

PREFACE

The Compliance Audit Report for the year ended 31 March 2012 has been prepared in two Volumes this year for submission to the President under Article 151 (1) of the Constitution of India. The Compliance Audit Report Volume I has been tabled in both the Houses of Parliament on 13 August 2013.

This is Volume II of the Compliance Audit Report and contains 17 audit observations including four thematic audits arising out of test audit of financial transactions conducted during the year 2011-12. Matters relating to earlier years which could not be included in the previous Reports and matters relating to the period subsequent to 2011-12 have also been included, wherever considered necessary.

The audit of Ministry of Railways and its subordinate offices was conducted under Article 149 and 151 of the Constitution of India read with Section 13 of the C&AG 's (Duties, Powers and Condition of Service) Act, 1971 and in accordance with C&AG's Regulations on Audit and Accounts.

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Abbreviations used in the Report

IR	Indian Railways
CR	Central Railway
ER	Eastern Railway
ECR	East Central Railway
ECoR/E. Coast	East Coast Railway
NR	Northern Railway
NCR	North Central Railway
NER	North Eastern Railway
NFR	Northeast Frontier Railway
NWR	North Western Railway
SR	Southern Railway
SCR	South Central Railway
SER	South Eastern Railway
SECR	South East Central Railway
SWR	South Western Railway
WR	Western Railway
WCR	West Central Railway
RPU	Railway Production Units
DLW	Diesel Locomotive Works
CLW	Chittaranjan Locomotive Works
ICF	Integral Coach Factory
RCF	Rail Coach Factory
DMW	Diesel Modernization Works
PAC	Public Accounts Committee
FA&CAO	Financial Advisor and Chief Accounts Officer