

THE RAILWAY ACCOUNTANT

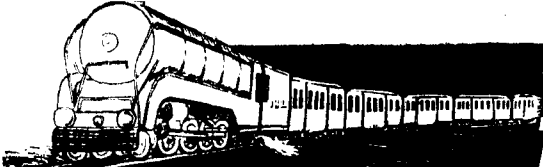
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ACCOUNTANT

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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 28th of a month for inclusion in the next month's Journal, which is published on the 15th of every month.

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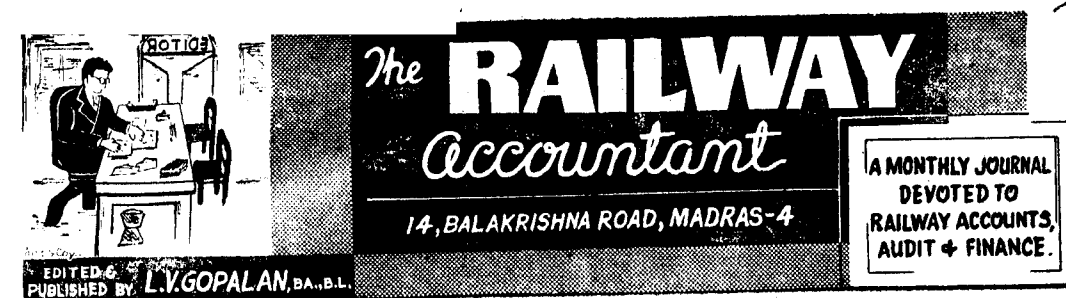
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THE FOLLOWING JOURNALS AND MAGAZINES HAVE BEEN RECEIVED SINCE THE LAST ISSUE:—

EASTERN RY. MAGAZINE	Jan. '57	S.R.Y. ACCOUNTS SOCIETY BULLETIN...	—
NORTHERN RAILWAY MAGAZINE	—	AUSTRALIAN ACCOUNTANT...	Jan. '57
WESTERN RAILWAY MAGAZINE	Jan. '57	ACCOUNTANTS' JOURNAL, NEW ZEALAND	—
NORTH-EASTERN RAILWAY MAGAZINE	—	WEDNESDAY REVIEW	27-2-'57
SOUTHERN RAILNEWS	Feb. '57	RAILWAY HERALD	—
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INDIAN CONSTRUCTION NEWS Feb. 57



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No. 12

Role of Finance in the Second Five Year Plan (Railways.)

It is indeed gratifying to learn, (as was, of course, to be expected, and as fore-shadowed by us, a few months ago) that the Experts sent out by the World Bank to assess the Indian Railway's case for a loan from the World Bank to carry out essential works contemplated under the Second Five Year Plan, are satisfied with the methods of working and performance of the Railways and convinced of the immediate need for financial assistance from the World Bank to carry out the Projects under the Second Five Year Plan. Great credit is no doubt due not only to the delegates, particularly to Shri P. C. Bhattacharyya, from India who visited America for the purpose, but also to the General Managers of Indian Railways who have furnished proper data to the American Experts. While there is no doubt about the thorough solvency of the Indian Railways, which would be a criterion from the point of view of the World Bank for sanctioning a loan, it has also been convincingly demonstrated that the operating efficiency and methods of working of the Indian Railways are no whit inferior to those on Railways in other advanced countries. In fact, in many respects, it has been shown that the Indian performance compares very favourably with those on the American and British Railways.

The loan from the World Bank may, therefore, be expected to be sanctioned in the very near future. But a great responsibility rests upon Indian Railways to make the best and most economic use of the funds so made available. This means that the financial implications of all schemes both when they are projected and also when they are actually executed, should be carefully assessed at every stage so that the best value for the money spent is obtained by the Indian Railways. There is no doubt that the existing organisation of the Indian Railway system both at the Railway Board level and at the Zonal level, provides for proper consultations with Finance at every stage whenever financial implications come into play in the examination or appraisal of any proposal. In point of fact, however, very often Finance does not appear to be always associated with the development of schemes and projects in the initial stages, but consultation starts at a later stage when it may be necessary to change the plans either in full or in part, as a result of financial advice. This, however, does not appear to be a peculiar feature in this country alone. Even in such an advanced country as Great Britain, it seems that the consultation of the Executive with Finance sometimes does not take place at the initial stage. This is what Mr. H. H. Norcross, F.C.W.A. says in his paper on Cost Behaviour published in the "Cost Accountant," London, of December 1956:—

"Frequently projects are well advanced and important decisions have been taken by senior technicians before the management accountant has been consulted. The technicians have developed a keen affection for their 'brain child'; an affection resulting from the great thought and effort which have gone into its creation. If, at a late stage, the project is brought to the management accountant who has to criticise it on economic grounds, serious friction can occur between him and his technical colleagues. I have heard this described as 'quarrelling at the altar'. This should not happen when the accountant is brought in for consultation at an early stage of the development of a project.

When the "strategic" decisions have been made, attention can then be given to the "tactical" problems of cost control. At a relatively early stage of the development of the whole project, preliminary estimates of cost should have been prepared. As the project develops, these estimates should be gradually refined and they will, in due course, become sound enough to be used as a basis for budgets and cost standards".

It is to be hoped that steps will be taken by those in authority to emphasise the need for associating Finance with Projects even from the earliest stage, as this will, besides avoiding a good deal of possibly wasteful work done by the Executive in the preparation of the blue-prints for the schemes, also quicken the processing of schemes through Finance, particularly at the final stage, as Finance would have already obtained the necessary background for the scheme and also in fact assisted the Executive in fashioning the method of preparation of the scheme and avoiding possible defects at the earlier stages.

Adoption of Decimal Coinage

Elsewhere in this Issue, we have published extracts from Instructions issued by the Railway Board in regard to the decimal system of coinage to come into force from 1st April 1957. It is obvious that work even from the very initial stages in every place where cash transactions are involved will be affected. Particularly at stations, where there will be booking of passengers at a fast rate and many exchanges of coins have to take place, there are bound to be difficulties in the proper recording of transactions. Something has been said about this in para 3(b) of the Board's orders referred to above. But actual experience in working should enable the Departmental authorities to ease the situation so far as the Commercial staff on the spot are concerned. It should also be ensured that the gain or loss by exchange inherent in the transactions is correctly recorded and brought into Railway Accounts. This is pointed out as there is likely to be some difficulty in proper accountal if there are shortages or excesses in collections and the staff may also take advantage of such possibilities to cover inaccuracies. Hence, greater vigilance and more detailed instructions would be essential for this purpose. In other cases of initial transactions there is no possibility of a rush and the transactions can be recorded definitely more accurately.

It is suggested for consideration that a separate counter be established at Booking Stations working for long periods for exchange of old coins into new denominations, and that only new denominations be presented at the Counter for the purchase of tickets. This would ensure better results.

RAILWAYS IN INDIA

BY SRI S. A. VANESWAR, *Retired Accountant General.*

In the February 1957 issue of this Journal, the problem of Safety First in Travelling, the causes and prevention of Railway accidents, the Findings of the Bose Commission on Ariyalur Railway disaster and further suggestions to ensure safety in Railway travelling were dealt with. A few more problems, having a financial bearing, are discussed below:

TRAFFIC CONGESTION

There is no doubt that Second and Third Class Railway Carriages are still over crowded. It will take some years to put a sufficient number of trains and carriages on the line to relieve this congestion. Excursion parties of students to different places are conducted by school authorities as part of their extra curricular activities. In spite of fairly high fares, people are getting travel-minded. For short distances, trains with diesel engines, containing sitting accommodation will have to be provided at fairly frequent intervals. What with increased amenities in the III Class Compartments, more passengers travel by III Class in preference to II Class. Until sufficient trains and accommodation are provided, it will be necessary for people to travel in smaller number than now. For instance, marriage parties need not comprise whole families but only their representatives. More centres might be opened for the examination and interview of candidates for appointment, rather than require them all to go to one centre for the purpose of appearing before the departmental Selection Committee.

GOODS TRAFFIC

Goods Traffic is proverbially slow and requires speeding up. There are avoidable delays and bottlenecks. "Keep the wagons moving and the Railway going" is a good slogan to adopt in practice.

This requires public co-operation as well as hard and wholehearted work by the Railway employees concerned.

WHARFAGE AND DEMURRAGE

(i) There are usually heavy writes off of wharfage and demurrage charges, resulting in avoidable loss to the Railway. From the beginning persistent and stringent measures should be taken for their collection without allowing these dues to accumulate.

(ii) Likewise, Traffic outstandings accumulate for want of effective and systematic action and review, resulting in heavy financial loss to the Railway. Returns to the Accounts Office are often delayed militating against proper check and accountal. These delays are detrimental to business efficiency and should be put down by suitable action against the staff, who are dilatory or negligent in the matter.

(iii) It would be worthwhile to depute a small Inspection squad to concentrate on the clearance of these outstandings and make a "drive" against them in the financial interests of the Railway.

TICKETLESS TRAVELLERS

They have always presented a big and elusive problem and resulted in heavy loss of revenue to the Railways in India. Public opinion and cooperation should be mobilised against this unlawful and criminal practice, which deprives Railways of large amounts of Revenue regularly. It should be considered unsocial and sinful to travel without a ticket. Special and surprise round up of ticketless travellers should be made frequently and culprits awarded prompt and deterrent punishment by the Railway Magistrate at the Station itself. The vigilance of Ticket Inspectors and Railway Police will go a great way to combat this evil.

[This suggestion is already in force. Ed. R.A.]

PORTER PROBLEM

At a station like Kodaikanal during the season, it is found very difficult to get porters to clear or load the luggage within the brief halt of the train there and passengers have to help themselves. This will have to be remedied and the train halted for at least ten minutes at that station during the season for the convenience of families visiting that hill station.

At big stations, it is necessary to provide small trolleys for the safe and speedy clearance of heavy luggage by the porters. At Tiruchirapalli Junction for instance, it is common experience to take long to clear luggage from the carriage and collect luggage from the Guard and transport them outside as cooly loads. With the jostling of passengers getting into compartments with their luggage, it becomes a difficult and trying situation indeed! This could be relieved by the use of hand-drawn trolleys for luggage.

DEPARTMENTAL vs CONTRACT CATERING

This is a long standing problem and much may be said on both sides. Departmental catering ensures good quality but involves more cost and in fact loss to the Railway, while contract impairs quality of articles produced at reduced cost and is a source of revenue to the Railway. Vegetarian meals, especially on N. Indian trains, require improvement in quality. A judicious combination of departmental catering and contract system according to the local conditions and requirements and under constant and strict supervision will prove to be a satisfactory solution of this problem. While the cost of departmental catering will have to be economised by eliminating waste, the quality of contract catering will have to be kept up to the mark, in the interests of the Railway and the Travelling public.

FINANCIAL ORGANISATION

It is a tribute to the suitability and satisfactory working of the Divisional Organisation and maintenance of accounts and financial control by the FA & CAO on Railways that it is proposed by the Union Finance Minister to attach to each Ministry of Government a Financial Adviser of the rank of an Under or Deputy Secretary for financial advice and control, working under the Finance Ministry. There is an increasing need for devolution of administrative responsibility for expenditure under budgeted heads and at the same time its working has to be watched by the Financial Adviser, in the interests of speedy and proper implementation of big projects under the Five Year Plan. There will have to be a financial stock taking of big projects annually to see whether expenditure has been commensurate with the work done and in such proportion as to ensure the completion of the project as estimated, financially as well as productively. Big contracts and novel features therein will have to be specially scrutinized. The working of the tender system for contracts will have to be vigilantly watched by the Financial Adviser. As on the Railways, the appointment of Financial Adviser and CAO postulates the separation of account from Audit of Civil Departments also and the Constitution of a separate cadre of Financial Advisers under the Finance Ministry, drawn from IA/S and IAA/S Service after requisite training for their responsibilities. They should not be only Under or Dy. Secretaries functioning internally for the time being as Financial Advisers of their Ministry. As on the Railways, their freshness of outlook, independence of status and function and back ground of financial knowledge and training would be indispensable to the success of the new organisation of the Ministries both in the Union and in the States.

Note:—Inspection squads are already working to clear heavy outstandings. Hand drawn trolleys are also available at some big stations.
Ed. R. A.

Rail Traction for India—Steam, Diesel or Electricity?

BY R. VANCHINATHAN, Chief Electrical Engineer, Northern Railway

The U. S. Railways switched over to diesel-electric traction from the traditional steam traction as early as 1940, and they now seem quite satisfied with the change. The reasons which prompted the change, were diesel's ability to haul heavier loads faster; and its better brake-thermal efficiency and concomitant economy in fuel consumption.

The hauling capacity of a diesel loco is much better at low speeds and the starting pull is over double that of a steam loco of equal horse power rating. Therefore, for shunting purposes, particularly, the diesel loco is admittedly the most effective type in view of its high accelerating ability and greater availability for service.

Even for main line service, a diesel loco is more economical than its steam counterpart. Statistics indicate that about 35 to 70 diesel-electric locos can do the work of 100 steam locos, depending upon utilisation.

As a result of standardisation and mass production methods, the cost of a diesel-electric loco for American service is now only 1 to 1½ times that of a corresponding steam loco as against 3 times in the early days.

Another advantage of a diesel loco over the steam loco is the absence of water supply problems. This is particularly valuable in arid regions.

Further, the diesel loco is comparatively easily manoeuvrable and needs fewer men to man it.

Electric supply for train lighting in the case of passenger services can be conveniently given from the diesel-electric loco itself, whereas with a steam loco-driven passenger train, a more expensive arrangement is necessary for train lighting.

The only item which calls for a higher expenditure in the case of diesel locos, as compared to steam, is in respect of repairs, maintenance and depreciation.

The normal life of an oil engine may be taken at about 15 years or so, whereas a steam engine with suitable repairs to its boiler, may be expected to carry on for 30 to 35 years without losing much of its efficiency and service reliability. The repair charges are somewhat higher for diesels, particularly in the later years of the machine. However, the exact data are not yet available as diesel locos now functioning in America are still new.

Nevertheless, on the whole, the American railways are quite satisfied with the diesel-electric locos. In fact the cost of the changeover was recovered in the first six to eight years through operational economy. In the case of shunting locos, diesels have shown even better financial returns by paying for themselves within three to five years.

But this excellent financial result in favour of diesel is mainly due to the very low cost of oil in America as compared to coal.

CHOICE FOR INDIA

Conditions in India are, however, somewhat different owing to scarcity of oil and its high price. High speed oil costs about 20 annas per (imperial) gallon while coal, which is available in plenty, costs anything from Rs. 20 to Rs. 50 per ton, depending upon the load from collieries.

It will not pay us in India to switch over as a general policy from steam to diesel traction unless the oil cost can be brought down. However, diesel may be quite a sound proposition in cases such

as: (i) shunting in large marshalling yards; (ii) railcars; (iii) hill or other sections with high gradients; (iv) in arid regions; (v) in areas far away from collieries, etc.

For India, with increasing traffic density, the future lies in straight-electric traction and our endeavour should be to obtain reliable supplies at as low a rate as possible and also try and adopt the latest techniques in electric traction (for example A. C. traction) with a view to effect further economies. Next in importance comes both steam and diesel-electric traction system as a close tie, and the matter of selection, therefore,

requires careful scrutiny and consideration.

Here, a note of caution is necessary. Our objective should not always be confined to financial savings only. Emphasis should also be laid on better transport service (by way of safety, reliability, quickness and comfort) to our customers and better working conditions for the operating staff. Even if it costs a bit more, it does not matter, provided the traffic can bear it and the service rendered to all is better and with indigenous materials and labour as far as possible.

PIB—Abridged from Indian Railways Magazine.

Decimal System of Coinage

As previously announced the decimal system of coinage is coming into force from the 1st April 1957 throughout India. Detailed instructions in this connection were issued by the Comptroller and Auditor General of India in his letter No. 2824-Admn. I/616-55 (viii) dated the 24th Nov. 1956. A gist of this Circular has already been published at page 342 of this Journal for February 1957. The Railway Board have issued further instructions in the matter to all Railways in their Circular letter No. F(X) II-55/CN/1 dated the 7th February 1957. Extracts from these instructions are given below for general information and guidance of all concerned.

x x x

A copy of the instructions issued by the Comptroller and Auditor General of India, in his Circular No. 2824-Admn. I/616-55 (viii) dated the 24th Nov. 56 and 10th Dec. 1956, in connection with the accounting instructions on account of the introduction of the new decimal system of coinage is enclosed for information and guidance. Steps should be taken immediately to circularise these instruc-

tions to all concerned supplemented by such local instructions as may be necessary, sufficiently in advance of 1-4-1957 so as to allow time for clarifying any questions that may arise.

x x x

2. The following points may be specially noted:—

(a) All Accounts (initial as well as compiled) shall be maintained in terms of rupees and naye paise from 1-4-1957. The columns meant for recording annas and pies in the existing forms, account books etc., may be used for the time being to record naye paise until any new forms are prescribed:

* * *

(c) The amounts received by the railways on account of earnings and other receipts, as well as the amounts withdrawn by the railways through cheques, should be expressed in rupees and naye paise. The amount in any money receipts issued to the public etc., by Railways should also be expressed in terms of rupees and naye paise.

In cases where the rates are expressed in existing coinage e.g., freight rates or rates in the agreements executed before 1-4-1957 etc., the amount payable or the amount recoverable for each transaction should be calculated initially at the rates in terms of the existing coins and the fractional part of a rupee, if any, in the *total amount of the bill* only should be converted into naye paise by applying the conversion table.

(d) Loss or Gain on conversion to Decimal Coinage should be taken to account under a separate minor head "Loss or Gain on conversion to Decimal Coinage" under the major head "Suspense Account" subordinate to "S—Deposits and Advances—Part IV Suspense". The amount of loss or gain will be recorded in the Cash Book as a minus or plus entry, so as to make the book balance agree with the physical balance at the end of the day, in the case of stations, booking offices, parcels offices, goods sheds etc., and at the end of the month in all other cases. Details of how this should be done are given in para 3 below.

(e) The instructions regarding the maintenance of a subsidiary register in Form II referred to in para 5 (II) of the instructions do not apply to the railways at present. This point is under consideration separately.

(f) Opening Balances under Debt, Deposit and Remittance etc., heads, as also individual items which work up to the total balance under each of the heads, shall be converted into the new coinage and recorded in red ink immediately below the original figures. The difference between the equivalent of the total balance and the total of the individual items expressed in the new coinage will be adjusted to "Loss or Gain on conversion to Decimal Coinage".

(g) The amounts specified in rupees, annas and pies in financial sanctions, rules, orders, notifications, contracts, deeds

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or other enactments will be automatically construed as expressed in terms of the exact equivalent value under the decimal system without rounding off. (Rounding off to the nearest naye paise according to the conversion table will be made only on actual amounts payable.

3. (a) For the period during which both types of coins are circulating side by side, there may be cases of loss or gain due to conversion of the existing coins into the new coins, at the booking counters, in cash offices and in disbursements by pay clerks etc. Form II, appended to the circular letter issued by the Comptroller and Auditor General of India, provides for a complete record of *each transaction* in the existing coins. As the implementation of this procedure may not be feasible, particularly in respect of the very large number of transactions dealt with at the booking counters and the disbursements made by the pay clerks, the arrangements set out in para 3(b) below should be followed, for the present.

(b) As for transactions dealt with at the booking counters at the stations, a record should be maintained in the enclosed form 'A' which is self explanatory showing the total collections for *for each shift distributed under old coins and new coins*. The amount thus collected should be entered as such in the Cash Book, and the loss or gain on conversion to decimal coinage worked out. To provide a check on the amount of loss or gain on conversion, this should also be expressed as a percentage of the total amount of transactions. The Official-in-Charge should ensure, by necessary executive action and by a review of the percentage of loss on conversion against each employee, that excessive losses on conversion do not occur.

(c) With regard to disbursements by pay clerks, it may be generally assumed that their drawings will normally be in the new decimal coinage and the amounts for payments in the bills, pay sheets etc., would be expressed in the new coinage as well. Ordinarily, therefore, there should be no cases of loss on conversion. Cases in which pay clerks in emergencies are authorised to draw from Station Earnings and do not therefore operate the new decimal coins should be rare and payments in existing coins in such cases should be recorded in terms of the individual coins tendered, against the respective items. The total loss or gain in conversion on the basis of these items should also be worked out in rupees and naye paise, and expressed as a percentage of the total transactions of each day involving existing coins in Form A annexed.*

4. Instructions as to the extent to which naye paise should be rounded off

for calculation of deductions from pay and allowances, P.F. deductions etc., i.e., whether against each employee or the total of each pay bill, will follow. Till any special instructions are issued, the position under the Coinage Act would be that the amounts payable and recoverable in respect of each employee on the existing rates will have to be converted into naye paise and rounded off to the nearest naye paise, e. g.

Salary Rs. 60/- p.m.

Salary for one day in a month of 31 days

60

— ... Rs. 1/94

31

Wages—Rs. 80/- p.m.

P.F. deduction at 1/12 - Rs. 6/67

Similarly the rates etc., prescribed for income tax deductions will apply, the final amounts payable being rounded off to the nearest Naya Paisa.

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* Not Printed.

Indian Railways' Formidable Task in Second Plan Period

Mr. J. E. Slater, leader of the team of railway consulting engineers sent by the World Bank, has expressed the opinion that the Indian railways were "headed in the right direction".

In a radio interview (recorded earlier) broadcast on Sunday night in All India Radio's programme "Matters of the Moment", Mr. Slater pointed out that the quantum of goods lifted by the Indian railways would increase by about 50 per cent during the second Plan period.

He remarked: "That is a task which is formidable for any organisation and I really very much admire the courage with which the problem has been faced. Beyond that, I admire the ingenuity and

the care and the planning which have been directed towards meeting it. I think it is quite clear that the basic problems are recognised."

Mr. Slater was asked whether he would like to offer his comments on the way those, who had framed the Railway Plan, had approached their problems. He said: "Quite frankly I have been very much impressed with the great effort and care which has been taken by the Railway Board, the General Managers and their staffs towards these problems."

PURPOSE OF TEAM'S VISIT

Questioned on the purpose of the team's visit to India, Mr. Slater said that two of the important objects were, firstly, to consider the soundness of the

Second Five Year Plan in so far as it applied to the railways and, secondly, to go into the financial ability of the railways to provide that portion of the funds which would be called for under the Plan itself.

"In this connection", he said, "it was important first to have a look at at least a fair sample of the lines and the yards which are important, in the handling of the trade from the point of origin to the point of destination, to have a look at the workshops, to have a look at the railway line itself and, in addition and perhaps most important of all, to discuss these problems with the General Managers of the various Railways and their important officers.

"This we have already done with respect to the lines of the Northern, Eastern, South, Eastern, Central, Southern and Western Railways and we have had discussions with the General Managers and staffs of all of them up to this moment excepting the North Eastern Railway."

Mr. Slater explained that the team was not able to go up to the North Eastern Railway as the demands on their time made this very difficult.

FOREIGN EXCHANGE INVOLVED

Replying to a question whether the team's findings would have a bearing on the capacity of the Indian railways to cover that part of their Plan which was going to be dependent upon the availability of foreign resources, Mr. Slater said: "The World Bank has asked us to give our independent opinion as to the ability of the Indian railways to provide their portion of the funds which, under the Plan, they would have to provide—in other words, the total amount needed by way of new capital improvements. It was anticipated that with their reserve funds, and other funds of the railways, they would carry on certain works themselves, largely of course those which could be done in India, such as doubling of the track and the construction of coaches, wagons and locomotives.

Those who are able to procure advertisements for the ANNIVERSARY NUMBER will be given special privileges. Why not you be one of these?

"In addition to that, there is the question of import of equipment. This is where the Indian Government apparently has approached, amongst others, the World Bank. It is a question of foreign exchange when you come to additional locomotives in order to build up the supply more rapidly, in connection with the demands of certain types of steel or rail for which the capacity in India is not quite upto the needs of a very rapidly expanding programme. It is here that foreign exchange would be needed. The Bank itself would make its own decisions in due time for its discussions with the Indian Government."

OPERATIONAL EFFICIENCY

Mr. Slater was asked whether he could make a comparison between the operational efficiency of the Indian railways as he found them to-day and what he knew of similar efficiency in other countries which were relatively more advanced than India.

Mr. Slater said he thought it would be entirely improper for one who had only spent a few weeks in a country, and who was only becoming familiar with its railways, to attempt to make any comparison, favourable, or unfavourable with the railways in other countries. The fact of the matter was that the problems were completely different.

"He said one should consider the problems of the Indian railways, as to what they were doing for themselves and what they were able to do for themselves and whether they were headed in the right direction or not. "In that respect I would say I feel they are in the right direction," he remarked.

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CONDITIONS SIMILAR TO AMERICA

India, Mr. Slater said, was a country which was very rapidly growing. It was in the process of becoming industrialised. From a country where the type of operation was now more like that of Europe, calling for the type of equipment which was used in Europe, it was rapidly approaching the type of equipment which was much found in the United States and in other countries of larger boundaries. After all, India was a very large country and it was capable now of approaching the type of operation which had been very successful on the American railways.

India, Mr. Slater added, was almost fundamentally an agricultural country. The Five Year Plan now contemplated a very large increase in the capacity of the country for producing steel; it contemplated a very rapid increase in the amount of coal which was being mined and of ore which was being used for steel and for export.

Mr. Slater went on: "that type of operation is quite different from the type of operation which is involved in a country which is dominated completely by an agricultural economy."

LINE CAPACITY

Mr. Slater said that it was quite clear to him that the basic problems were being recognised by the Indian railways. Among these was the question of line capacity. Line capacity was dependent upon three basic factors—adequate locomotive power and wagons, capacity of the crossing loops and yard capacity. In a country where the line was complex

and where the operation was complex, as it was in India—the complexity being greater with the movement of coal, steel, iron, cement and so on—the yards were of absolute, vital importance.

"We looked at many of the yards all over the country in order to get some measure of what is being done," said Mr. Slater. "In all these measures there was a great deal of care and thought given, and I can quite frankly pay tribute to the planners in this respect."

EXTENSION OF ELECTRIFICATION

Mr. Slater was asked whether the Indian railways' attitude towards the problem of changing over from coal to electric traction, wherever possible, was indicative of the correct approach. He replied: "Yes, I think so."

Referring to the railway electrification programme during the second Plan period, Mr. Slater had the following remarks to offer: "Here some interesting studies have been made which indicate that in India the electrification problem is different from that in the United States, or even elsewhere, because you are rapidly getting into availability—a large amount of cheap hydro-electric power. And that is going to make things easy, especially with the elimination of the handling of coal which would give added capacity for other things to be handled; and hydro-electric power costs less than coal itself."

"So it would appear—and it has appeared to the planners—that certain lines beyond those electrified could be electrified with advantage. That generally has the advantage of reducing expenses and also has the advantage of utilising this power and of adding to the capacity of a line."

"In the various countries of the world—these include the United States—the use of diesel electric power has become of tremendous importance. In the United States, at the present time, I do

not think steam locomotives are even manufactured.

"The problem in India is quite different, because until India finds her own resources of petroleum, it will have to import diesel fuel. That creates the problem of foreign exchange and costs and that sort of thing. That is why she may be more justified in using electric traction to a greater extent than she

would be if there were ample resources of fuel in the country.

"On the other hand, I do feel that because of the greater efficiency of either the electric or the diesel electric locomotives, she must look forward to a long period for the gradual change-over, if not entirely, to a major use of electric and diesel electric traction."

Chittaranjan's Success with New Worker Incentive Scheme

BY SHANTI SWARUP JAGOTA M. I. Mech. E., D.M.E.C. (Hons). *Deputy Chief Mechanical Engineer, Chittaranjan Locomotive Works.*

Indian Railways have been pioneers of progress in this country. In their 104-year history, they have made numerous experiments in design, architecture, administration. At present, the Chittaranjan Locomotive Works is experimenting with a new labour incentive scheme. Though the scheme has been in operation hardly for one year, a Chittaranjan official says:

"The out-turn has increased by 30 per cent and staff emoluments have gone up."

The Chittaranjan Locomotive Works has introduced a system of 'payment by results' or 'rate-fixing'. This helps to create initiative for the quicker and abler worker and also to encourage the slower worker to emulate his quicker comrade, both to his own advantage and to that of the administration.

Chittaranjan realized the need of this system at its very inception.

In fact, as soon as the agreement for technical aid was signed between the Railway Board and the Locomotive Manufacturers' Company Ltd., a number of rate-fixing experts were invited. Later, similar personnel were obtained under the Colombo Plan. In addition, steps were taken to send out selected personnel to U.K. and Germany for specialised training in this field. Thus a full-fledged team has now been created to handle this job satisfactorily.

WESTERN EXPERIENCE

Unfortunately, rate-fixing has led to serious labour troubles in some western countries. The employers tried to cut down piece-rates after an increase in output beyond certain expectations. The labour resisted it. But fundamentally, the cause of most of this trouble has been the incorrect method of fixing piece-rates. In many industrial concerns, money is the basis of fixing job rates. But, though this system has the merit of being easily comprehensible, its intrinsic value changes with the change of basic wage structure, and, needs either constant revision or leads to labour trouble.

Chittaranjan has, therefore, decided to adopt time as a yardstick for measuring work and productivity. In the absence of standard job rates, the comparison method was not considered suitable. Similarly, the observation method

was found to be much too dependent on the personal element between the operator and the rate-fixer.

ANALYTICAL METHOD

Chittaranjan, therefore, decided to follow the analytical method. In this system, rates are computed from carefully calculated, reliable and tangible data which could form the basis for investigation in the event of any dispute arising between the operators and the management at a later date.

However, the implementation of this system depends on the fulfilment of certain requirements. In the first instance, all the machines had to be calibrated to find out the speeds, feeds and depth of cut which each machine could stand as against those specified by the makers. The next step was to observe the capabilities of the various types of materials by actual cutting tests in order to establish the maximum material removal rate. This was governed by following factors:

- (a) tool life,
- (b) horse power of the machine,
- (c) class of finish required,
- (d) use of coolant.

Having decided a maximum material removal rate, the optimum value of feeds and speeds were decided. Based upon these speeds and feeds, machining procedure charts were tabulated for varying diameters within the range of machining for various materials. The allowed minutes were worked out for unit values for various depths of cut, class of finish and class of material and served as a guidance to the rate-fixer to compute the allowed machining times for a particular operation.

In addition to machining time, there are a large number of other operations such as manipulating; loading and unloading; setting up; changing tools which are performed by the operator during a particular operation.

AVERAGE TIME STUDIES

A number of time studies were taken to establish the average time for the above operations. Average normalised values were calculated and constants were arrived at to form the synthetic data and to compute the allowed time for a particular operation before the job was started.

Chittaranjan carefully considered the systems of payment by results such as payment of a premium or bonus at present in vogue in western countries. Amongst those considered were the Halsey, Weir, Rowan and Bedaux systems. All those schemes involved complicated calculations which, due to the low standard of education, are not easily comprehensible to an average operator in this country. In order, therefore, to avoid an impression that the scheme was being introduced as a device to increase the output without adequate compensation and advantage to the operators and for gaining their confidence, it was decided that the bonus paid to the worker should correspond to the total time saved, so that they could figure out the day to day savings.

BONUS AND WORK CO-RELATED

To ensure that the bonus earned has a direct relation to the quantum of work performed by an operator, piece work timings are issued only to those workmen whose output can be measured with reasonable accuracy. As far as possible piece work timings are issued to individual workers, but collective piece work timings are issued when efforts of a number of workmen are required to complete a job and it is not practicable to obtain the output of individuals. All the staff who constitute the gang, whether belonging to the skilled, semi-skilled or unskilled categories, and who directly contribute to the output, are allowed to participate in the scheme.

As it is only logical to relate payment to the amount and quality of work per-

formed, it is laid down that only work which passes inspection will be paid for.

It is further stipulated that piece work prices once fixed are not altered unless a change in the method of manufacture could be effected or if there was any error in computation or in printing.

The time-saving suggestions, whether made individually or collectively, are compensated by the grant of a reward equivalent to the corresponding expected saving in standard basic wages for six months.

The introduction of this system at Chittaranjan was beset with difficulties. Some of these arose because Chittaranjan is only one of the units of the big railway system. It was considered that the limitations imposed by existing code rules, which lay down that the ceiling of profits earned by workers should be 25 per cent of their basic wages and that the maximum allowance that could be given to an operator was 33 per cent, were found too restrictive to be of any real incentive to production. Therefore, on the advice of the representatives of the Locomotive Manufacturers' Company and in consonance with the practice which prevailed in the normal locomotive building workshops in Britain, an allowance of 33 per cent was determined as an appropriate incentive.

PRECAUTION AGAINST OVER-STRAIN

In order, however, not to allow the worker to overstrain himself, ceiling profits to be earned by him were restricted to 50 percent of the basic wages.

For the successful performance of an operation, essential supplies like raw materials, tools and other equipment, must be available freely. The supplies, to a large extent, depend upon the supervisor. It was, therefore, felt that the supervisors who were immediately concerned with production should also participate in the scheme. Similar con-

sideration applied to the indirect workers, who, though employed in independent work, were essential to ensure continuity of production. It was, therefore, decided to pay the immediate supervisors and essential indirect workers 80 per cent of the earnings of the staff served by them.

In view of the incremental time scale of pay existing for the workmen in the workshops, the choice was either to pay the piece-work profit to workers in direct proportion to their individual rates of pay; or to pay on uniform basis irrespective of the varying day wages.

As mentioned earlier, the time allowed for an operation had been fixed by normalising the time taken by an operator under time study. It was, therefore, considered logical to remunerate the operators on an average normalised rate of pay. After considerable study, it was decided that the piece-work payable to operators other than the skilled category should be calculated on the average rate of pay of the category concerned. In the case of skilled workers, since the prescribed scale was a long one extending over 20 years, single average rate was not considered appropriate and it was, therefore, decided that the grade should be broken into two at the efficiency bar and two standard rates were adopted.

ADVANTAGES LISTED

The following advantages were expected to accrue out of the adoption of this method:

(a) The remuneration for extra work would be made consistent with the normalised calculation in terms of time.

(b) Additional payments under the incentive scheme would be proportionate to the output of the individual worker.

(c) Saving in the calculation of piece-work earnings of the operator.

Before the actual system of payment was introduced, however, it was ensured that:

(a) Materials and tools to the required specification were available ;

(b) Suitable jigs and fixtures were utilised ;

(c) That a proper drawing and tool service and proper system of supervision, inspection and accounting had been introduced ;

(d) Quota and method cards indicating the number of components expected to be manufactured during a certain period, based upon synthetic data were introduced and it was observed that in a very large number of cards the rates so arrived at were workable.

Even after the above-mentioned difficulties were overcome, it was considered opportune to introduce the incentive scheme in stages on a phased programme. Later, a programme was drawn up to cover the entire production shops within a period of about one year.

After the above scheme had been in operation for over a year, a comprehensive review was carried out. It was observed that the staff had, on the whole, reacted very favourably to the scheme and were generally eager to take part in it. In the early stages, however, in some sections, owing to uncertain type of work, there was reluctance to work to the rates due to some unfounded

suspicions. Some of the workers were under the impression that the scheme had been introduced only as a means of increasing production and once that was established, it would be withdrawn. Also, there was some difficulty in persuading the staff working on collective piece work timings where the slow workers were affecting the earnings of the faster workers. To overcome this, steps were taken to segregate the good workers from the slow workers and form smaller gangs which resulted in improvement.

SCHEME A SUCCESS

Although the scheme has been in operation for hardly a year, the effect on the out-turn and cost has been considerable. The out-turn has increased by 30 per cent and staff emoluments have gone-up.

Based on the system described above, it has also been observed that allowing for different conditions of work, the quantum of productivity of an Indian worker compares very favourably with that of any operator abroad. This leads to the conclusion that, if similar systems are introduced in other railway workshops, there is bound to be considerable increase in production capacity.

[P. I. B.]

Railway Ministry's Annual Report for 1955-56

The report, which deals with the last year of the first Five Year plan, brings out the effect which increased economic activity in the country has had on the railways. The volume of goods traffic handled during the year showed an increase of 17.79 per cent over the first year of the Plan, while the number of originating passengers during this period increased by 5.30 per cent.

The report also brings out the fact that, as a result of special steps taken,

the intensity of wagon usage touched towards the end of the year a new peak breaking all previous records.

RECEIPTS AND EXPENSES

The gross traffic receipts of the Government railways during the year amounted to Rs. 316.29 crores made up of Rs. 107.71 crores under passenger and Rs. 180.28 under goods, the balance of Rs. 21.30 crores being contributed by parcels, luggage and other miscellaneous sources of revenue.

The ordinary working expenses during 1955-56 amounted to Rs. 212.95 crores, or Rs. 7.08 crores more than during the previous year. The appropriation to the Depreciation Fund was Rs. 45.41 crores, including Rs. 41 lakhs chargeable to the capital suspense of the Chittaranjan Locomotive Works as depreciation charges accruing on its plant and machinery etc. Payments to worked lines as their share of net earnings amounted to Rs. 27 lakhs.

The operating ratio during the year was 81.95 per cent, as against 81.77 per cent in the previous year.

After meeting all the charges, including the appropriation to the Depreciation Fund, which has been raised during the year from Rs. 30 crores to Rs. 45 crores, the net revenue on the results of working for the year was Rs. 50.34 crores, out of which Rs. 36.12 crores were paid to the General Revenues as dividend under the Revised Convention of 1954. The net surplus for the year amounted to Rs. 14.22 crores, of which Rs. 7.08 crores were allocated to the Development Fund and Rs. 7.14 crores to the Revenue Reserve Fund, as against a surplus of Rs. 9.10 crores in the previous year, which was wholly credited to the Development Fund.

Earnings from the carriage of goods (excluding miscellaneous receipts from wharfage, demurrage etc.) rose from Rs. 156.45 to Rs. 177.92 crores in 1955-56. The factors responsible for this increase were the increased volume of traffic handled (which is a record in Indian Railway history) and the longer leads of traffic.

The average receipts per freight ton-mile amounted to 10.8 pies as against 11.1 during 1954-55. The corresponding earnings per passenger per mile increased from 5.15 to 5.34 pies.

LARGER TONNAGE, MORE PASSENGERS

The year 1955-56 recorded an over-all improvement as compared with the

previous year, despite heavy rains and dislocation to train services caused by certain abnormal factors.

Goods traffic lifted by the Indian railways during the year touched 115 million tons and 36,458 million ton-miles, breaking the previous year's record of 107 million tons and 32,126 million ton-miles.

Passenger traffic too showed an upward trend. The number of originating passengers rose from 1,261 million in 1954-55 to 1,297 million in 1955-56. Passenger-miles increased from 38,649 million to 39,084 million.

During the year under review, revenue loadings (wagons loaded for the public etc. excluding those on account of railways' own service needs) averaged 11,377 per day on broad gauge and 7,264 on metre gauge, as against 10,672 and 6,489 on the broad and metre gauges respectively during the previous year. This marked an increase of 7 per cent on broad gauge and 12 per cent on metre gauge.

Taking into account non-revenue loadings also, an average of 13,420 broad gauge and 8,028 metre gauge wagons were loaded every day, as against the corresponding figures of 12,532 and 7,215 during the previous year registering increases of 7 and 11 per cent respectively.

GREATER ECONOMIC ACTIVITY

Another indication of the improvement made during 1955-56 is afforded by net ton-miles per wagon-day, which rose from the previous year's figure of 483 to 541 on broad gauge and from 194 to 203 on metre gauge. This is an increase of 12.08 per cent on broad gauge and 4.64 per cent on metre gauge. These results have been achieved as a result of steady effort to secure better wagon-loading and better wagon usage.

Passenger train-miles increased during the year by 1.74 per cent to 115.63 million, compared with an increase of

1.20 per cent in passenger-miles. Goods train-miles totalled 82.57 million, representing an increase of 7.08 per cent over previous year's figure, the comparable increase in ton-miles being 13.6 per cent.

The higher level of earnings and performance of the railways have to be viewed against the background of the general economic situation in the country. The agricultural production during the year has been generally satisfactory despite setbacks caused by floods, cyclones etc. in some parts of the country. Industrial production gathered further momentum and registered an increase of eight per cent over the previous year. There was a substantial rise in the output of coal from 36.9 million tons to 38.5 million tons.

PASSENGER AMENITIES

Special attention continued to be paid to the provision of amenities for passengers and other railway users at stations and in trains. These have been elaborated in the Report.

CAPITAL OUTLAY

The total capital outlay on all railways on March 31, 1956 amounted to Rs. 975.50 crores (including lines under construction), as against Rs. 910.01 crores on the same date in the previous year. Of this, Rs. 968.98 crores represented the capital-at-charge of the Indian Government Railways. The balance of Rs. 6.52 crores was the capital raised by companies and district boards.

The total route mileage of all railways in India at the end of the year was 34,736 of which 34,182 miles were under Government management. The balance of 554 miles represented the mileage of minor railways under the management of non-Government agencies.

A length of 132.18 miles of lines was opened of which 52.96 represented new lines (including 25.12 miles of conversion from narrow to metre gauge) and 79.22 miles represented restoration of lines

dismantled during the last war. At the end of the year, 581.73 miles of lines were still under construction, including the Khandwa-Hingoli link 187.23 miles), Quilon-Ernakulam (96.55) miles, Indore-Dewas-Ujjain (50.08 miles) and certain lines in the steel plant areas.

STORES PURCHASES

Indian Government Railways paid for stores valued at Rs. 126.28 crores during the year, of which the value of indigenous materials amounted to Rs. 93.65 crores. Stores worth Rs. 15.18 crores were imported direct, while Rs. 17.45 crores worth of foreign stores were purchased through agents in India.

The value of railway equipment and stores ordered by the Railways during the year amounted to Rs. 2.9.29 crores of which Rs. 47.56 crores worth of stores were ordered directly by Railways. Railway equipment and stores valued at Rs. 99.77 crores were ordered by the Railway Board, while orders for stores valued at Rs. 50.30 were placed through the Ministry of Works, Housing and Supply. The balance of the orders were placed through other Ministries.

SETTLEMENT OF CLAIMS

The Railways settled 435,694 claims during the year, compared to 387,761 in 1954-55. The number of unsettled claims at the end of the year stood at 73,162 as against 56,045 at the end of the previous year. The average time taken in the settlement of claims was 51 days against 61 days during 1954-5.

In addition to general measures like the P. L. M. campaign undertaken by the Railways for the prevention of claims, other steps taken included Ellis Patent locks for wagons, escorting of trains by the Railway Protection Force, special watch at transshipment points, and patrolling of affected areas notorious for running train thefts and yard thefts.

STAFF MATTERS

The Indian railways are the largest single employers in the country. The total staff on Government railways—permanent, temporary, open line and construction—was 1,027,162 on March 31, 1956 as against 983,215 (revised figure) on March 31, 1955. The increase is principally due to the setting up of the organisation to cope with various developmental works and projects in connection with the Railways' second Five Year Plan.

Salaries, including allowances, provident fund and gratuity paid to the staff of the Government Railways during 1955-56 totalled Rs. 148.56 crores, as against Rs. 140.63 (revised figure) during the previous year. The increase was due to the increase in the number of staff, annual increments, contribution to provident fund, special contribution to provident fund, gratuities etc.

During the year, 8,645 quarters of different types for various categories of staff were constructed.

Railway administrations continued to take active steps to develop staff canteens, and to establish and enlarge the activities of co-operative societies for distribution of consumer articles.

The medical organisation on the Railways continued to look after the health of the staff and provide medical aid to them and their families.

A new welfare measure introduced during the year was the provision of rest houses for Class III and Class IV employees at selected hill stations or seaside resorts or in pleasant surroundings where they can spend their holidays inexpensively and in reasonable comfort.

Another new welfare activity was the organisation of railwaymen's children's camps.

A drive was launched to ensure that cases of settlement dues of railway staff who had retired or had died, were paid expeditiously.

In accordance with a recommendation of the Estimates Committee of Parliament, an increase of 20 per cent in the number of railway institutes for recreational purposes has been planned during the second Five Year Plan period.

CORDIAL LABOUR RELATIONS

Relations between railway administrations and labour were generally satisfactory. There were no major strikes during the year, although a number of occasional stoppages of work occurred.

The permanent negotiating machinery, set up in 1952 with a view to maintaining contact with labour and resolving disputes and differences which may arise between staff and the administrations proved useful to the staff as well as to the administration.

CONSULTATIVE BODY MEETINGS

The National Railway Users' Consultative Council held only one meeting in September 1955 and made recommendations on a variety of subjects. At the Railway level, the Railway Users' Consultative Committees representing local interests held in all 83 meetings.

At the invitation of the Government of India, the Fourth Session of the Railway Sub-Committee of the Inland Transport Committee of the Economic Commission for Asia and the Far East was held in New Delhi towards the end of March 1956. Among the more important subjects discussed during the session were improved turn-round of rolling stock, railway track sleepers, measures for prevention of railway accidents, locomotive boiler water treatment and refrigerated inland transport.

[P. I. B.]

The Issue for April 1957 is an ANNIVERSARY NUMBER and also the BUDGET NUMBER. Be sure of your copy by renewing your subscription well in advance.

Mg. Editor.

Financial justifications for Line Capacity Works, Doubling of Lines, etc.,

(Continued from page 275, Decr. 56 issue.)

In the previous article, the method by which the capital cost of rolling stock required for meeting the additional traffic anticipated on the completion of the line capacity works may be worked out, and the earnings arrived at, has been dealt with. In regard to earnings, the average freight per ton mile for the particular category of Commodity may be taken (e.g., coal, grains and pulses, etc.,) Where the average rate is not available in the published statistics for particular commodities, e.g., steel, the average rate may be worked out specially on the basis of tariff rate for the particular traffic for the particular pair of points.

In regard to operating expenses, several methods may be suggested. The more reliable method would be to estimate the expenses on the basis of extra staff to be appointed for the extra trains to be run, coal, and other expenses. Where this is not readily possible, the statistics of operating expenses per train mile, including maintenance and repairs of rolling stock, after taking into account the increase in cost of coal and other peculiar factors not covered by the statistical rate for the previous year, may be adopted,

and the total cost worked out for the total number of train miles for the additional goods trains proposed to be run for carrying the additional traffic. A third method would be to apply the operating ratio of the corresponding line and apply it to the earnings anticipated from the additional traffic, for estimating the operating and other expenses, but the full operating ratio may not be justified, as only dependent costs should reasonably be taken for the purpose. The Engineering Code provides 50% of the operating ratio being taken for calculating the additional earnings to the main line, on account of the construction of a branch line, and the same principle may be adopted here also. The percentage of operating ratio may, however, be increased from 50% to something more, if warranted by the particular circumstances of the case. In addition, the repairs and maintenance of the new assets constructed under the line capacity works, such as laying of lines etc., may also reasonably be taken into account, though one view is that this will be covered by the operating ratio adopted for working expenses.

The justification (financial) may be summarised somewhat as follows:—

I. Capital cost of the scheme		Rs. in lakhs
Cost of rolling stock:		
.....engines	at Rs.	}
.....wagons	at Rs.	
Interest on Capital during construction		
Total		Rs.
II. Earnings		
Goods Earnings (gross)		
on additional traffic		
III. Savings in engine hours etc.,		
(detentions avoided.)		
Total of II & III.		

IV. Working Expenses for addl. traffic:

Operating expenses including coal
for..... additional train miles

Repairs & Maintenance on new works in the scheme as well as Rolling Stock, (if repairs on rolling stock are not included in the operating ratio) or dependent cost of working expenses per train mile. (2½% or 3% on Capital cost may be taken for this.)

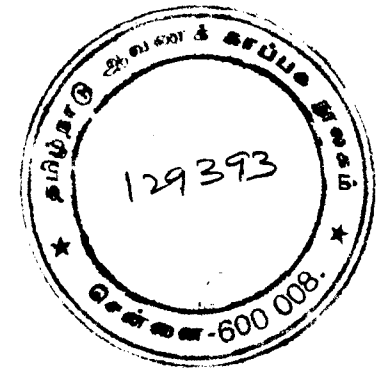
Other expenses, if any, to be detailed.

Depreciation (on Sinking Fund basis for the different categories of assets) or at the flat rate of 1/60th of capital cost.

Total expenses.

Net Additional Earnings on carrying out the scheme
which means a return of % per annum
on the capital cost.

Rs. in lakh.



KALAB.

Note: Readers will remember that we suggested that the Railway Board may suggest iform methods to be adopted on all Railways for working out financial justifications for schemes of this kind—vide page 146 of August 1956 issue. It is gratifying to learn that this is under consideration by the Railway Board.

Railway Servants Conduct Rules

HIGH COURT DECISION

A writ petition was filed on behalf of Mr. T. M. Paramasivam, an employee of the Southern Railway, Madras, to quash the Order of the Financial Adviser and Chief Accounts Officer, dated the 16th June '55, censuring the Petitioner under the Railway Servants Conduct Rules.

The circumstances of the case are briefly as under:

The petitioner was elected as Secretary to the Board of Directors of the New General Offices Staff Cooperative Canteen Ltd., a Cooperative Society consisting solely of employees of the Southern Railway, for the year 1954-55. There were apparently differences between the

Secretary and the Directors and on April 17, 1954, the Board of Directors purported to remove the petitioner from his office as Secretary. The petitioner challenged the validity of the action taken by the Board of Directors by instituting suits in the City Civil Court, Madras. For the institution of those suits he did not take the permission of the General Manager, though he averred in his affidavit that he applied for the permission and since he did not get a reply in time, he filed the suits without such permission.

Disciplinary proceedings were taken by the Railway Administration against the petitioner, who, by a notice dated March 2, 1955, was called upon to show

cause why he should not be punished for contravention of the Conduct Rules applicable to railway employees, when he instituted suits against fellow railway employees without the previous sanction of the General Manager. The petitioner made his representations. By his order dated June 16, '55, the Financial Adviser and Chief Accounts Officer (first respondent) directed that the petitioner should be censured. His appeal to the General Manager failed and the first respondent's order was confirmed. Hence the present writ petition.

The main contention of the petitioner was that no contravention of the Conduct Rules applicable to railway employees had been established, despite his admitted failure to obtain the permission of the General Manager to institute suits to secure his restoration to the post of Secretary of the Cooperative Canteen.

In the counter-affidavit of the first respondent, it was stated that under Rule 27 of the Conduct Rules, instructions were given by the General Manager on April 30, 1952, to the effect that an employee wishing to institute legal proceedings against another railway employee should obtain prior permission of the competent authority before launching such proceedings. His contention was that in view of the above subsidiary instructions the action taken by the petitioner in instituting suits against the Board of Directors of the Canteen who were fellow railway employees amounted to misconduct which the Railway authorities had jurisdiction to deal with and punish.

JUDGE'S REMARKS

His Lordship observed that Rule 24 of the Conduct Rules prohibited a railway servant from seeking redress in court for

the vindication of his "public acts" or character from defamatory attacks, without the previous sanction of the Government. But the proviso to the Rule specifically recorded that nothing in the Rule would limit or otherwise affect the right of any railway servant to vindicate his private acts or character. The subsidiary instructions of the General Manager dated April 30, '52, went far beyond the scope limited by the proviso to Rule 24. The authority given by Rule 27 to implement the Rules could not be invoked to override the Rules in this case by, in effect, nullifying the safeguard furnished by the proviso to Rule 24.

In the present case, even though all the Members of the Cooperative canteen were railway employees, the dispute between the petitioner as Secretary and the Directors had nothing to do with the Railway Administration or with the petitioner as a railway servant. It was certainly not a "public act" of his which he had to vindicate within the scope of Rule 24. The dispute he took to the Civil Court clearly fell within the scope of the proviso to Rule 24. The benefit of that proviso he could not be deprived of by the subsidiary instructions the General Manager issued. There was no misconduct and the jurisdiction to punish could be exercised only if there was a proved misconduct. The first respondent had, therefore, no jurisdiction in the circumstances of this case, to censure the petitioner for having instituted suits without obtaining the previous permission of the competent authority.

In the result, His Lordship allowed the writ petition and quashed the order of the first respondent dated June 16, 1955, and further orders confirming the same, as passed without jurisdiction.

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Tender Committees

(Continued from page 274, Decr. 56 issue.)

In a previous article, the circumstances under which negotiation with tenderers should be suggested and the procedure to be adopted therefor were explained. The Railway Board have since laid down that, if the rates on the original call of tenders are considered unduly high or unreasonable, all the tenderers except those who are rejected on other grounds, should be asked to requote, and then, on receipt of the revised quotations, negotiations should if necessary start from the two or three lowest tenderers. Of course, this would be necessary only if reasonable rates are not secured even on getting the revised quotations.

In the case of tenders for sale of cinders, scrap, etc., the highest tender should ordinarily be accepted, as this is a case of earnings to the Railway and not payment for work done.

There are also other kinds of tenders, where the conditions to be considered are different. Take the case of Out-Agency contracts for instance. The rates are quoted by the tenderers, and the accepted rates will be passed on in freight to the consignors or consignees in the case of

goods and parcels, and to passengers in the case of passenger traffic. But this does not mean that any rate, if lowest, may be accepted; it is essential that the rates must be reasonable. For this purpose, the Railway Board have held that it is necessary for the rates quoted to be referred to the Local Government (regional transport authority) for verification as to reasonableness. It is only after such verification is made that the tender can be finally accepted.

In certain cases, such as vending contracts, the rate itself is fixed by the Administration and the consideration of tenders is in regard to the suitability, capacity and other factor relating to the respective tenderers.

One point that may always be remembered is that, in the consideration of tenders, the best value for the money to be paid is to be aimed at, having regard at the same time to the legal aspects of the tenders submitted and the necessity to provide an equal chance to all tenderers, both in the interest of the public and the Administration.

(Contributed)

Do You Know

That the Indian Railways are India's largest National Undertaking and the total capital investment is about Rs. 974 crores?

That the output of locomotives during 1956-57 is expected to be progressively increased to 200 average BG annually by the Chittaranjan Loco Works and 100 average MG by TELCO; as against the production during 1955-56 of 125 and 50 locos respectively?

That the number of public traffic wagons left in India after partition was 154232 BG and 51612 MG; and since then until the first half of December 1956, the total addition, including imported stock had been 41957 BG and 35516 MG; the indigenous construction being approximately 38000 BG and 11,000 MG?

That after addition, during the first Five Year Plan, to the stock of 1053 locomotives and 4554 coaches and 29375 wagons (in terms of four wheelers) and after deducting the condemned stock removed from the line, the total stock on the 1st April 1956 stood at 9262 locos, 23779 coaches and 251407 wagons; and that the programme during the Second plan period aims at 2258 locos and 11364 coaches and 107247 wagons?

Subjects of Moment

Disciplinary Action against Temporary Assistant Officers

Although temporary Assistant Officers are not Members of the Railway Services Class I or II, they should, for purposes of Discipline and Appeal Rules be treated as Class I Officers under Section 3, Chapter XVII of the Indian Railways Establishment Code, Volume I.

(R. B. No. E (GR)/55 RC XVI PTA dated 7-2-1957)

Allowance to T. T. ES.

T. T. Es. deputed in connection with intensification of Ticket Checking arrangements under the Centrally controlled squad scheme should be granted a special pay of 20% of their basic pay subject to a maximum of Rs. 20 per month.

(R. B. No. E (NG) 57-PA 8-1 dated 25th Jan. 1957),

T. C.s Officiating as Guards

A period of twentyone days or less of officiating service by Ticket Collectors etc., as Guards, Grade "C" will not count for increments in terms of Board's letter No. E (R) 49 RS/3 dated 1st July 1949.

(R. B. No. E (S) 57 RS/1 dated the 31st Jan. 1957).

Payment of Allowance to Running Staff working at out-stations

Payment of Outstation (Relieving) Allowance under Rule X (iv) of the Rules for payment of running and other allowances to Running Staff should be made as under :

(a) where the staff are sent to an out-station to officiate in a higher post, the outstation allowance should be paid for a period of fourteen days only, and

(b) where the staff are sent to an out-station in the same capacity, the out-station allowance may be paid for a period upto a maximum of two months.

(R. B. E (S) 54 RS/23 dated the 5th Jan. 1957).

Grant of Special Casual Leave

Relaxation of Clause (d) of para 2 of Letter No. E55 JTI/1/2 of the 25th June 1956 may also be operated upon by Divl. Superintendents who can grant special casual leave to Class III and IV employees on the terms and in the circumstances indicated, but these powers are not to be delegated.

(R. B. E (G) 56 JTI-1 dated 22nd Jan. 1957).

Powers of deduction from P. F. Bonus.

Powers delegated to Heads of Departments and Divisional or Regional Superintendents in regard to deduction of P.F. Bonus in case of a non-gazetted staff (Rule 1337-R-I) indicated in Advance Correction Slip forwarded under Board's letter No. F(E) 53/PF.7/1 dated the 16th June 56 may also be exercised by the Dy. Chief Mechanical Engineers holding independent charge of workshops,

[R. B. No. F (E) 57-PF-7/1 dated 7th Feb. 1957.]

Voluntary subscription to P. F. by re-employed Railway Servants.

A re-employed Pensioner under non-pensionable Railway Service may be permitted to subscribe afresh voluntarily to the Railway Provident Fund from the date of commencement of his reemployment provided he is reemployed *ab initio* (at the outset) for more than a year.

(R. B. No. F(E) 56/PF-1/4 dated 24th January 1957.)

Payment of House Rent Allowance without reference to place of residence.

The concession of granting House Rent Allowance to Non Gazetted Railway Servants without reference to place of residence under Railway Board's letter No. ES/55/CPC/AL 38 of 14th January 1956 is to remain in force upto 31st Dec. 1957, but is liable to be withdrawn earlier if the housing conditions show improvement in the meantime.

(R. B. No. E(S) 56 CPC/AL/23 (II) dated 2-2-1957).

(Note: This concession is being renewed annually. The original order appears at page 364 of the RAILWAY ACCOUNTANT for March 1956).

Admissibility of House Rent to an employee sharing rent free accommodation with his father.

The concession sanctioned in Finance Ministry Memorandum dated 14th Sep. 1951 shall not be admissible to a Government Servant who shares rent-free accommodation with his/her father.

Accommodation for Staff of Railway Magazines.

The category of Magazine Staff are not to be treated as exception to para 1960-E, which provides for letting out of Railway premises to persons or bodies in the interests of the Railways like Co-operative Credit societies etc., who are charged rent not as outsiders.

(R. B. No. E(G) 56 RN 2-14 dated 24th Jan. 1957).

Recruitment of Works Maistries.

In clarification of Railway Board letter No. E56 RCI/45/3 dated the 14th March 1956, the Railway Board state that direct recruitment in the grade of 80/160 of Works Maistries should be made by Railway Administrations them-

selves and not through Railway Services Commissions.

(R. B. No. E(NG) 56 RCI/45 dated 18-1-1957).

Rates of meals at Hill Stations.

After due consideration of the comparatively higher costs of operation of refreshment rooms at Hill Stations and keeping in view the improvement of the Railways in this respect, the Railway Board have decided that the standard prices for vegetarian and non-vegetarian meals served in Refreshment Rooms at Hill Stations should be enhanced by Re. 0-4-0 per meal.

(R. B. No. 1026-TG/55/IR/29 dated 5-2-1957).

Holiday Homes.

In view of the necessity for utilising allotment under Labour Welfare and various other pressing needs, the Railway Board consider that it is necessary to resort to the hiring of buildings for holiday homes and have instructed the Railways accordingly.

(R. B. No. E(W) 56 WE. 1-16 dated 31-1-1957).

Limit of passes for candidates for Railway Service

The limit of 300 miles and above for the Issue of passes for applicants for the general categories in Railway Service should be brought down to 150 miles and above in the case of candidates belonging to Scheduled castes, scheduled tribes and Anglo Indians.

(R.B. No. E. (NG) 56/RRI/16 dated 10-1-1957.)

Payment of Compensation in case of Heart Failure

The Bombay High Court have fixed liability on the employer to pay compensation for death caused by Heart

Failure. They have stated it is not necessary in law that at the time of the death, the employee must actually be doing work which causes strain. If it is established that by regularly doing the work which he has been called upon by his master, his employment causes strain which accelerates his death, sufficient casual connection is established and in law the injury would be deemed to have arisen out of employment.

(R.B.E. (L) 56 A.T.5-5 dated 8-1-1957).

Absorption of War Service Candidates in Rly Service

The Railway administrations have been asked to check up the date by which absorption of war service candidates against 70% War-Reserved vacancies was completed and to revise the date, if necessary. They have also been advised to circulate a copy of the Railway Board's notification in this respect in the Railway Gazettes on behalf of the Railway Board.

(R. B. No. E (NG) 56/SCI/113 dated the 9th January 1957).

Selection of Announcers

The Railway Board have decided that suitable Ticket Collectors in the Scale Rs. 60-130 with the right type of voice for announcing duties should be utilised for the purpose after giving them a preliminary course of training as indicated in Board's letter No. 1409-TG dated the 17th Oct. 1956.

(R. B. No. E(S) 56-CPC/198 dated the 22nd Jan. 1957).

Railway Workers to be enthused.

With a view to enthuse Railway Workers to whole-hearted devotion to their tasks, music, drama and exhibition of films at Railway Institutes or elsewhere as a regular feature have been suggested and the Board have desired the Railways to consider the possibility of running a publicity van provided with film projection unit as a mobile Rail-

way Publicity Unit. The Railways are expected to submit their proposals after examination, to the Board indicating financial implications etc.

(R. B. No. 57/E (P) 200/3 dated 4-2-1957.)

Inspection of Locos and Carriages

The Railway Board have ordered that locos and carriages should be examined only by Assistant Works Managers or Works Managers as often as possible and that Inspectors should not be deputed for the purpose.

(R.B. No 56/814/6M dated 30-1-1957, referring to their letter of even No. dated 11-2-1956.)

Delays in dealing with Tenders

Where re-tendering becomes necessary, there should be no time lag behind the receipt of fresh tenders and their acceptance and the termination of the old contract. The Board, therefore, desire that the tenders should be invited sufficiently in advance of the expiry of the contract so as to give time to call for fresh tenders where retendering may become necessary.

Inclusion of Guardian in School privilege passes

Where a pass is issued on a school privilege account in favour of a scholar and guardian, if the scholar is not able to travel, the guardian alone should not travel on that pass. If he is a Railway employee he may obtain his own privilege pass if eligible; if he is not a Railway employee, or is not eligible for a privilege pass, he has necessarily to pay for his journey.

Cash in Transit

It was represented to the Board by some Railways that the entire Cash collected in a month in certain out-Agencies and Cash Offices could not be brought into the books by the 3rd of the following month, due to the long distance over which the cash had to be carried to

the Chief Cashier's Office. The Board felt that this delay in transit could be eliminated by making arrangements to deposit the cash locally into the nearest Treasury instead of bringing the same to the Central Cash Office and thereby ensure accountal thereof in the proper months.

Regarding Cash collections of March 1957, the Board would consider the possibility of extending the period of three days slightly, if it was absolutely necessary in order to bring the entire cash for the month of March in the Books of that month.

(R. B. No. 56-ACII/9/2 dated 31st Aug. 1956 and 27th Oct 1956.

Payment of Provident Fund dues of deceased employees where no nomination subsists and their widows remarry before final payment is effected

A question has been raised as to whether a deceased railway employee's widow who remarries before payment of the provident fund dues of the deceased employee, is entitled to her share of dues under the rules or not. The Board have been advised that under sub-section (2) of Section 3 of the Provident Fund Act, 1925, any sum which is payable to her as her share under the rules of the Fund would vest in her. The position, therefore, is that the share due to her in terms of 1936 (iii)-RI has to be paid to her irrespective of whether she takes another husband by re-marriage or not. In regard to special contribution to provident fund, the share that has been sanctioned by the controlling officer in her favour under Rule 1336 (i) RI, has also to be paid to her irrespective of her re-marriage.

[R. B. No. F (E) 56/PF-6 (1) dated 29-1-57].

Absorption of War Service candidates on Railways

Fixation of Pay and Seniority

[Railway Board's letter No. E (NG) 56/ROI/113 of 9-1-1957]

Notification (issued by Southern Railway)

During the World War II, the Government of India decided that 70 per cent of permanent vacancies occurring in the Central Services should be earmarked for the absorption of 'War Service' candidates as soon as such personnel became surplus on the cessation of hostilities. These orders were also applied to vacancies occurring on the Indian Railways.

2. Recruitment of 'War Service' candidates against 70 per cent permanent vacancies reserved for them in the Railway Services (Class III and IV) was completed by 31-7 '48, on this Railway. Such of the 'War Service' candidates as were selected for appointment against these permanent vacancies were given benefit of 'War Service' for purposes of fixation of pay and seniority. A number of candidates with 'War Service' were also taken on a temporary basis against purely temporary vacancies existing on the Indian Railways. Such candidates are given benefit of 'War Service' for purposes of fixation of pay but are not entitled to count their 'War Service' for purposes of determination of seniority vis-a-vis other temporary railway employees. They count seniority for purposes of confirmation only from the date they joined the Railway Service.

3. So far as fixation of pay is concerned, the Board's orders which have been issued on the basis of the Ministry of Home Affairs directives are that in the case of War Service candidates appointed to civil posts reserved for them on a permanent basis on or before 16th August 1947, their initial pay should first be fixed in the pre-C.P.C. scales of pay which were in force on the date on which they are deemed to have been appointed, and then the pay should be re-fixed in the C.P.C. Scales of pay in accordance with the Railway Services (Revision of Pay) Rules 1947. The same procedure has been adopted in the case of War Service candidates appointed on a

permanent basis after 16-8-1947 and in the case of temporary employees appointed on or before the 16-8-1947. In the case of temporary employees appointed after 16-8-1947, however, their pay is to be fixed in the scales of pay applicable to the posts immediately before the introduction of the C.P.C. scales of pay and then refixed in the latter scales under the provisions of Fundamental Rules, that is, merely at the appropriate stage in the new scale without weightage for service.

Advance from S.R.P.F.—Fixation of overall limit of —

A doubt having been expressed as to whether the overall limit of advance from P.F. referred to under Rule 1321 (i) (F)-R.I. should be applied to basic pay or the net amount payable, it has been clarified that after making all deductions, the net amount payable is not to be less than 50% of the basic pay. This automatically fixes the maximum limit of advance that can be made from P.F.

Entertainment Expenses

The Railway Board have decided that Heads of Departments and Divisional Superintendents may be authorised by General Manager to incur entertainment

expenditure subject to the maximum of Rs. 10/- on any one occasion and Rs. 100/- per year in all, the extant orders in regard to entertainment being observed in these cases. A half-yearly list of expenses so incurred should also be sent by the incurring authority to the General Manager for scrutiny.

Expenditure on Ceremonial occasions

The Railway Board have decided that the expenditure in connection with the celebrations on Republic Day and Independence Day should be allocated to Revenue G. 1932-contribution to Ceremonial Occasions, and not to the heads of accounts to which the contingent expenditure of the various departments is charged. In fact, it may be noted that the correct allocation to Abstract G. 1932 is already being followed on some Railways.

Procedure for recording recoveries and Payment of non-railway dues

The Board have decided that recoveries of non-railway dues (recovery on behalf of Railway Institutes, Co operative Credit Societies etc.) and their subsequent payments to the parties concerned should pass through Deposits Miscellaneous, if this is not being done already.

OBITUARY

We regret to learn that Sri Rao Bahadur G. V. Sarma (71) Retd. Accounts Officer, M. & S. M. Railway, expired at T. Nagar, Madras, on the 2nd March 1957. He leaves behind his wife and numerous friends and relatives to mourn his loss.

In his official days, he was known as an Establishment Expert, and was much liked by the Company's Officers. He was awarded the title of Rao Bahadur in recognition.

We convey our deep regret and condolences to the bereaved family.

Ed., R. A.



NEWS, NOTES, COMMENTS

It is understood that Dr. Robert L. Dixon, M.B.A., Ph.D., C. P. A. Professor of Accounts in Michigan University (U.S. A.) is visiting Australia under the sponsorship of the Australian Society of Accountants to conduct a series of courses on "Effective control through Financial and Management Accounts". It is also understood that a major portion of the expenditure is being met by the Commonwealth Bank of Australia and consequently the fees charged to candidates to the courses will be very moderate.

The Courses to be conducted by Professor Dixon are expected to help Members of the Profession to be kept informed of the latest developments in theory and practice. In the case of heavy investment in India on Five Year Plans both in the Public of the Private Sector, it is absolutely necessary that financial control should be rigid and fool proof to get the maximum worth out of every rupee spent. We are aware that this idea is foremost in the minds of the Railway Ministry, but mere ideas without the facilities for practical application would not be very helpful. It looks, therefore, obvious that a large amount of practical training by those who control Finance should be given to the executive who are empowered to spend and also ensure at the same time the objectives behind the schemes and the need and the possibilities of economical expenditure.

Statistics of Indian Railways

Gross Earnings: The approximate gross earnings of Indian Railways during January 1957 amounted to Rs. 29.36 crores which showed an in-

crease of 3.86 crores as compared with the actuals for Jan. 1956. The total approximate gross earnings from 1st April 1956 to 31-1-1957 amounted to 281.64 crores, representing an increase of 27.45 crores as compared with the actuals of the corresponding period of the previous year.

Goods Tonnage: The total number of tons of merchandise lifted during Jan. 1957 was 7409000 and 2165000 over the BG and MG respectively, representing an increase of 4.57 and 3.59 respectively over the figures for previous month. The total number of tons lifted from 1-4-56 to 31-1-1957 were 72680000 and 18235000 respectively over the BG and MG showing an increase of 13.5 and 8.47 respectively over the figures for the corresponding period of the previous year.

Wagons loaded: The number of wagons loaded during Jan. 57 was 473205 and 310172 respectively over the BG and MG showing an increase of 1.44 and 4.13% over the figures of the previous month. The total number of wagons loaded from 1-4-1956 to 31-1-'57 in terms of fourwheelers was 4274349 and 2560141 respectively over the BG and M.G. representing an increase of 6.38 and 8.47 respectively over the corresponding period of the previous year.

The differences in loading during the period of ten months are attributable in regard to BG to substantial increase, in jute raw, sugarcane, iron and steel others, manganese ore, other metallic ores and tea counteracted by decreases in non-Government Railway coal, coke, cotton manufactured, jute manufactured, pig iron etc.

In regard to MG. the main increases were in jute raw, jute manufactured, sugarcane, iron and steel others, tea, other metallic ores and other non-revenue stores counteracted by decrease under cotton manufactured, coal for other Government Railways etc., cotton raw, pig iron and cement.

Experiments in Catering

"I may also say something about the steps we have taken to improve the quality and service with regard to catering on our railways. Until a little more than a year back, there was no departmental catering on our railways except on the Southern and South Eastern Railways. It was all done by private contractors. It was found that some of these private contractors had a large number of holdings spread on even more than one railway which naturally led to poor or no supervision and to evils like subletting etc. It was decided to put an end to this unsatisfactory state of affairs by introducing departmental catering on Railways, and also by reducing the size of the large holdings and confining them to compact areas. Accordingly, the Northern, Central, Western and North Eastern Railways have introduced departmental catering at a few selected stations in the past one year. They may also take over a few more stations for departmental catering in the course of the next few months.

"The results so far obtained in raising the standard of service have been, in spite of some teething troubles, quite satisfactory. Simultaneously steps have also been taken to bring uniformity in menu at least with reference to broad regions and also bring down the prices considerably. It is also our policy to license the individual vendors who have been working under big contractors up till now, directly and vest them with a sense of responsibility and status so that the quality of their services may improve. It is not our intention to abolish

private catering altogether. It will continue to exist side by side with departmental catering. There will be so to say, a healthy competition between the two to serve the public. I would like the catering contractor on the railways to confine himself to one or two stations, bestow all his attention on his work and improve the quality of his service, and become almost an institution with reference to that particular station.

"I would also like to utter a warning to the railway administrations who have been running and who have recently taken up departmental catering, that they should realise that a responsibility has been thrown on them to set up standards by which others may be judged. They should also be associated with loss and its expansion and extension on that ground opposed.

Extract from the speech of Sri O. V. Alagesan, Dy. Minister, Railways & Transport, while inaugurating the Second session of the All-India Transport Users' Conference at Rameswaram on 27-12-56.

Abolition of Second Class on Suburban Rail Sections

The Railway Board has decided, as a second step towards the gradual elimination of Second Class Accommodation on Indian Railways, to abolish Second Class accommodation from all steam-operated suburban sections in the Calcutta and Madras areas with effect from a date to be fixed by the Railway Administrations concerned.

This first step was taken on 1st July 1956 when Second Class was withdrawn from about eighty branch lines.

At present there is no second class accommodation on electrically operated suburban Railway Services.

Automatic Luggage Lockers

Nine Railway stations in Belgium, namely: Antwerp Central, Brussels Midi, Brussels Central, Brussels Nord, Charleroi,

Ghent St-Pierre, LiegeGuillemins, Namur and Ostend have been fitted with automatic left-luggage lockers. Passengers can leave their luggage in these lockers for 48 hours by dropping a five francs coin in the slot for each day. Brief and clear instructions for use are displayed on the lockers.

Madras-Delhi Deluxe Express

The Press was taken round the bi-weekly Madras-Delhi Deluxe Express train on the 11th of February at Madras. It is a biweekly vestibuled air-conditioned train consisting of one Upper Class air-conditioned coach and three air-conditioned luggage and brake vans with generators. The over-all time of running is only 41 hours, i.e., three hours shorter than the ordinary running time for the Trunk Express.

The peculiarity of this train is that heavy luggage has necessarily to be placed in the luggage van and not be allowed to be taken into the compartment.

The third class coaches have reclining cushion chairs and have no sleeping accommodation.

Regarding catering arrangements, the meals served in the Dining Car are of Indian Style and Indian Dishes.

Railway Photographic Exhibition 1957

With reference to the announcement on page 345 of the February 1957 Issue of this Journal, the Railway Board have decided to extend the last day for submission of entries for this Exhibition to March 31st, 1957. Over 75 cash prizes are being awarded for this competition for black and white or colour photographs on any subject connected with the Indian Railways. Fuller particulars are available on request from the Joint Director of Public Relations, Railway Board, P. O. Box 467, New Delhi, to whom entries should also be addressed.

Half Yearly Conference of General Managers of Railways with the Railway Board

The above Conference was held at New Delhi from the 11th to the 13th Jan. 1957. The Prime Minister, Mr. Nehru, and the Home Minister, Mr. Govind Ballabh Pant addressed the Conference.

The Prime Minister said that the Indian Railways would be called upon to play an increasingly important role in the Nation's Development in the coming years and this would place a very great responsibility on those in charge of the Railways.

It was for the Railways, he said, to decide what they would do with the limited funds available to them during the Second Plan and there should obviously be an order of priority and the general attitude should be to spend money more on production work. For instance, it was no good trying to run trains faster in order to save time; it was important that more trains should be run and regularly. India could not afford now to copy very advanced ideas from countries like America etc., merely to show off.

It is necessary to raise the standards of technical training and of personnel and build up a strong industrial background so that we can ourselves manufacture the things we require, gradually build up our technical know-how and steadily advance in technical knowledge.

But the fact was that the accidents had occurred and these had naturally upset the public mind. It is therefore necessary that the Railways should take measures to create complete confidence in the minds of the travelling public.

The Railway Worker's individual job might be small, but he should be made to feel that he was helping to perform a

part of a huge job. Once he got this feeling, he would work in a spirit of comradeship and the quality of his work would improve.

x x x

The Conference itself was presided over by Sri P. C. Mookherjee, Chairman, Railway Board. The difficulties experienced by the various Zonal Railways on account of serious shortages of materials of various types were prominently brought home. It was also pointed out that a number of important projects were facing delays and hold-ups on account of these shortages. Short supply of steel in particular was a severe handicap. Shortage of girders, permanent way materials, and track renewal materials was also interfering with the progress of work, present procedure or indenting for stores was dilatory and contributed greatly to avoidable delays in supply. The Railway Administrations were endeavouring, wherever possible, to use substitutes for the materials in short supply.

x x x

(Vide also page 343 of THE RAILWAY ACCOUNTANT for Feb. 57).

Progress of Divisionalisation

"Progress has also been made in another important direction affecting the organisation of the Railways.

"I refer to the process of divisionalisation, which has now been completed on the Southern, Central and Western Railways and is expected to be completed by August this year on the North Eastern Railway which will then be the only Railway without the divisional system. This is comparatively a small Railway, which has for long been working on a purely district system, and we are refraining from initiating a major administrative organisation there just at present as the Railway is engaged in enormous developmental work in connection with the Second Plan requirements."

Note. The above is an extract from the Railway Minister's Speech while inaugurating the National Railway Users' Consultative Council meeting at New Delhi on the 10th and 11th Jan. 1957. What is expressed here in regard to the *completion* of the divisionalisation is only a pious hope if we understand it in the correct sense of the term. There are instances of several of the Divisional Offices not functioning at their real Headquarters and also of cases where full complement of staff has not been given to the Divisions. So much so, that the work as was envisaged in a full-fledged Division is really yet to commence.

It looks as if there has been an unnecessary haste in this divisionalisation particularly in the conversion of the District System to the Divisionalised System. To take a very simple example, though not quite on a par, it is an attempt at converting a single entry into double-entry Book Keeping system with only a few of the entries necessary for that conversion. The Railway authorities should promptly go into the question of the various deficiencies in the revised set up and set them right immediately without all the draw-backs of red-tapism and that work on very rapid progress envisaged under the Second Five Plan is not frustrated by either half-hearted or incomplete measures.

That full details are missing of what the divisionalisation means and to what extent the objectives have been or are being achieved are relevant factors for thought in this connection.

[Ed. R.A.]

Railways' Daily Jobs

The Indian railways performed the following tasks daily in 1955-56, according to the Railway Ministry's latest annual report.

Daily they carried nearly 3,550,000 passengers—just under one per cent of India's total population.

Each hour of the day and night, an average of 148,000 people boarded the trains. In all, about 36 million more people travelled in 1955-56 than in the previous year.

The people of India performed train journeys aggregating nearly 107,000,000 miles daily. Every day passenger trains travelled at total of 316,000 miles—six and a half times round the earth at equator. Goods trains covered another 226,000 miles per day.

Every day an average of more than 315,000 tons of goods were lifted. From stations and yards throughout the country, 21,500 loaded wagons moved off daily to deliver the Nation's goods.

On the various services they rendered to the public, including staff charges, the railways spent an average of Rs. 71,00,000 each working day.

Most of the above figures represent the highest points touched in Indian railway history.

The annual pay bill of the Indian Government Railway exceeded Rs. 148.5 crores during 1955-56, or Rs. 8 crores more than in the previous year. The number of employees for the first time exceed the million mark during the year.

The Railways constructed 8645 new quarters for their staff during the year, and set up a number of "holiday homes" at hill stations and seaside resorts providing inexpensive holiday facilities for class III and IV employees.

[P.I.B.]

Railway Production Units

In order to provide an incentive to staff in the direction of increased production, the Railway Board have, it is understood, granted *three advance increments* in the respective grades to all the staff employed in the Chittaranjan Locomotive Works, Integral Coach Factory, etc. While this is no doubt welcome, this raises several other issues. Should not such special treatment be accorded to all other staff who are engaged in the second Five Year Plan Work—which is no less important? The work is arduous in the latter case also. Apart from this, it may even be desirable to revise the grades or attach a lump sum special pay in these cases; but this will have to be done only by examining individual cases and not by granting the concession to all the staff in the Units without exception.

Further, such a grant gives a permanent recurring advantage irrespective of future efficiency in working or other

wise. This aspect has obviously not been considered.

Merger

It is understood that the Railway Accounts and Finance Study Circle, Southern Railway, has been merged with the Railway Accounts Club, and we hope that the activities of the Club will be vigorously pursued in future, to promote the interests of the Railway Accountancy profession and to make researches in this field which is sadly lagging behind.

Scout Movement on Indian Railways

In connection with the Birth Centenary of Lord Baden Powell, the Founder of the Scouts and Guides Movement, groups of Scouts and Guides from all the Indian Railways gathered on the 22nd February 1957 at the Indian Railway Institute compound at Perambur. This occasion also coincided with the Golden Jubilee of the Movement and the Silver Jubilee of the Scout Movement on Railways.

Sri S. Mukherji, State Chief Commissioner, Southern Railway, presided and lighted the Camp fire. Sri T. A. Joseph, General Manager, Southern Railway, and President of the State Council, declared open the Hobbies and Handicrafts centre which contained exhibits of articles made by Scouts and Guides, such as models of pioneering, paintings, wood work and needle work.

Direct Recruitment of temporary Assistant Accounts Officers

It is understood that, in common with other departments of the Indian Railways, direct recruitment to Officer cadre in the Accounts Department is also now being made, in connection with the implementation of the Second Five Year Plan. The recruitment will be in the grade of Assistant Accounts Officers. Though the designation indicates that it is a class II post, it is made clear that it will be neither Class I nor Class II, but simply a gazetted post; but the departmental examinations prescribed for them appear to be the same as for the regular Indian

Railway Accounts Service (Class I posts). It is not clear if there is such a dearth of qualified persons in the Accounts Department of the Railways, as to warrant the direct recruitment of outsiders to this category which is generally a promotion post and not a recruitment post. In any case, it may be argued that the letting in of fresh blood in the gazetted rank, in addition to the usual Class I posts recruited as a result of competitive examinations, would be in the interests of efficiency, but it is hoped that this will not adversely affect the interests of existing staff, both class III and Class II, in the Accounts Department on the Railways.

Reservation of Accommodation on trains

With effect from 1-1-1957, Pass Holders requiring accommodation in Upper Class should send in a written requisition to the Reservation Office in a prescribed printed form, where the names of passengers have also been called for. It is further stated that wherever possible, the Pass itself should be produced along with the requisition slip for verification by the Reservation Office Staff.

Note: The need for very rigid instructions in connection with the reservation by Pass Holders might probably have arisen due to a small percentage of fraudulent uses. But that a majority of such travellers will be put to inconvenience by this elaborate procedure, is a thing worth noting. Apart from this, it is also known that there is great difficulty in the reservation of accommodation for Return Journeys in advance, which can only be done by post and without production of the pass itself at the time of the application for such reservation. This aspect has not been provided for in the instructions referred to above.

It cannot be forgotten that the issue of a pass is a privilege and an amenity to an employee and the use of such an amenity under normal circumstances in a bona fide manner, should not be hemmed in by too many restrictions. As it is, a pass-holder is always at a disadvantage as compared with a paying passenger, and his

difficulties should not be aggravated by greater stringency in rules. *Defaulters must be punished*, but if the majority are not defaulters, where is the excuse for penalising them to detect a few of the other order?

Ed., R.A.

Appointment of Probationers to Indian Railway Accounts Service

As a result of the Competitive Examination held by the Union Public Services Commission in 1955, the following have been appointed to I.R.A.S. and posted to the Railways mentioned below:

Central:

1. Sri Jagdish Chandra Srivastava
2. „ N. Radhakrishnan
3. „ Syed Shah Enayat Hussain Shah.

Eastern:

4. Sri Ved Prakash Dang
5. „ G. V. Subramanyam
6. „ Gian Sagar
7. „ M. R. Laljani.

Northern:

8. Sri P. S. Sivaswamy
9. „ M. C. Gopinathan.

North-Eastern:

10. Sri S. Parthasarathy
11. „ Swaminathan Krishnaswami Comal
12. „ Shamsheer Singh Vasudeva.

Southern:

13. Sri Gian Chander Sharma
14. „ Swaran Singh Gauba.

South-Eastern:

15. Sri Pritpal Singh Bami
16. „ R. Narasimhan
17. „ Sundaram Krishnan.

Western:

18. Sri Parduman Prakash Chadha
19. „ Nimai Charan Mohapatra.

Secretary, Finance Ministry

With effect from 1st March 1957, Sri S. Ratnam took over as Secretary, Ministry of Finance, Department of Expenditure, Government of India, in place of Shri P. C. Bhattacharyya, appointed as Chairman, State Bank of India.

Have you done your bit in augmenting the subscription roll? If not please take up without delay.



Readers Forum

Traffic Statistics & Traffic Book

One of our Subscribers, a candidate for the recent S. A. S. Railways Examination 1956, writes as under:

“The Paper on Statistics was very tough. Even the nature of questions asked was not on the pattern asked in earlier years. The candidates experienced much difficulty particularly with the ‘Without Books’ Paper as the questions were quite tedious and lengthy, each question having three sub-divisions. Some of the questions asked necessarily required reference to the Statistical Manual.....”

Note: We have published at page 351 of the February 1957 issue of this Journal another criticism on this paper and also given our general opinion upon the setting of question papers. We would like to add further that in the ‘Without Books’ paper, as far as possible, questions should be confined to those requiring answers without reference to any books, as otherwise candidates would be handicapped to some extent. There is absolutely no harm in the form of the papers changing from time to time, provided, they are consistent in material and length with the capacity of the average candidate.

Ed. R.A.

Book Keeping

Copies of more appeals are being received in regard to this paper, and what action the Board propose to take or have taken is not known. When the examination is taken as a test of merit, it should be so conducted as not to give room for unnecessary criticism by any one, more so by candidates. That the candidate should not expect an easy walk-over in any examination is a good thing to know and that

he should be sufficiently equipped with knowledge and capacity to shoulder a heavy responsible position, for which the examination is a test, should also not be forgotten by any of the parties. We would once again like to draw the attention of the authorities to the need for a thorough overhaul of the entire scheme of examination so as to make it a very satisfactory test of the knowledge and at the same time taking into account the past capacity and experience and efficient working of the candidate in his day to day work.

ED. R. A.

General Expenditure

We have received a copy of the appeal presented by the candidates on a certain Railway to the Director of Finance regarding the paper on General Expenditure set for S. A. S. Railways Examination-December 1956. It is stated therein that the ‘With Books’ Paper contains questions practically difficult and which demanded a practical working knowledge of not only the several branches of the Accounts Department, but also those of the Executive side. Questions Nos. 1 and 2 are also reported to be very lengthy requiring a disproportionately long time, leaving only a short time to tackle the four remaining questions.

Question 4 does not specify whether the allocation should be under Main heads, sub-heads or sub-detailed-heads. Question 7 requires a fairly lengthy answer and also a little time for thought. Question 10 was considered as ‘out of bounds’ for this paper. Question 3 was considered difficult as a working knowledge of the Executive Office was necessary.

In view of the fact that even in an easy paper of the previous year only a small percentage was awarded pass marks and that the Examiners' commentaries on the Answer Papers therefor were not constructive enough for the students to adjust their studies for the current year, the candidates complain that they had to face a comparatively hard situation this year, particularly due to the merging of Construction Accounts with General Expenditure. In the end, they appeal for a fair and lenient valuation of the answers.

Note : Without going into the merits of the above points, it is felt that the Examiners should certainly do well to give skeleton answers in their commentaries and also point out clearly, to the prospective candidates, what shortcomings they have noticed during the valuation of the answer papers, so that there might be really a constructive attitude and help to the future students. We do not completely agree with some of the objections raised, particularly when they deal with the knowledge of initial accounts. It is not possible to have a sound superstructure without a solid foundation.

Regarding Construction Accounts, the candidates had three years' notice and they are expected obviously to have studied the subject in such a way as not to place themselves in a handicap.

Ed. R.A.

Compensation Claims

In the check and scrutiny of compensation claims, a number of points arise and it is best that these are brought to a common pool and

the views of all the Railways focussed in order to get at a uniform and reasonable solution.

In the Accounts Code, it is stated that it should be verified if the claim is paid on the basis of the price of the commodity at destination but this may not apply in the case of consignments booked from a manufacturer to his depot; or from one branch to another, where it would be fair only to reimburse the cost price to the consignor (the consignee being only the branch of the consignor).

In the case of claims paid by one Railway on behalf of another Railway, the accounts and financial check is done by the former Railway, and the latter Railway only accepts the debit. Particularly where large amounts are involved, it would be better if the former Railway's F.A. & C.A.O. takes up with the traffic authorities to investigate how the loss or damage occurred and what action was taken to remedy the defects for the future and whether the disciplinary action taken was adequate etc.

There are many other points of this kind, and it is requested that cases of a peculiar type are reported to this journal for publication, and discussion.

Repairs to Bicycles

The allocation of the expenditure on repairs and maintenance of office bicycles, does not appear to be uniform. Some allocate this to Office Contingencies under I Administration, of the relevant Revenue Abstract, while others charge it to II. Repairs and Maintenance. The Rly. Board may issue necessary clarification.

Students' Corner

Supply of defective springs in all-metal M. G. Coach body shells

The Railway Board's Rolling Stock Programme for three years 1952-53 to 1954-55 provided for the procurement of 900 unfurnished all-metal third class MG Coach body shells, partly from abroad and partly from a firm in India. It was decided that these shells should be furnished in the Railway Workshops according to the specifications laid down by the Central Standards Office. The first shell was fully furnished in the Golden Rock Workshop of the Southern Railway in January 1955. When it was weighed, it was found that the tare weight of the vehicle was 31 tons. This weight was considered too heavy for the springs provided with the shells, which were suitable for coaches of tare weight upto 27 tons. This workshop had completely furnished fifty such coaches, but these could not be put on the line. The Chief Mechanical Engineer, Southern Railway, reported the matter in February 1955 to the Central Standards Office. Similar complaints were also received in the Standards Office, from other Railways, where shells were being furnished. In all the workshops the tare weight of fully furnished shells varied from 29 to 31 tons. In April 1955, the Central Standards Office decided to modify these springs and ordered the Railways concerned to undertake modification work on a programme basis in respect of all the shells allotted to them. The modifications prescribed by the Central Standards Office involved lifting up of the bodies and running out the bogies for the spring gear to be changed and enlargement by flame-cutting up the opening in two sole plates. This work has been taken in hand by the Railways and according to a rough estimate it is expected to cost an additional sum of about Rs. 4.74 lakhs in respect of all the 900 shells.

The springs supplied by the firms with the shells were in accordance with the specification given by the Central Standards Office. These

springs were designed for the older type of coaches of tare weight upto the maximum of 27 tons, with wooden bodies and without electrical equipment. The all metal coaches became heavier owing to the provision of full electrical equipment as a result of additional amenities for third class passengers and increased width. Since these coaches were expected to carry extra loads, it should have been obvious to the Central Standards Office that the springs which were suitable only for the older type would not be adequate. No responsibility has been fixed for this failure.

[Ry. Audit Report—1956]

Unnecessary haulage of permanent way materials

Prior to regrouping, the Eastern Punjab Railway had a permanent way depot at Ghaziabad to which all materials were consigned by the suppliers. These were then despatched to the stations where they were required. Supplies were mostly from Calcutta, Tatanagar and other stations on the eastern side, and Ghaziabad is so located that this was a very suitable arrangement. The practice on the ex. East Indian Railway, however, was to have most of the permanent way materials despatched direct to the stations where they were required. When the three Eastern divisions viz., Allahabad, Lucknow and Moradabad, were merged with the ex- Eastern Punjab Railway to form the Northern Railway in April 1952, the ex-East Indian Railway practice was given up in respect of future orders and the ex-Eastern Punjab Railway practice of sending the materials to the Ghaziabad depot in the first instance was adopted for the whole of the Northern Railway except in the case of materials required for urgent renewals. As a result, a large number of wagon containing permanent way materials meant for use on the three divisions from the ex. East Indian Railway were rebooked to ultimate destinations in most cases by the route

The attention of readers is specially drawn to the Articles in the Readers' Forum and the Students' Corner and their co-operation is requested in pursuing the matters relevant thereto.

which they had come to Ghaziabad, resulting in unnecessary haulage at a time when wagons were in short supply for the carriage of ordinary traffic. The number of wagons thus rebooked in 1953-54 was 103 bogies and 776 four-wheelers, involving freight charges amounting to over 4 lakhs of rupees calculated at the rates then applicable to the carriage of railway materials. The number of wagons rebooked in 1954-55 was no less, being 161 bogies and 671 four wheelers.

Unnecessary haulage of wagons involving freight charges estimated at nearly Rs. 15 lakhs since April 1952 could have been avoided, had the Administration continued the ex-East Indian Railway practice of despatching the material direct to the site of the work in the case of the three divisions. If it was considered absolutely necessary that some of the materials should be consigned to a depot, another depot could have been opened near Moghalsarai which is conveniently suited for this purpose. This suggestion is now under the consideration of the Administration. [Ry. Audit Report 1956]

* Revised pay scales of Accounts Staff on Indian Railways *

With reference to the new Deal announced by the Railway Ministry, published at page 351 of the Issue for February 1957, we have received copies of representations made by several Railway employees to the Union Government, the Railway Ministry etc. The Representation wishes further upgrading of the grade pay so as to allow a recruit to start at Rs. 80/- and go upto Rs. 250/-. They also desire that the grades for Sub Heads and Accountants should be revised to Rs. 200—300/- and Rs. 260—500 respectively. Reasons also have been advanced in the petitions.

Note: As the entire matter is practically *sub judice* and as we have not been supplied with the copy containing details of grades, which we understand was sent on to the Unions, we are unable to make any comments either on the Ministry's proposals or on the Petitioners' points.

Ed. RA.

Unauthorised Vending of Newspapers and Magazines at Stations

It is emphasized that licence fees should be regularly collected from the respective licencees of Newspaper Vendors at Stations on or before the due date and that the statement of fees collected on such account should be sent to the Executive and Accounts Officers in the first week of every month. Watch should be kept that no newspaper or magazine other than those authorised are sold on the platforms.

* Allocation of Stores Issue Notes *

In order to avoid unnecessary operation upon suspense heads, where a large accumulation has already accrued over periods of years, it has been emphasized by the Railway Board that the operation of Suspense Head of Account should be kept at the barest minimum and that Indentors of Stores should be made to note the correct Head of Account invariably in the columns of the Indent Forms, whenever they submit Indents to Stores Depots for supply of Stores. Indents without allocation particulars, where received at Stores Depots after 1st February 1957, are not to be complied with, but returned to the Indenting Officers for completion.

* Accountal of Printed Paper Tickets *

These tickets should be accounted for in the Trains Cash Book, Proof Book and Passenger Returns submitted by the Stations to the Accounts Office in the same manner as printed card tickets but under a separate heading 'Special Paper Tickets'.

These tickets collected at destination Stations should similarly be entered separately in the Register of collected tickets, Ticket Collector's Report and the tickets submitted daily to the Accounts Office separately bundled along with other collected tickets after cancelling such collected tickets with the special nippers supplied therefor.

Books Review

BHARAT "READY RECKONER, INTEREST AND WAGES TABLES AND BANKER'S GUIDE ADAPTED TO RUPEE AND NAYA PAISA"—by Sri S. Ramasubramaniam, Agent, The Chettinad Mercantile Bank Ltd., Tirupattur, Ramanathapuram District—Price Rs. 5/-. Rights Reserved. Pp. 1-131.

The Compiler has a lot of practical experience in the field and has, therefore, been enabled to bring out this Banker's Guide quickly and in time for use by all concerned on and from 4-1957 when the Decimal Coinage comes into force in India.

It is obvious that in a book of this sort, there are bound to be lacuna and any attempt to provide for all contingencies will necessarily make the book bulky and therefore also costly. At the same time, it cannot be overlooked that the Book may not be useful for several Offices and firms.

In calculating wages, for instance, the stages taken are too wide as after ten, the stages are in tens upto 100, and in hundreds upto 1000 and in thousands upto 5000. If provision had been made in these tables for two decimal places under Naya Paisa it would have been possible to use this book for every figure upto 5000 by adding from the respective columns. If the rounded off figures as now published are taken, the results may be incorrect.

Similarly, in respect of Railway transactions, the figures for conversion of rupees annas and pies involved in goods and coaching rates would have been of very great help.

Considering that the whole book is a mass of figures requiring very close and actual calculation, the compiler has to be congratulated on his patient work in this direction. We hope that, in subsequent editions, he will be able to bring out a more comprehensive guide.

BULK MOVEMENT OF GOODS—According to particular stations and Commodities—1955-56. Published by the Statistical Officer, Southern Railway, Madras.

We have got, for review, a set of charts published by the Statistical Officer, Southern Railway, Madras.

The system of charts in presentation of facts is the most convincing one to any reader. When the material and the subject matter of the chart have been specially selected, the importance of the representations becomes all the greater. The charts cannot however cover the entire set of transactions on any Railway, if they are to be kept within sizeable proportions. Hence the bulk of the transactions has been taken as representative and charted; and even these furnish valuable information to the Operator and the Administrator.

The charts are confined to bulk movement of goods, i. e., they exclude smalls traffic. Figures have been compiled for the first time on the average wagon loads obtained by several selected commodities on basic data collected for the Railway Freight Structure Enquiry Committee. These cover a period of one year from Oct. 1954 to Sep. 55 and they also show the proportion of such commodities as have been moved in bulk.

Some difficulty has naturally arisen in the compilation of the figures for "Net ton miles per route mile" for all commodities. While detailed commodity movements are as per the charged route, the total is by the carried route. To compile statistics on the same basis for both would mean excessive labour as the former are based on commercial documents while the latter are from train documents.

There have been other complications in charting traffic which was charged by shorter MG routes, but actually re-routed by longer BG routes with a view to get over Operational bottlenecks, etc.

In some cases, as for instance, W. I. P. Railway, the density of movement was worked out on the basis of four months—April to July 1955—when conditions of movement there were fairly normal.

If these charts are studied along with a geographical map of the territory traversed, it would give a precise appreciation of the movement of commodities and would readily show up cases of cross or uneconomic movements and make it easier to plan movement to the maximum advantage of the consignor and the Railway.

The task involved is something very great and required a lot of strenuous and co-ordinated work. We congratulate the compiler on the start he has made in this novel direction of presenting data in a visual form for ready reference.

Personnel

Railway Board

Sri K. Ramachandran, Addl. Member, Mechanical, Railway Board, has been appointed as General Manager, Chittaranjan Loco Works, in place of Sri Karnail Singh, recently appointed Member, Engineering, Rly. Board.

Sri E. W. Isaacs, Chief Engineer, C.L.W., has been appointed as Addl. Member (Mechanical), Railway Board, in place of Mr. Ramachandran.

Note: Both the above appointments take effect from 4-3-57.

Western Railway

Sri M. V. Seshadri, officiating Financial Adviser and Chief Accounts Officer, Indian Railways, is confirmed provisionally in that appointment from 14-9-1955.

Sri N. C. Sen, Officiating Accounts Officer (Special), W.Rly., has been posted as Officiating Assistant Efficiency Officer, Class II, HQ Office, Bombay, with effect from 3-1-1957.

Sri M. B. Patel, Divisional Superintendent, Baroda, W.Ry., has been posted as Sr. Dy. General Manager, S. E. Railway.

South Eastern Railway

Sri M. Kamath, Officiating Financial Adviser and Chief Accounts Officer, Indian Railways, is confirmed provisionally in that appointment with effect from 17-4-1956.

North Eastern Railway

Sri S. G. Pothan, provisionally Permanent Financial Adviser and Chief Accounts Officer, Indian Railways, has finally been confirmed in that appointment with effect from 17th April 1956.

Southern Railway

Sri D. B. Patel, Divisional Superintendent, Olavakkot, is transferred as Divisional Superintendent, Royapuram, to relieve Mr. R. Gopalakrishnan.

Sri R. Gopalakrishnan, on relief, is posted as Dy. General Manager (Personnel) in place of Sri M. Sundararajan, proceeding on leave preparatory to retirement.

Sri K. Srinivasa Iyenger, Offg. A.A.O. returned from leave and was posted as A.A.O. FB (TA), with effect from the 14th February 1957, vice Mr. C. J. Soans, superannuated.

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Railway Co-operative Publishing Society Ltd.

A proposal has been set afoot to start the above Society from April 1957 with a small capital of Rs. 2500 divided into 100 shares of Rs. 25 each. Those interested in becoming shareholders can contact the Mg. Editor, Railway Accountant, for any further details.

Mg. Editor, R. A.

In all correspondence, the Membership Roll No. should be quoted by subscribers to ensure prompt attention to their requirements.

SPECIAL ANNIVERSARY NUMBER

Subscriptions of many Members expire with the Issue for March 1957. They were specially requested at page 340 of the Journal for February 1957 to kindly renew their subscriptions before the 5th of April 1957. It is hoped that this request will be complied with. Those, who do not propose to continue may also kindly advise the Management *before 25th March 1957*. This advice is necessary as the Issue for April 1957 is an Anniversary Number and is expected to be brought out on the 13th April 1957 with a very selective list of articles contributed by authoritative writers.

As the Journal is also likely to be oversized, the price for the *individual copy* may have to be raised. It is, therefore, in the interests of the Subscribers to renew their half-yearly or annual subscription, well in advance and ensure supply of their copies.

ENROLMENT OF NEW SUBSCRIBERS

Subscribers are also Requested to enrol as many new subscribers as possible, at least commencing from April 1957, so that the common interest of all may be served.

SUBSCRIBER'S NUMBER

References continue to be received from Subscribers without their Membership Numbers. It is very necessary that these Numbers should be quoted in all correspondence to facilitate prompt attention and to verify information called for. Numbers are given in a particular series, M for individual Subscribers, R for official subscribers and 'H' for Headquarters Subscribers. The letter plus the number is always quoted on the Wrapper label enclosing the Journals and these should be quoted INVARIABLY.

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Complaints of non-receipt of copies of the Journals continue to be received month after month from one place or another. It is very necessary that full residential address should be furnished to the Management to enable copies being properly directed. However, if, after a reasonable margin for transit after the 15th of a month, the Journal is still not received by any Subscriber, he should AT ONCE prefer a complaint to the Local Post Office and advise the Management for taking further action at this end. In spite of the fact that there is a very clear remark on the wrapper that undelivered copies should be returned to the Managing Editor, practically no copy has so far been returned to the Mg. Editor and therefore complaints of non receipt are always difficult to handle. There might be *bona fide* and non-bona fide complaints; or wrong deliveries which it is difficult to ascertain from this end. It is just to provide for these possibilities of mis-use or mis-delivery that a nominal charge of Re. 0-10-0 has been fixed whenever a duplicate copy is asked for on the basis of a *bonafide* non-delivery of the original. This rate is certainly NOT applicable to cases of loss by the parties after delivery to them of the first copy. In such cases, the full amount of Rs. 1/2/ per issue must be remitted by them *in advance*. Further, in cases of continued complaints from any Member, Certificates of Posting are obtained at this end to establish correct despatch from this side.

SUBSCRIPTIONS

Even though full information as to the last month, which the subscription covers, is noted on the wrappers enclosing the monthly Journals, sometimes renewal remittances are not made in time by the Subscribers. It is not possible for the Management to know whether a Subscriber wishes to continue or whether he wants to cease to be a subscriber. If, therefore, on past history, the Management feel that the subscriber *may continue*, a copy of the Journal for one month after the cessation of the previous subscription is sent with an intimation of overdue subscription. If still the renewal remittance is not made, despatch of further copies is suspended and arrears called for. It will be in the mutual interests of the subscribers and the Management that correspondence on account of subscriptions is avoided completely as, under the existing circumstances, it is a heavy drain on the resources of the Journal. It is hoped that Subscribers will co-operate with the Management in remitting their dues *promptly* and on their *own* initiative, without any reminder.

