

PUNJAB STATE TRANSMISSION CORPORATION LTD.

Departmental Accounts Examination-2023 (2nd Session)

Category- SAS Part-I

Paper-III

Roll No.....

ACTS, RULES AND REGULATIONS

Time allowed: 3 hours

Maximum Marks:100

Note: All question are compulsory

Q. 1

- (a) Give definition of Factory as per Factory Act 1948. (3 No.)
- (b) Give definition of Emergent Work under PSTCL. (3 No.)
- (c) Give definition of Zone of Consideration under PSTCL Regulation. (3 No.)
- (d) Give definition of partial disablement in Workmen Compensation Act. (3 No.)
- (e) Give definition of Promissory Note and Bill of exchange. (4 No.)
- (f) Give definition of New Firms and Standardized firm under PSTCL. (4 No.)

Q. 2 (a) Explain about contribution to Provident fund and employee pension scheme under Employee Provident Act. (10 No.)

(b) What is financial limit for classification of industry as Micro, Small and Medium enterprise under Micro Small and Medium Enterprise Act.2006 and give brief about advisory Committee. (10 No.)

Q. 3 (a) Explain PSTCL's DOP-50.2 (a) clarification. (5 No.)

(b) What Spot Tender in Purchase regulation of PSTCL. (5 No.)

(c) Explain the process of cancellation of Tender and re invitation of tenders as per Work Regulation.(5 No.)

Departmental Accounts Examination-2023 (2nd Session)

Category- SAS Part-I

Paper-III

Roll No.....

ACTS, RULES AND REGULATIONS

- (d) What are instructions for demonstration, Strike and Intimidations under Employees Conduct Regulations-1971. (5 No.)
- Q.4 (a) What is meaning and scope of Supply under GST Act? (5 No.)
- (b) What in Compensatory holidays under Factory Act, 1948? (5 No.)
- (c) What agreement is contract and who is competent to make contract? (5 No.)
- (d) What is Compensation for loss or damage caused by breach of contract? (5 No.)
- Q.5 (a) Explain processing of Tenders for purchase of material. (10 No.)
- (b) What are types of appeal and give detail information about it under RTI act? (5 No.)
- (c) Explain instructions of final bill payment as per Work Regulation. (5 No.)

Departmental Accounts Examination-2023 (2nd Session)

Category- SAS Part-I

Paper-III

ACTS, RULES AND REGULATIONS

Ans:-1 (a) As per sec. 2 clause "m" factory" means any premises including the precincts thereof—

- (i) whereon twenty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or
- (ii) whereon forty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on without the aid of power, or is ordinarily so carried on,

Ans:-1(b) Emergency/urgent work' means any immediate measure which in the opinion of the Engineer-in-Charge becomes necessary during the progress of the work to avert any danger of accident or calamity or which becomes necessary for rescue and safety.

Ans:-1(c) Zone of Consideration" means first 50% of the eligible number of bidders in the order of their merit of lowest rates, which shall be rounded off to the next higher number in case of odd number of bidders. In case the sum of the quoted quantities/quantities for which orders can be placed upon 50% of the eligible bidders is less than the quantity decided to be procured, then the Zone of Consideration shall extend up to the firm where the sum of the quoted quantities/quantities for which orders are to be placed becomes equal to or more than the quantity to be procured. In case of only 02 No. participating eligible bidders, Zone of Consideration may extend to both the bidders. In case of Reverse Bidding, where number of bidders is more than three, all bidders except the highest bidder shall be placed in Zone of Consideration. However, if the eligible bidders are three or less than three, all such bidders shall be placed in the zone of consideration.

Ans:-1(d) "Partial disablement" means, where the disablement is of a temporary nature, such disablement as reduces the earning capacity of a workman in any employment in which he was engaged at the time of the accident resulting in the disablement, and, where the disablement is of a permanent nature, such disablement as reduces his earning capacity in every employment which he was capable of undertaking at that time.

Ans:-1 (e) "Promissory note" is an instrument in writing containing an unconditional undertaking, signed by the maker, to pay a certain sum of money only to, or to the order of, a certain person, or to the bearer of the instrument.

"Bill of exchange" is an instrument in writing containing an unconditional order, signed by the maker, directing a certain person to pay a certain sum of money only to, or to the order of, a certain person or to the bearer of the instrument

Ans:-1(f) "New Firm" means any firm that has not supplied tendered/similar to tendered material to PSTCL/PSPCL/other Central or State Utilities. The firm having supplied tendered/ similar to tendered material to other Central or state utilities shall be considered as 'Old Firm' for the purpose of distribution of quantities on submission of satisfactory performance certificate. However, works appraisal of only manufacturing firms shall be carried out.

"Standardized firm" means supplier/manufacturer so approved by the Corporation for supply of different items directly or through their sole authorized dealers from time to time.

Ans:-2(a) The contribution which shall be paid by the employer to the Fund shall be twelve percent of the basic wages, dearness allowance and retaining allowance if any for the time being payable to each of the employees whether employed by him directly or by or through a contractor and the employees' contribution shall be equal to the contribution payable by the employer in respect of him and may if any employee so desires, be an amount exceeding twelve percent of his basic wages, dearness allowance and retaining allowance (if any), subject to the condition that the employer shall not be under an obligation to pay any contribution over and above his contribution payable under sec.6 of Provident fund act.

Employees' Pension Scheme.sec. 6A—

(1) The Central Government may, by notification in the Official Gazette, frame a scheme to be called the Employees' Pension Scheme for the purpose of providing for—

(a) superannuation pension, retiring pension or permanent total disablement pension to the employees of any establishment or class of establishments to which this Act applies; and

(b) widow or widower's pension, children pension or orphan pension payable to the beneficiaries of such employees.

(2) Notwithstanding anything contained in section 6, there shall be established, as soon as may be after framing of the Pension Scheme, a Pension Fund into which there shall be paid, from time to time, in respect of every employee who is a member of the Pension Scheme,— (a) such sums from the employer's contribution under section 6, not exceeding eight and one-third per cent. of the basic wages, dearness allowance and retaining allowance, if any, of the concerned employees, as may be specified in the Pension Scheme;

(b) such sums as are payable by the employers of exempted establishments under sub-section (6) of section 17;

(c) the net assets of the Employees' Family Pension Fund as on the date of the establishment of the Pension Fund;

(d) such sums as the Central Government may, after due appropriation by Parliament by law in this behalf.

Ans:- 2(b) Classification of Enterprise(industry) as Micro, Small and Medium as per MSME Act, 2006 is follow:-

- (i) a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one crore rupees and turnover does not exceed five crore rupees;
- (ii) a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees;
- (iii) a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

Section 7(2) of the MSME Act, 2006 provides for constitution of Advisory Committee for MSME, by notification under the Chairmanship of Secretary, Ministry of Micro, Small Medium Enterprises.

The Advisory Committee comprises of five officers of the Central Government having experience in matters relating to Micro, Small and Medium Enterprises, three representatives of State Governments and one representative each from Micro, Small and Medium Enterprise associations.

The Member Secretary of National Board of Micro, Small & Medium Enterprises (NBMSME) is also the Member Secretary of Advisory Committee.

Ans:-3(a) DOP-50.2 (a) clarification as follow:-

- 1) Where book value of item is available, only book value should be taken.
- 2) Where item is being replaced but its book value is not known, the value of replacement should be considered, except where period of usage is known the value will be determined by taking the replacement it for the period/life of the asset for which the asset to be declared obsolete/ unserviceable has been used.
- 3) Where neither book value is available nor item is to be replaced (e.g. change of technology etc.) the value of item shall be determined by the competent authority on the basis of its ingredients, similar nature of item, market trends etc. and has to be approved by his next authority.

Ans:- 3(b) Spot Tender in Purchase regulation as under:-

For items of critical nature, tenders may be obtained on the spot in the market by a committee of not less than three officers (including one from accounts side) appointed by Whole-time-Directors or Purchase committee/Purchase committee (General)/Chief Engineer/HOD with specific delegation of powers upto 50% of above referred competent authorities' own powers and generally following the limited tenders procedure suitably abridged to enable award of purchase order/contract on the spot.

Provided that in the case of spot purchase committee constituted by the purchase committee, the approval of Director in charge shall be obtained before effecting the purchase.

Ans:- 3 (c) Cancellation of tenders as per regulation no. 17 of Work regulation

The following types of tenders will be cancelled:-

- 1) Tenders from contractors who are blacklisted or with whom Pt. Ra.B.Bo Incidental behavior has been prevented by
- 2) Tenders submitted by contractors who have not procured the set of tender documents/specifications as required.
- 3) Tenders submitted by a person working under Government/Board or local authority.
- 4) In case requisite amount of advance amount is not tendered.
- 5) Tenders received by wire/fax/telex.

Re-invitation of tenders as per regulation no. 18 of Work regulation

After the approval of the higher authority next to the competent authority sanctioning the tender, the tender shall be placed in that condition Will be invited again in :-

- (a) Insufficiency of tenders i.e. less than three.
- (b) Inadequacy of Bids.
- (c) Any subsequent change in technical specification.
- (d) Any cause of action to be recorded in writing.

which falls under the authority of the Whole Time Member/Board then the approval of the Member-in-Charge shall be taken.

Ans:-3(d) Instructions for demonstration, Strike and Intimidations under Employees Conduct Regulations-1971 as under:-
No employee shall :

- (i) engage himself or participate in any demonstration which is prejudicial to the interests of the sovereignty and integrity of India, the security of the State, friendly relations with Foreign States, public order, decency or morality or which involves contempt of Court, defamation or incitement to an offence; or
- (ii) resort to or in any way abet any form of strike in connection with any matter pertaining to his service or the service of any other Board employee;
- (iii) assault, threaten, intimidate, coerse, abuse or interfere with the work of the other employees of the Board;
- (iv) surround, 'Gherao' or confine any officer or any other employee of the Board in order to make him yield to the demands.

Ans:-4 (a) Provisions of section 7 containing the meaning and scope of supply are as follows:-

1) Supply include:-

- a) all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business
- aa) the activities or transactions, by a person, other than an individual, to its members or constituents or vice-versa, for cash, deferred payment/other valuable consideration.
- b) importation of services, for a consideration whether or not in the course or furtherance of business, and
- c) the activities specified in Schedule I, made or agreed to be made without a consideration,

Ans:- 4(b) As per sec 53 of factory Act, 1948 ,Compensatory holidays (1) Where, as a result of the passing of an order or the making of a rule under the provisions of this Act exempting a factory or the workers therein from the provisions of section 52, a worker is deprived of any of the weekly holidays for which provision is made in sub-section (1) of that section, he shall be allowed, within the month in which the holidays were due to him or within the two months immediately following that month, compensatory holidays of equal number to the holidays so lost.
(2) The State Government may prescribe the manner in which the holidays for which provision is made in sub-section (1) shall be allowed.

Ans:- 4(c) As per sec.10 of Indian Contract Act, 1872 All agreements are contracts if they are made by the free consent of parties competent to contract, for a lawful consideration and with a lawful object, and are not hereby expressly declared to be void.

Nothing herein contained shall affect any law in force in 1 [India] and not hereby expressly repealed by which any contract is required to be made in writing² or in the presence of witnesses, or any law relating to the registration of documents.

Every person is competent to contract who is of the age of majority according to the law to which he is subject³ , and who is of sound mind, and is not disqualified from contracting by any law to which he is subject.

Ans:-4(d) . Compensation for loss or damage caused by breach of contract.—When a contract has been broken, the party who suffers by such breach is entitled to receive, from the party who has broken the contract, compensation for any loss or damage caused to him thereby, which naturally arose in the usual course of things from such breach, or which the parties knew, when they made the contract, to be likely to result from the breach of it.

Such compensation is not to be given for any remote and indirect loss or damage sustained by reason of the breach.

Ans:-5(a) Procressing of Tenders as per Purchase regulation as follow:-

- 1) The tenders which are found valid at the time of opening shall be studied and compared with the requirements of the Notice Inviting Tender/Tenders Specifications for assessing their suitability from technical, commercial and delivery angles (i.e. Part I, in case of non e-tender and Part-II in case of e-tender).Clarification regarding deviations, missing documents etc. shall be sought from the bidders, if required.
- 2) The price bids of only those bidders will be opened who are found to be technically and commercially eligible as per the NIT/Tender specification. Thereafter, the Reverse bidding process (for online tenders) shall start on e-tendering portal of PSTCL as per the procedure laid down in Clause No. 32 of Schedule-E of these Regulations.
- 3) After opening of price bid, a comparative statement shall be prepared by the Officer Inviting Tenders or an Officer deputed by him, showing the quoted and comparative prices on an equitable basis as per Notice Inviting Tender/Tenders Specifications.
- 4) The comparative statement so prepared shall contain the base price, breakup of the taxes, duties, Freight, Insurance, other cost etc as mentioned in the Price bid.
- 5) After applying for the tender & before opening of price bid, in case the rate of any statutory levy/tax/duty (only shown separately in the quotation) undergoes any change as per Government notification/circulars/order etc. and the same is intimated by the tenderer to the Officer Inviting Tenders or an officer deputed by him, such change shall be considered in preparation of comparative statement.
- 6) If the supplier has offered concessional rate of statutory levy/tax/duty or is altogether exempted from statutory levy/tax/duty under any exemption certificate, area based exemption or any other exemption at the time of submission of tender, then the lapse of such concession during the pendency of the purchase order/contract agreement shall not be treated as statutory variation. Such statutory levy/tax/duty shall be borne by the firm/supplier by absorbing the statutory levy/tax/duty to the extent it was applicable to other firms at the time of submission of tenders. Suitable clause to this effect must be invariably entered in the P.O.
- 7) For tenders having variable rates, the lowest rate of technically acceptable Tender shall be compared with the rate against previous Tender enquiry updated to the base rate of the instant Tender enquiry. In case the lowest

- acceptable equated rate is higher than the updated rate then the case should be thoroughly probed to ascertain that no pooling has been done and in such an event negotiations should be held with the lowest bidder, if felt necessary.
- 8) The scrutiny of tender shall be done by officers/officials as mentioned below and comparative statements shall be prepared and signed by them before submitting the case for approval of competent authority.
 - 9) The Comparative statement and proposals for acceptance of tender shall be as per guidelines, if any, approved by PSTCL from time to time.
 - 10) The Comparative statement shall be checked by another officer/official of a rank higher than the officer/official who has prepared the comparative statement/proposal and countersigned by him in token of such checking. In case of CPC/PC (General), the comparative statements shall also be checked/pre-audited by an officer of Accounts Organization and duly signed by him as a token of check/pre-audit.
 - 11) The proposals for acceptance of tenders shall be processed in noting sheets in single file system and each sheet should be signed by the concerned officers. Where the Competent Authority is a Committee, the file shall be seen/signed by the Members in circulation and case shall be decided in a meeting. In urgent cases decision may be taken in circulation after recording the reasons for such urgency.
 - 12) Where Competent Authority happens to be the Board/Whole-time-Directors a detailed agenda relating to purchase proposals/purchase orders/contracts shall be submitted by the concerned EIC/CE/HOD. All such cases shall be scrutinized by the concerned Purchase Committee before putting up the same to the Board.
 - 13) The Director In-charge is required to approve the Purchase Proposal and give his/her specific views/recommendations to be submitted to the committee of WTDs/BODs of PSTCL for consideration and decision.
 - 14) Name of the manufactures/suppliers whose tenders were not considered shall be indicated in the purchase proposal.

Ans:-5(b) Appeals under RTI Act

- 1) First appeal
- 2) Seceond appeal

If an applicant is not supplied information within the prescribed time of thirty days, as the case may be, or is not satisfied with the information furnished to him, he may prefer an appeal to the first appellate authority who is an officer senior in rank to the Public Information Officer. Such an appeal, should be filed within a period of thirty days from the date on which the limit of 30 days of supply of information is expired or from the date on which the information or decision of the Public Information Officer is received. The appellate authority of the public authority shall dispose of the appeal within a period of thirty days or in exceptional cases within 45 days of the receipt of the appeal. (Sec 19(1) of RTI Act,2005)

If the first appellate authority fails to pass an order on the appeal within the prescribed period or if the appellant is not satisfied with the order of the first appellate authority, he may prefer a second appeal with the Central or state Information Commission within ninety days from the date on which the decision should have been made by the first appellate authority or was actually received by the appellant. Sec 19(3) (Sec 7(5) of RTI Act,2005)

Ans:-5(c) Instruction under Regulation 3.17 of Work regulation for Final Bill Payment

as follow:-

After completion of the work, the final bill shall be paid on certification by an officer not below the rank of Senior Executive Engineer that the work has been done as per the drawings and specifications attached to the tender. If any additions and alterations have been made, the detailed measurements shall be recorded and additional payments or deductions shall be made as per the rate specified for each item by the contractor at the time of tender submission and if there are any issues in additions or alterations. For which the contractor has not paid the rate, then the payment for 'extra amounts' will be regulated as per the clause.