

**LIMITED DEPARTMENTAL COMPETITIVE EXAMINATION FOR THE
POST OF ASSISTANT FINANCIAL ADVISER (AFA) – (GROUP
'B'SERVICES)- LDCE 30%-2020**

PAPER-II

DATE : 22.10.2021

TIME : 3 HOURS

MAXIMUM MARKS : 150

1. FINANCIAL JUSTIFICATION FOR EXPENDITURE AND TRAFFIC COSTING

2. MANAGEMENT ACCOUNTING.

**3. TRAFFIC ACCOUNTS AND STATISTICS AND ESTT. OR GENERAL
EXPENDITURE ACCOUNTS & WORKSHOP AND STORES A/Cs**

Note: Attempt six questions in all, selecting two from each section. All questions carry equal marks. In Section 'C', answer two questions from either Part-I or Part-II.

SECTION -A

FINANCIAL JUSTIFICATION FOR EXPENDITURE AND TRAFFIC COSTING

ANSWER ANY TWO FROM THE FOLLOWING

(25*2=50)

1. What is Traffic Costing? What are the purposes of Traffic Costing? How Costing of EMU services are done? (5+10+10=25)

2. What are Umbrella Works? Briefly discuss the procedure to be followed for execution of Umbrella Works for different Plant Heads? (10+15) marks)

3. Write Short notes

(5*5=25)

- (a) SFC
- (b) Wagon Turn round
- (c) Controllable and uncontrollable costs
- (d) Operating Ratio
- (e) Net Present Value

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4.What are the important points to be seen while examining the financial justification for the following?

A. Extension of length of loop lines at stations in a section to enable running of longer rakes for freight trains.

B. Creation of Posts for Engineering Department for maintenance of New Line.
(15+10=25)

SECTION -B

MANAGEMENT ACCOUNTING

ANSWER ANY TWO FROM THE FOLLOWING

(25*2=50)

1.(A) From the following particulars, find out the selling price per unit if the break-even point is to be brought down to 9000 units:

(5 marks)

Variable cost per unit= Rs.75

Fixed expenses=Rs.270000

Selling price per unit=Rs.100

(B) The ratio of variable cost to sales is 70%. The break-even point occurs at 60% of capacity of sales. Find capacity sales when fixed costs is Rs.90000.Also find profit at 75% of capacity sales?

(5 marks)

(C) Calculate Stock Turnover ratio

(5 marks)

Opening stock Rs.30,000

Purchases Rs.1,15,000

Closing Stock Rs.20,000

(D) Due to increased demand, the management of XYZ Beverage Company is considering to purchase a new equipment to increase the production and revenues. The useful life of the equipment is 10 years and the company's maximum desired payback period is 4 years. The inflow and outflow of cash associated with the new equipment is given below:

Initial cost of equipment: Rs.37,500 Annual cash inflows: Sales: Rs.75,000
Annual cash Outflows: Cost of ingredients: Rs.45,000 Salaries expenses:
Rs.13,500 Maintenance expenses: Rs.1,500 Should XYZ Beverage Company
purchase the new equipment? Use payback method for your answer.

(5 marks)

(E) Give answers for the following:

(5 marks)

(i) In computing working expenses in financial evaluation of any capital expenditure proposal under D. C. F. technique, the item which is not reckoned is

(A) The average annual cost of operation (B) the average annual cost of maintenance and repairs of the assets

(C) the annual depreciation charges (D) None of the above

(ii) The normal Average life of Electrical Locomotive is

(A) 50 years (B) 35 years (C) 25 years (D) 200 years

(iii) The empty haulage of POL traffic wagon is

(A) 100% (B) 80% (C) 50% (D) None of the above.

(iv) The allowance made in the overall cost for general wear and tear of assets brought into use or loss of value with the passage of time or due to obsolescence.

(A) Depreciation (B) Appreciation (C) Valuation (D) None of the above

(v) ----- per unit vary inversely with the quantum of traffic.

(A) Variable Cost (B) Fixed Cost

(C) Both (A) and (B) Costs (D) None of the above .

2. Distinguish between

(5*5=25)

(A) Current Assets and Fixed Assets

(B) Operating Ratio and PEI

(C) P/V Ratio and Margin of Safety

(D) Fixed budget and Flexible Budget

(E) Cost Centre and Profit Centre

3. What is Budgetary Control? Explain how the budgetary control is used as a Management tool? What are the Limitations of Budgetary control?

(5+10+10 = 25)

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(5*5=25)

(4) Short Notes on

- (a) Controllable PUs and Uncontrollable PUs on Railways
(b) Opportunity Cost
(c) Zero Base Budgeting
(d) Outcome Budgeting
(e) Social Cost Benefit Analysis

SECTION -C

Answer **ANY TWO** from either Part - I or Part - II

(25*2=50)

Part-I

TRAFFIC ACCOUNTS AND STATISTICS AND ESTABLISHMENT

1. Answer the following

(25*1=25)

(i) The period for which records in accounts offices are to be retained in respect of Leave Account of Non-gazetted Staff who has retired on superannuation.

- (A) 1 years (B) 5 years (C) 3 years (D) none of the above

(ii) No Railway servant shall be granted leave of any kind for a continuous period exceeding -----

- (A) 2 years (B) 5 years (C) 1 year (D) None of the above

(iii) Leave not due during the entire service shall be limited to a maximum of ----- days, on medical certificate

- (A) 360 days (B) 5 years (C) 1 year (D) 200 days

(iv) While calculating the the cash equivalent for Encashment of Leave on Average Pay along with Railway Pass while in service, the following elements are taken in to account.

- (A) Pay + DA
(B) Pay + DA + HRA
(C) Pay + DA + HRA + Transport Allowance
(D) All of these

(v) A Railway servant who completed thirty years of qualifying service may be required by the appointing authority to retire in the public interest, and in the case of such retirement the railway servant shall be entitled to a-----

- (A) Superannuation Pension (B) Retiring pension
(C) Invalid pension (D) All the above

(vi) The additional pension shall be payable to a retired railway servant from 85 years to less than 90 years of Age is-----

- (A) 20 per cent of basic pension (B) 30 per cent of basic pension
(C) 40 per cent of basic pension (D) 100 per cent of basic pension.

(vii) A Station Balance Sheet is a _____ account of a Station Master.

- (A) Railway (B) Personal (C) Station (D) Traffic

(viii) NINFRIS stands for _____

- A. New Indian Non Fare Revenue Ideas Scheme
B. New Innovative Non Fare Revenue Ideas System
C. Novel Innovative Non Fare Revenue Ideas Scheme
D. New Innovative Non Fare Revenue Ideas Scheme

(ix) What is TEFD

- A. Train Load enabled Flow Direction
B. Traditional Empty flow Directions
C. Traditional Engine flow Direction
D. Traditional Equipment flow Direction

(x) What is the compensation paid for accidents/ untoward incidents resulting in the death of Railway passengers?

- (A) Rs.2 lakhs (B) Rs.4lakhs (C). Rs.8 lakhs (D) None of the above

(xi) -----helps Indian Railways to find the shortest distance between the stations for coaching and goods traffic.

- (A) RBS (B) TMS (C) TAMS (D) None of the above

(xii) eT-RR means

- (A) Electronically transmitted Railway Rules
(B) Electronically transmitted Route Rake
(C) Electronic Transmission of Railway Receipt
(D) None of the above

(xiii) Consignments, which when loaded upon a wagon, would infringe the maximum standard moving dimension, at any point, on the entire route, from the booking station to the destination, including via break of gauge is called ---

- (A) Over Dimensional Consignment
- (B) Extra Dimensional Consignment
- (C) Break Dimensional Consignment
- (D) Infringe Dimensional Consignment

(xiv) This unit is a measure of the revenue earning work done by the wagons and reflects both mobility and loading.

- (A) GTKM per wagon day
- (B) NTKM per wagon day
- (C) Wagon days per engine
- (D) None of the above

(xv) Indian Railways have adopted the ICC model of ----- for developing the Rail transport costs.

- (A) Fully distributed costs
- (B) Marginal Costs
- (C) Fixed costs
- (D) None of the above

(xvi) Statement 5A is the monthly statement of -----

- (A) Rolling Stock
- (B) Fuel and Power Statistics
- (C) Commodity Statistics
- (D) None of the above

(xvii) PCET means

- (A) Parcel Cargo Express Trains
- (B) Package Carrying Express Trains
- (C) Parcel Carrying Express Trains
- (D) None of the above

(xviii) While granting the Additional Post allowance the sum of the Basic Pay and APA should not exceed

- (A) Rs.225000
- (B) Rs.2,50,000
- (C) Rs.3,00,000
- (D) None of these.

(xix) Penalties levied for irregular travelling is booked under

- (A) Z-710
- (B) Y-710
- (C) X-710
- (D) None of the above

(xx) Joining time may be combined with any kind of leave except

- (A) LAP
- (B) LHAP
- (C) CL
- (D) None of the above

(xxi) A railway servant on joining time is eligible for HRA at the rate applicable to

- (A) New station to which he is transferred
- (B) Old station from which he is transferred
- (C) Both of above
- (D) None of the above

(xxii) When the running staff, in the interest of railway service, are required to perform non-running duties, are paid-----

- (A) Breach of Rest Allowance
- (B) Special compensatory allowances.
- (C) Officiating Allowance
- (D) Allowance in lieu of Kilometreage

(xxiii) Commission Charges are payable to the Railways by the Government departments for the use of Warrants and Credit notes in payment of railway fare and freight. In which of the following case Commission is recoverable.

- (a) Military Warrants for individuals for journey in II class/sleeper class
- (B) Emergent Police Passes.
- (C) For reserving railway accommodation for High Officials of Government
- (D) None of the above.

(xxiv) All errors noticed during the course of verification of postings in Traffic Book, Part A, involving corrections in the figures of the Station Balance Sheets, should be rectified in the Traffic Book through

- (a) Adjustment Balance sheet
- (B) Rectification Balance sheet
- (C) Error Balance sheet
- (D) None of the above.

(xxv) Statement no.40 is -----

- (A) Financial statistics
- (B) Commercial statistics
- (C) Operating statistics
- (D) Staff statistics

2. Short Notes ANY FIVE

(5*5=25)

- (a) RBE 212 of 2019 regarding the date of next increment under rule 10 of RSRP 2016
- (b) Statement 7A Goods Revenue Statistics
- (c) Additional Post Allowance
- (d) Encashment of Leave on Average Pay along with Railway Pass while in service
- (e) Compassionate allowance
- (f) HRMS

3. What are the statistical units in Railway statistics? Discuss briefly about Primary Units, Fundamental Units and Derived Units. (25)

4. What are the checks exercised in the Traffic Accounts on 'Other Coaching Traffic Earnings' (25)

5. Distinguish between (5*5=25)

- (a) Extra-ordinary Leave and Leave not due..
- (b) GTKM and NTKM
- (c) Operating Ratio and Performance Efficiency Index.
- (d) Originating and Apportioned Earnings.
- (e) Net Revenue and Surplus.

Part -II

GENERAL EXPENDITURE ACCOUNTS & WORKSHOP AND STORES ACCOUNTS

I. Answer the following:

(25*1=25)

(i) Normal life of Bridge work –Masonry is -----years.

- (A) 50 years (B) 100 years (C) 75 years (D) 200 years

(ii) Preservation period of Measurement book is ---- years

- (A) 10 years (B) 15 years (C) 5 years (D) none of the above

(iii) The cost of ballasting an unballasted line within three years of its opening the line, will be charged to

- (A) Revenue (B) original construction estimate (C) DRF (D) None of the above.

(iv) The stores required for works and other purposes i.e. other than for operation or ordinary maintenance and repairs and which are ordinarily dispatched directly to the requisitioner without being stocked in a stores depot are termed as----

(A) Stock items (B) Non- Stock stores (C) Special Stores (D) None of the above

(v)) A minimum and maximum limit should be laid down for the quantity of each _____ items of store of stores in a depot at any time below or above which the balances should not ordinarily be allowed to go.

(A) Stock items (B) Non- Stock stores (C) Special Stores (D) None of the above

(vi) The "Lump Sum", "Schedule" and "Piece-work" forms of contract are primarily intended for application to---

(A) Works (B) Stores (C) Service Contracts (D) None of the above

(vii) Which of the following is considered as a "True Issue" of stores by the Depot while forecasting

(A) Depot transfers (B) Sales

(C) issues to non-recurring capital works (D) issues for recoupment of Imprest stock.

(viii) Form ----- is used as the combined Requisition and Issue Notes, for general use on Railways

(A) S-1313 (B) S-1510 (C) S-1805 (D) None of the above

(ix) Under CLW pattern of incentive Scheme, Senior Engineers and Senior Section Engineers shall be paid a monthly bonus of ---- of their basic pay and it is not linked with the bonus earned by the shops.

(A) 15% (B) 10% (C) 20% (D) None of the above

(x) Idle time up to ---- minutes in each case may be allowed to be booked against job card concerned and not accounted for as idle time.

(A) 5 minutes (B) 15 minutes (C) 25 minutes (D) 35 minutes

(xi) On costs are always expressed and levied as a percentage of-----

(A) Direct Labour (B) Direct Material (C) No. of hours (D) None of the above

(xii) Under the Revised Costing System aims at arriving at the POH cost incurred per loco, Group 'C' cost will reflect/deal

- (A) The high value items replaced in respect of individual loco
- (B) The usual scheduled repair to be attended to in respect of all locos
- (C) Dealing with items changed/ replaced on condition basis
- (D) None of the above

(xiii) In special cases where works are required to be commenced before the earliest date by which detailed estimates for the project as a whole could be prepared and sanctioned, ----- for sub- works may be prepared.

- (A) Abstract Estimate
- (B) Completion estimate
- (C) Part Estimate
- (D) None of the above.

(xiv) Schedule of rates of each kind of work commonly executed should be maintained in each -----

- (A) Open line Division
- (B) Construction Units
- (C) CAO's office
- (D) None of the above.

(xv) The sanction to an estimate will ordinarily remain current for ----- years from the date on which it has been accorded, unless it has been renewed for a further term by the acceptance of a revised estimate.

- (A) 10
- (B) 20
- (C) 5
- (D) None of the above.

(xvi) The Zonal Contract adopted on the Railways fall under this category

- (A) Schedule Contract
- (B) Lumpsum contract
- (C) Piece work contracts
- (D) None of the above.

(xvii) The amount of advance granted to a contractor against items for which he is paid the labour and material rates should be debited to

- (A) Contractor's Ledger
- (B) Labour Ledger
- (C) Material Ledger
- (D) None of the above.

(xviii) ----- is a stock taking estimate

- (A) Abstract Estimate
- (B) Revised Estimate
- (C) Completion Estimate
- (D) None of the above.

(xix) Zonal Plan Head Coordinator for PH 65 - Training/HRD is

- (A) PCE (B) PCPO (C) PFA (D) PCOM

(xx) Security Deposit in the case of ----- contracts is not collected.

- (A) Works Contract (B) Service Contract (C) Stores Contract (D) None of the above.

(xxi) Time elapsed from the date of realization of need of recoupment to the physical receipt of material is termed as

- (A). Buffer time (B) Interim period (C). Contract period (D) Lead time

(xxii) As per Railway Board guidelines, provision for 30% quantity option clause has been made mandatory in tenders for fixed quantity contracts valuing above

- (A) Rs. 10 Lakh (B) Rs. 75 Lakhs (C) Rs. 50 Lakhs (D) None of the above

(xxiii) EOQ is the Quantity at which –

- (A) Inventory carrying cost is maximum
(B) Warehousing cost is minimum
(C) Inventory carrying cost + ordering cost is maximum
(D) Inventory carrying cost + ordering cost is minimum

(xxiv) Which of the following items need not to be verified?

- (A) Dunnage (B) Petty consumable stores
(C) Dead Stock, Tools & Plants of low value (D) All of the above

(xxv) The frequency of verification of stores with Imprest Holders is

- (A) Once in 6 months (B) Once in one years
(C) Once in two years (D) None of the above

2. Short Notes on ANY 5(Five)

(5*5=25)

- (a) Unsanctioned Expenditure
(b) Revised Costing system for arriving POH cost of Loco
(c) Idle time
(d) AAC
(e) GeM
(f) Two Packet system of Tendering

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3.(a) Explain the features of Chittaranjan Scheme of 'Payment by Results'. Distinguish between Chittaranjan Scheme and Group Incentive Scheme.

(5+5=10)

(b) Explain briefly the linkage between Stores, WMS and Revenue Budget. How Budgetary Control in Workshop is exercised.

(10+5=15)

4. What is Accounts Stock Verification? How is different from Departmental Stock Verification? What are the reasons for people not opting for joining the ISA/SV cadre? In your opinion what can be done to tide over the shortage in the cadre of SVs and ISAs

(5+5+5+10)

5.(a) Write briefly on the salient features of recent revision of GM's Delegation of Power.

(10 marks)

(b) What is Part Estimate? What are the sub-works that may be sanctioned in the Part Estimate? What are the powers of Zonal Railways in sanctioning Part Estimates? (15 marks)