

Government of India  
Ministry of Railways  
(Railway Board)

D/C  
Pls see

RBA79/2017

No.2017/AC-II/20/2/FA&CAOs' Conference


27.6.17

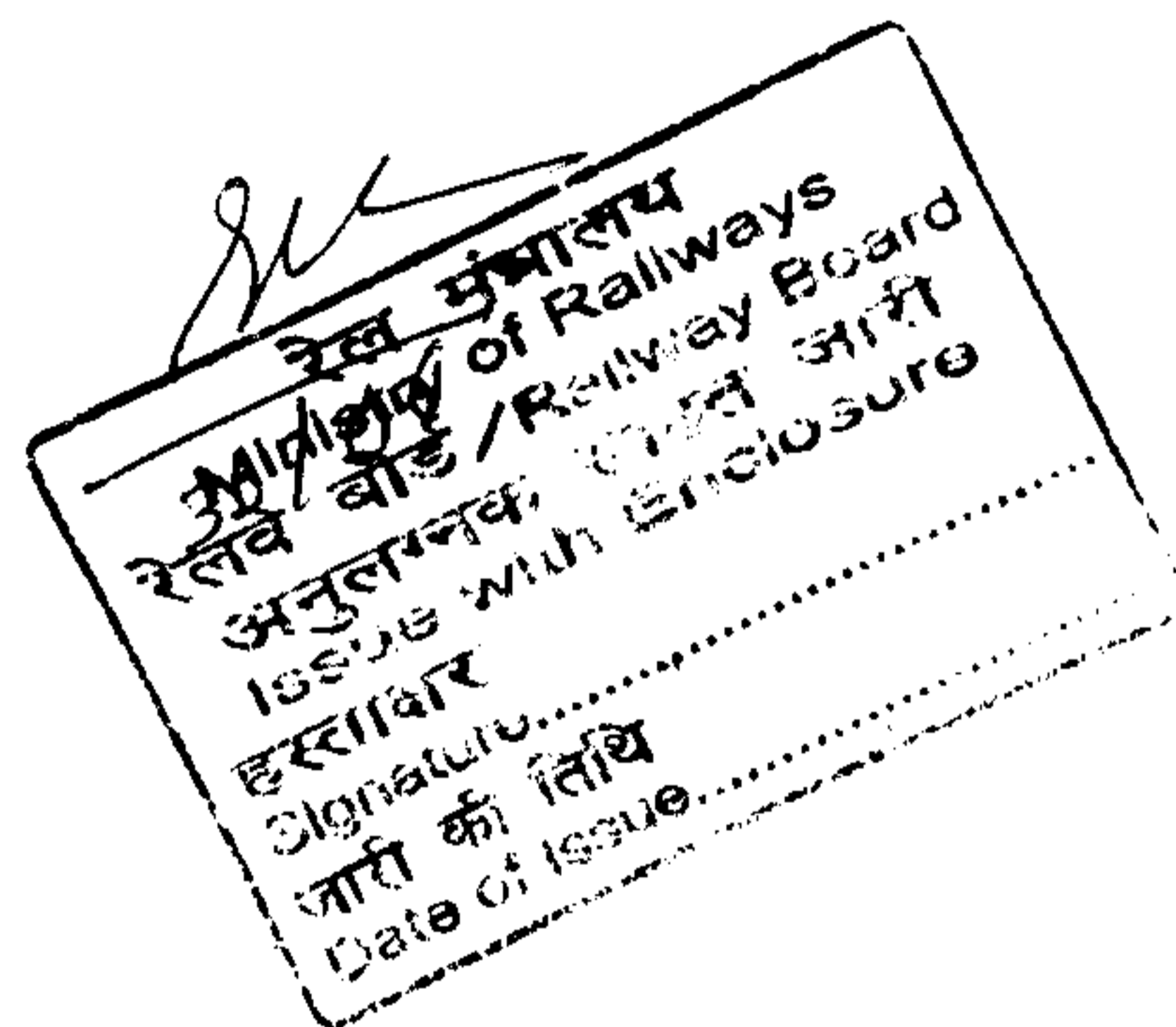
FA&CAOs' All Zonal Railways & Production Units  
CR|ER|NR|NER|NFR|SR|SCR|SER|WR  
ELR|ELDR|NCR|NWR|SECR|SWR|WR|METR  
LORE|LOFMDW|CLW|DLW|DMW  
ICR|RCR|RWF|RDSD & MLC. RBL.

Sub: Minutes of Review Meeting held with FA&CAOs/Zonal Railways & Production Units in Board's office on 14.6.2017

Minutes of Review Meeting held with FA&CAOs/Zonal Railways & Production Units in Board's office on 14.6.2017 are enclosed.

A feedback on the action taken may be sent in a month's time.

  
(Vivek P. Tripathi)  
Director Finance/CCA  
Railway Board



**Minutes of the Review Meeting held with FA&CAOs/Zonal Railways & Production  
Units in Board's office on 14.6.2017**

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A review meeting of Zonal Railways and Production Units was chaired by FC(Rlys) in Railway Board on 14.6.2017. The agenda of the meeting and list of participants is at Annexure 'A'.

**Highlights of Discussions**

**1. Address by Financial Commissioner (Railways)**

- a. Operating ratio of 94.5% has been fixed for 2017-18. Concerted efforts are needed to meet targets. Difficulties in achievement of earning targets should be brought to notice of GMs early in the year for necessary corrective action.
- b. Strict control over OWE is required as 7<sup>th</sup> CPC allowances have not yet been budgeted.
- c. Railways achieved savings of ₹2200 crore due to electric traction. Similar savings are targeted this financial year. FA&CAOs must interact with CEEs and State Governments and inform GMs about any difficulty to realize savings.
- d. Items of priority of Accounts department needs to be raised with GMs to improve performance and efficacy of interventions by Accounts and Finance officers.
- e. Loading must be more than the targets, as lead is falling. Gaps in account of earnings need to be analyzed, reasons to be found and remedial action taken if any gap exists. **All FA&CAOs to confirm that no amount of earnings is kept in Deposit.**
- f. There is a push for integrating Railway Accounts on to the Public Financial Management System (PFMS). March 18 is targeted for implementation. While modalities are being worked upon, the immediate target is for Railways to project actual figures early. The date of submission of Accounts, will be 10<sup>th</sup> of following month.
- g. Digital payments are a priority area. The proposals of Commercial Department must be examined on priority and with utmost care. Audit trails must be strengthened.
- h. An Internal Audit compendium with 34 reports has already been sent to Railways with the object of improving efficiency. Feedback has only been received from few Railways. Railways should confirm about the results of study reports by end of the next month.
- i. In respect of Accrual Accounting, the target of March 2019 should be taken as March 2018 to complete the project on time.
- j. Expertise should be available with Zonal Railways and Production Units regarding GST. The consultants may be appointed and instructions issued by Board's office should be followed.
- k. There is an overall shortage of SG/JAG officers across Railways and the vacancies will be filled up on induction of Gr. B officers to Gr. A. Railways and PUs should make use of available officers by posting them in Division, Traffic Accounts Office, Stores & Workshop for officers to gain experience as well as to develop confidence in working. FA&CAOs may devote time to oversee disposal of work by their officers to improve professional image of IRAS. It must be clear to officers as to what is expected from them.
- l. **For pending ATNs, F&CAOs will report clearance from coming month's MCDO.**

**2. Address by Additional Member (Budget)**

- a. Operating Ratio for 2017-18 is planned at 94.5% and requires active monitoring to achieve targets, assess OWE and adhere to spending limits.
- b. PU wise statement along-with Approximate Accounts must be uploaded by all FA&CAOs.
- c. The shortfall in bookings in Capital Expenditure is serious. The progress is being monitored by MoF. Railways must monitor excess/savings in Plan Heads.
- d. Notified State-wise energy charges must be analyzed, especially for UP, Odisha, Bihar, Haryana and Punjab. Railways must ensure 10% savings on diesel consumption and expenses especially CR, NR, NFR, SCR, WR, NWR and SWR.

- e. The '10-day' statement of originating earnings prepared by Railways and that generated by CRIS does not tally. By June 2017, the difference in two statements must be reconciled. The statement must be submitted with 'Nil' difference.
- f. MoF has expressed concern over outstanding Audit Para. Railways must analyze and reduce the number of Audit Paras.

### 3. Address by Additional Member (Finance)

- a. Additional Member (Finance) cautioned about difficult financial times and reduced earnings. The role of FA&CAO has further become more important. Earnings from all sources must be taped and infructuous expenditure is curtailed/restricted.
- b. Capital Expenditure must increase. Sensitivity Analysis to be done to see if projected RoR is being achieved.
- c. For Station Development works, officers need to be familiar with station development processes and plans. To avoid cost and time overruns, high value tenders must be attended on priority.

### 4. Discussion on Agenda Items

- a. **Issues in Accounting and Misclassifications were highlighted. The repeated misclassifications reflect on poor attention to compilation of Appropriation accounts and delay in enforcing systems for prevention of Misclassification. This is a top priority concern as Audit is waiting to close an existing Para, based on results of 2016-17 accounts.**
- b. **Off Mark approximation in Capital has led to delay in finalization of March 2017 accounts. Production Units in particular have erred in projecting approximates. This must not repeat. Every FA&CAO will be personally responsible for Approximate projections.**
- c. **Bookings under Suspense Head Demands Recoverable must be thoroughly reviewed and all outstanding recovered on priority. With GST 2017 Act, liability for deposit of tax will rest with Railways for services rendered. Outstanding collections under way leave charges need to be taken seriously. All litigations should be compiled and addressed. Policy directives will have to be sought from concerned Directorates in Board, where necessary.**
- d. **Railway wise review of pending ATNs revealed a need to reconcile ATN outstanding records available with Railways. FA&CAOs must ensure the have complete knowledge of pending ATNs and take necessary action for timely replies.**
- e. **Accounting Reforms Implementation was discussed. All FA&CAOs must take full support of experts being deputed on zonal Railways in the next few months, before these services are withdrawn so that all doubts are clarified and staff attains complete knowhow. Targets are sacrosanct. Work on Performance Costing and Outcome Budgeting has begun.**
- f. **Implementation of GST is a key priority area for Government. First priority must be for ensuring levy and collection of GST on every transaction of Railways services- Transportation, Sales, Sale of Scrap and Sundry earnings. Accountal of each tax paid must be complete with GSTIN of supplier as Input Tax Credit dfor services and goods needs to be fully availed. Railways must map stations to States, quote GSTIN for each tax paid/collected, and fix officials responsible for checking of GST Returns (GSTR), Offline Transactions etc.**
- g. **Applicability of Reverse Charge Mechanism especially for Bills Recoverable must be known to all concerned**

- h. Litigations over recoverable dues must be reviewed for necessary action by all Railways and Pus. Action of engaging with Consultants for advise over a range of issues must be taken well in time.
- i. All preparations to capture transactions on IT platform must be completed on time.
- j. As observed by FA&CAO/SER, SER will be Principal Place of Business for Jharkhand.

#### **5. General Issues raised by Railways**

- a. FA&CAO/Const./SECR: For work executed by RVNL, disposal of funds to be left to the Railway concerned instead of authorization from Board to avoid mismatch of expenditure.
- b. The Earning and sundry earnings targets are high.
- c. FA&CAOs SER, SCR and SR: The querying facility in IPAS which allowed them to make certain reports and examine certain data has been removed.
- d. FA&CAO/WR: Instructions may be issued by Board to streamline the procedure, to avoid a common pool of funds for utilization of Environmental Cess within the unit.
- e. There is a shortfall in filling vacancies of Sr Scale/ JAG officers.
- f. Tender Committee limits need to be reviewed for Finance Members

The Conference ended with a vote of thanks to the Chair.

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**RAILWAY BOARD**

S.No.	Name of the officer (Shri/Smt/Ms)	Designation
1	Mohapatra B N	FC
2	Nalini Kak	AM/Budget
3	Anup Kumar Prasad	AM/F
4	Naresh Salecha	Adv/Fin
5	Anjali Goyal	Adv/Accounts
6	Vajpayee Aditya Kumar	EDV/A
7	Dhruv Singh	EDPC-1
8	Lavania Sanjay	EDF/X-1
9	Anand Prakash	EDF/B
10	Bijalwan A K	EDF
11	Sinha Prabhat Kumar	EDF/S
12	Upreti Sanjay	EDF/C
13	Anju Ranjan	EDF/X-II
14	Mathur Sanjiv Narain	ED/Accounts/Transformation Cell
15	Dubey Manoj Kumar	EDF/PPP
16	Rahul Aggarwal	ED/S&E
17	Tripathi Vivek P	DF/CCA
18	Choradia Bhaskar	DF/Budget
19	T D Diwivedi	DF/A

**Zonal Railways/Production Units**

S.No.	Name of the officer (Shri/Smt/Ms)	Designation
1	Uma Ranade	FA&CAO/Const/CR
2	Kakoli Ghoshal	FA&CAO/Const/ER
3	Rashmi Goel	FA&CAO/NR
4	N P Pandey	FA&CAO/NER
5	Robin Deka	FA&CAO/NFR
6	R S Manjula Rangarajan	FA&CAO/SR
7	Padmini Radhakrishnan	FA&CAO/SCR
8	Vijay Kumar	FA&CAO/SER
9	R N Varma	FA&CAO/WR
10	J P Pandey	FA&CAO/NCR
11	B C Meena	FA&CAO/NWR
12	K Kotaiah	FA&CAO/ECR
13	R S Mitra	FA&CAO/C/ECOR
14	A K Singh	FACAO/SWR
15	S. Vivekananda	FA&CAO/Const/SECR
16	Anuradha Mukhedhkar	FA&CAO/WCR
17	H S Mushathick	FA&CAO/Metro
18	Hamim Ahmed	FA&CAO/S/CORE
19	Aloke Biswas	FA&CAO/COFMOW
20	Hardai Narayan	FA&CAO/P/CLW
21	J N Pandey	FA&CAO/DLW
22	Manjeet Kaur	FA&CAO/DMW
23	Reena Ranjan	FA&CAO/ICF
24	C M Jindal	FA&CAO/RCF
25	Kalpana Dube	EDF/RDSO
26	Dawa Cherring	FA&CAO/MCF/RBL