

EASTERN RAILWAY

**WORK STUDY
ON
COMPARATIVE ANALYSIS BETWEEN MPRs' OF
SDAH & DHN's ACCOUNTS DEPARTMENT
AS PER BENCHMARKING DATA**

(STUDY NO.WSER-07/18-19)

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TERMS OF REFERENCE

The study team has conducted the subject work-study based on the following terms of references –

- i) Existing sanctioned strength and MOR of Account staff in respective division.
- ii) Contractual staff deployed or reengagement of retired railway employee.
- iii) Activities being done completely in house and no of staff deployed.
- iv) Activities outsourced.
- v) Practices/Activities which may be outsourced or need to be improved.
- vi) The work load of Accounts staff i.e. total divisional staff strength of respective division.

SUMMARY OF RECOMMENDATION

Summarizing the proposed requirement, the following actual requirement is thus achieved.

Division	Existing		Proposed requirement of staff (Gr.C + Gr. D)
SDAH	Sanctioned (Gr.C + Gr. D)	MOR (Gr.C + Gr. D)	
Accounts staff	131	123	123
Cash & Pay staff	70	60	40
TOTAL	201	183	163

Thus, revised sanctioned strength (including Cash & Pay) of Accounts department in SDAH division would be 163 instead of 201. Hence, 38 posts (201-163) from A/C department should be made surplus.

CHAPTER-I

1.0 INTRODUCTION:

- 1.1 Viewed in the context of human resource planning, Indian Railways is presently on the threshold of major technological changes. Some categories of staff are likely to become surplus, there may be shortage in few categories and some new categories may get boom as substantial inputs in areas like electrification, communications, computerization, new production units become unavoidable in due course of time.

While manpower productivity compared to international standards is low due to low levels of skills and antiquated work methods, the average cost for employee has risen sharply in recent years. The Average Annual Cost per employee has increased roughly 7 times over the last two decades. This figure is likely to go up further due to implementation of the 7th Pay Commission.

- 1.2 Indian Railway is facing tremendous financial crunch after implementation of 7th Pay Commission. Operating ratio is gradually increasing. Though Indian Railway is not a business organization but to survive, it is always essential to make the organization in profit i.e. operating ratio should be less than 100. In view of the above, Rly Board issued nos. of circulars, orders, etc to minimize Expenses and increase Earnings to Zonal railways to achieve better Operating Ratio. The Zonal Railways also implement various measures for financial discipline.

Benchmarking is one of the process/measures to achieve the said goal. Manpower planning and benchmarking are thus complementing each other in enabling the railways to progressively achieve higher transportation output with the reduced compliment of staff.

- 1.3 Benchmarking, as an approach for determining operational and productivity goals based on the best practices in a given industry is one of the most promising tool in the field of quality management today. Among the various quality and productivity management tools available to the organizations benchmarking is the one that can be used without much prior preparation and the costs. As the technique helps the staff to learn as they work out their way in discovering and implementing the best practices in the industry. It fills them with self esteem and with a sense of achievement that they are capable of improving upon even the best in their industry.
- 1.4 The Indian Railways initiated the process of benchmarking in August 2000 when Efficiency & Research Directorate of Railways Board undertook a study which culminated in its first report on the Subject titled "Rightsizing of Indian Railways through Benchmarking" in April 2001. There are various areas where there is ample evidence of the staff getting redundant on slight change in the existing pattern of working/procedure or as a result of progressive introduction of computerization. These actions may point towards the potential for staff reduction in the coming years.
- 1.5 The Efficiency and Research Directorate of Railway Board publishing month wise MPR (Man power Ratio) of 15 activity centre of different department of all divisions in Indian Railway. To bring the uniformity of staff deployed in same activity centre in different

railways, the railway board has advised time to time to different railways to conduct work study based on MPR published and identify the lapses.

At this juncture, the Railway Board has advised Eastern railway to conduct a work study on Accounts department where the MPR of SDAH division is the highest among Indian Railway having MOR of divisions are more than 18000 staff. Rly Board has decided to carry out a comparative work study on Accounts department between SDAH and DHN to study the reasons for wide variation of MPR where the MPR of DHN division is the lowest as per BM data published on February'18.

Sl no.	Activity Centre having highest benchmark (MPR)		Activity Centre having lowest benchmark (MPR)	
	Name	MPR	Name	MPR
1	Accounts (Divisions>18000 staff)/SDAH Division/ER	7.77 men/'000 personnel	Accounts (Divisions>18000 staff)/DHN Division/ECR	4.42 men/'000 personnel

- 1.6 As per railway board's directive, the subject work-study has been undertaken by GM's Efficiency Cell/E.Rly during the current financial year 2018-2019 to study the reason for such a wide variation in Benchmarking Man Power Ratio and steps required to improve the man power ratio of poor performing units.

CHAPTER-II

2.0 EXISTING SCENARIO:

2.1 The Accounts Department of a Railway Administration is mainly responsible for:-

- (a) Keeping the accounts of the railway in accordance with the prescribed rules;
- (b) The check with reference to rules or orders (Known as "Internal Check") of transactions affecting the receipts and expenditure of railway;
- (c) Prompt settlement of proper claims against the railway;
- (d) Tendering, as part of its important functions, advice to the administration whenever required or necessary in all matters involving railway finance;
- (e) Compilation of budgets in consultation with other departments and monitoring the budgetary control procedures as may be laid down in the relevant orders and Code rules from time to time;
- (f) Generally discharging other management accounting functions such as providing financial data for management reporting, assisting inventory management, participation in purchase/contracting decisions and surveys for major schemes in accordance with the relevant rules and orders ; and
- (g) Seeing that there are no financial irregularities in the transactions of the railway.

2.1.1 Accounts department in division functions under the direct administration of Sr. DFM. Divisional Accounts department is responsible for all financial matter/transaction of the division. The total staff salary payment, PF maintenance, contractual payments, vetting of all types of proposals, settlement of pension are the main work load of accounts department. The category wise sanctioned and on rolls strength of accounts staff in SDAH division and DHN division is tabulated below.

2.2. Category wise Sanctioned and on roll strength of Accounts staff in SDAH division as on 01.06.2018 (Annexure-A) is tabulated below:

SI No	Category	Sanctioned Strength	Men On Roll (MOR)	Vacancy
1	Officers	5	5	0
Total Officers		5	5	0
2	SO(A) / Sr. SO(A)	23	21	2
3	Jr. Prog.	1	1	0
4	Sr.AA	1	1	0
5	AA	70	65	5

6	JAA	5	9	-4
7	AC	15	10	5
8	FPE	1	1	0
9	Supdt. Typist	1	1	0
10	Sr. Steno	1	1	0
11	JE/IT	1	1	0
Total Gr. C		119	111	8
2	Peon/RS/,B/Peon	12	12	0
Total Gr.D		12	12	0
TOTAL (Officers + Gr. C+ Gr.D)		136	128	8

2.3 Category wise Sanctioned and on roll strength of staff in Cash & Pay office in SDAH division as on 07.06.2018 (Annexure-B) is given below:

SI No	Category	Sanctioned Strength	Men On Roll (MOR)	Vacancy
1	Sr. Divl. Cashier	7	4	3
2	ADC/IOC	5	5	0
3	Sr. Cashier	11	8	3
4	Jr. Cashier	0	0	0
5	Hd. Shroff	14	13	1
6	Sr. Shroff	1	1	0
7	Jr. Shroff	1	2	-1
8	Chief OS	4	4	0
9	OS	6	5	1
10	Clerk-I	1	0	1
11	Clerk-II	0	0	0
12	Cash van driver	2	1	1

Total Gr. C		52	43	9
1	Group-D	18	17	1
TOTAL (Gr. C+ Gr. D)		70	60	10

2.4 Hence, summarizing the above, the total staff strength in A/C department in SDAH division is tabulated below-

Officers		Group-C				Group-D				Total (Officers+ Gr.C + Gr.D)	
		Accounts		Cash& Pay		Accounts		Cash& Pay			
S/S	MOR	S/S	MOR	S/S	MOR	S/S	MOR	S/S	MOR	S/S	MOR
5	5	119	111	52	43	12	12	18	17	206	188

2.4.1 The above account staff caters the work load of total division on account related matter. For smooth functioning of the department, different sections are employed. The sections and their activities are given below.

- i) Administration section
- ii) Expenditure section
- iii) Post Audit section
- iv) Finance section
- v) Establishment section
- vi) Pension section
- vii) Pf section
- viii) Books & Budgets
- ix) Suspense section
- x) Cash & Pay

2.4.1.1 The activities of the above sections are illustrated below-

i) **Administration section:**

Total executive work of Sr. DFM office. Maintenance of tax files of total divisional strength.

ii) **Expenditure section:**

Auditing and passing of salary bills, Supplementary bills, Imprest, Quotations, Contractual and misc. bills have been done by Expenditure Section.

iii) **Post Audit section:**

Post audit of paid vouchers concerned to entire division.

iv) **Finance section:**

Detail scrutinisation of all proposals for expenditure & estimate and their vetting.

v) **Establishment section:**

All types of establishment related work like auditing & passing salary bills, vetting of TA, OT & Misc bills, pay fixation, proper maintenance & updating of S. card etc.

vi) **Pension section:**

Part-I

- i) Pensionable service verification >>>> for retired/ expired staff.
- ii) Pensionable service verification >>>> for transferred staff to A.U./ Zone.
- iii) Verification of service is done from date of appointment up to date of retirement/ death.
- iv) Certification of leave (LAP & LHAP) from D.O.A. to D.O.R.

Part-II

- (i) Approval of pension through IPAS>>>>Auditing of settlement bill Viz-a-Viz DCRG, Commutation , Leave Encashment, GIS, CTG and AFA bills and calculation of pension , verification and checking of all documents which are required for sanction of pension / family pension of retired/ expired staff .
- ii) Preparing manual CO6 Register.

Part-III

- (i) Issue/ generation of PPO Book (both halves).
- ii) Checking of PPO Book.
- iii) Preparation of bank-wise list of PPO.
- iv) Attachment of Form No. -08 & 09, Claimant/Employment, undertaking, photograph with PPO Book.
- v) Submission of PPO Book to HQ/HJP for obtaining countersigned of the designated FA& CAO.
- vi) Dispatch of PPO to authorized nominated banks at HJP and Patna.
- vii) Preparation of Pension checks register.

Part-IV

- i) Certification of revised pension and issue of revised PPO for those staff who are getting more pay after fixation of pay after retirement such as Grant of MACP, Restructuring of cadre, and other reasons for enhancement of last basic pay.
- ii) Passing of DCRG, CTG bills and Future claim bills on vacation of Railway Quarter after retirement.

Part-V

- 1. Correspondence with banks & pensioners.
- 2. Clearance of DPG cases, RTI cases and court cases, Disposal of CPGRAM cases.

Part-VI

- 1. Revision of pension after implementation of pay commission (Currently 7th CPC Revision work in progress.)
- 2. Issue of Revised PPO checking.
- 3. Summation to HQ for obtaining of counter signature.
- 4. Dispatch of Revised PPO to nominated bank at HJP AND Patna.

Part-VI

1. Authorization of pension to the widow and unmarried daughter of retired employees.
2. Disposal of pension ADALAT cases.
3. Preservation settled service records.

vii) **NPS section:**

Proper maintenance of NPS scheme, monthly uploading of NPS contribution to NSDL, Correspondence with NCDL for issuing PRAN. Clearance of subscription accumulated in NPS suspense and incidental works.

viii) **PF section:**

Proper maintenance of PF accounts, reconciliation, central PF balance, proper dealing of PF loan cases, settlement cases etc. Reconciliation/review of PF balances.

ix) **Efficiency section:**

Operation recovery & other ancillary works like periodical inspection of executive offices and comply with the inspection report made by Rly. Bd. & audit department etc. Preparation of monthly returns, PCDO, action plan target, MCDO, submission of EBR to HQ. Submission of departmental progress report, compliance of audit report, drawing of minutes of Bi-parties/Tri-parties meeting with audit & executive department, disposal of PNP & RTI case.

x) **Books & Budget section:**

1. Preparation of Account Current.
2. Appropriation Account. (Revenue & Capital)
3. Block Account.
4. Budget (RE, BE, FME).
5. Reconciliation of Budget with expenditure.
6. Preparation of Budget Proportionate.
7. Preparation of Statement 38.
8. Accountal of HSD Oil.
9. Inward & Outward JV preparation in IPAS.
10. MR adjustment has been done on day to day basis.
11. CRRM adjustment.
12. Preparation of Final Statement (Revenue & Works grant).
13. Preparation of performance Efficiency index.
14. Various correspondences as and when needed.
15. Maintenance of various suspense ledgers in soft copy.
16. Other related report which are required to HQ & Sr.DFM.

xi) **Suspense section:**

Maintenance of all type of suspense registers like loans & advances, electric bills etc. Submission of quarterly, half yearly & annual returns in connection with suspense, vetting of claim memo etc.

2.4.2 The section wise deployment and their corresponding work loads of accounts staff in SDAH division are tabulated below:

Section wise deployment and corresponding workload (SDAH)					
Section	Deployment			Avg. No of cases/Month	Remarks
	Gr.C	Gr.D	Total		
Administration	12	2	14		Supervision of IPAS system, maintenance of Tax files of total divisional staff and 800 vendors.
Expenditure	18	2	20	1100	No. of Various bills passed.
Post. Audit	1	1	2	550	Paid vouchers of BU concerned.
Finance	6	0	6	800	Various proposals passed.
Establishment	27	1	28	1050	Monthly Salary bills of 550 nos and Misc. bills of 500 nos., OT, NDA, CEA & Misc. bills
Pension	20	3	23	120	Settlement of normal cases (NR & ONR)
				50	Compliance of RTI and court cases
NPS	3	0	3	11431	No of NPS holder as on May'18
PF	8	0	8	120	Avg. No of PF settlement
				800	Avg no of loan cases approved
Effy.	5	0	5		
Books & Budget	6	1	7	300	Financial reports for proper controlling of expenditure under demand no. 3-13(for revenue) and demand 16 for capital expenditure.
Suspense	5	1	6	600	
Cash & Pay	43	17	60	2394	Avg. monthly bills received.
				35.68 Cr.	Avg. monthly earnings received.
TOTAL	154	28	183		

2.4.3 The divisional staff strength of SDAH division as on 01.04.2017 given by Accounts department is tabulated below:

Divisional staff strength in SDAH division			
SI No	Department/Branch Officers	Sanctioned Strength	Men On Roll (MOR)
1	Sr.DSTE	1355	1174
2	Sr. DEN/Co-ord	6675	4928
3	Sr. DOM	4554	3733
4	Sr. DSC	2235	2116
5	Sr. DCM	2711	2190
6	DRM/Admin	81	71
7	Sr. DPO	351	273
8	Sr. DME/C&W	2788	2169
9	Sr. DME/D&P	1073	846
10	Sr. DEE/TRS	3282	2860
11	Sr. DEE/TRD	863	749
12	Sr. DEE/G	1939	1609
13	MEDICAL	1185	1030
14	Sr. DFM	211	187
TOTAL		29303	23935

2.5 Category wise Sanctioned and on roll strength of Accounts staff in DHN division as on 14.06.2018 (Annexure-C) is tabulated below:

Staff strength of Accounts department in DHN division				
Sl No	Category	Sanctioned Strength	Men On Roll (MOR)	Vacancy
1	Officers	4	4	0
	Total officers	4	4	0
1	SO(A) / Sr. SO(A)	27	19	8
2	Divl. Accountant	1	1	0
3	Sr.AA	0	0	0
4	AA	69	45	24
5	Jr. AA	2	15	-13
6	AC	4	5	-1
7	Sr. FPE	1	0	1
8	Jr. Prg.	1	0	1
9	PS-II	0	1	-1
10	Steno-II	1	0	1
11	Jeep Driver	1	1	0
12	Sr. ISA	4	3	1
13	SR. SV	4	3	1
14	SV	8	5	3
	Total Gr. C	123	98	25
1	Peon,RS,B/Peon,Khalasi	16	14	2
	Total Gr.D	16	14	2
	TOTAL (Officers + Gr. C+ Gr. D)	143	116	27

2.6 Category wise Sanctioned and on roll strength of staff in Cash & Pay office in DHN division as on 18.06.2018 (Annexure-D) is given below:

SI No	Category	Sanctioned Strength	Men On Roll (MOR)	Vacancy
1	Sr. Divl. Cashier	3	2	1
2	ADC/IOC	3	3	0
3	Sr. Cashier	6	4	2
4	Jr. Cashier	1	0	1
5	Hd. Shroff	4	3	1
6	Sr. Shroff	2	1	1
7	Jr. Shroff	1	1	0
8	Chief OS	1	1	0
9	OS	3	3	0
10	Clerk-I	0	0	0
11	Clerk-II	0	0	0
12	Cash van driver	0	0	0
Total Gr. C		24	18	6
1	Group-D	8	8	0
Total Gr.D		8	8	0
Total Gr.C + Gr.D		32	26	6

2.7 Hence, summarizing the above, the total staff strength in A/C department in DHN division is tabulated below-

Officers		Group-C				Group-D				Total (Officers+ Gr.C + GR.D)	
		Accounts		Cash& Pay		Accounts		Cash& Pay			
S/S	MOR	S/S	MOR	S/S	MOR	S/S	MOR	S/S	MOR	S/S	MOR
4	4	123	98	24	18	16	14	8	8	175	142

2.7.1 The section wise deployment and their work load of accounts staff in DHN division are tabulated below:

Section wise deployment and corresponding workload (DHN)					
Section	Deployment			Avg. No of cases/Month	Remarks
	Gr.C	Gr.D	Total		
Administration	8	5	13		Supervision of IPAS system, maintenance of Tax files of total divisional staff.
Expenditure	12	0	12	1037	No. of Various bills passed.
Post. Audit	4	2	6	As per total bills passed.	Paid vouchers of BU concerned.
Finance	9	1	10	315	Various proposals passed.
Establishment	19	3	22	949	Salary bills, OT, NDA, CEA & Misc. bills
Pension	12	1	13	50	Settlement of normal cases (NR)
				15	Settlement of other than normal cases (ONR)
NPS	2	0	2	12651	No of NPS holder
PF	9	1	10	194	Avg. No of settlement cases approved
				61	Avg no of loan cases approved
Effy.	3	0	3		
Books & Budget	6	1	7		Financial reports for proper controlling of expenditure under demand no. 3-13(for revenue) and demand 16 for capital expenditure.
Suspense	2	0	2		
Store	12	0	12		
Cash & Pay	18	8	26	1970 bills	Monthly Avg. bill received
				Rs.123554	Monthly Ag. Liquid cash received
TOTAL	116	22	138		

CHAPTER-III

3.0 CRITICAL ANALYSIS:

3.1 The scope of present Work-study is to explore the possibility of maximum utilization of staff as well as rationalization of work load in accounts department. The activities of accounts department in different division are more or less same. Accounts department is responsible for passing of staff salary bills, payments of all contractual bills, detail scrutinisation of all proposals for expenditure and their vetting, settlement of pension, vetting of service continuity, proper maintenance of NPS scheme, proper maintenance of PF, dealing of loan cases and settlement cases etc. Their work load depends on the divisional staff strength and the accountal of all financial transaction in the division.

3.2 **Concept of Benchmarking:**

Benchmarking is a continuous process of measuring an organization's product, services, processes and practices against the most successful competitors which have established themselves as leaders in the field and then learning how the excellence was achieved by them so that the system can be set and the processes put in place to match or even surpass them. In other words benchmarking is the implementation of best practices.

Since benchmarking is a search for and implementation of the best Practices, one distinct benefit of benchmarking is that it forces documentation of the work processes so as to enable the organization to continuously compare them with the best of the industry.

As continuous improvements are being achieved towards the benchmarking by all activity centers a fresh look at old way of working and emphasis on innovative work practices is resulting in diminishing resistance to change and improvement of work culture. **There is a growing realization that unless the railways remain competitive by cutting unnecessary costs the railways men can't think of a bright future for them.**

Manpower planning and benchmarking are thus complementing each other in enabling the railways to progressively achieve higher transportation output with the reduced compliment of staff. They have the potential to bring our staff Productivity levels at par with the best in our region to begin with and match the same with the level of rail networks of Europe and Japan in due course of time. Improved staff productivity has not only enabled Indian Railways to pay better emoluments to its staff and make higher allocation towards other staff welfare Activities but has also helped Railways to induct new technologies in all spheres of working.

3.3 The railway board has circulated the guide lines for benchmarking analysis of man power productivity ratios vide **letter no/2006/E7r/2800/Rly.Inp/Vol.V dated 31.03.09 (Annexure-E), where in, it is clearly mentioned that total men on roll i.e. officers, Gr.C and Gr. D staff of the Accounts department to be included for calculation of Man Power Ratio (MPR).**

3.4 As per Rly. Bd's guide line, the MPR of accounts department of SDAH division and DHN division as on June'18 is tabulated below:

Comparisons of MPR of Accounts staff between SDAH division and Dhanbad division								
Division	Divisional MOR (A)	Officers (MOR)	Group-C (MOR)		Group-D (MOR)		Total MOR (Officers+ Gr.C+ Gr.D) (B)	MPR =1000xB/A
			Accounts	Cash& Pay	Accounts	Cash& Pay		
SDAH	23935	5	111	43	12	17	188	7.85
DHN	21719	4	98	18	14	8	142	6.54

3.4.1 As per the Board's letter No. 2017/E&R/2(1)/1 dated 10.05.2018, the MPR of A/C depts. of SDAH & DHN division is 7.77 & 4.42 respectively. But the above table shows that this wide variation of MPR as given by the Railway Board has got narrowed now. Still, there is a gap in MPR between these divisions.

To achieve the MPR of DHN division, the staff strength of SDAH division would be 157.

3.4.2 As per terms of references, the study team has gone through the detail activities performed by accounts staff in both division and the study team critically analyzed the section wise deployment and their corresponding work load to find out the best practices followed by the division and the practices need to be improved.

While conducting the subject work study, the study team came to know that all activities of accounts department performed in house and there is neither any contractual work nor any Re-engagement of retired employee.

It is clear from para 2.4.2 & 2.7.1 that all sections except Cash & Pay office of SDAH division have similar deployment corresponding to their workload. The staff deployed in Cash & Pay office at DHN division is much less than SDAH division. The details of work load and practices followed by Cash & Pay office of both divisions are discussed below.

3.4.2.1 Divisional Cash & Pay office:

Cash & Pay office consists of Cash section and Pay section. It is pertinent to mention here that the cash section deals with the banking of all cash and instrument received by the railway and its proper counting's. The pay section is responsible for making disbursement of all kinds of payments which are duly authorized by the accounts office.

The divisional cash & pay offices discharge the responsibilities of both disbursements & shroffing of the traffic earnings of their respective jurisdiction.

At the divisional cash & pay office, shroffing of station earnings are done by the Shroffs. The cash bag containing earnings of the respective stations are being shroffed here. They prepare the section wise check sheet, on closing of the days works, the liquid cash is kept ready for depositing into nominated banks and the check sheets duly signed by the respective Accounts Officer of the divisions are sent along with the 2nd foil of C.R. Notes and related vouchers, Govt. credit notes and banking instruments to Chief Cashier's office for further disposal. Presently TR and ERR are under direct lodgment

The other railway earnings excluding liquid cash dealt by the shroff in the divisional cash office are stated as under.

- (a) Cheque/DD/Pay order and banker's cheque.
- (b) Treasury Remittance note (TR).
- (c) Electronic Railway Receipt (ERR).
- (d) Voucher (Compensatory pay order).
- (e) Government credit note (GCN).
- (f) Check sheet / CR note through which the earnings and also its break up of station earnings is also reflected.

As for the activities relating to the payment side, the entire work of this wing is done by the cashiers in association with a few nos of ministerial staff.

The other railway payments excluding the staff salary dealt by the cashier in the divisional cash office and HQ are stated as under.

- (a) All imprest payment has been made through cash.
- (b) All contractors/suppliers payment has been made through ECS / Cheque.
- (c) All telephone bills payment made through cheque.
- (d) All other service bills payment such as electric bills, water/road/vehicle tax made through cheque, ECS & NEFT.

3.4.2.2 It is noticed that the percentage of payments through cash is gradually decreasing. It is the railway policy now to implement the staff salary in 100% through bank. Previously the payment mode was available in terms of cash only. After introduction of payment mode such as ECS, EFT, NEFT & cheque and other E- technology based different services, the payment liability has been reduced. Similarly the workload of receipt/earning side has also been come down due to introduction of direct lodgment of station earning to bank.

3.4.2.3 Payments work is almost nil in pay section of both divisions, but all account of various bills are present in cash section. The month wise bill received for last 5 months by both divisions are tabulated below. The clerical work of cashier still exists even after 100% salary payment through bank, such as,

- i) Maintaining of cash book,
- ii) Recording of bills in cash book
- iii) Listing of paid voucher,
- iv) Preparing of PMR cash book

- v) Preparing of detail bill register,
- vi) Crediting of paid voucher,
- vii) Preparing of Balance Sheet,
- viii) Maintaining of cheque register,
- ix) Cheque registry register,
- x) Money order register.

As long as the receiving of bills from accounts office and their accountal are not reduced, the work load of cashier will not be reduced. The entire employee should be covered by NEFT system. All the salary/ misc bills which are being paid by NEFT should not come to cash office, rather it should go directly to Post Audit section of accounts from CAO (Books) section. In this system, the clerical work of cashier will reduce extensively.

The month-wise various bills received by the divisions are tabulated below:

Month	Bills received	
	SDAH	DHN
January	2364	1822
Feb	2645	2096
March	2401	2072
April	1939	1869
May	2619	1993
Total	11968	9852
Avg. monthly bill received	2394	1970

The activities of Cash & Pay office of all divisions in Indian Railway are same but the work load may vary to divisions.

The MPR of Cash & Pay office of DHN division for accountal of all bills received
 $= 26/1970 = 0.013$

Whereas, the MPR of SDAH division for the same activities $= 60/2394 = 0.025$

Following the same practices the deployment of staff at SDAH division would be
 $= 0.013 \times 2394 = 31$

Thus, study team opines to deploy 31 staff at SDAH cash & Pay office for accountal of all bills and other documental activities.

3.4.2.4 Similarly, the month wise liquid cash received for last 5 months by both divisions are tabulated below.

Month	Earnings received in Cr.	Earnings received in Rs.
	SDAH	DHN
January		76764
Feb		205340
March	34.43	113381
April	32.7	73587
May	39.92	148696
Total	107.05	617768
Avg. monthly earnings received	35.68 Cr.	1.24 Lakh

3.4.2.4 The above table shows huge differences in cash receipt due to the following reasons:

	SDAH	DHN
Total No of stations send their earnings	161	95
No. of direct lodgement stations	44	90

In SDAH division, 117 stations send their earnings in cash. Hence shroffing work at SDAH division still exists. For winding up of cash section, implementation of direct lodgments scheme should be strictly followed. Bank should collect cash/cheques/drafts directly from all the stations and stations may send CR note, GCN/CC, Vouchers directly to Traffic Accounts and TR note may be sent directly to the CAO (Books). If infrastructure is developed and system is adopted, the function of cash side of cash office will automatically shrink.

In DHN division, direct lodgement of station earnings has already achieved 95% and only 5 stations are sending their earning through cash. The direct lodgements of these stations are going to be implemented shortly. Hence, shroffing activity in DHN division has come down to zero.

SDAH division should follow the direct lodgement scheme so as to practices followed by DHN division to close shroffing activity.

Therefore, after implementation of practices of direct lodgment, there will be no shroffing work at SDAH division and hence, no Shroff are required for shroffing activity.

But, considering present work load of shroffing at SDAH division, the study team opines to continue 9 shroffing staff at SDAH division. Hence, total 40 staff (31+9) will be required in SDAH division for smooth functioning of Cash & Pay section.

3.4.2.5 As per the practices followed by DHN division, the revised requirement of staff at Accounts Department in SDAH division would be as follows:

Division	Existing		Proposed requirement of staff (Gr. C + Gr. D)
SDAH	Sanctioned (Gr. C + Gr. D)	MOR (Gr. C + Gr. D)	
Accounts staff	131	123	123
Cash & Pay staff	70	60	40
TOTAL	201	183	163

In para 3.4.1 it is also calculated that 154 staff will be required to match with MPR of DHN division. The additional staffs are deployed to cater the existing work load at cash office. In future, after implementation of direct lodgment of all earning stations, these staffs should be made surplus.

3.4.3 RECOMMENDATION:

After going through the above facts and figures, the study team thus recommends that 163 staff in accounts department in SDAH division is required to suit the best practices as performed by the DHN division. **Thus, revised sanctioned strength (including Cash & Pay) of Accounts department in SDAH division should be 163 instead of 201. Hence, 38 posts (201-163) from Accounts department should be made surplus.**

CHAPTER-IV

4.0 FINANCIAL APPRAISAL:

4.1 According to recommendation made in para-3.4.3 the financial savings achieved on account of surrendering of 38 posts of accounts staff is calculated based on lower Grade pay.

LEVEL	G.P	PAY	MEAN PAY	D.A	NO OF POSTS	MONEY VALUE	
				7%		MONTHLY	ANNUAL
1	1800	18000-56900	37450	2622	38	Rs.1522736	Rs.18272832

Thus, consequent upon implementation of recommendation, **the annual savings would be Rs 18272832 = Rs.1.83 Crores.**