

SOUTHERN RAILWAY
LIMITED DEPARTMENTAL COMPETITIVE EXAMINATION FOR THE
POST OF ASSISTANT FINANCIAL ADVISER (GROUP 'B' SERVICE).

DATE: 21 1 2014.

PAPER-I

- 1. GENERAL KNOWLEDGE AND ENGLISH, OFFICIAL LANGUAGE POLICY, GENERAL PRINCIPLES OF GOVERNMENT ACCOUNTING AND AUDITING WITH SPECIAL REFERENCE TO THE RAILWAYS.**
- 2. BOOKS AND BUDGET INCLUDING TRAFFIC BOOK.**

TIME: 3 HOURS.

MAXIMUM MARKS: 150

IMPORTANT

THIS PAPER CONTAINS TWO SECTIONS – 'A' & 'B'. BOTH SECTIONS HAVE TO BE ANSWERED. SECTION – 'A' CARRIES 50 MARKS AND SECTION – 'B' CARRIES 100 MARKS.

SECTION – 'A' MAXIMUM MARKS: 50

I-GENERAL KNOWLEDGE (25 MARKS)

Q.1 Choose the correct answer. (In your answer book please write 'A', 'B', 'C' or 'D' according to your choice in respect of each of questions (i) to (x)

(10x1=10 Marks)

(i) How many people will be benefitted from Food Security Act 2013?

- (A) Approximately 70 crores**
- (B) Approximately 75 crores**
- (C) Approximately 82 crores**
- (D) Approximately 87 crores**

...2.

(ii) Who has been crowned as Miss World 2013?

- (A) Marine Lorphelin
- (B) Carranzar Okailey Shooter
- (C) Megan Young
- (D) None of these

(iii) Which country ratified the Comprehensive Nuclear Test Ban Treaty (CTBT) on September 27, 2013?

- (A) Iran
- (B) Iraq
- (C) Pakistan
- (D) Afghanistan

(iv) Who won the U.S. Open Men's single 2013?

- (A) Rafael Nadal
- (B) Novak Djokovic
- (C) Andy Murray
- (D) Roger Federer

(v) Under Food Security Scheme how much food grains would be given per month per household?

- (A) 5 Kg.
- (B) 10 Kg.
- (C) 3 Kg.
- (D) 15 Kg.

(vi) Who was the founder of 'Saka Era'?

- (A) Kanishka
- (B) Chandra Gupta Maurya
- (C) Samudra Gupta
- (D) Chandra Gupta Vikramaditya

((vii) The headquarters of U.N.O. is located in

- (A) Washington
- (B) New York
- (C) Philadelphia
- (D) Chicago

(viii) The Pagodas of Mahabalipuram has been constructed by

- (A) Cholas
- (B) Chalukyas of Kalyani
- (C) Pallavas
- (D) Pandyas

(ix) Which of the following States is the only Diamond producing State in India?

- (A) Gujarat
- (B) Rajasthan
- (C) Madhya Pradesh
- (D) Uttar Pradesh

(x) On which among the following dates Vernal Equinox occurs?
(1) March 20-21; (2) December 19-20; (3) April 21-22;
(4) September 20-21

- (A) 1 and 2
- (B) 2 and 3
- (C) 3 and 4
- (D) 1 and 4

Q.2. What do the following abbreviations stand for -

(5x1=5 Marks)

- (i) ILO
- (ii) IMF
- (iii) WHO
- (iv) GATT
- (v) UNICEF

....4.

Q.3. Name the authors of the following:

(5x1=5 Marks)

- (i) Discovery of India
- (ii) Autobiography of an Unknown Indian
- (iii) Artha Sasthra
- (iv) Great Expectation
- (v) Iliad

Q.4. Answer the following:

(5x1=5 Marks)

- (i) Maitre Express connects India with which country?
- (ii) What is the name of the Mascot of the Indian Railways?
- (iii) Where is the 'Indian Railway Institute of Financial Management' being set up?
- (iv) In which year the Railway Finances were separated from the General Finance of the Government of India?
- (v) In which year the "Indian Railway Accounts Service" was formed?

ENGLISH LANGUAGE (25 MARKS)

Q.5 Write a short passage, about 15 lines on **any one** of the following: (10 Marks)

- (i) Right to Information Act
- (ii) Right to Education Act
- (iii) Infrastructural Constraints
- (iv) Inflation
- (v) Violence against Women

Q.6. Indicate the error/errors if any, in these sentences (Write Question Number and the word or words that is/are incorrect or contain the error/errors).

(5x1=5 Marks)

- (i) The person who I met yesterday was my classmate.
- (ii) To me it appears that Anthropology is the more interesting of all subjects.
- (iii) I think every one of these men are incompetent.
- (iv) Her Mother did not reply when I asked her why was she weeping.
- (v) It is impossible to either predict the future or to forget the past.

Q.7 Each of the following item consists of a sentence followed by four words or group of words. Select the synonym of the word (occurring in the sentence in **BOLD** letters) as per the context.

(5x1=5 Marks)

- (i) **PROXIMITY** to the court house makes an office building more valuable.

- (A) Difference
- (B) Similarity
- (C) Nearness
- (D) Usefulness

- (ii) **STRIVE** for excellence

- (A) Compete with others
- (B) Be patient
- (C) Pay Well
- (D) Make efforts

- (iii) Drink only **TEPID** liquids.

- (A) Lukewarm
- (B) Slightly cool
- (C) Very hot
- (D) Very cold

(iv) Due to extreme pressure under water divers are often **SLUGGISH**

- (A) Hurt
- (B) Careful
- (C) Worried
- (D) Slow

(v) The Minister's **ITINERARY** has not been announced yet.

- (A) Detailed route
- (B) Series of lectures
- (C) Topic of discussion
- (D) Venue of meeting

Q.8 Read the following passage and answers the questions that follow.
(The answers have to be based on the material that is found in the passage).

(5x1=5 Marks)

PASSAGE

Science is so far as it consists of knowledge must be regarded as having value, but in so far as it consists of techniques, the question whether it is to be praised or blamed depends on the use that is made of the technique. In itself it is neutral, neither good nor bad, any ultimate view that we may have about what gives value to this or that must come from some other source than science.

Both good and evil, almost everything that distinguishes our age from its predecessors is due to science. In daily life we have electricity, the television and the cinema. Because of the increased productivity of labour, we are able to devote a far greater proportion of our energies to wars and preparation for wars than was formerly possible and we are able to keep

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the young in school very much longer than we formerly could. Owing to science we are able to disseminate information through the press and the television to practically everybody. Owing to science we can make it enormously difficult that it use to be for the people when the Government does not want them to escape.

The opposition to science in past was by no means surprising. Men of science affirmed things that were contrary to what everybody has believed, they upset preconceived ideas and were thought to be lacking in reverence.

It would not be surprising if in the present day, anti-scientific movement were to arise as a result of the dangers to human like that are resulting from atom bombs and may result from biological warfare. But whatever people may feel about these horrors, they do not turn against the men of science so long as war is at all probable because if one side is equipped with scientists and the other not, scientific side would almost certainly win.

(i) What determines whether science is good or bad?

- (A) It's analytical study
- (B) It's philosophical conception
- (C) The manner of its origin
- (D) It's application in life
- (E) It's disinterested and objective pursuit

(ii) Which conception of science has the author mentioned in the passage?

- (A) It's being good and bad
- (B) It's being purely empirical enquiry
- (C) It's being both philosophical and empirical study
- (D) Science as knowledge and science as technique
- (E) None of these

(iii) What enables us to devote greater proportion of our energies to wars and preparation for wars than in the past?

- (A) Deep Nationalism
- (B) Greater desire for dominating the world
- (C) Manufacture of highly destructive weapons of war
- (D) Man's increasing bellicosity
- (E) Increased productivity of labour

(iv) How is science neutral?

- (A) It favours neither one party nor the other
- (B) In itself it is neither good nor bad for its application only determines its good or bad effects
- (C) It is a lifeless thing
- (D) All of these
- (E) None of these

(v) How long are people not likely to turn against scientists?

- (A) Until science is fully developed
- (B) So long as war is at all probable
- (C) Until the lot of mankind is ameliorated
- (D) So long as we are dominated by fighting instinct
- (E) None of the above

SECTION - 'B'

THIS SECTION CONTAINS TWO PARTS – 'A' AND 'B'
ATTEMPT **FOUR** QUESTIONS TAKING ANY **TWO FROM EACH PART**
ALL QUESTIONS CARRY EQUAL MARKS OF 25 EACH.

PART – 'A'

(2X25=50 Marks)

- Q.1 What do you understand by Rajbasha? Is this the same as Hindi? What are the salient features of the official language policy of the Government of India as per the Official Languages Act 1963?
- Q.2 Why do we need to compile Appropriation Accounts? What purpose do they serve? What are Annexures J&K? Explain their significance.
- Q.3 How is the Budget of a Railway formulated? Which are the statistical data which are useful in this exercise?

- Q.4 Write short notes on any **FIVE**:

(5x5=25 Marks)

- (i) Depreciation Reserve Fund
- (ii) Credits outside the scope of Demands
- (iii) Uneconomic Branch Lines
- (iv) Demands Recoverable
- (v) Cheques and Bills Reconciliation
- (vi) Zero Based Budgeting

PART-'B'

(2X25=50 Marks)

- Q.1 We know that Railway Finances are in bad shape and that there is very little money available. Detail the various steps you would take to control the expenditure both Establishment and Non-Establishment.

Q.2 Why do we need an Audit by C&AG when we have a very good internal check? Can one of these be dispensed with? Give reasons for your answer.

Q.3 Write short notes on any **FIVE**

(5x5=25 Marks)

- (i) Re-appropriation from one Plan Head to another and General Manager's power for the same
- (ii) Canons of Financial Propriety
- (iii) Productivity Test
- (iv) Miscellaneous Advance Revenue
- (v) Performance Efficiency Index
- (vi) Operating Ratio

Q.4 Railways operate a large number of Suspense Heads. Classify these and discuss them briefly.

LIMITED DEPARTMENTAL COMPETITIVE EXAMINATION FOR THE
POST OF ASSISTANT FINANCIAL ADVISER (afa) – GROUP 'B'
SERVICES.

PAPER-II

DATE: 22.1.2014.

TIME: 3 HOURS

MAXIMUM MARKS: 150IMPORTANT

TOTAL OF SIX QUESTIONS HAVE TO BE ANSWERED:

- ❖ TWO FROM PART -I, TWO FROM PART-II AND TWO FROM EITHER PART-III (A) OR PART-III (B) AS PER OPTIONS ALREADY GIVEN.
- ❖ ALL QUESTIONS CARRY EQUAL MARKS OF 25 EACH.

PART-I(50 MARKS)

FINANCIAL JUSTIFICATION FOR EXPENDITURE AND TRAFFIC COSTING:

ANSWER ANY TWO:(2X25=50 MARKS)

Q.1 What do we mean by productivity tests? Why do we need to do this? Do they serve the purpose?

Q.2 As capital is very scarce; Railways need alternative sources of finance for Plan expenditure. Discuss the schemes like BOLT, BOT and Projects under Public Private Partnership in furthering this. If they have been attempted, have they been a success?

Q.3 Write short notes on any FIVE:

(5x5=25 MARKS)

- (i) Terminal Charges
- (ii) Throughput enhancement works
- (iii) Apportionment of joint costs
- (iv) Direct and Indirect Costs
- (v) Limited Tender
- (vi) Green Book

- Q.4. What are the characteristics and constraints of Traffic Costing? 24
State the methodology of Traffic Costing in Indian Railways explaining how it differs from costing in commercial undertakings.

PART-II

MANAGEMENT ACCOUNTING

Answer any **TWO** questions:

(2x25=50 MARKS)

- Q.5 Define and indicate the relevance of any **FIVE** of the following Ratios:

(5x5=25 MARKS)

- (i) Current Ratio
- (ii) Debt-Equity Ratio
- (iii) Debt Service coverage Ratio
- (iv) Inventory turnover Ratio
- (v) Net Profit Margin
- (vi) Return on capital employed.

- Q.6 Assume that a Firm has Owner's Equity of ₹1,20,000/- . The ratios for the firm are as below:

Current Debt to total debt	0.40
Total debt to Owner's Equity	0.60
Fixed assets to Owner's Equity	0.60
Total assets turnover	2 Times
Inventory Turn over	8 Times

Complete the Balance Sheet given below:

Liabilities	₹	Assets	₹
Current Debt	XXX	Cash	XXX
Long Term Debt	XXX	Inventory	XXX
Total Debt	XXX	Total Current Assets	XXX
Owner's Equity	XXX	Fixed Assets	XXX
Total Capital	XXX	Total Assets	XXX

Q.7. A multi-product company has the following cost and output data for the last year:

	Product			
	X	Y	Z	Total
Sales Mix (%)	40	35	25	100
Selling price (₹)	20	25	30	
Variable cost per unit (₹)	10	15	18	
Total fixed cost (₹)				1,50,000
Total sales (₹)				5,00,000

The Company proposes to replace Product Z by Product S. Estimated cost and output data are as under:

	Product X	Product Y	Product S	Total
Sales Mix (%)	50	30	20	100
Selling price (₹)	20	25	28	
Variable cost per unit (₹)	10	15	14	
Total fixed cost (₹)				1,50,000
Total sales				5,00,000

Should the company replace Z by S? Show computations.

Q.8 Write short notes on any **FIVE** of the following: **(5x5=25 MARKS)**

- (I) Relevant cost for decision making
- (II) Activity Based Costing
- (III) Lifecycle Costing
- (IV) Difference between job costing and process costing
- (V) Difference between Cost Centre, Profit Centre and Investment centre
- (VI) Controllable and Non-controllable cost
- (VII) Management accountant's role in cost control and cost reduction

Q.9. Discuss in detail the concept of performance budgeting. Why should Railways adopt performance budgeting?

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PART-III (A)

TRAFFIC ACCOUNTS, STATISTICS AND ESTABLISHMENT

ANSWER ANY TWO

(2X25=25 MARKS)

Q.10. The magnitude of Traffic Suspense reflects the efficiency of Traffic Accounts Office – Discuss.

Q.11. The recommendations of the VIth Pay Commission have thrown the finances of Railways out of gear. Discuss.

Q.12. Write short notes on the following:

(5x5=25 MARKS)

- (i) Transfer Grant
- (ii) Pension Fund
- (iii) Child Care Leave
- (iv) Net ton kilometers per engine day
- (v) Workmen's Compensation Act

Q.13 (a) What are the important operating statistics relating to Goods Operation?

(10 MARKS)

(b) What is specific fuel consumption? How is it computed for diesel and electric traction?

(15 MARKS)

PART-III (B)

**WORKSHOP AND STORES ACCOUNTS AND GENERAL
EXPENDITURE**

ANSWER ANY **TWO** QUESTIONS:

(2X25=50 MARKS)

Q.14. How is the POH cost of a locomotive worked out? How are direct and indirect costs taken into account?

Q.15 What is Stock Adjustment Account? What items figure in it and how are the balances under this account cleared?

Q.16 Write short notes on any **FIVE** of the following:

(5x5=25 MARKS)

- (i) Completion Estimate
- (ii) Non-scheduled items
- (iii) NEFT & ECS
- (iv) Repeat Order
- (v) Transfer Price
- (vi) Rate Contract

Q.17 Explain why Departmental stock verification is necessary, when there is verification by Accounts? Is this effective in maintaining an optimum inventory of materials? Discuss.
