

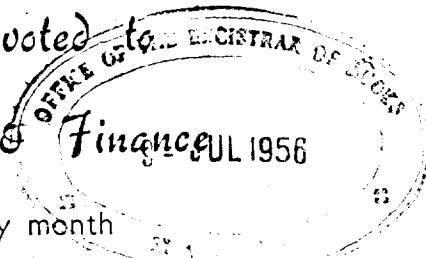
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THE
RAILWAY ACCOUNTANT

A Monthly Journal devoted to
Railway Accounts, Audit & Finance

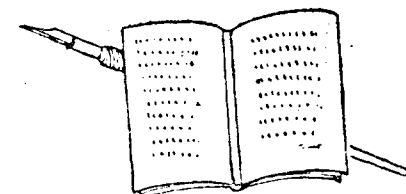
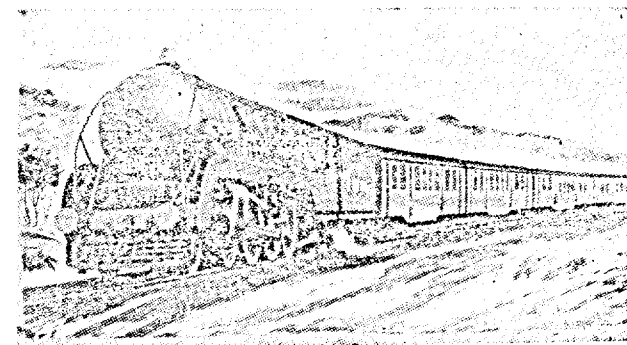
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EDITORIAL NOTICE

Contributions are invited to this Journal on matters pertaining to Accountancy, more particularly of Railways. Every such contribution must be signed as a guarantee of good faith, even if not intended for publication. They may be in the form of Notes or short paras or fuller articles.

Manuscripts and photographs, if any, sent therewith, if not accepted for publication, will be returned only if the sender so desires and encloses the usual stamped and self-addressed envelope.

All contributions should be addressed to the undersigned so as to reach him not later than the 30th of a month for inclusion in the next month's Journal, which is published on the 15th of every month.

The Managing Editor does not hold himself responsible for the accuracy of the news supplied by correspondents or for opinions expressed by Contributors.

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(A Monthly Journal devoted to Railway Accounts, Audit and Finance)
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Railway Libraries

Examinees for App. II-A and III-A Examinations have been persistently complaining about the inadequacy of facilities for their study and acquisition of the requisite amount of knowledge to meet the above examinations, which have come to make or mar their career. We referred in our last issue to one such viz., inadequate facilities for training by tuition or lectures etc. Another aspect which is as great as anything else is the non-availability, for purchase, of the relevant Codes published by the Railway Board. Whenever candidates ask for these, they usually get a belated reply from the Publications Branch of their being out of stock. The current procedure is not also published in these Codes as correction slips thereto for months and sometimes for years together. Examiners have justifiably always laid stress upon the latest changes in the procedure and rules, and many students always flounder upon this unavailable and unknown rock. It is thus obvious that the Railway authorities should come to the rescue of these enthusiastic examinees and provide them with necessary, upto-date material for their study and thus utilise their capacity to the fullest extent. There is absolutely no meaning in making these candidates suffer from ignorance and make them disappointed by constant failures in the Examinations, mostly for no fault of theirs. It is not merely the study of Codes that helps them in their venture, but study on the proper lines and with the latest material on every topic. It is not every candidate that has the facility to get at the current orders and regulations as it is well known that the staff working in one section have little or no chance of knowing what is happening in another section. Either he has not got the time or his approach is barred by others. Further, it is not every candidate that is attached to the Headquarters Office. There are so many from outstations who have not got the same chances and advantages as those at Headquarters.

In view of these various disabilities, it is suggested that a special Library should be constituted by each Railway Administration in each Divisional Office and Headquarters Office and equipped with at least one copy of each authorised Code and Office Manuals and also with a copy of each of the correction slips to the various Codes, either final or advance as the case may be. Copies of latest orders

ACKNOWLEDGMENTS

The following Journals and Magazines have been received since the last issue :

Eastern Ry. Magazine—April 1956
Northern Railway Magazine—May 1956
Western Railway Magazine—1956
Chartered Accountant—May 1956
Southrailnews—May 1956
Railcoach—May 1956
Indian Railway Gazette—June 1956
Accountants' Journal, New Zealand—April '56
Central Railway Magazine—May 1956
Central Railway Newsletter—May 1956
Indian Railways—1956

S. Ry. Accounts Society Bulletin—No. 4
Australian Accountant—April 1956
Careers & Courses—June 1956
Wednesday Review—W. E. 6-6-1956
Railway Herald—W. E. 4-6-1956
Monthly Railway Statistics
(Rly. Board)—Aug. & Sep '55
Educational Review—May 1956
North-Eastern Railway Magazine—1956
Current Events—1956
Tax Relief Bulletin—April 1956

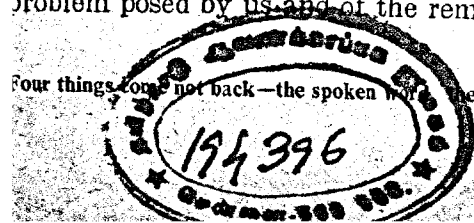
affecting the day-to-day work of the Office, if not already included in the Manuals should be issued in the form of Procedure Orders and supplied to the Library. Such a library should be made a Consulting Library where candidates may refer and take notes. Such a Library may be attached to the Administration Section of the Accounts Office and a Senior subordinate made the Librarian therefor with a small allowance for the extra trouble, if necessary. The Library should be kept open during the recess hours and for at least an hour or two in the evenings after Office hours and definitely for a longer time on holidays. A record may also be kept of the users, by their being made to sign in a Register kept for the purpose. The utility of such a Library would be, apart from the fact that the Railway can meet successfully the complaint about non-availability of codes, that they will be encouraging their staff to utilise opportunities given for acquisition of knowledge which will make their staff more efficient and up to date and thus enable them to be more useful in the discharge of their work. The usefulness of the Library can be further enhanced by equipping it also with one or two sets, according to necessity, of any Books of reference bearing on Railway topics. The Library may also contain a complete set of questions set from as far back as possible for the various examinations. Inauguration of such Libraries where they do not exist in the form in which they can serve their purpose adequately, would be an imminent necessity and urgent steps are called for in this direction. Especially in view of the very poor results of the recent App. III-A Examination and the past year's App. II-A Examinations, mere theoretical facility in the form of instructions to the candidates which oftentimes never fructify, is no good. Practical working is what matters and we strongly urge the need for sympathetic Officers who will view the needs of their staff from all aspects and provide them as quickly, as fully and as conveniently as possible. There may be one or two here and there, but this is not sufficient. What is required is a whole-hearted attempt in that direction.

In this connection, we would add that where the facilities for organisation of an Independent Library are non-existent at a few stations on account of the smallness of the number of staff to use them some other satisfactory arrangement such as a Circulating Library or otherwise may be made.

In this connection, it is pointed out that very great emphasis is being laid on the Library Organisation for the public at large and lakhs and lakhs of rupees are spent in this direction by the Central and State Governments. But nobody ever seems to feel the greater necessity for such an organisation in technical fields, especially the Railway Accounts field.

No doubt there may be some Libraries attached to the G.M's. Offices of various Railway Administrations, but the types of books they obtain are different from the ones envisaged in this article. We strongly urge an all-out study of the problem posed by us and of the remedies to solve it.

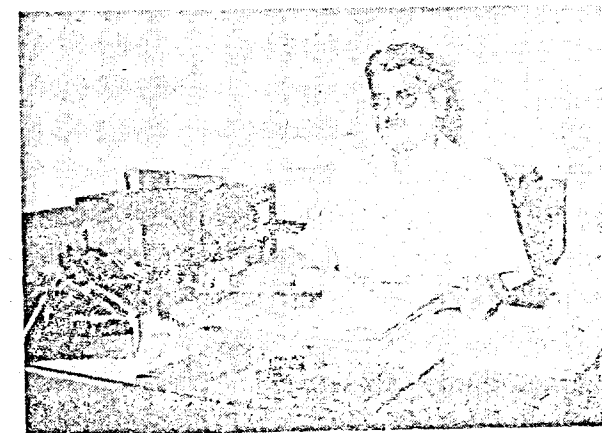
Four things come not back—the spoken word, the spent arrow, the past life, the neglected opportunity. —HAZLITT.



Accounts Made Palatable

J. RAMA RAO, IRAS., Dy. Financial Adviser & Chief Accounts Officer, I.C.F.

When an Accounts Officer is asked to write an article on "Accounts", the expectation is that something will be said to convince that accounts are anything but an inescapable evil in the scheme of things. Everyone is willing to concede in principle, as a matter of theoretical and remote interest, that accounts are necessary, but when one is up against some aspect or the other of auditing or accounting, very often the reaction is that accounts folk are tiresome and vexatious, busy bodies interfering with other people's affairs. There is not much harm done, excepting to oneself, in such an attitude when one is dealing with one's own limited private matters and disposing one's own private income. But when we are dealing with a large commercial concern or a great state undertaking like the railways, every individual becomes in some degree or the



spent to attain legitimate ends by legitimate means in accordance with the regulations laid down. Method, observance of the rules, a systematic and contemporaneous record of the transactions, economy and prudence etc., are all implied in the phrase "Accountability".

It is no doubt the attempt and ambition of every person, to whatever department he may belong and in whatever capacity he may be serving, to so conduct his business as to fully satisfy himself—I will not say others—in regard to the accountability in the sense mentioned

above. The regulations governing the functions and other matters are not secrets or mysterious and esoteric doctrines but are contained in codes and manuals and orders published. It may be asked, if everybody on his own initiative regards himself as accountable, where is the need for a separate Accounts establishments?

other a trustee for the performance of certain functions, and he is accountable for the manner in which those functions have been performed.

I would like to explain the phrase "Accountability" as distinct from "Accounts". In the Railways as in any other large organisation, every person has certain definite duties and is in some measure or the other responsible for the disposal of public revenues. He becomes "accountable" to his immediate superior for the performance of such duties and for ensuring that public money has been

The need for it arises solely because in a far-flung and complex organisation, departmentalisation is inevitable. The Accounts Department has to specialise in two functions, firstly internal check or auditing and secondly maintenance of financial accounts. So far as auditing or internal check is concerned, this must necessarily be done by an agency other than the one which incurs the expenditure. Complaint is sometimes made that this reveals an absence of trust. The point at issue, however, is not disbelief

in the *bona fides* of others but, as already mentioned, a large organisation needs a mechanism of check and counter-check and a continuous regulatory process. It is this regulatory process that is one of the main duties of the Accounts Department.

In regard to the compilation of financial accounts, the base consists of the initial accounts maintained by the Executive Officers or various returns or data prepared by them, reflecting their transactions. Out of these, the Accounts Department builds up the accounts required to be incorporated in the financial accounts.

The Accounts functions may be laid to be in a way supplemental to managerial control. Apart from applying the rules in auditing individual items of receipts or expenditure, it is only when the vast mass of transactions has been cast into a systematic manner that it becomes possible for the management to appreciate the trend of expenditure. The tabulations in accounts are designed fundamentally to fulfil this purpose. This control is exercised partly through the framing of estimates and budgets, which set the objectives and the limits to the expenditure to be incurred and later the actual expenditure reflected in accounts show to what extent the objectives thus set by the top management have been adhered to by the various subordinate units. It will be seen, therefore, that the compilation of accounts inevitably leads to and enables overall financial control.

It is not to be supposed that this financial control through accounts is the exclusive responsibility of the Accounts Department or that of only the top management. Quite the reverse is the case. After all the accounts are only the monetary reflection of the actions in several units and the officer-in-charge of each unit should contribute, in his own sphere to closely watch that the sums which he is authorised to spend have not

only been well spent but do not exceed his allotment.

Of late, there is an increasing emphasis on financial advice. Now, this is another ticklish matter. Financial advice fundamentally consists of participating in the executive decision by studying the facts of the case and subjecting the proposal to a close analysis. The Executive Officer who makes a proposal quite rightly thinks that he has already studied the matter and is perhaps inclined to be impatient of any criticism from Finance. Indeed, the charge is sometimes made that it is Financial Officers who claim to run the railway assisted by technical officers. The true spirit of Finance, however, is not to seek power but to act as a friend who puts certain aspects of the case which also need attention. If Finance is to be effective, it certainly has to be concrete and helpful in its approach but at the same time the Executive Officer also has to view Finance not in a spirit of veiled hostility or adopt what may be called a defensive attitude, but try to look at the points raised by Finance as affording him an opportunity to reconsider the matter. Very often second thoughts are better and such reconsideration may lead to a more correct decision.

Apart from auditing, accounting and financial scrutiny, there is one specialised method of analysis which is of late rightly receiving greater attention than before and that is Cost Accounting. There may be a tendency to regard Cost Accounting as something even more complicated and forbidding than ordinary accounts. In actual fact, Cost Accounting is no more than good production control reduced to figures. In fact the view is sometimes held that the Cost Accounting may be a branch of the Production Control in large workshops.

Modern cost accounting is a major field in its own right. Its sphere of activity, carved out for itself in this generation, stands midway between those of the general accountant and the

Engineer. Appreciation of this aspect by the Engineering Officers would go a long way towards making cost accounts effective and useful. The major objectives of cost accounts are to furnish the maximum amount of information from both operating and cost angles, to present in the most practical way the facts that reveal actual working conditions and situations, to aid in the attainment of high standards of efficiency and therefore realisation of maximum profit. Financial Accounts present the picture of the undertaking as a whole but if one wants to know in what specific aspect expenditure is not commensurate with the results, cost accounting becomes necessary.

The Railways in India are a State undertaking subject to parliamentary control and hence there has been a demand that everyone should be budget-conscious, because to spend more than what has been granted by the Parliament is *ultra-vires* and to ask more than what one can spend is to embarrass the Government because funds are locked up unnecessarily. These aspects constitute the general field of financial control. Cost Accounting, however, is more intimately connected with management. In a private industry, a badly managed

concern will soon go into liquidation or at any rate find that it cannot give profit to the share holders. In a State undertaking, this incentive and automatic check are not present and therefore it is all the more necessary to be cost-conscious. In order to satisfy oneself that the right product is being produced in the most economical way, cost accounting coupled with good production control will prove useful.

I have perhaps sought to convince that accounts are not extraneous to executive functioning and in fact are as much the responsibility of those who do not belong to the Accounts Department. This is largely true; at the same it is very necessary for the Accounts personnel to be fully equipped in their own professional line. The accountant comes into contact with others in so many departments and if his place in the railways is to be justified, he should try to study and keep up to date his knowledge of the rules and regulations governing not only technical accounts, but also the rules and regulations laid down for the other departments as well. "Knowledge is power" is an adage which applies equally to all, but in the case of an accountant, knowledge would be necessary for him to justify the trust placed in him.

"Railcoach".

Accounting of Defective Work in Manufacturing Workshops

BY N. K. S.

It is proposed to consider in these columns the general procedure of accounting for cost of defective and spoiled work in manufacturing workshops and to compare and contrast the practical procedures obtaining in a few factories for the benefit of the students of costing and for the information of those who are interested in the subject.

Work orders for manufacture are generally released to shops by the Planning

Department. Work orders detail the various stages in manufacture, the quantity on order, time allowed, materials required and work order numbers. Inspectors scrutinise the products at the completion of each stage of production and separate defective and spoiled products from those which fulfil the standard of perfection required. Let us distinguish here between "defective" and "spoiled" work. Defective work consists

of imperfect products which could be brought up to the standard specification by the addition of labour or material or both. Spoilage results when materials are so damaged in manufacturing operations that they are taken out of process and disposed of as scrap or in some other manner without further work. Spoiled work cannot be repaired or reconditioned as is done in the case of defective work. Defective work may arise as a result of various reasons such as (i) poor material, (ii) incompetent supervision, (iii) carelessness in planning, (iv) poor workmanship, (v) inadequate equipment, (vi) laxity of inspection, etc. The defect is rectified by the addition of further labour or material and these items constitute cost of reconditioning. Defective work may be further grouped under the following categories:—

(i) Defect in raw material or castings purchased.

(ii) Defective work on the shop floor on which a few operations have been done.

(iii) Defect in finished goods which have been kept in stock for too long.

Defective material purchased may be returned to the suppliers and replacements obtained free of cost wherever the terms of agreement permit. Materials in process rendered defective in the shop floor may be rectified wherever possible or disposed of as scrap. When it is necessary to recondition work which is marked defective by Inspectors, a defective work order report is usually made out giving the nature of defective work, the number of units involved, the additional labour or material required to bring the product upto the standard required. This procedure may be successfully followed where the production in process has to be occasionally reconditioned and where the work involved is of some magnitude. The cost involved is treated in some factories as part of the cost of particular job on which defective work was discovered and in some others as an overhead expenditure.

Where defective orders are too many and the amount of material and labour required for rectification is small, it may not be practicable to prepare defective report in each case; all such work may be advantageously combined together and the additional cost involved treated as a general factory overhead. This is achieved by booking the charges, viz., material, labour and overheads up to the point where the defect occurred to a standing work order allotted for the purpose. At the end of the cost period, the cost of defective work is apportioned to the productive departments along with the other general factory overheads; in some factories, the defects are charged directly to the department responsible for it, not necessarily the same as the department producing it.

To sum up, two methods of treatment of defective work are generally in vogue, viz. (a) charging the job concerned and (b) charging general or departmental overhead.

Spoiled work is also treated in a similar method. Where, however, a normal amount of spoiled work is a regular feature of the operating condition, the total cost is divided by the number of good units completed, each unit completed bearing an equal share of the spoiled work.

A special accounting treatment is of course necessary when spoiled work is of some magnitude and in excess of normal amount. Spoiled work may show a marked increase when a production is of an experimental character or it may result from the employment of untrained labour during labour difficulties or gross negligence or carelessness in the use of materials or machines. Whatever may be the reasons, these losses are also part of production cost and it would be a prudent practice if the losses in such cases are borne by the factory as a whole rather than charging the entire burden to the individual order which happened to be in production at that time.

Let us examine in detail how defective work is accounted for in a few manufacturing concerns.

FACTORY 'A'

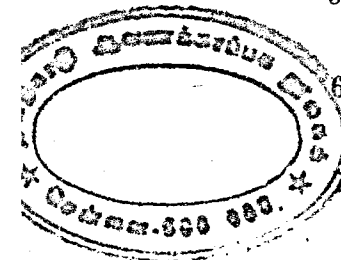
In this factory, the cost of defective work is charged to the contract in which the defective work arises and not to overheads. The justification for this procedure is that as the percentage of rejections and defective work may vary from contract to contract, one contract should not be made to suffer on account of the other. "As far as possible any expense which is incurred for a specific order or cost unit is charged as direct expense to that order or unit and such items are excluded from overheads." However, in order to measure the extent of defective work under each contract, sub-work order numbers are allotted under each main work order for recording the cost of rectification and replacement as under:—

Work order No. say 30

By No. say 1—4 Represent major divisions of production work.
(or Sub-No.)

5

Replacement of wasters due to material defect.
Replacement of wasters due to labour defect.
Replacement of wasters due to other causes.



Waster sheets are prepared by the shops for components or other materials found defective during operations in the shops. The material is returned to Stores Department, the waster sheet serving as returned stores note for affording credit to the work order concerned. Orders for replacements are issued by the Planning Office in the same way as for component manufacture but on a different coloured form to indicate that it is a replacement order. The by-number under the main work order is also indicated for booking

the charges. Where there are several operations to be performed and rejection occurs in various stages, the replacement work order is issued for the operations up to the stage in which rejection occurred and also contains directions that further operations should be done on the original work order. This will ensure that only the cost of exact rejections will be collected under the particular work order. Where slight defects which could be easily set right by further work are noticed in inspection, they are also rectified under the work order for replacement of rejections and wasters.

To ensure that all the components ordered in replacement are also completely manufactured, the main work order is kept open till acceptance notes are received for the full quantity on order.

The procedure in this factory is no doubt complete in itself; but it conveys no data for control over defective work shop by shop; it does not also analyse the reasons for the defect such as operators' fault, machine fault, material defect, defect in drawing or planning, etc., so as to ensure better managerial control, comparison from period to period and shop by shop and improve efficiency.

FACTORY 'B'

In this factory cost of defective work is considered as a factory overhead expense. A standing order is allotted for rectification of defective work; by-numbers indicate the reasons for the defect as under:—

Standing order No. say 80.

- By No.
1. Operators' fault
 2. Material fault
 3. Faulty jigs
 4. Faulty Planning
 5. Drawing Office fault
 6. Customers' fault
 7. Faulty inspection
 8. Storage fault
 9. Miscellaneous.

The cost is charged to the department responsible for the defect. Defective

work due to operators' fault is charged to the department concerned. If the rectification work is done in the same department, labour and material costs only are booked, the reason being not to inflate the cost of defective work chargeable to the same department. After all, the entire overheads of the department inclusive of the defective work have to be borne by the same department; in case another department does the rectification work, labour, material and overheads are charged. Defective work other than operators' fault is allocated as under:

While defective work due to material fault, faulty jigs, storage fault and miscellaneous reasons is charged to general factory overheads, defective work due to faulty planning is charged to Planning Department and Drawing Office fault is charged to Drawing Department. The defect, if any, due to customers' fault is invariably charged to the work order.

The object of such a minute procedure is to analyse the cost of defective work and to enforce managerial control over the activities and efficiency of the respective departments. A monthly statistical statement detailing the various overhead elements of each department for the month, for the previous month and the average for the previous year is circulated to all the departments and important executives with a view to enable them to study their comparative performances and offer scope for improvement.

FACTORY 'C'

In this factory also, orders for replacement of defectives are issued under a standing order allotted for the purpose. Each production department has to book the charges incurred, viz., labour and materials to this standing order suffixed by the departmental code. No distinction is, however, made as to the stage at

which the defects arose. The advantages of this system are (i) main work order need not wait for completion of all the replacement orders and (ii) instead of issuing piecemeal orders from day to day for very small numbers, orders for replacement could be released periodically in convenient lots. The charges booked to this standing order analysed by the different production units is furnished periodically to the works executives for managerial control.

RAILWAY MECHANICAL CODE:

While dealing with the foundry costing procedure, the Indian Railway Code for Mechanical Department recommends both the methods mentioned above viz: (i) In the case of new designs where wasters are likely to be produced before the process is initially adjusted, the charges on account of bad castings should be booked against the departmental standing work order, as the work in all such cases could be essentially of an experimental character.

(ii) For certain classes of castings which are extremely liable to defects, charges for wastages and defective castings are appropriately allocated to the job instead of being booked to overheads. However, while dealing with the disposal of rejected parts in the chapter on general job costing procedure for manufacture of components, managerial control to be exercised in respect of faulty workmanship has been referred to but no further mention has been made of the procedure to be adopted for allocation of replacement costs as obviously the code procedure is intended for manufacture of spare parts in Railway repair workshops. It is presumed that in the present revision of the Mechanical Code, this chapter will be enlarged so as to include the provisions necessary for manufacturing workshops as well.

If a little knowledge is dangerous, where is the man who had so much as to be out of danger? — T. H. HUXLEY.

Railway Canteens

(Contributed)

As a staff welfare measure, Railways have opened Canteens at points where considerable bodies of labour are concentrated and also in offices etc.

The main directive of the Railway Board is that the Canteens should be worked on a "no profit no loss" basis; in other words, the Canteen should be self-supporting and should not be a burden on the Railway Administration. However, certain concessions have been given to the Canteens as detailed below:

(1) Railway Administrations may provide necessary accommodation, sanitary and electric installations, furniture and cooking utensils and also bear rent on sanitary and electric installations, service taxes and charges for electricity and water consumed. The cost of crockery, cutlery and service etc., required for the Canteen should, however, be borne by the Canteen itself.

(2) It is enough if the Canteen pays a nominal rent of Re. One per mensem for the accommodation. This amount will be debited to the Canteen accounts by credit to Earnings.

In order that Canteens may be self-supporting, sale prices should be adjusted

from time to time with reference to the cost of procurement and running expenses. It is not necessary that this should be adjusted month after month, but it is enough if an overall review is made periodically, say yearly, and the expenses and rates adjusted so as to fulfil the requirement of self-supporting character of the Canteen.

With the payment of salaries and allowances to Canteen's staff on CPC scales of pay etc., while the market rates for similar staff are lower, it very often becomes difficult to make both ends meet in regard to the working of the Canteens; but in the case of Canteens of magnitude it might be possible to make themselves self-supporting.

To avoid such heavy expenditure on working such Canteens, very often Co-operative Societies are formed by the employees themselves for the purpose of running the Canteens. However, if such Co-operative Societies are formed, the concessions mentioned above will still be applicable and therefore, the expenses could be considerably reduced particularly under cost of staff for the Canteen.

Auditor General's Position in England and in India

(In his own words)

"In replying to a supplementary question in Parliament on the 11th May 1956, the Minister for Revenue and Expenditure stated that the audit of the nationalised undertakings in the U. K. is not under the control of the Comptroller and Auditor General, nor has he claimed any inherent right in the matter. To remove any erroneous impression which this reply might create in regard

to the audit of State enterprises in India, it is necessary to bring to the notice of the Financial Committees of Parliament certain fundamental differences in the constitution of these undertakings in the U. K. and India.

"In the U. K. there is no direct investment of public funds in the nationalised undertakings. They are required to raise the necessary capital in the market,

usually by the issue of debentures, and are responsible for servicing them. The Government have only guaranteed the payment of interest and the redemption of the debentures. Nevertheless, the question of the accountability of these undertakings has been agitated in Parliament from time to time. The Select Committee on Nationalised Industries which was constituted in 1952 asked the Comptroller and Auditor General in the course of his examination whether he could undertake the audit of these undertakings. He replied in the affirmative, but pointed out that this would involve a large expansion of his department as had become necessary in the U. S. A., when, in 1945, the Government Corporation Control Act specifically provided for the audit of nationalised industries by the U. S. Comptroller General and further that the provision of audit by him might limit the scope of the employment of professional auditors. The Select Committee recommended, therefore, that a Standing Committee of the House should be established to examine the nationalised industries and that this committee should be assisted by a whole time officer of the status of the Comptroller and Auditor General.

"A point made by the Comptroller and Auditor General before this committee is of considerable constitutional importance. To the question whether, in his reports to the Parliament, he dealt with these undertakings, he replied in the negative, but added, "It does not really come within my examination unless and until the guarantee is invoked. If, of course, a call be made on the Consolidated Fund, I should then have the opportunity of reporting to Parliament on it *ex post facto* in the report I make on the Consolidated Fund. He explained further that he did not report on a contingent liability on the Consolidated Fund".

DIFFERENT IN INDIA

"In India on the other hand, the nationalised undertakings are financed

largely, if not entirely, by the direct investment of public funds by corresponding withdrawal from the Consolidated Fund. This is a point of substantial difference, and the Comptroller and Auditor General respectfully submits that, by convention in the U. K., and by Constitutional provisions in India withdrawal of monies from the Consolidated Fund, in whatever form or manner this is expended, should, automatically, attract audit by the Comptroller and Auditor General and accountability to Parliament and that these fundamentals could not or should not be modified in any manner.

"The considerations on which the U. K. Comptroller and Auditor General was reluctant to undertake the audit of the nationalised industries do not apply here. The Comptroller and Auditor General of India has a commercial branch, administered by an Accountant General who is a Chartered Accountant of considerable standing and experience. The Audit Department employs a large number of other Chartered Accountants also and the Commercial Audit Branch is in the process of being strengthened and reorganised. The provision of appointment of professional auditors for the audit of these undertakings subject to such directions as the Comptroller and Auditor General may choose to issue would not also restrict the field of their employment. The Comptroller and Auditor General would intervene only when there is inefficiency or mismanagement.

"In cases analogous to the U. K. undertakings, where Government have merely guaranteed the loans, the Comptroller and Auditor General of India has not even suggested that he should audit their accounts, much less claimed such a right. For example, the World Bank loans to the Indian Iron and the Tata Steel Companies, have been guaranteed by the Government of India. The Comptroller and Auditor General has not considered it necessary or appropriate that

he should audit the accounts of these companies. Undertakings with investments from the Consolidated Fund are a different proposition, and should, constitutionally or otherwise, receive a different treatment.

ACCOUNTABILITY

"On the issue of accountability, it has been suggested that the presentation of the reports of the Public auditors on the State enterprises to the House, would afford the House the necessary opportunity to discuss their administration. It is necessary, therefore, to draw attention to the fact that the professional auditors have to function within the limitations of the Company Act. Their main responsibility is to certify the Profit and Loss Account and the Balance Sheet. They are precluded from dealing with such questions as the adequacy of financial control, wasteful expenditure, extravagance etc. They cannot also concern themselves with ascertaining the unit cost of operation—the all-important check in a monopolistic concern to assess the measure of its efficiency and economy. In other words, the reports of the public auditors will not furnish Parliament with material on the basis of which an assessment could be made on their performance. The revelations which were made by the Finance Minister on the floor of the House on the working of some of the insurance companies, establish the inadequacy of the existing audit arrangements and the inadvisability of relying entirely on them.

"In conclusion, it should be mentioned that the audit control of the existing State Insurance Scheme, viz., the Postal Life Insurance Scheme is already with the Comptroller and Auditor General."

The Auditor General is called the watchdog over Government's spending. His essential function is to see that the money voted by Parliament is spent as Parliament decided. Money voted for butter for example, must not be spent on guns without rebuke. In other words, he is neither called upon nor is he entitled to suggest how the Government of India should be constituted and what should be the rates of pensions. On patriotic grounds he can of course suggest that the scale of his own salary should be reduced. He should also be called upon to explain the reasons for his going abroad during summer months to check the audit of India's diplomatic missions abroad. First, does the British Auditor General visit New Delhi to check the audit of British High Commission's Accounts? Secondly what are the reasons for selecting only summer months for auditing of accounts in Europe and U. S. A.? Why is similar audit not necessary in India's diplomatic missions located in Africa and Asia. Thirdly, is it part of the Auditor General's function to be present in the official box in Parliament during the Prime Minister's speeches when those speeches have no connection with spending of money?

"Deccan Herald".

Railway Equipment Committee Report

The Committee makes the following observations for achieving complete self-sufficiency in regard to various items.

Continuity of orders: Prospective manufacturers, if they are to be attracted to invest capital in new ventures, must

be assured, for a reasonable period, of utilisation of the major portion of the capacity developed.

Equalisation of prices for controlled raw materials: Many manufactures located unfavourably in respect of sources

of raw material find it difficult to compete in respect of cost of manufacture and this factor hampers creation of new capacity. It is, therefore, necessary to equalise the price of controlled raw materials on an all-India basis.

Purchase procedure: With a view to facilitating the development of indigenous industry the Stores Purchase Committee had made certain recommendations regarding price preference in favour of indigenous products, special preference to small-scale industries, uniform registration of suppliers, protection to industry against unfair competition and establishment of permanent exhibitions. The adoption of these recommendations by the Ministry of Railways is most desirable.

Standing Advisory Committee: For enlisting support of the private sector in the development of indigenous industry, the appointment of Central and Regional Advisory Committees of railway equipment will be of great help.

Licensing of capacity: With a view to safeguarding against the possibility of capacity offered by newcomers not materialising fully, licences for new capacity should be issued in excess of the present assessed requirements. This will also cater for any increase in requirements at a later stage.

Import of passenger Coaches, the Committee says, will not be necessary during the Second Plan period, with the exception of electrical multiple unit stock, till indigenous capacity in this respect is established. This is already being developed.

In regard to *goods wagons* the report says the Committee received a large number of proposals from private manufacturers who exhibited "much enthusiasm". The Committee feels that complete self-sufficiency in regard to wagons is ensured, provided "educational" orders are placed by the railways liberally.

LOCOMOTIVE IMPORTS

Dealing with the *requirements of locomotives* during the Second Plan period, the Committee recommends the immediate establishment of a diesel and electric locomotive plant to help in reducing imports to some extent during the Plan period, and to lead the railways to self-sufficiency in the Third Plan period.

The Committee has also made a number of specific recommendations in regard to other major items of railway equipment like underframes of coaches, signalling equipment, permanent way material, train lighting equipment, traction equipment, steel castings, wheels and axles, etc. The extension of indigenous capacity for the manufacture of electric multiple unit stock is also recommended.

PASSENGER COACHES

Pointing out that the construction of passenger coaches and repair work have suffered serious setbacks from time to time through extreme shortage of steel panels and timber, the Committee stresses the need for increasing use of aluminium panels. The Committee also recommends increasing use of aluminium roof tanks in place of galvanized tanks which are in short supply.

Among other recommendations of the committee are: The principle of booking capacity of indigenous manufacturers for periods extending upto five years should be applied to all items of railway equipment in short supply.

When any equipment is imported, components of such equipment which can be manufactured within the country, should, as far as practicable, not be imported.

Government should permit to the private sector the use of testing facilities in Government laboratories, and institutions recognised by Government which have adequate testing facilities should be authorised to issue test certificates.

Railway equipment show rooms established last year at Calcutta, Bombay,

Delhi and Madras should continue till they can be taken over as part of bigger show rooms covering all Government departments.

A development co ordination section should be created in the equipment directorate of the Railway Board.

Suitable steps should be taken to enable the small-scale industry to expand rapidly and to meet in increasing measure the railways' needs of some of the manufactured components.

A general price preference upto 25 per cent to the products of cottage and small-scale industries should be made applicable to direct purchases by railways on the lines recommended by the Stores Purchase Committee.

The small-scale producer should not be at a disadvantage in regard to the price of raw materials, particularly steel. Steel should be made available to the small-scale industries at the same price as to the other industries.

Public Accounts Committee Report for 1955-'56

The above Report on the Appropriation Accounts Civil for 1951-'52, the Audit Report for '53 and the Audit Report Civil '54, Part I, was placed before the Parliament on the 29th May 1956. The Chairman observed that percentage of savings over final grants and appropriation is the index of accurate budgeting while excess over grants and appropriations and surrenders reflect on the ineffectiveness of control over expenditure. The Committee observe that a closer control over expenditure is necessary so as to ensure that every rupee of the planned outlay got the maximum benefit to the tax-payer. While pointing out the persistency of the propensity to overestimates, they emphasise the need for more realistic estimating and better control over expenditure. New situations require a new technique and the committee urge the present budgetary procedure should be reviewed in this context and if necessary reorientated with a view to provide a more dependable mechanism by which Government can keep a continuous watch on the performance of the ministries.

Ministries' Delays: The Committee has drawn attention to delays on the part of Ministries in complying with requests for information from the Committee and

says that it views with disapproval such delays on the part of the Ministries in furnishing them with the necessary information.

"The Ministries should realise", the report says, "that such delays considerably hamper the expeditious working of the Committee, and in many cases prevent the Committee from giving their decisions in time. It is needless to emphasise that the Committee should consider the important transactions involving serious financial and procedural irregularities etc., and formulate their conclusions before they become stale and lose their importance with the passage of time. The Committee desire that the Ministries concerned should deal with such requests from the Committee for the supply of information with utmost promptitude and invariably furnish the same to the Committee within a period of one month, unless, the circumstances in a case are such as to warrant a longer time and even in such cases, the Committee should be apprised of these".

On the question of excess expenditure over voted grants, the examination of which is one of the important functions of the Committee, they have laid down an important principle. The principle is

that each case of excess or saving reported through the Appropriation Accounts should be examined by the Committee in the light of any information subsequently made available to the Committee either by a Ministry or the Comptroller and Auditor General and should take into account any established misclassification in the Appropriation

Accounts which either attracts or avoids the necessity for regularisation by Parliament, before making their final recommendations on this behalf.

The Committee then proceed to deal with the irregularities relating to the individual Ministries as brought out in the audit reports.

Civil Audit Report on Accounts for 1953-'54

Collection of Income Tax: Ministers being under-assessed: Ministers and certain other dignitaries of the Central Government were being under-assessed for purposes of income tax, according to the Central Civil Audit Report, Part I, on the accounts of 1953-'54 presented to the Lok Sabha on 23-5-'56.

The report questions the legality of an executive instruction issued by the Central Board of Revenue to the effect that the value of the perquisites of rent-free accommodation should be restricted to 10% or 12% of the employee's salary to the purpose of Income Tax according as the accommodation is furnished or unfurnished. It points out that after the amendment of the Income Tax Act in 1954, it is no longer permissible to exclude the value of free water and electricity supplied by an employer to an employee in the computation of assessable income or to limit the value of free quarters to ten percent of the nominal salary.

The report says that the effect of the executive instruction is that a Minister is assessed only on a total income of Rs. 30,375 whereas his true total income inclusive of the value of perquisites, such as the cost of water-supply, electricity, rental value of refrigerators etc., comes to Rs. 35,172 on an average. "The continued application of the executive instruction is, therefore, on the one hand, resulting in loss of revenues to the State and on the other, is giving extra legal

benefit to a class of assesseees," the report says.

Irregularities in Government Expenditure: The report draws attention to a number of what it calls "important financial irregularities involving losses, extravagant expenditure, infructuous lease of buildings, uneconomic use of Government funds, uneconomic purchases, irregular utilisation of Government funds for private purposes and abuse of exchange facilities."

The report says that with a view to establishing an embassy in a foreign country, a residential building was taken on lease in 1950 for 15 years at an annual rental of Rs. 9,800. The building has so far remained unoccupied. The expenditure upto March, was Rs. 68,133 and there is a recurring liability at the rate of Rs. 9,800 per annum for the next ten-and-half years in addition to charges for repairs, rates, taxes, insurance etc.

An infructuous expenditure of Rs. 20,906 was incurred on rent and maintenance of residential accommodation reserved for the occupation of the *Charge de Affaires* of a certain Indian mission. The premises had remained unoccupied as they were considered unsuitable for occupation even by the First Secretary of the Mission.

In another foreign country, a building with a vacant plot of land attached to it

was purchased at a court auction for Rs. 5½ lakhs. In addition to the purchase price, a sum of Rs. 1,08,950 was paid to two intermediaries as commission etc., though the Government of India had been informed earlier that no commission for any intermediary was being paid. One of the major considerations which influenced the purchase of the property was that residential buildings for the embassy staff would be constructed on the vacant plot. But before the purchase was effected the consulting architect had expressed doubts about the building regulations of the country permitting of the construction of residential buildings on the vacant plot. Nevertheless, the purchase was made. It has since been found that the architect's doubts had proved to be real.

Frauds, Losses, etc.: Investigation conducted in regard to an accounts officer in 1953 revealed a net total misappropriation of Government funds of Rs. 1,52,609 over a period of nine years the report said.

The omission on the part of the Ministry of Food and Agriculture to take notice of a cheaper offer of rice has resulted in an extra expenditure of Rs. 2.67 lakhs. The firm whose higher offer was accepted by the Ministry was allowed the unusual facility of a letter

of credit, although the contractor was an Indian national doing business in India. The audit report points out that this extraordinary procedure not only resulted in the grant of financial assistance to the firm but also was derogatory to the dignity and credit of the Government.

The same Ministry negotiated the framework of a contract with an electrical engineering firm for the construction of 1,000 tube wells in three States. The contract was to be signed between the firm and each of the States individually and each of the States was invited to accept the arrangement. The result of this arrangement was that all the three States entered into "cost-plus" contracts with the same firm, without the benefit of competitive tenders. All the three States had to advance moneys without interest to the extent of Rs. 47.8 lakhs. Another consequence of entrusting such a large contract to the same firm was that in all the three States the originally stipulated date of completion could not be adhered to.

The Accounts of the State Insurance Corporation have disclosed that Office staff and accommodation for offices had been engaged at certain centres long in advance of the introduction of the scheme at those centres, resulting in an infructuous expenditure of over Rs. 1 lakh, the report says.

Books Review

TAX RELIEF BULLETIN—April 1956.
Company Law Special — Published monthly at No. 5, Hare Street, Calcutta —Yearly subscription Rs. 10.

This Journal is intended to provide information to Incometax Payers with special features on Sales Tax Accounts and Company matters. The April 1956 issue is a special number devoted to Company Law and contains Special Articles written by those in authority in the

Company Laws Administration of the Government of India on the occasion of the coming into effect of the New Company Law. The brief article on New Taxation by Sri K. A. Ignatius is interesting and stresses that too heavy taxation would be like an operation which is a 'surgical triumph' which 'will not help matters if the patient dies.' The Journal would be useful to persons interested in Taxation and Company Law.

B. N. RAJA, B.A., LL.B., A.C.A.

Subjects of Moment

Grant of House rent allowance to an Officer living in his mother's House

In R. B. Memo No. E(S) 55 CPC/AL/9 of 16-4-1955, it was decided that a Railway Servant who is residing in his father's house may be treated as residing in his own house for purposes of drawing House rent Allowance in accordance with the existing orders. The provisions of this Memorandum apply *mutatis mutandis* to the grant of House Rent allowance to an Officer living in his mother's house.

[R.B. No. E(S) 55 CPC/AL/9 dated 15-3-1956].

Reopening a case to enhance the penalty already inflicted

Rule 1722 a) and 1725 a) of the Establishment Code, Vol. I fixes full discretion on the Appellate and higher authorities to review a case and pass final orders upholding, revising or enhancing the original penalty. The enhancement might be either prolongation of the original penalty or infliction of a fresh penalty higher than the original one. There is no objection to the infliction of such additional penalty.

[R.B. No. E 55 RG 6-14 dated 29-2-1956].

Private Practice for Railway Doctors

The Government have decided that the recommendation of the Railway Corruption Enquiry Committee in para 64 of their Report that Railway Doctors should be debarred from private practice and their emoluments suitably increased cannot be accepted. The Railway Board, however, desire that it should be brought to the notice of all Railway medical personnel that their first atten-

tion and care should be for Railway Staff.

[R.B. No. E(S) 55 CPC-135 dated 23-2-1956].

Withdrawal from the State Rly. Provident Fund

The Railway Board have decided that withdrawal from S.R.P.F. for higher education may be utilised to meet the cost of "college kit" "special clothing" and "educational tours" etc., which may be in the nature of direct, obligatory expenditure incurable by the student on account of his education. They do not consider that a bicycle comes within this purview.

[R.B.No. F(E) 56/ADV-6/1 of 6-3-1956]

Advance Correction Slips to Railway Establishment Code

Vol. I. Delete Note 1 under para 242-A and renumber the subsequent Notes as 1 and 2 respectively.

[R.B.No. E55AL/4/4/3 dated 15-2-1956]

Vol. II. Rule 222. Delete the item pertaining to "Service in India" occurring in the Medical Certificate under this rule.

[Railway Board's letter No. F(E) 56/LE-1/1 d/28-2-1956].

Re-employment of superannuated non-gazetted or gazetted Railway Staff

Some of the instructions issued in this connection are reproduced below as being of general interest with regard to non-gazetted staff:

(i) re-employment is permissible in all grades including direct recruitment grades—vide items iii to v below.

(ii) Number of re-employed staff in any grade in any category should not exceed the number of temporary posts in that grade at the time.

Introduction of Decimal Coinage

In connection with the introduction of the new decimal coinage from 1-4-1957, Railway Administrations have been asked to advise the Board, names of Railway Stations which are considered important enough for the purpose of opening counters, where public should be able to exchange the existing coins for decimal coins.

[R.B. No. F(X) 1155/CN/1 dated 10-4-1956].

Different Coloured Locomotives for Railways

In connection with the adoption of different colours for locomotives of different Railways, suggestions have been invited for the colours to be used by each Railway for its Locomotives.

[R.B. No. 55/461/76/M d/29-3-1956].

Retention of Quarters by Sick Staff

An employee on sick leave may be permitted to retain the Railway quarters allotted to him indefinitely.

[R.B. No. F(X) II-52-AR1/2 dated 18-4-56].

Principles for grant of Compensatory Construction and Survey allowance to Open Line Staff employed on such projects

The Railway Board have issued fresh instructions in this matter enunciating the principles in detail. These principles are in supersession of those contained in the Board's letter No. E 43 AL12/3 dated 6-7-1954.

The following are the principles:

(i) The allowance shall ordinarily be sanctioned only for "New Lines" or "Restoration" which are "off the line", and are under the exclusive charge of an officer not lower in status to that of a senior scale.

(iii) Heads of Departments are delegated powers to re-employ superannuated Non-gazetted staff in certain categories specifically mentioned including Office clerical staff of all Departments.

(iv) Junior Administrative Officers in Head Office and the Regions and Divisional Superintendents on formation of divisions are authorised to re-employ in the lowest recruitment grade only.

(v) In the absence of regional or divisional set up, Heads of Departments will themselves sanction re-employment in all grades.

(vi) Re-employment will be for one year only. Those required for an extended period should be fully justified and recommended to the normal sanctioning authorities.

(vii) All delegations of powers to lower authorities are subject to the conditions mentioned in Railway Board's letter No. E/53/AP1/3/2 dated the 8th February 1956.

Advance of pay on Transfer

There is no objection to advance of pay on transfer being granted to employees (under Rule 1512-G) whether transferred at their own request or on mutual transfer.

Fuel Manual

The Railway Board have decided to prepare a Fuel Manual to serve as general code of practice on fuel matters and have entrusted this work to Mr. Kamrani, Joint Director (Coal).

[R.B. No. 56/291/RE (Coal) d/17-4-1956]

Pattern of Card Passes

The Railway Board have decided that all Card Passes should be of the folding type of a Uniform size on the pattern of the Northern Railway First Class Card Pass.

[R.B. No. 1000-TG/53/21 d/31-3-1956].

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(ii) The allowance will not be admissible for "doubling" for the present.

(iii) The cases of "Projects" other than "Lines" will be decided by the Railway Board on merits.

(iv) (a) The allowance will be admissible only to such Class III and Class IV staff as are actually working on the project site or sites and have to reside within the project area or site or sites.

(b) The allowance will be admissible also to the temporary staff recruited through Railway Service Commissions or otherwise by a competent authority, if they are not locally recruited staff, as well as to the staff engaged on re-employment terms. As Class II staff as a rule are not recruited locally, this ordinarily will exclude such class IV staff as are recruited locally (through the local Employment Exchange or otherwise). Construction allowance will not be admissible to casual labour.

(c) The allowance is admissible also to the Project staff except at stations for which a cost of living allowance has been sanctioned on the basis of the CPC rates and rules i.e., cities with a population of over one lakh. In the latter case the construction staff will draw only the C.P.C. Compensatory allowance. This allowance will be admissible only to such staff who actually remain at Project site for 15 days or more in a month excluding the period of casual leave if any.

(v) Staff transferred to the Projects where such transfers involve promotion will be eligible for the allowance.

(vi) The allowance will be admissible during leave also, subject to the provision of Rule 2211-R-11 (supplementary rule 7-B on drawal of other compensatory allowance during leave or temporary transfer) i.e., the Railway servant should certify that while on leave he continued to incur a considerable portion of the expenditure for which the allowance had been sanctioned. This, however, will be subject to the scrutiny by the Controlling Officer.

(vii) Officers and staff engaged on actual field work on Traffic or Engineering Surveys will also be eligible for the allowance on the same terms and conditions only during the period that they are so engaged and not during the recess period.

(viii) The staff governed by the Ex Company Railway Rules and Ex Indian States Railway Rules when employed on Construction/Surveys will be eligible for Construction and Consolidated T. A. admissible to them under the respective rules. In case there is no provision for Compensatory (Construction or Survey) allowance under these rules, the principles and the scales laid down therein will apply to them also as in the case of staff governed by Government Railway Rules.

4. The scale of allowance will be :

Administrative Officers	...	Rs. 150 P.M.
Senior Scale	...	Rs. 125 P.M.
Asstt. Officers	}	20% of pay
Class III and Class IV staff		... subject to a maximum of Rs. 100/- per mensem

Where, however, the present orders are less liberal than the former orders of 6-7-54, the staff in question will be allowed to continue to treat the existing concessions as personal to themselves for the duration of the project on which they are at present working

[R. B. No. E 43/AL 12/3 dated the 9th April 1956]

Consolidated T. A. for T. T. Es.

In case of T. T. Es. who perform touring duty on an average of twenty days in a month, the consolidated travelling allowance payable to them should be refixed. For T. T. Es. touring less than 20 days a month, Travelling allowance should be paid on the trip basis.

[R. B. E (S) 55 CPC/AL/36 dated 21-4-1956.]

Railway Institutes

All Railway Institutes should be advised to encourage a spirit of service among their members and reduce the number of paid staff by keeping part-time workers.

Circumstantial Evidence in Corruption Cases

Where adequate circumstantial evidence is available to enable a just decision to be taken, they should be utilised for the purpose. Reports submitted to the Board should in the first instance be complete and deal with all relevant factors that are known to exist.

[R. B. No. E 56 CR 2-30 dated the 21st April 1956.]

Printing of Time Tables

Railway Administrations should take effective steps to ensure that the time tables for individual Railways and All-India Time Tables are printed and made available well in advance of the enforcement dates.

[R. B. No. 1631-TT/DM/56 dated 23-4-56.]

Regulation of pay of Temporary Assistant Officers on appointment to hold Senior scale charge

The Railway Board have decided that Temporary Assistant Officers on Rs. 470/- or above, when promoted to officiate in the senior scale, shall have their pay fixed in that scale at a rate equal to their pay as Assistant Officer plus Rs. 100/- if this is a stage in the senior scale; if not, at the next stage above. No Temporary Assistant Officer drawing less than Rs. 470/- should be promoted to officiate in the senior scale without the prior approval of the Board even for short periods.

Tenders for street collection and delivery of goods and parcels and Out-Agencies

The Railway Board have decided that the general practice to be followed for selecting Contractors for these services should be to call for competitive tenders, open or limited according to the circumstances of the case, and select the lowest satisfactory tenderer. When, however, no suitable Contractor can be obtained by this means, and all the tenders received have been rejected, arrangements may be made to secure a Contractor by negotiation. Railway Board have further decided that these contracts should be on a three-year basis, as is being done for goods and parcels handling contracts.

In the case of existing contracts, fresh tenders should be invited after the expiry of the period mentioned in the contracts, while in the case of contracts of unlimited tenure, the existing contracts should be terminated after giving due notice in terms of the relevant agreements. If the existing Contractors also submit tenders, their claims may be considered along with other tenderers and the contract given to the lowest satisfactory tenderer. These orders apply in both the cases i.e., whether the Railway participates in the financial showing of the undertaking or not.

The currency of contracts should not be for an indefinite period, but be usually limited to 3 to 5 years with a clause for termination in the event of unsatisfactory service, and subject to renewal at the option of the Railway Administration.

Submission of abstract estimates for doublings, conversions, etc.

The Railway Board have issued instructions to the effect that paragraphs 413-E, 415-E and 416-E which prescribe the requirements of abstract estimates and reports for new constructions, apply also to doublings and conversions. This is but natural because for large schemes

two per cent should be given to offers from co-operative societies, Mr. Swaran Singh said that Government had decided that, other things being equal, co-operatives might be encouraged but no special price preference was necessary.

The Government had also accepted the recommendations of the Committee that certain classes of stores should be reserved for purchase only from *cottage and small scale industries* and lists of such stores were being drawn up in consultation with the Ministries of Production and Commerce and Industry.

* * *

Conditions for re-employment of Retired Railway Officials

Mr. O. V. Alagesan told Mr. Govinda Reddy in the *Rajya Sabha* on the 8th May 1956, that the Railway proposed to re-employ retired railway employees in gazetted and non-gazetted posts on the Railways in order to meet the requirements of the Second Five year Plan.

Mr. Alagesan said that no limit had been placed on the number of men to be re-employed. The number would actually depend on the requirements from time to time. There was no system of recruitment; General Managers made offers of re-employment to retired staff, considered suitable for re-employment and if the offer was accepted, the appointment was made. The employee concerned would be given the last pay he drew or would have drawn in a grade equivalent to the one where he was re-employed less the full pensionary equivalent of his provident fund benefits provided the net amount did not exceed the maximum of the prescribed scale for the post. Terms and conditions were those applicable to purely temporary staff.

The Railway Board have asked the Railways to deal with such applications expeditiously and submit quarterly reports of such employments, commencing from the first quarter soon after 30-6-1956.

* * *

Railway Minister's statement in Rajya Sabha on 30th May, 1956

Recent Ry. Workers' Strikes

"The continuation or repetition of such behaviour can only bring suffering to railwaymen and have an adverse effect on the economy of our country."

The demands which the workers wanted to present to the Chairman of the Railway Board at Kalka were not pending for any length of time. On some of them, the exact position had been explained to the staff, and on one item at least the Chairman was clearly not in a position to give a decision.

The Chairman of the Railway Board agreed to the demands being read out by a leader of the workers. This was done and the charter of demands was handed over to the Chairman, who said that he would have the demands examined. The staff, however, insisted that a decision on at least two of the demands should be given by the Chairman on the spot.

* * *

After narrating in detail the incidents at Kalka, the Minister repeated the Demands of the staff placed before the Chairman, Railway Board, at Kalka on the 29th May: these are:

(i) That hill allowances should be sanctioned for the staff at Kalka on the same terms as are allowed to the staff posted at Simla.

(ii) That the staff posted at Kalka on the Kalka-Simla section should be permitted to travel by mail trains on their passes and P.T.Os., in relaxation of the restrictions that apply to short journeys.

(iii) That a primary school should be opened at Kalka for the education of the children of Railway employees stationed there.

(iv) That adequate provision for the construction of additional quarters at Kalka should be made.

(v) That educational assistance be provided for the staff at Kalka.

(vi) That a Pay Commission should be set up.

The Minister then briefly commented on some of these demands:

The first two demands were placed by the staff before the General Manager during his inspection of Kalka station on January 28, 1956. He informed the staff that Kalka was not classified as a hill station for the grant of allowances to any Central Government staff and that there was no justification for its inclusion with Simla. The matter had already been considered in the past and it was decided that the allowances should not be paid. He also informed the staff that, as far as the availability of passes and P.T.Os. by mail trains was concerned, this issue had been examined by the Railway Board on several occasions in the past; that there was a restriction on the minimum distance that a third class passenger could travel by a mail train; that in spite of the restriction, there was overcrowding on trains and that a complete elimination of these restrictions for Railway employees was not possible.

As far as the matter of the provision of additional staff quarters at Kalka is concerned, no record can be traced of any special reference having been made on this matter to the Railway Administration but, generally speaking, there is a shortage of quarters all over and provision for staff quarters is being made on all Railways on a programme basis within the available funds.

The setting up of a Pay Commission is a matter that is of concern to staff not merely at one station, but to all railwaymen and in fact all Government servants. It is not a matter in which the Chairman of the Railway Board could have given any decision.

It will be seen as far as these demands are concerned, they were not pending

for any length of time. On some of them the exact position had been explained to the staff, and on one item at least the Chairman was clearly not in a position to give a decision.

None of these six demands had been raised at periodical meetings between the Union and the Administration. Failing settlement of these, they could even be raised by the National Federation of Indian Railwaymen with the Railway Board. It cannot be said therefore that a situation had arisen whereby the workshop branch of the Uttariya Railway Mazdoor Union which normally deals only with a Works Manager should take the matter up directly with the Chairman, Railway Board.

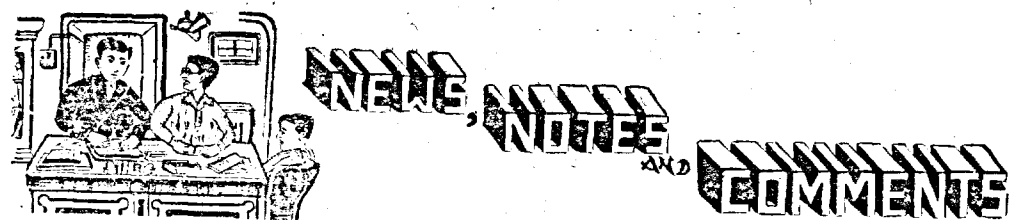
Hon'ble Members will see from the facts that I have given that yesterday's incidents are in line with the pattern of happenings elsewhere in the country in the recent past. The continuation or repetition of such behaviour, the House will agree, can only bring suffering to railwaymen and have an adverse effect on the economy of our country."

* * *

Integral Coach Factory

Twelve unfurnished coaches were built in the Integral Coach Factory from October to March this year and 60 unfurnished coaches were expected to be built in the factory in 1956-57, Mr. O. V. Alagesan, Deputy Railway Minister, told Mr. M. Valiulla in the Rajya Sabha to-day.

Replying to a supplementary, he said that the full production target of the factory would be reached within four years instead of five years as had been expected. Meanwhile, as a large number of coaches were needed they would have other types of coaches built in the country.



Appendix III-A Examinations

The following comparative list of the year by year number of passes on every one of the Railways would be educative :

Railway	Number of Passes												Percentage of Passes		
	Accountants			Inspectors of Station A/cs			Inspectors of Stores A/cs			Total					
	53	54	55	53	54	55	53	54	55	53	54	55	53	54	55*
Central	4	16	19	1	5	4	-	1	11	5	22	34	8.3	18.2	23
Northern	11	22	16	3	8	9	-	-	9	14	30	34	14.7	18.6	14
N. E.	5	8	13	-	1	1	-	-	7	5	9	21	9.2	11.5	18
Southern	15	17	14	9	6	10	-	2	1	24	25	25	17.1	13.6	10
Western	3	11	18	3	7	1	2	2	4	8	20	23	11.3	17.0	13
Eastern †	12	17	19	3	1	-	-	2	4	15	20	23	14.1	14.8	21
S. Eastern	-	-	18	-	-	1	-	-	3	-	-	22	-	-	
C. L. W.	-1	3	2	-	-	-	-	-	-	1	3	2	20	50	?
G. B. P.	-	-	1	-	-	-	-	1	-	-	1	1	-	50	?
I. C. F.	-	-	1	-	-	-	-	-	1	-	-	2	-	-	?
Ex. R. C. A.	2	-	-	12	-	-	-	-	-	14	-	-	15.0	-	-
Total	53	94	121	31	28	26	2	8	40	86	130	187	13.78	16.15	15

* Only approximate, as total number of candidates for each Railway is not available.

† Figures for 1953 and 1954 are combined for Eastern and South Eastern.

Railways take over Amritsar Workshop

The Government of India, Ministry of Railways, have decided to take over the East Punjab Government Central Workshop at Amritsar as from June 1, 1956.

This workshop will be managed by the Northern Railway and will be expanded to include within its scope the periodical overhaul of broad gauge locomotives and manufacture of spare parts required for their running maintenance.

Expansion of Indian Railways

Indian Development Project :

Agreements signed by the Finance Ministry of the Government of India and by the U.S. Technical Co-operation Mission to India provide for assisting Indian Development Projects to the extent of nearly 7½ lakhs dollars or Rs. 35 lakhs nearly. This aid would be used for assistance to Air India International, for storage of food grains in India and for expansion and rehabilitation of Indian Railways.

Amenities for Rly. Workers

About 14½ crores of rupees are proposed to be spent during the current financial year on schemes for the welfare of the staff of Indian Railways. These include construction of new quarters for staff, improvements to existing ones, improvements to amenities like sanitation, water supply, road lighting, marketing facilities etc., for Railway colonies.

Medical expenses—Health and Welfare Centres

Education for Railwaymen's children, canteens and other facilities cover about Rs. 5½ crores.

Among other items provided are Rs. ½ crore for new Hospitals and dispensaries and improvements to existing ones, about Rs. ½ crore for new Railway Institutes, rest houses, sports grounds, reading rooms etc., about Rs. ½ crore for welfare works,

child welfare and maternity centres, cooling arrangements for workshops, canteens, rest rooms to workers and about Rs. four lakhs for new schools and improvements to existing ones.

Execution of Projects—Auditor General's suggestion

Reorganisation of the administrative machinery of the Government of India with appropriate delegation of financial powers, consistent with responsibility at all levels, is suggested by the Comptroller and Auditor General of India to prevent "chronic lapses" of appropriations voted by Parliament for the execution of approved projects.

The Comptroller has also suggested provision of competent technical advice to secure a reasonable and accurate assessment of the spending capacity of the various Ministries, changes in the budgetary procedure and readjustment in the relations between the Finance and the Administrative Ministries.

These suggestions are contained in the Central Civil Audit Report Part I, on the accounts of 1953-54 presented to the Lok Sabha on 23rd May 1956.

Ry. Congress Association at the Hague

Three separate delegations of Railway Officers represented India at the annual meeting of the Permanent Commission on Railway Congress Association held at the Hague from June 4th to 8th, 1956.

"Spectacles for the Deaf"

It is learnt that in the 1956 British Industries Fair held at London between the 23rd April and 4th May, a special type of spectacles manufactured on an experimental basis by Messrs Fortiphone Ltd., London, was on view. These spectacles were developed in the course

of three years and was recently put into production. It contains the whole of a hearing aid in the side arms of the spectacle by using of transistor miniature instead of ordinary valve.

The invention is bound to be very popular as it does not show off hearing deficiencies of others.

Overcrowding on Suburban Trains

The recommendations made by the special Sub-Committee appointed for the purpose were placed before the Lok Sabha in the first week of May. When implemented they may possibly help to reduce overcrowding to a certain extent only. The suggestion to provide for standing accommodation, though theoretically sound may not be practically effective, particularly when the coaches are used during non-peak hours. Similarly provision of engines at either end of the train to avoid transfer of engines when the trains are to be reversed does not seem to be financially sound since the use of a Dead Engine on a train is always a disadvantage not only in the shape of the hauling load, but also taking away from active service one engine all the time. The suggestion to abolish ladies compartment is also not a very sound proposition, since it is only in crowded trains that they should be given relief.

Divisionalisation of Southern Rly.

Two divisions one at Vizag and the other at Madurai started working in May 1956. A third division with Tiruchi as Headquarters also started working from 1st June 1956.

Catering Arrangements on G. T. Express

With effect from 23-4-1956, a Dining Car Service has been introduced on the G. T. Express between Bezvada and Delhi, instead of the old service between Ballarshah and Delhi. This new service is worked Departmentally by the Southern Railway and provides for vegeta-

tarian meals both in the South and North Indian styles being served in the dining car, in addition to refreshments and beverages.

Godavari Pushkaram Festival : May--June 56

Very elaborate arrangements had been made by the Southern Railway authorities to cope with the heavy traffic rush at Godavari, Kovvur and Rajahmundry. Passenger amenities of every variety had been provided such as a crossing station at Godavari, a foot over bridge at a level crossing, electric lighting arrangement, extra waiting sheds, and Booking Offices, posting of passenger guides, loud speaker arrangements, vegetarian light refreshment rooms, continuous disinfection squads, provision of Railway security force etc.

Illegal Strikes on Railways

While expressing the great concern of the Government of India over the recent illegal lightning strikes by Railway Staff, the Railway Minister pointed out that such illegal and sudden stoppages of work can have no other effect than to undermine the whole framework of the 2nd Five Year Plan and endanger the fulfilment of its objectives.

In his statement to the Lok Sabha, he stated that it was "neither fair nor proper for labour Unions to encourage workers to resort to extreme steps on trivial matters and cause suffering to the workers themselves and to the Country at large."

Machinery for negotiation existed at all levels and this should have been utilised instead.

This machinery provides fully for discussion and settlement of issues. There can even be consideration of grievances by neutral persons with Parliament as the Supreme Arbiter in all matters. Government is prepared to follow the accepted procedure for negotiation and settlement

and organised labour should be prepared to do likewise.

Integral Coach Factory

It is expected that the I. C. F. at Perambur would double its target of production in the very first year.

The fourth batch of 199 apprentices recruited in Nov. last year trained in various stages, has completed its training at the Factory's training school and the next batch has already been selected and their training would commence shortly.

A further batch of 14 selected Technicians left India for Switzerland to undergo six months' specialised training at the Schlieren Firm.

To cope with the difficult situation of steel supply, the supply of about 5000 tons of steel sections and plates from suppliers from abroad is being expedited.

Estimates Committee

The following members of the Lok Sabha have been declared elected to serve on the Committee on Estimates for the year 1956-57 commencing from June 30, 1956, with Mr. Mehta as Chairman.

Messrs. Balvantrai Mehta, B.S. Murthy, N. P. Sinha, B. L. Chandak, Amarnath Vidyalkar, V.N. Tiwary, Satis Chandra Samanta, R. S. Diwan, M. R. Krishna, J. H. Joshi, Bhawani Singh, P. Subba Rao, P. N. Rajbhoj, V. G. Deshpande, S. N. Sinha, D. N. Tiwary, C. R. Narasimhan, Raghubir Sahai, Algurai Shastri, Abdus Sattar, Lakshman Singh Charak, N. Rachiach, R. R. Moraka, M. Nanadas, T. B. Vittal Rao, Y. Gadlingana Gowd, Jaswantrai Mehta, A. E. T. Barrow and Choithram Gidwani and Srimati B. Khongmen.

Passenger Amenities

Among the suggestions made by the Regional Railway Users Consultative Committee of the Tiruchi Region on the Southern Railway were installation of loud speaker arrangements at important

junctions, posting of guides at Pilgrim centres, issue of return concession tickets between Tenkasi and Bangalore and employment of additional water carriers during hot months.

Note: In regard to passenger guides, we feel that some special attention is necessary, particularly in case of Lady Guides and when trains are running very late, especially at nights. These guides should meet lady passengers who detrain at stations late in the night and afford them necessary convenience to reach their homes by arranging for their conveyances or otherwise, if the passengers are not met at the stations by their relatives or otherwise owing to the uncertain time of arrival of the trains or otherwise. In this connection, the following published in the S. E. Rly. Time Tables would be well worth being observed on all Railways:

"These Guides have instructions to assist passengers generally, and particularly Third class passengers, in respect of the following:—

(i) directing passengers to correct booking windows and verifying that passengers are being charged correct fares;

(ii) furnishing them with correct platform numbers;

(iii) indicating to them the correct departure time of trains;

(iv) preventing harassment by licensed porters; and

(v) keeping the concourse and platforms free from beggars and other undesirable persons."

Another direction in which the Administration can help the passengers is by providing guides on long distance trains, who can help all passengers in getting conveniences. In fact, the necessity of such guides, moving about freely amongst passengers at all stations where the train halts for a few minutes would be a very welcome amenity as they can be approached by passengers who cannot

leave their trains, for their ordinary needs like arranging for lunch, water or otherwise.

Editor, R. A.

Recent Strikes

The Government of India have decided, as a special case, that the period of the 'illegal strike' at Kalka and other connected strikes elsewhere on the Northern Railway upto the 2nd of June 1956 would not be treated as a break in service. It was further announced that the general rule of "No Pay for No Work" would, however, apply.

The Railway Board further announced that in case of 'illegal strikes in future', action would be taken according to the rules and the penalties indicated therefor would be strictly imposed. These penalties as laid down in the Establishment Code state that workmen who participate in 'illegal strikes' are not entitled to any pay for the period of absence and that an illegal strike results in break in service with its necessary consequences. Further, the participants in 'illegal

strikes' render themselves liable to disciplinary action. No authority below the Government has any power to grant any relaxation from these rules.

Chittaranjan Loco Works

The Government of India have decided to set up a Steel Foundry at the Chittaranjan Loco Works for the production of Loco steel castings which are at present imported. The Foundry will be so designed as to permit convenient expansion of its capacity from 7,000 long tons of finished steel castings annually to 1,000 long tons per annum. A number of American Firms of Consulting Engineers have been invited to submit proposals in this connection. The U.S. Technical Co-operation Administration will finance the expenditure incurred on the Services of the Consulting Engineers. Two Railway Officers, Messrs. Karnail Singh (G.M., C.L.W.) and P. C. Kapoor (Jt. Director, Mechanical Engineering, Railway Board), have been deputed to visit the United States to select the most suitable firm for this purpose.

Finance Commission

The New Finance Commission, with Mr. K. Santhanam as its Chairman, started work with a Press Conference on the 6th of June 1956. The Commission would go into the question of financial readjustments between the Central and the States Govt., the interim recommendations in respect of which would be ready by the end of the year, in time for the framing of the Budgets for 57-58.

The main work of the Commission could not proceed until the picture of the State structure resulting from the reorganisation of the Units of the Indian Union was complete. The Commission, would, however, start its investigations with some of the States which would be unchanged.

Mr. Santhanam listed three matters in respect of which the Commission would have to "break new ground". They were:

1. Formulation of the principles of distribution of the Estate Duty.
2. Review of the conditions relating to the loans issued by the Central Government to the States since Aug. 15, '47.
3. Determination of the share of the State of Jammu and Kashmir in the centrally divisible taxes and grants.

Mr. Santhanam said that the Commission would invite Memoranda from Public Chambers of Commerce and like bodies and also tour the various States to receive representations.

Readers' Forum

P. F. Accounting

I

The following suggestions have been sent to us for publication by one of our subscribers, Sri J. N. Lall, Workshop Accounts Office, Jamalpur, E. Railway.

1. For quicker posting and to obviate chances of multiplicity of the account of the same subscriber, paysheet preparing authorities may be instructed to constantly maintain the same serial order in which the deduction list of the subscribers for the month of March paid in April are submitted to the Accounts Office.

2. To facilitate prompt opening of new ledger cards and thus to obviate the accumulation of suspense when any subscriber is transferred from one accounts circle to another, a remark to this effect should invariably be given in the remarks column of the deduction list.

3. Similarly, when the accounts of subscribers are maintained at the Central Accounts Office and in Workshops where frequent inter-shop transfers are effected, the "remarks" column of the deduction list should invariably show the office or shop wherefrom the subscribers have been transferred. This will facilitate the linking of accounts maintained in two different sets of P. F. Ledgers.

4. In most offices, monthly reconciliation of debits including adjustments through TVs on account of transfer, disallowance of Bonus, disallowance of excess interest etc. is done at the time of annual reconciliation which causes much inconvenience and is the prime factor for heavy arrears in annual reconciliation work.

I therefore suggest that debits including adjustments through TVs on account of transfer etc. should be reconciled monthly as in the case of credits.

5. Simultaneous posting of P. F. payments including advances from P. F. should be made in check sheets and

ledgers. This would greatly facilitate the work of debit reconciliation.

The suggestion published in THE RAILWAY ACCOUNTANT for April 1956 for the maintenance of Ledger accounts in serial order of account numbers and to be kept in loose cards, does not seem to be healthy since such ledger account is liable to be lost by constant handling. The chances of their getting mislaid are very great. The question of reconstructing a duplicate ledger card in which payments have been made is quite objectionable from the audit point of view. Further, it is to be noted that the procedure for maintenance of ledger accounts, account numberwise and in loose leaf, which was in vogue on different Railways was discontinued long ago.

II

The following is another article on this subject written by Sri A. K. Roy, Accountant, D. A. O's Office, Asansol. He deals with standardised P. I. Journals and their effectiveness as a remedy for P. F. accounting irregularities.

Standardised P. I. Journals are those in form 1308-A (commonly known as P. F. Deduction sheets) with the names of subscribers, their designation, office, station, A/c No., rate of pay and P. F. Ledger folio Nos. cyclostyled therein. These Journals are to be kept in Pay Bill preparing offices for submission to bill-auditing offices along with the pay bills with the amounts of P. F. recovery filled in.

Normally P. I. Journals are prepared every month for submission along with pay bills. To keep them standardised is to have the seriality of names in the Journal fixed and kept in the same order as at the beginning of the year, which is also the order of names in the P. F. ledger, and what is more important—having the Ledger folio Nos. already quoted on the Journal to facilitate correct and quicker posting.

The idea of S. P. I. Journals originates from the belief based on experience that faulty preparation of P. I. Journals is the root cause of accounting irregularities. Some offices, it is reported, employ their literate Class IV staff for preparation of P. I. Journals which often contain wrong a/c Nos. and names, misclassification of Permanent Members as temporary or *vice versa*, failure to give remarks regarding transfers etc.

But it would be uncharitable to level such a sweeping charge on the Executive as it is not universally true that ordinary P. I. Journals are faulty. It is also not correct that wrong P. I. Journals are the only cause of our accounting irregularities. The most appropriate cause is: too much of dependance on ordinary human prudence to carry out the work correctly—that is, the system is not foolproof.

Why then are S. P. I. Journals being introduced?

The answer is: whatever other factors are responsible for incorrect P. F. accounting, assuming that ordinary P. I. Journals are correct, are sought to be eliminated by introducing S. P. I. Journals which will not allow a single unposted item nor opening of any duplicate or triplicate account. Posting work will now become fool-proof.

This conclusion is, however, only theoretical. The practicability of introducing the S. P. I. Journals and maintaining them in order is a toughest clerical problem ever faced by the Administration. The difficulties are as follows.

1. Accounts Ledger folio Nos. are not obtainable before May and cannot be quoted by the Executive on the Standardised Journals before the June bills are passed in July at the earliest—if only the huge work of cutting the stencil and cyclostyling the Journal of all the staff of an accounts circle is possible with utmost speed.

2. If the correctness of the name, a/c No. and folio No. is to be checked and also whether a name actually belongs to S. R. P. F. Permanent or Temporary is

verified, further delay will occur. Otherwise, the journals will be partly incorrect.

3. One folio number lasts maximum 24 months, after which the whole operation will have to be repeated with the enormous cost of clerical labour and material. As 3 or more months are lost in its introduction, one S. P. I. Journal cannot last more than 21 months.

The work of maintaining the S.P.I. Journals correctly is still more difficult viz.,

1. Every month some of the Journals will have to be written in the ordinary way and there will therefore be a mixture of S. P. I. Journals and ordinary P. I. Journals, due to the following reasons:

(a) Transfers within an accounts circle after journals are standardised.

(b) Transfer of names from Journals of Temp. staff to those for Perm. Staff.

(c) Transfers from other accounts circles. (d) Addition of new members.

The benefit of fool-proof posting as is expected of S. P. I. Journals will thus be frustrated, due to two types of P. I. Journals being mixed up.

If the same Journals are made to last more than 24 months, granting that by some device same folio nos. continue in fresh set of ledgers, the difficulties will further increase.

2. Ordinarily the names in the P. I. Journals follow the same order as in the pay sheet. But in the S.P.I. Journals, the names will be fixed whereas in the paysheet, the order will often change from month to month. This will present great difficulties for Pay Bill Offices to fill in the amounts in journal correctly and reconcile the total recovery with the paysheet.

If, as in a balance sheet, the merits and demerits of S.P.I. Journals are placed on the Asset and Liability sides respectively, it is high time they are valued and the balance struck.

An alphabetical Index Register or numerical Index Register (para 1311-A) with annual folio nos. quoted thereon, if properly maintained, can help to locate

an account and prevent opening of multiple accounts for the same subscriber. But this method, I am afraid, is not foolproof. That is, it cannot prevent an unwary ledger poster from committing mistakes. Nor is its correct maintenance an ordinary task.

THE MACHINE METHOD ADVOCATED IN PARA 1332-A appears to be evolved out of THE MOST MATURE CONSIDERATION OF THE PROBLEMS OF P.F. ACCOUNTING. But this method failed on various railways and the machines were discarded in favour of the manual method. In investigating the reasons of this paradox, the following facts figure prominently:

1. Within one block, a/c nos. were allotted to all categories of staff of all departments. This caused posting and reconciliation difficult.

2. There was no intensified check to prevent wrong strokes on the machines to reconcile the figure on the totaliser with the total figures on the P.I. Journal.

3. Rearrangement of loose cards every month in order of names in the P.I. Journal (para 1334-A) became increasingly difficult with the lapse of time for reasons mentioned in (1) and the cards were under the risk of being mislaid.

4. When it was sufficient for only two columns being posted by the machine (viz., subscription & Refund of withdrawals) a number of columns were posted—which made the operator's work heavy.

By allotting different blocks of a/c Nos. for different groups of staff within which in and out transfers are very frequent and by intensified check, all the shortcomings mentioned above can be overcome. If the loose cards which are worth of a re-experiment appear too risky, the accounts can be maintained in order of their serial numbers in the bound ledgers by the manual method—as suggested in my article published in the April '56 issue of this Journal.

Note: This subject of defects in the maintenance of P.F. accounts and the remedies has

by now been sufficiently well brought out by various writers and we would wish to close this subject at least for sometime.

It is hoped that the authorities concerned would have taken up the case for adequate action in view of the importance of the subject.

—Ed., R.A.

* * * Accountants and future difficulties

It has been observed that when Accountants and Supdts. are transferred from General Accounts to Traffic Accounts or *vice versa*, they face extreme difficulty and even fail to work up to the desired mark and instances are not lacking when they have recorded their inability in writing that they are not able to work in the other branch in which they had no opportunity to work while as a clerk. In Northern Railway, the Administration has gone a step further in discarding them because in the Senior Accountants' selection, some of the Accountants have been selected for a particular branch only i.e., either T.A. or G.A. and thus they have been partially debarrd from promotion. It is a matter of pity that the careers of some of the Accountants have been partially blocked due to no fault of theirs. Under the circumstances I would recommend with full emphasis that a combined seniority list of T.A. & G.A. in the cadre of clerks is the solution to the problem. The combined seniority list at the root is a dire necessity as this will save them from future handicaps. The staff of the Northern Railway is already fighting on this issue and it is high time that the Rly. Board should be approached to take up the matter. Side by side, I would also recommend that the benefits of early passing the examination should also be extended to App. II A Staff.

Note: The above letter received for publication urges the necessity for general Seniority List but we would urge in the interests of efficient work adequate facilities for all-round training.

—Ed., R.A.

STUDENTS' CORNER**Appendix III-A Examination - 1955****Full List of Passes**

The following candidates who appeared for the Appendix III-A Examination held in December 1955 are declared to have passed this examination in the groups mentioned below :

A - Accountants ; S - Inspector of Station Accounts ; St - Inspector of Stores Accounts.

Our hearty congratulations to all of them.

Roll No.	Name	Group	Roll No.	Name	Group
Northern Railway			229	„ Sardar Mal	St
13	Shri Kanwar Bhan Gupta	A	261	„ Sitla Sahai	St
14	„ Krishnachand Taneja	A	263	„ S. N. Trivedi	St
19	„ Anand Bhushan Sardana	A	North-Eastern Railway		
20	„ Manohar Lal Rajput	A	270	Shri Aijaz Husain Khan	A
37	„ Krishan Chandar	A	271	„ Ram Pati Prasad	A
47	„ Gauri Shankar Sharma	A	273	„ Ram Kripal Tripathi	A
48	„ Ved Prakash Gupta	A	275	„ Parashuram Singh	A
49	„ Manohar Lal Chawla	A	294	„ Shri Nand Pandeya	A
50	„ Jagdishchandar Mahajan	A	295	„ Baidya Nath Prasad	A
51	„ Tara Singh	A	338	„ Har Prasad	A
55	„ Jagdish Singh	A	352	„ Kumar Krishna Mukherjee	A
206	„ Nath Ramdeo	A	353	„ Biswanath Bhattacharjee	A
211	„ Kailash Narain Bhargava	A	354	„ Ramendra Chandra Pandit	A
216	„ Amrit Lal	A	355	„ Ahindra Lal Barua	A
232	„ Tilk Raj Agarwal	A	358	„ T. S. Chowla	A
242	„ Lok Nath	A	373	„ Brojendra Kumar Mukherjee	A
78	„ Surinder Nath	S	381	„ Bimalendu Guha	S
104	„ Ram Narain	S	329	„ Girja Prasad Varma	St
105	„ Shiv Dayal Sardana	S	332	„ Gautam Prasad Goel	St
114	„ Lakhi Ram Jain	S	334	„ B. B. Mal	St
188	„ Ved Prakash Bawa	S	335	„ Pyare Lal Gupta	St
189	„ Ram Nath Sethi	S	351	„ Yagya Narayan Gaur	St
193	„ Prakash Chandar Sharma	S	367	„ Bhupendra Nath Saha	St
195	„ Lalchand	S	382	„ Sachindra Nath Chakraborty	St
196	„ K. K. Miglani	S	Eastern Railway		
166	„ Om Prakash Dhingra	St	385	Shri Debananda Mukherjee	A
167	„ Lal Chand Gera	St	399	„ Dharendra Nath Konar	A
168	„ Tarlochan Singh	St	404	„ Sahadeb Chandra Laha	A
170	„ Pool Chand Bhatia	St			
171	„ Roshan Lal Sethi	St			
228	„ Shiv Lal	St			

Roll No.	Name	Group	Roll No.	Name	Group
			Central Railway		
425	„ N. B. Bhowmick	A	618	Shri V. V. Deshpande	A
427	„ Santosh Kumar Chatteraj	A	622	„ P. Narayanaswami	A
432	„ Sunil Kumar Banerjee	A	648	„ K. Rangachari	A
433	„ Phakir Sarkar	A	649	„ S. S. Raman	A
440	„ S. N. Bagchi	A	650	„ S. Rajaraman	A
459	„ N. B. Sen Gupta	A	653	„ V. G. Avachat	A
468	„ B. P. Chatterjee	A	664	„ V. Sundaresan	A
469	„ S. N. Moitra	A	671	„ M. Samachar	A
471	„ Abni Mohan Sarma	A	673	„ K. V. P. Bhat	A
479	„ Nihar Kumar Mozumdar	A	674	„ R. B. Sashital	A
488	„ Madhusudan Chatterjee	A	676	„ M. V. G. Agnihotri	A
513	„ Krishna Gopal Das	A	716	„ P. V. Krishnaswamy	A
518	„ Sisir Kumar Chakrabarty	A	717	„ K. V. P. Panicker	A
524	„ Birendra Kumar Chatterjee	A	718	„ N. Subramanian (S.C.)	A
532	„ A. K. Mazumdar	A	719	„ M. V. Ramachandran	A
537	„ Birendra Nath Das Gupta	A	720	„ K. S. Ramachandran	A
586	„ Ajit Kumar Roy	St	721	„ S. Viswanatham	A
593	„ S. C. Moitra	St	725	„ S. Parthasarathy	A
594	„ S. P. Shukul	St	727	„ B. Nagarajan	A
596	„ Ramendra Nath Banerjee	St	687	„ G. J. Neglur	S
			742	„ Ramkrishan Chadha	S
			744	„ M. Jayakrishnan	S
			747	„ V. Changiah	S
394	Shri Pabitra Kumar Bose	A	692	„ T. S. Sethu Madhava Rao	St
401	„ A. B. Banerjee	A	693	„ K. Krithivasan	St
403	„ Panchanon Banerjee	A	694	„ S. H. Tyle	St
430	„ R. P. Choudhury	A	696	„ A. G. Medhi	St
455	„ N. C. Das Gupta	A	697	„ G. Jagannathan	St
462	„ N. L. Poria	A	698	„ J. R. Vaidya	St
470	„ S. B. Roy Kanungoe	A	703	„ R. Sivaramakrishnan	St
472	„ Kamal Kumar Chowdhury	A	704	„ Vinayak Moreshwar Thosar	St
473	„ Dharendra Nath Chowdhury	A	706	„ R. Subramaniam	St
480	„ A. K. Ghosh	A	708	„ P. V. Subramaniam	St
481	„ Saileswar Chatterjee	A	709	„ K. S. Jambunathan	St
482	„ Sachindra Nath Mnkherjee	A	Western Railway		
485	„ K. C. Chatterjee	A	765	Shri A. C. D'Souza	A
490	„ Arun Kumar Seal	A	770	„ M. P. G. Nair	A
500	„ Hari Sadan Banerjee	A	772	„ C. M. Ojha	A
526	„ I. V. Rao	A	774	„ K. R. Badheka	A
535	„ B. Rama Rao	A	775	„ D. P. Joshi	A
538	„ Bhupendra Nath Mitra	A	776	„ M. Palmer	A
582	„ S. Sitaramaswamy	St	777	„ R. D. Kapoor	A
588	„ S. S. Rau	St	787	„ N. H. Choudhari	A
589	„ B. T. Ghosh	St	789	„ J. T. Kishnani	A
592	„ Vijainarayan	St			

Roll No.	Name	Group	Roll No.	Name	Group
798	" T. V. Ramadurai	A	1095	" G. Raju	A
813	" Dhanatter Ram Sharma	A	1096	" O. K. Sreenivasa Raghavan	A
818	" K. K. Rajput	A	1111	" Arthur Francis	A
848	" B. P. Tolani	A	1177	" P. G. Kulkarni	A
875	" Raj Kumar Agarwal	A	987	" T. Raman Kutty Menon	S
877	" Sunder Lal Agarwal	A	1003	" N. Radhakrishnan I	S
879	" Harcharan Singh	A	1010	" A. Sivaji	S
880	" Tarachand N. K.	A	1033	" A. Appusamy Rao	S
882	" Jagadish Prasad Sinhal	A	1131	" K. V. Nithianandam	S
896	" Sukhdev Bijlani	S	1135	" Shaik Abdul Azeez	S
801	" P. N. Subramanian	St	1136	" T. E. Ramanujam	S
802	" S. R. Krishnamurthy	St	1137	" S. K. Balasundaram	S
809	" K. P. Srinivasan	St	1138	" T. S. Sundararajan	S
924	" R. N. Chaturvedi	St	1154	" G. Ramakrishna Rao	S
			1173	" B. Kantha Rao	St

Southern Railway

930	Shri S. Balasubramanian	A
936	" E. K. Ananthapadmanabhan	A
946	" V. Kasturi Rangan	A
948	" T. George	A
954	" S. Narayanan	A
1069	" S. Joseph	A
1084	" N. Velayudhan	A
1089	" C. D. Balaraman	A
1091	" R. Aravamudhan	A
1092	" C. Venkatesulu	A

Chittaranjan Loco Works

1199	Shri S. Choudhury	A
1203	" S. K. Bose	A
	Ganga Bridge Project	
1205	Shri P. Krishnamurthy	A
	Integral Coach Factory	
1209	Shri K. S. Varadarajan	A
1215	" V. Gopalan	St

The summarised position of passes is as under :

Railway	Accountants	Inspector of Station A/cs	Inspector of Stores Ac/s	Total	Approximate percentage of passes to total candidates
Central	19	4	11	34	23
Eastern	19		4	23	**
Northern	16	9	9	34	14
North Eastern	13	1	7	21	18
Southern	14	10	1	25	10
South-Eastern	18	1	3	22	**
Western	18	1	4	23	13
Chittaranjan Loco	2	-	-	2	†
Ganga Bridge Project	1	-	-	1	†
Integral Coach Factory	1	-	1	2	†
Grand Total	121	26	40	187	15

* * As it has not been possible to ascertain the number of candidates for each of these Railways separately, the percentage of passes for both has been worked out and it is 21.

† The number of entrants is not known.

Note : Over 1200 candidates gave their names for the Examination. The number of those, who either withdrew or stopped away from the Examination, is not known to us. The pass percentage is, therefore, worked out approximately on the total number of entrants. Ed., R. A.

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