

PREFACE

This Report has been prepared for submission to the President of India under Article 151 of Constitution of India.

Chapters 1 and 2 of the Report contain audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts respectively of Indian Railways for the year ended 31 March 2016.

Chapter 3 of the Report contains the nature and trend of persistent misclassification in the Accounts of Indian Railways, the reasons for their recurrence, follow up action taken to rectify the misclassifications and mistakes in Accounts and the impact of non-rectification of these errors on financial statements.