

PRESS RELEASE

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Audit serves as an aid to railway management for optimal resource utilization: CAG

More interactions needed between Auditors and Railways at the zonal level: Murmu

Need to cover non-conventional issues in Audit

To have quality audit products warrants effective use of IT. Since we have started 100% implementation of OIOS from April 1, it is imperative that it may be integrated with a suitable interface for seamless handshake of existing IT systems of the Indian Railways. This was stated by Shri Girish Chandra Murmu while addressing the Directors General of Audit of all 17 railway zones and senior officers of Railway Board at a workshop here today. The CAG of India said, “Rapid infrastructure development and expansion in railways has brought new challenges to the auditors to adapt to the changing environment by bringing appropriate changes in auditing skills and tools”.

Murmu further said: “With the growth of road infrastructure and advancement in the road transportation system, the Railways is bound to face stiff competition. Hence, all internal earnings that are generated from core, as well as, non-core operations of railways require serious attention of auditors.”

He reserved words of praise for some of the newer initiatives undertaken with the Railway Board such as the Audit Plan 2023-24 and several relevant audit themes. “Audit must interact regularly not only at the Railway Board level, but at the zonal level. The issues regarding sharing of information and audit observations must be regularly discussed,” he said.

“The role of audit assumes significance as an aid to the management when it achieves optimal utilization of scarce resources. To achieve this, the quality of interface with the auditee is very important”, Shri Murmu added.

The CAG said that, in recent years, several significant audits have been taken up on the Indian Railways. They include auditing of track renewal works, augmentation of station line capacity, dedicated freight corridor, punctual running of passenger trains, derailment, safety operations, unmanned level-crossings, contractual issues, passenger amenities, among others.

“In addition to these issues, we need to cover cross subsidization, operating ratio, lease payments, pension liability and its impact on railway finances, green energy initiatives, system of project approval including approval for time and cost over-run, inter-zonal comparison of the performance on selected items of works, analysis of investment pattern of railway commercial undertakings, including dividend payment,” said Murmu.

In her address, Deputy CAG (Railways), Ms Ila Singh said, “we intend to deploy more resources to performance audit and thematic audit. The issues to be covered, include functioning and management of Rail Land Development Authority, catering management, cleanliness and sanitation of long distance stations under Swachh Bharat Mission, Functioning of Centre for Rail Information System, track maintenance, private siding etc”.

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