have not so far treated the issue in the right manner. This is also evident from the references made to some authors in the said article.

In all other books on the subject too this aspect of the problem has been either ignored or treated unscientifically. The aim of the article in question was merely to draw the attention of the students and the teachers of the subject towards a more scientific treatment of the topic. No doubt like the provisions in the Indian Government Railway Code, some of the businessmen and accountants may also be following the correct method in place of the unscientific conventional one.

The plea put forward in the said article was that the authors of the text books both Indian and foreign have not given due consideration to this aspect of the problem and in actual preparation of the Final Account even many businessmen continue to follow the routine method. Railway Accounts being specialised Accounts their attention is not drawn to the method advocated in the article.

* * *

Rates of Electric Current to Railway Employees

In order to arrive at the rates per unit of electric energy to be charged to railway employees occupying railway premises; definite rules have not been laid down in Railway Codes. The procedure prevalent on ex. B. N. zone and Ex. E. I. zone in arriving at the rates per unit of electric current is detailed below.

The following items of expenditure are taken into account for the purpose of arriving at the rates per unit chargeable to railway employees both in ex. E.I. zone and ex. B. N. zone.

1. Cost of labour including D. A.

4. Cost of material, fuel, water including freight (5%) and storage (10%).

5. Cost of units purchased.

6. Administrative supervision charges including P. F., Gratuity, D. A. chargeable to H. I. and other than H. I. i.e., for other Deptts,

7. Repairs and maintenance of Power House Plant and machinery and building.

8. Interest and depreciation

9. Loss on grainshops.

In ex. B. N. zone, depreciation on the capital cost of Power House and substation buildings and plant and machinery is calculated at the rate of 2% and 5% respectively as fixed in para 923-W. But in ex. E. I. zone, the depreciation on the above is calculated on the sinking fund method as per rules laid down in para 706-G. In my opinion, para 706-G is for application in respect of financial justification and to review the cost of productivity test and not for any adjustment purpose in accounts, as no adjustment to Sinking Fund is so far known to have been made. But adjustment in respect of Depreciation Reserve Fund is annually made in terms of para 331-G and 332-G. Power House should be treated as small Workshops and the system of charging the depreciation in ex. B. N. zone stated above is part of proforma charges leviable as per para 923-W.

It would be interesting to note the procedure in such cases on other Railways, and how far the ex. B N. zone method is acceptable to them.

The ex. E.I zone follows the system of pooling the rate per unit by means of the total cost, for all stations, being divided by total units delivered to consumers from Railway Power Houses and supplying stations. But ex. B. N. section has been applying different rates for different stations on the basis of all-in cost charges involved in that particular station. Consequently, the rates per unit so worked out vary from place to place. Now the point for argument is whether the system followed by ex. E. I. zone i.e., adopting one pooled rate for all stations may be called a better one than the system prevalent in ex. B. N. zone i.e., arriving at the rates for each station separately. Strictly speaking, rates should be calculated for each station on grounds of precision and equity. Due to increased output at a particular station, the rate for that station will be proportionately less. At a majority of stations, the extent of consumption is very limited resulting in the rate being high. If all the rates are pooled together, a large number of consumers will be adversely affected with substantial benefit to a fewer number of staff at certain stations. Consequently, the rate chargeable to railway employees as a whole will raise (if the rate is pooled) which cannot be justified on any account.

[*Note*: We cannot quite follow the writer's final summation. Any pooling must mean reduction in some places and increase in others. —*Ed. R.A.*]

* * * *

QUESTIONS

A subscriber has sent us two questions for reply through the columns of this Journal.

1. What are the items of non-voted expenditure at present?

2. In terms of Rule 207 of IRCT No. 16, Sunday is not to be taken into account in calculating wharfage charges. But in certain cases actually delivery is effected on Sunday and the recovery of wharfage charges in such cases is not uniform. Should Sundays be taken into account in charging wharfage when delivery is taken on that day or not?

(Amarnath, Divisional Accounts Office, N.E.Rly., Izatnagar).

REPLIES

1. The Constitution of India provides specifically for the items which are not subject to vote by Parliament.

Article 202(3) describes the following expenditure as *Charged* on the Consolidated Fund of each State :—

(a) the emoluments and allowances of the Governor and other expenditure relating to his office.

(b) the salaries and allowances of the Speaker and the Deputy Speaker of the Legislative Assembly and in the case of a State having a Legislative Council also of the Chairman and the Deputy Chairman of the Legislative Council.

(c) debt charges for which the State is liable including interest, sinking fund charges and redemption charges and other expenditure relating to the raising of loans and the service and redemption of debt.

(d) expenditure in respect of the salaries and allowances of Judges of any High Court.

(e) any sums required to satisfy any judgement, decree of award of any court or arbitral tribunal.

(f) any other expenditure declared by this Constitution of India or by the Legislature of the State by law to be so charged.

Article 112(3) : details the expenditure *Charged* on the Consolidated Fund of India.

(a) the emoluments and allowances of the President and other expenditure relating to his office;

(b) the salaries and allowances of the Chairman and the Deputy Chairman of the Council of States and the Speaker and the Deputy Speaker of the House of the People ;

(c) debt charges for which the Government of India is liable including interest, sinking fund charges and redemption charges, and other expenditure relating to the raising of loans and the service and redemption of debt;

(d) (i) the salaries, allowances and pensions payable to or in respect of Judges of the Supreme Court;

(ii) the pensions payable to or in respect of Judges of the Federal Court ;

(iii) the pensions payable to or in respect of Judges of any High Court which exercises jurisdiction in relation to any area included in the territory of India or which at any time before the commencement of this Constitution exercised jurisdiction in relation to any area included in a Province, corresponding to a State specified in Part A of the First Schedule ;

(e) the salary, allowances and pension payable to or in respect of the Comptroller and Auditor-General of India;

(f) any sums required to satisfy any judgment, decree or award of any court or arbitral tribunal;

(g) any other expenditure declared by this Constitution or by Parliament by law to be so charged.

The above describes the *non-voted* items at present.

2. Normally, a Sunday is treated as *dies-non*, and therefore is not included for purposes of collection of wharfage even though delivery may be effected on that day. But it is irregular to effect such delivery.

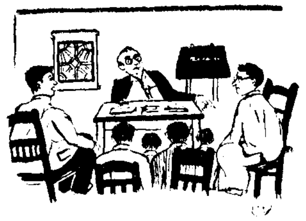
Parcel Offices are opened on Sunday. only for the specific purpose of delivery of perishable consignments. Hence transacting any other kind of business on that day by a Parcel Office is irregular.

Editor, R. A.

THEORY OF RELATIVITY

Einstein, the great mathematician and Scientist, who was the Author of the " Theory of Relativity " passed away at Princeton on the 18th April 1955 at the age of 76. In his own words, the theory of relativity is humorously explained as under :

"When yon sit with the girl you love for two hours, you think it is only a minute. But when you sit on a red hot stove for a minute, you think it is two hours. That is relativity".



STUDENTS' CORNER

The following question was set for S. A. S. (Railways) Examination, December 1954, in the General Rules paper:

"What is the Traffic Book and how is it posted and what purpose does it serve."

The following gives brief notes to enable the student to prepare a useful and complete answer.

Traffic earnings of Railways both on account of local and interchanged traffic are mainly collected at thousands of stations on the Railways by the Staff of the Commercial Department, who are responsible for the proper demand and collection and, therefore, of the accountal of such collections. In addition to the above sources, there are various other items of service rendered by the Railway for which Bills are preferred by the Accounts Department against those to whom service is rendered and payments realised therefor direct by the Accounts Office. Thus, traffic earnings comprise those collected at Stations and those realised by Accounts Offices. In connection with Interchanged traffic, the proportions of collections due to the Home Line are also worked out by Accounting Railways through what are called Division Sheets and realised by subsequent adjustments or through cash recoveries. All these various types of transactions have therefore to be recorded in some common place for purposes of arriving at the net earnings to be allocated to each Railway. The Traffic Book is the record used for this purpose. It is a compilation made in the Accounts Office for collecting and bringing to account under the prescribed final heads of earnings, viz., Coaching, Goods and Sundries, the whole of the traffic earnings of the Railway both local and foreign, whether accrued at stations or otherwise. Incidentally this book also records the progress of realisation of these earnings, results of apportionment of traffic interchanged with other railways and the progress in the settlement of the balances on these accounts.

This Book is, according to the Code, maintained in four parts. Part A is a replica of the summary of the Station Balance sheet and is posted individually from each station balance sheet after audit. Part B records the results of division sheets exchanged between Railways and, therefore, the total foreign traffic receipts collected by stations are distributed between Home Line and the other railways, through summaries of division sheets. Part C is called the Ledger Account of the Home Line for traffic earnings. It contains three different accounts (i) the Traffic Account-a suspense head for the entire traffic collections of the Railway; (ii) the Foreign Railways Account, and (iii) Deposits Private Companies account to collect the transactions on account of interchanged traffic and to watch the recovery or payment of the net amounts due from or to foreign railways concerned. In the first portion, apart from bringing forward the total of Part A on account of Station figures, those relating to the Accounts Office are entered for the first time underneath the station figures, so that they may be totalled, to arrive at the total Traffic Account figures. Traffic Account is a suspense head under Railway revenue account for purposes of watching all accrued balances of the Railway and their subsequent realisations, apart from the clearances of the Station Masters by remittances of the daily collections to the Cashier. It

is in this portion of the Traffic Book that the total vouchers remitted by the stations to the Accounts Office are transferred to the Accounts Office figures for purposes of audit, billing and realisation, through what is called the Accounts Office Balance Sheet. In the 2nd portion, the opening balances of the Foreign Railways accounts and Deposits Private Companies accounts are entered for the first time individually for each railway and the debits or credits on such accounts during the month posted so as to arrive at the closing balances at the end of the month. Thus, a small part of this portion of the Traffic Book is posted from Part B and the remaining part directly from the subsidiary records maintained for the various Accounts exchanged with the foreign railways and advices of subsequent recoveries or payments.

These three parts, Parts A, B and C, are maintained separately for Coaching traffic and for Goods traffic; earnings on account of sundries being incorporated in either of these Balance sheets, according to where they are collected either at the coaching station or at the goods shed as the case may be. In Part D, both Coaching and Goods traffic are brought together for purposes of preparing the Journal entry for clearances from the suspense head—Traffic Account—and crediting the final heads of earnings, Coaching, Goods and Sundries and also the deposit heads—Foreign Railways and Deposit Private Companies,—in addition to other deposit heads such as Out Agencies etc.

This part D contains two statements: I showing the details of clearances of Foreign Railways and Deposits Private Companies account by means of Transfer Certificates, Pay Orders etc., during the month of account; and II comparing the Traffic Book balances with those appearing in the General Books on account of Traffic Account, Foreign Railways and Deposits Private Companies and furnishes summaries of explanations for differences, if any, noticed. Normally, if all postings are made correctly, the difference under Traffic Account will be only in respect of Cash in Transit and there will be no difference under Foreign Railways and Deposits Private Companies.

For a fuller and more detailed information in regard to the Traffic Book, the student should study Chapter XXVIII of the Railway Account Code, Vol. II.

* * *

Station Debits: Some Reflections

Stations, which are the initial places where the *demands* for Railway transport are made and collected, usually record them in their books and despatch to the Accounts Office, returns therefrom showing the amounts of the demands and of their corresponding collections as accounted for by them. These returns are scrutinised in the Accounts Office, and errors, if any, discovered in the course of such scrutiny indicating undercharges by the Stations are pointed out to them by means of what are called "The Error Sheets". These error sheets are issued as each set of returns is completely scrutinised for every month and they are suitably numbered serially to identify the kind of traffic upon which such error has been pointed out and also to watch the correct receipt of all such error sheets. An error sheet is a self-contained document explaining fully what the Station accountal was, and the nature of the irregularity discovered therein and full particulars for verification of the Statement made by the Accounts Office. The error sheet, on receipt, therefore, at the Station is checked by the Station Staff and if the statement made therein is proved, the station staff will have to note the name and designation of the staff responsible and take the debit into account in the Balance sheet on hand and arrange for its remittance, as early as possible. If, however, the Station desires to contend the Accounts Office Statement, it has to record reasons for its objections and send it on to the Accounts Office for further action. Even in such a case, the Error sheet has to be accounted for by the station in the Balance sheet on hand and indicate the name of the party who dealt with the transaction. This latter class of Error sheets is usually indicated by the term "Objected debits", indicating thereby that the Station requires further data for accepting its liability, or for the Accounts Office to withdraw the Error sheet, if the further information furnished by the Station enables the Accounts Office to do so. All such Error sheets as are accepted by the Station are denoted by the term "Admitted Debits".

Definite rules are prescribed in regard to the prompt clearance of all admitted debits; and it is equally well defined that in respect of objected debits very prompt action must be taken not only by the Station Staff in affording reasons for their dispute, but also for the Accounts Office to deal with such grounds of objection as speedily as possible. Sometimes, in the disposal of such objectionable items, further references may be required to the station and even references to the Dist. Traffic Superintendents for additional clarification. Necessarily, therefore, delays at every one of such stages should be avoided.

Usually, the Stations do not furnish grounds of dispute then and there, and the first information in regard to such things is obtained from the Station Outstanding List received from the Stations monthly along with the Balance sheet. This is not correct. Not only does it involve delay, but the information itself may be incomplete in the odtstanding list. The correct procedure is for the Stations to take prompt action on the Error sheets while returning the trefoils thereof to the Accounts Office with remarks. A fruitful source of delay is the careless preparation of the returns. If the outstanding list does not contain the correct particulars and dates of the error sheets or does not correctly classify it under "admitted" or "disputed", the action taken by the Accounts Office will be far from satisfactory.

Yet another aspect is the absence of reference by the Station in such outstanding list or in the trefoils to the numbers of the references made by it to the D. T. Ss. or others in that connection. The Station does not usually follow up its initial correspondence, and therefore also the disposals become tardy. In all cases, therefore, it is obvious that though the theoretical aspect is clear, in their practical observance the human element plays a great part and delays which could otherwise have been avoided, are allowed to occur. Consequently, references to many of these error sheets are distorted in subsequent outstanding lists and if a careful scrutiny is not carried out from month to month to trace them out, it becomes difficult at a later stage to locate the correct references. Summarising, the action to be taken for the prompt clearance of objected debits will be to follow up from the very beginning, the history of the error sheet issued by the Accounts Office and to watch at every stage that not only action taken is on the proper lines, but also that no undue delay has been allowed to occur in the disposals of references incidental to such error sheets.

Efficiency.

CORRECTIONS IN APRIL 1955 ISSUE

Page 9. After the line "Summary of Final Estimates" add "(in lakhs of rupees)".

Page 12. Under item (c) (iii) after "1/12th", add "plus 1/24th".

Page 28. Second Column: In the second [illegible] for "Reclassication" read "Reclassification".

Page 30. After clause 3 under Income-tax, add "4. On the next Rs. 2500/- of total income--Re. 0-2-3 in the rupee" and renumber the existing clauses [illegible] and 5 as 5 and 6.

S. A. S. (RAILWAYS) EXAMINATION, 1954

Full List of Passes

The following candidates, who appeared for S. A. S. (Rys.) Examination held in December 1954, are declared to have passed the Examination in the Groups mentioned.

A = Accountant; S = Inspector of Station Accounts; St = Inspector of Stores Accounts

Roll No.		Name	Group
		Central Railway	
6	Sri	S. S. Subramanian	A
7	,,	Manohar Dattaray Kelkar	A
9	,,	K. S. Parthasarathy	A
10	,,	T. V. Venkata Raman	A
15	,,	K. Ramanna	A
20	,,	T. S. Hariharan	A
22	,,	G. V. Nadgir	A
44	,,	E. V. Viswanathan	A
49	,,	V. R. Halve	A
53	,,	R. D. Sakhalkar	A
56	,,	K. C. Zachariah	A
60	,,	Balakrishna Laxman Railkar	A
67	,,	T. P. Venkataraman	S
81	,,	G. Rajaram	St
94	,,	G. Tyagaraj	St
95	,,	D N. Mathur	St
100	,,	V. Kondala Rao	St
103	,,	N. Sethuraman	S
109	,,	Ram Sarup Sarma	A
117	,,	Sewak Chand Aggarwal	S
120	,,	Sri Kanwar Bhan Gupta	S
121	,,	Bikram Prakash Dhir	S
		Eastern Railway	
137	,,	Amiya Kr. Chatterjee	A
138	,,	Ajit Kumar Ray	A
139	,,	Subodh Ch. Chakravarty	A
146	,,	Sukumar Nandy	A
148	,,	Krishna Ch. Das	A
154	,,	Jagat Bhandu Kar	A
162	,,	Sanku Ratan Chatterjee	A
185	,,	Madhusudan Mukherjee	A
195	,,	Santi Kr. Paul	A
197	,,	Gopal Rath	A
206	,,	Dhanuj Kumar Banerjee	A
209	,,	Nripendra Lal Roy	A
226	,,	Umapathi Banerjee	A
250	,,	D. D Biswas	A
270	,,	C. Visweswaran	A
272	,,	V. K. Rajn	A
295	,,	Amiya Ranjan Chatterjee	S
296	,,	S. B. Roy Kanungoe	St
297	,,	B Rama Rao	St
314	,,	Lakshmi Narayan Pandey	A

Roll No.		Name	Group
		Northern Railway	
320	Sri	Chander Prakash Sharma	A
325	,,	Gulzari Lal	A
326	,,	Sukhdev Raja Saggar	A
327	,,	K. K. Chugh	A
328	,,	G. L. Kapur	A
330	,,	Brij Mohan Suri	A
334	,,	Badlu Ram Rajor	A
337	,,	Sunder Lal Agrawala	A
338	,,	Anand Swarup Sharma	A
351	,,	Om Prakash Dhingra	A
353	,,	Lal Chand Gera	A
356	,,	Narain Sarup Bhalla	A
358	,,	Baldev Singh Bhatia	A
360	,,	Anand Bhushan Sardana	S
374	,,	Krishan Chand Taneja	S
375	,,	Gurman Singh	S
381	,,	Khan Singh	S
384	,,	Amar Nath Bajaj	S
385	,,	Lajpat Rai	S
394	,,	Gulab Singh Varma	S
437	,,	Brahm Dayal	A
438	,,	Om Prakash Singh	A
456	,,	Ranjeet Mal	A
460	,,	Shubh Lal	A
461	,,	S. S. Purohit	A
465	,,	Umrao Mal Mathur	A
472	,,	Som Datta	A
475	,,	Abdul Bari	A
487	,,	Narendra Nath Trivedi	A
936	,,	Manohar Lal Rajput	S
		North Eastern Railway	
498	,,	Sheo Nath Pd	A
516	,,	Raj Nath Pd. Srivastava	A
518	,,	Rajpat Lal Srivastava	A
522	,,	Shambhu Nath Sinha	A
524	,,	Manindra Kumar De	A
537	,,	N. Padmanabhan	S
560	,,	Shri Bhupendra Nath Saha	A
568	,,	Shri Subesh Chandra Acharjee	A
579	,,	Murari Mohan Goswami	A
		Southern Railway	
600	,,	K. Sethuraman	A
601	,,	T. S. Venkatanathan	A

Roll No.	Name	Group
612	Sri D. Nagaraja Rao	A
619	„ K. S. Subramanian	A
628	„ K. Madhavan	A
639	„ K. Venkateswara Rao	A
640	„ C. J. Kothandaram	A
643	„ N. Chengalvarayan	A
649	„ R. Aravamudhan	S
659	„ C. Padmanabha Menon	S
676	„ G. K. Venkateswaralu	S
697	„ S. Naganathan	A
702	„ K. A. Dorairaj	A
704	„ N. Sundaram	A
705	„ M. Govindarajulu	A
716	„ K. Subramanian	A
717	„ N. Subramanian	A
720	„ R. Pitchai	A
725	„ T. G. Narayanaswamy Rao	A
729	„ S. Narayanan	S
733	„ J. M. Othirium	S
777	„ A. S. Vaithianathan	S
780	„ E. Somasundaram	St
781	„ S. Srinivasa Raghavan	St
790	„ B. Ananda Rao	A
	Western Railway	
808	„ Y. R. Gadkari	A
812	„ N. K. Kaikini	A
818	Sri J. S. Bhasania	A
823	„ D. P. Joshi	St
825	„ E. V. Subramaniam	St
832	„ Dharampal Kapur	A
836	„ Ram Sarup Jariya	A
837	„ Hari Shanker Agarwal	A
842	„ Bhagwan Prasad	A
848	„ Chiranji Lal Sharma	A
851	„ Bal Sarup	A
854	„ Shri Kanth Dutt	A
857	„ T. S. Rao	A
874	„ Karuna Shankar Saxena	S
876	„ Sati Kumar	S
900	„ Chaman Lal	S
907	„ Devki Nandan Sharma	S
908	„ Prithvi Baluja	S
910	„ Tara Chand Sharma	S
917	„ Kali Charan Sharma	S
	Chittaranjan Loco Works	
927	„ G. P. Mazumdar	A
928	„ H. K. Chakraborty	A
931	„ O. P. Rawal	A
	Ganga Bridge Project	
934	„ Kalidas Chatterjee	St

Summarised, the position is as detailed below :—

Railway/Office.	Accountants.	Inspectors of Station Accounts.	Inspectors of of Stores Accounts.	Total
Central Railway ..	16	5	1	22
Eastern Railway ..	17	1	2	20
Northern Railway ..	22	8	–	30
North Eastern Railway ..	8	1	–	9
Southern Railway ..	17	6	2	25
Western Railway ..	11	7	2	20
Chittranjan Loco Works ..	3	–	–	3
Ganga Bridge Project ..	—	–	1	1
GRAND TOTAL ..	94	28	8	130

Note : It will be seen from the above that 130 candidates are declared to have passed out of about 950 candidates that appeared, giving a pass percentage of about 14.

It is incidentally observed that the well-sounding title of the Examination, recently laid down as S. A. S. (Railways) has been abolished and the old title "Appendix III—A" revived, presumably due to objections from the Auditor-General that S. A. S. (Rys.) might cause confusion with the S. R. A. S. Examination held by Railway Audit. It is needless to emphasise that the title "Appendix III—A" for this severe professional examination is neither appropriate nor dignified ; and if the title S. A. S. (Railways) is considered objectionable, a suitable alternative which would denote the actual character of the Examination may be found. We suggest that "Railway Accounts Service Examination" may be adopted, and this may cover Inspectors of Accounts also.

— *Editor, Railway Accountant.*

Special Attention

Subscribers are requested to kindly co-operate with the Management in avoiding unnecessary correspondence regarding subscriptions. Their kind attention is drawn to the fact that on the address label is noted the month up to which their subscriptions are current. Automatically, therefore, if they advise the Management about the remittance of the subscription for a further period, it will save any need for either a reminder or any other type of correspondence on the subject.

It has so happened that, at times, subscribers, either through oversight or otherwise, fail to review their subscription in advance and consequently, the subsequent issue is also sent to them with a slip advising the overdue nature of the subscription. Very often, even such advice is not promptly responded to with the consequence that even special reminders have to be issued to them. All these unnecessarily involve heavy expenditure to the Management which indirectly affects the subscriber in inflating expenses much to the detriment of improving and increasing matter in the Journal.

Now that the Journal has obviously proved its worth, subscribers are requested to take automatic action for renewal of their subscriptions well in advance so that thereby they may show their interest in the progress of the Journal.

Stray cases of Journals not having reached their destination continue to come in; but not after adopting the summary procedure indicated in the earlier issues of the Journal. It may be taken as certain that copies of the Journals are positively posted to all subscribers to their registered addresses on the 15th of every month if it happens to be a postal working day. Normal transit time can be allowed therefrom to the particular station which the Journal should reach and if necessary a grace of one day may be allowed; and if thereafter the Journal has still not been received by the subscriber, he should straightaway make enquiries in the Post Office as to its receipt and if he fails to get satisfaction, he must prefer a complaint there and send the Management a copy thereof. Usually duplicate copies are not sent as the Management takes every precaution to ensure that the packets are duly posted at this end. Missings, if any, have therefore to be attributed to transit or to indifferent handling at the destination or even at Offices whenever the subscribers have not given their residential addresses. Subscribers are advised, in their own interests, to give addresses in which they are sure all letters or packets will be received without loss and promptly advise the Management any changes in such addresses well in advance.

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