



सत्यमेव जयते

**Report of the
Comptroller and Auditor General of India
for the year ended March 2020**



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Union Government (Railways)

Railways Finances

Report No. 13 of 2021

**Report of the
Comptroller and Auditor General
of India**

For the year ended March 2020

Laid in Lok Sabha/Rajya Sabha on _____

**Union Government (Railways)
Railways Finances
No. 13 of 2021**

Table of Contents

<i>Particulars</i>	<i>Paragraph</i>	<i>Pages</i>
<i>Preface</i>		
<i>List of Abbreviations</i>		
<i>Executive Summary</i>		<i>(i) – (iv)</i>
<i>CHAPTER 1 – State of Finances</i>		
Summary of Current Year’s Fiscal Transactions	1.1	1-3
Resources of IR	1.2	3-9
Cross-Subsidization of Passenger and other Coaching Services	1.3	10-11
Application of Resources	1.4	11-15
Revenue Surplus	1.5	15-16
Efficiency Indices	1.6	16-19
Railway Funds	1.7	19-23
Conclusion	1.8	23-24
Summary of Audit findings	-	25
Recommendations	1.9	25
<i>CHAPTER 2 –Financial Performance of Railway Public Sector Undertakings</i>		
Introduction	2.1	27
Mandate	2.2	27
What this chapter contains?	2.3	27
Number of Railway PSUs	2.4	27
Summary of financial performance of 40 Railway PSUs as on 31 March 2020	2.5	28
Investment in Railway PSUs	2.6	28
Investment in equity	2.6.1	29
Long Term Loans given to Railway PSUs	2.6.2	29
Market Capitalisation of equity investment	2.6.3	29
Return on Investment	2.7	30
Profit Earned by Railway PSU	2.7.1	30-31
Activity-wise Profitability of the Railway PSUs	2.7.2	31-32
Payment of Dividend	2.7.3	32-33
Return on Equity of Railway PSUs	2.7.4	33-34
Share Capital and Net Worth of Railway PSUs	2.8	35
Summary of Audit findings	-	35
Recommendations	2.9	35

<i>CHAPTER 3 – Review on Implementation of Integrated Pay Roll Accounting System (IPAS) in Indian Railways</i>		
Introduction	3.1	37
Background	3.2	37-38
Status of implementation of IPAS	3.3	38-39
Partial implementation of modules of IPAS	3.4	39-43
Management of quality of data in IPAS	3.5	43-49
Conclusion	3.6	49-50
Summary of Audit findings	-	50
Recommendations	3.7	51
Glossary of Terms		53-54
Appendix A to E – Chapter 3		55-70
Annexure 1 to 7 – Chapter 2		71-87
Annexure 8 to 10 – Chapter 3		88-104

PREFACE

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

Chapter 1 of the Report contains audit observations on matters arising from examination of Finance Accounts of Indian Railways for the year ended 31 March 2020. It focuses on the financial health of the Railways based on various parameters.

Chapter 2 of the Report contains financial overview of the Railway Public Sector Undertakings for the year ended 31 March 2020.

Chapter 3 of the Report contains findings on assessment of the efficiency and effectiveness of Integrated Pay Roll Accounting System (IPAS) in delivery of desired outcome.

LIST OF ABBREVIATIONS

CO6	Continuity Order Register 6
CO7	Continuity Order Register 7
CPC	Central Pay Commission
CR	Central Railway
CLW	Chittaranjan Locomotive Works
DOB	Date of Birth
DLW	Diesel Locomotive Works
DMW	Diesel Loco Modernisation Works
ER	Eastern Railway
ECR	East Central Railway
ECoR	East Coast Railway
FOIS	Freight Operation Information System
HRA	House Rent Allowance
ICF	Integral Coach Factory
IT	Information Technology
MR	Metro Railway, Kolkata
NR	Northern Railway
NCR	North Central Railway
NER	North Eastern Railway
NEFR/NFR	Northeast Frontier Railway
NPS	National Pension System
NWR	North Western Railway
OTP	One Time Password
PAN	Permanent Account Number
PC	Personal Computer
PF	Provident Fund
PMS	Parcel Management System
PPAN	Permanent Pension Account Number
PPO	Pension Payment Order
PRAN	Permanent Retirement Account Number
PRS	Passenger Reservation System
RAR	Revenue Allocation Register

Abbreviations

RCF	Rail Coach Factory
RWF	Rail Wheel Factory
RWP	Rail Wheel Plant
SD	Security Deposit
SR	Southern Railway
SCR	South Central Railway
SER	South Eastern Railway
SECR	South East Central Railway
STN	Station
SWR	South Western Railway
UTS	Unreserved Ticketing System
WR	Western Railway
WCR	West Central Railway

EXECUTIVE SUMMARY

Background

Indian Railways (IR) is a departmental commercial undertaking of the Government of India. Due to merger of Railway Budget with the Union Budget, the summary and comments on the Appropriation Accounts of IR are now included in the Report of the Comptroller and Auditor General of India on Union Government –Accounts of the Union Government (Financial Audit).

The Chapter 1 of this report focuses on financial performance of Indian Railways with reference to the previous year, as well as the overall trends.

The Chapter 2 contains an overview of the financial performance of the Railway PSUs.

The Chapter 3 of the report contains audit observations on the efficiency and effectiveness of Integrated Pay Roll and Accounting System (IPAS) in delivery of desired outcome.

Summary of conclusions

Audit observed that during 2019-20, the Total Receipts decreased by 8.30 *per cent* as compared to 6.47 *per cent* increase in 2018-19. The decrease in 2019-20 was mainly on account of shortfall in Freight Earnings and Sundry Earnings as compared to 2018-19. There was heavy dependence on transportation of Coal which constituted 48.82 *per cent* of Freight Earnings. Any shift in bulk commodities transport pattern could affect the freight earnings significantly.

[Para -1.1 and 1.2.3 (a)]

During 2019-20, the profit from freight traffic (₹ 28,746.06 crore) was utilized to compensate the loss of ₹ 63,364.25 crore on operation of passenger and other coaching services. The loss of ₹ 34,618.20 crore in passenger operations was left uncovered during 2019-20.

[Para -1.3]

Net surplus was ₹ 1,589.62 crore in 2019-20, as compared to ₹ 3,773.86 crore in 2018-19. Railways would in fact, have ended up with a negative balance of ₹ 26,328.39 crore instead of surplus of ₹ 1,589.62 crore, had the actual amount (₹ 48,626 crore) required to meet the expenditure on pension payments of Zonal Railways been appropriated to the Pension Fund (instead of ₹ 20,708 crore).

[Para -1.5]

Against the target of 95 *per cent* in the BE, the Operating Ratio (OR) of Railways was 98.36 *per cent* in 2019-20. The OR deteriorated from 97.29 *per cent* in 2018-19 to 98.36 *per cent* in 2019-20. Further, the OR of the Railways would have been 114.35 *per cent*

instead of 98.36 *per cent*, if the actual expenditure on pension payments was taken into account. Thus, the OR of 98.36 *per cent* shown by the Railways does not reflect the true financial performance of the Railways.

[Para -1.6.1]

The overall fund balances which was as high as ` 10,806.68 crore in 2015-16 turned into negative balance of ` 25,730.65 crore in 2019-20 for the first time. The adverse fund balance was the result of more expenditure towards pension payments than the actual appropriation to the Pension Fund.

[Para -1.7]

During 2019-20, appropriation to Depreciation Reserve Fund (DRF) decreased significantly as compared to the previous years (from ` 5,800 crore in 2015-16 to ` 600 crore in 2019-20). Under provisioning for depreciation resulted in piling up of 'throw forward' works estimated at ` 95,217 crore up to 2019-20.

[Para -1.7.1]

The amount of investment in equity and loans in Railway PSUs as at the end of March 2020 was ` 3,16,437 crore. During the last two years, the major contribution of investment in the Railway PSUs was through Long Term Loans from Financial Institutions and others. The Long Term Loans increased from ` 1,98,585 crore in 2018-19 (84 *per cent* of the total Investment) to ` 2,68,126 crore during 2019-20 (85 *per cent* of the total investment).

[Para -2.6]

As on 31 March 2020, shares of the five Railway PSUs (Container Corporation of India Limited, IRCON International Limited, RITES Limited, Indian Railway Catering and Tourism Corporation Limited and Rail Vikas Nigam Limited), were listed on the various stock exchanges in India. The total value of market capitalization of the shares of these Railway PSUs as on 31 March 2020 was ` 48,337 crore.

[Para -2.6.3]

The overall profits of the Railway PSUs during the past three years had increased from ` 4,999 crore (2017-18) to ` 6,536 crore (2019-20). Profitability in financing, consultancy and catering, tourism & hospitality activities had steadily increased over past three years. However, the profitability had decreased in construction, logistics and communication & network activities.

[Para -2.7.1 and 2.7.2]

Out of 40, 30 Railway PSUs had earned profits after tax during 2019-20. 11 Railway PSUs had declared dividend amounting to ` 1,856 crore during the year.

[Para -2.7.3]

Return on Equity of the Railway PSUs had steadily decreased from 9.17 *per cent* in 2017-18 to 7.53 *per cent* in 2019-20, though there was a slight increase in the Return on Equity during 2018-19. Indian Railway Catering and Tourism Corporation Limited has the highest Return on Equity of 39.81 *per cent* during 2019-20 followed by RITES Limited (23.15 *per cent*) and Rail Vikas Nigam Limited (17.55 *per cent*).

[Para -2.7.4]

In 2008, IR developed and implemented a web based application “Integrated Payroll and Accounting System” (IPAS) in East Coast Railway. The application was, subsequently, implemented in the remaining Zonal Railways (ZR) during 2011-16. The primary objectives of IPAS were to get real time access to financial transaction data in addition to automation of Pay Roll, Finance and Budgeting.

[Para-3.1]

IPAS comprised of 20 modules and 64 sub-modules. The overall status of implementation of these modules/sub-modules ranged between 59 *per cent* (WCR) and 90 *per cent* (WR). The extent of implementation of some of the modules such as Quarter, Electricity, Traffic Modules was very insignificant.

[Para-3.3]

Audit observed that IR failed in achieving automation of budgetary control through implementation of IPAS. Budget compilation and manual reconciliation continued outside IPAS.

[Para-3.4.1 and 3.5.1]

As per IPAS Implementation Guidelines, ZRs were required to migrate legacy data to IPAS and carry out requisite validation. Audit observed that porting of data into IPAS was not complete. This had resulted in data inconsistencies in employee database, incorrect categorization of employees for Provident Fund (PF) and mismatch of PF balances of employees etc. Books Module could not effectively be utilized due to incomplete/non-porting of legacy data.

[Para-3.5.1]

There was lack of proper validation control besides absence of extant rules/provisions inbuilt into IPAS for efficient delivery of output. Audit observed several instances of acceptance of erroneous data by IPAS, irregular withdrawal of PF, National Pension System (NPS) and excess payment of allowances to employees. Absence of relevant provisions in IPAS led to avoidable payment of interest due to incorrect flagging of Input Tax Credit.

[Para-3.5.2 & 3.5.3]

Audit observed that partial integration of IPAS with other IT applications in operation in IR had affected seamless flow of data. There were instances of inefficient management

of users. There was inordinate delay either at RB level or at CRIS in addressing various issues flagged by the ZRs for upgradation of the system.

[Para-3.4.1.2, 3.5.4 and 3.5.5]

Recommendations

Ministry of Railways -

- i. Needs to take steps to diversify their freight basket to enhance freight earnings and also consider to exploit its idle assets to increase other earnings.*
- ii. Needs to take steps to augment their internal revenues, so that dependence on GBS and EBR is contained.*
- iii. Needs to revisit the passenger and other coaching tariffs so as to recover the cost of operations in a phased manner and reduce its losses in its core activities.*
- iv. Needs to ensure that surplus and Operating Ratio represent a true picture of its financial performance.*
- v. Needs to address the backlog of renewal of over-aged assets for safe running of trains.*
- vi. May consider speeding up the winding-up process of non-working Railway PSUs.*
- vii. May consider reviewing the working of loss making Railway PSUs.*
- viii. May consider framing strategic IT plan at macro level instead of ad-hoc development of applications.*
- ix. May consider expediting sanitization of database and porting of legacy data into IPAS with requisite validation controls.*
- x. May consider to introduce appropriate business rules in all modules and sub-modules for effective functioning of IPAS.*
- xi. May consider to fix responsibility for improper management of IPAS.*
- xii. May consider formulating time bound effective action plan to improve efficiency of CRIS in management and continuous upgradation of IPAS by developing internal expertise for continuity.*

Chapter 1 State of Finances

This chapter provides a broad perspective on the finances of the Indian Railways during 2019-20. It analyses critical changes in the major financial indicators with reference to the previous year, as well as the overall trends. The base data for this analysis is the Finance Accounts of the Indian Railways (IR). The Finance Accounts is compiled by IR annually for incorporation in the Union Government Finance Accounts. In addition, data from government documents and reports¹ have also been used to analyse performance of Indian Railways during 2019-20.

1.1 Summary of Current Year's Fiscal Transactions

The following Table presents the summary of Indian Railways fiscal transactions during 2018-19 and 2019-20. The figures in brackets in the Table represent the increase/decrease in percentage over previous year.

Table 1.1 – Summary of receipt and expenditure during 2019-20 (in crore)					
Summary of Capital and Revenue expenditure					
S. No.	Details	Actual 2018-19	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual 2019-20
1.	Capital Expenditure ²	1,33,376.66	1,60,176.00	1,56,351.97	1,48,064.48
2.	Revenue Expenditure	1,86,733.51	2,07,900.00	2,02,458.00	1,73,105.07
Summary of Revenue Receipts and Revenue Expenditure					
1	Passenger Earnings	51,066.65 (4.98)	56,000.00	56,000.00	50,669.09 (-0.78)
2	Other Coaching Earnings ³	4,474.46 (3.71)	6,000.00	6,000.00	4,640.79 (3.72)
3	Freight Earnings	1,27,432.72 (8.87)	1,43,000.00	1,34,733.00	1,13,487.89 (-10.94)
4	Sundry Earnings ⁴	6,996.23 (-19.47)	11,575.00	9,000.00	5,862.75 (-16.20)
5	Total Traffic Earnings	1,89,970.06	2,16,575.00	2,05,733.00	1,74,660.52
6	Clearance from Traffic Outstanding (Suspense)	(-) 63.48	100.00	100.00	(-) 303.92
7	Gross Traffic Receipts⁵ (Item No.5+6)	1,89,906.58 (6.26)	2,16,675.00	2,05,833.00	1,74,356.60 (-8.19)

¹ Budget documents, Annual Statistical Statements of Indian Railways

² Capital expenditure includes expenditure from Gross Budgetary Support, Internal Resources and Extra Budgetary Resources (EBR)

³ Earnings from transportation of parcels, luggage and post office mail etc.

⁴ Earnings from renting, leasing of building, catering services, advertisements, maintenance of sidings and level crossing, re-imburement of loss on strategic lines etc.

⁵ Operational receipts from freight, passenger, other coaching traffic and sundry earnings of IR.

Table 1.1 – Summary of receipt and expenditure during 2019-20 (in crore)					
Summary of Capital and Revenue expenditure					
S. No.	Details	Actual 2018-19	Budget Estimates 2019-20	Revised Estimates 2019-20	Actual 2019-20
8	Miscellaneous Receipts ⁶	600.79 (194.03)	260.00	436.00	338.09 (-43.73)
9	Total Receipts (Item No.7 + 8)	1,90,507.37 (6.47)	2,16,935.00	2,06,269.00	1,74,694.69 (-8.30)
10	Net Ordinary Working Expenses ⁷	1,40,200.30 (9.11)	1,55,000.00	1,51,208.00	1,50,211.21 (7.14)
11	Appropriation to				
	Pension Fund	44,280.00 (-3.31)	50,000.00	48,350.00	20,708.00 (-53.23)
	Depreciation Reserve Fund (DRF)	300.00 (-80.52)	500.00	400.00	400.00 (33.33)
12	Total Working Expenses⁸ (Item No.10+ 11)	1,84,780.30 (5.09)	2,05,500.00	1,99,958.00	1,71,319.21 (-7.28)
13	Miscellaneous Expenditure ⁹	1,953.21 (36.61)	2,400.00	2,500.00	1,785.86 (-8.57)
14	Total Expenditure (Item No.12 + 13)	1,86,733.51 (5.34)	2,07,900.00	2,02,458.00	1,73,105.07 (-7.30)
15	Net Surplus (Item No.9(-) 14)	3,773.86 (126.58)	9,035.00	3,811.00	1,589.62 (-57.88)
16	Surplus available for appropriation to				
	Development Fund (DF)	750.00 (50.19)	1,000.00	1,311.00	1,388.86 (85.18)
	Capital Fund (CF)	0	3,035.00	0.00	0
	Rashtriya Rail Sanraksha Kosh	3,023.86	5,000.00	2,500.00	200.76 (-93.36)

Source: Railway Budget for 2018-19 and 2019-20 and Accounts for 2019-20.

Note: Figures in brackets represent the increase/decrease in percentage over previous year.

As can be seen from the Table 1.1

1. Total Receipts decreased by 8.30 per cent during 2019-20 as compared to 6.47 per cent increase in 2018-19. The decrease in 2019-20 was mainly due to decline in Freight Earnings (by 10.94 per cent) and Sundry Earnings (by 16.20 per cent) as compared to 2018-19.
2. Net Ordinary Working Expenses increased by 7.14 per cent in 2019-20 as compared to 2018-19. However, the Total Working Expenses decreased by 7.28 per cent as compared to the previous year due to less appropriation to the Pension

⁶ Miscellaneous Receipts comprise of sale of tender documents, liquidated damages and receipts by Railway Recruitment Board etc.

⁷ Operating expenses of IR (Staff salary, repairs & maintenance of assets, fuel etc.)

⁸ Operating expenses and appropriation to DRF and Pension Fund

⁹ Miscellaneous Expenditure comprise of expenditure on Railway Board, Surveys, Research, Designs and Standards Organization, Other Misc. Establishments of IR, Statutory Audit etc.

Fund. The 'Net Surplus' generated after meeting all revenue liabilities, was ` 1,589.62 crore in 2019-20 as compared to ` 3,773.86 crore in 2018-19. The Railways could show surplus during the year 2019-20, by making less appropriation to Pension Fund than the actual requirement. Had the actual amount (` 48,626 crore) required to meet the expenditure on pension payments of Zonal Railways been appropriated to the Pension Fund (instead of ` 20,708 crore), the Railways would have ended with a negative balance of ` 26,328.39 crore (instead of Surplus of ` 1,589.62 crore).

3. The 'Net Surplus' was lower than the Budget Estimates (BE) by ` 7,445.38 crore (82.41 *per cent*). This was due to shortfall in 'Freight Earnings' by ` 29,512.11 crore, 'Sundry Earnings' by ` 5,712.25 crore and 'Passenger Earnings' by ` 5,330.91 crore as compared to the BE.
4. The Net Surplus of ` 1,589.62 crore was appropriated to Development Fund (` 1,388.86 crore) and Rashtriya Rail Sanraksha Kosh (RRSK) (` 200.76 crore). No funds were appropriated to Capital Fund though an amount of ` 3,035 crore was envisaged in the BE.

1.2 Resources of IR

IR is financed through (i) budgetary support from Central Government, (ii) its own internal resources and (iii) Extra Budgetary Resources. The main sources of receipts of IR during the year 2019-20 are as follows:

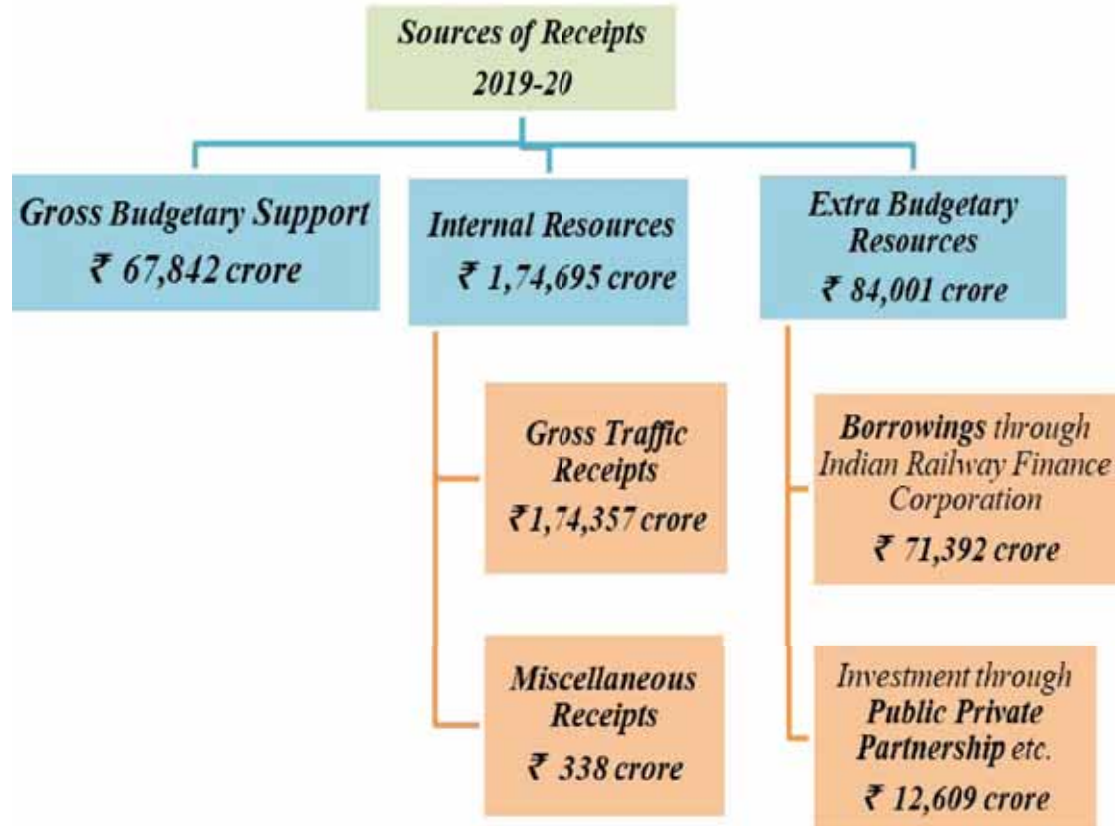


Figure 1.1: Sources of receipts

The share of various resources available for IR during the last five years is shown in the following Graph:

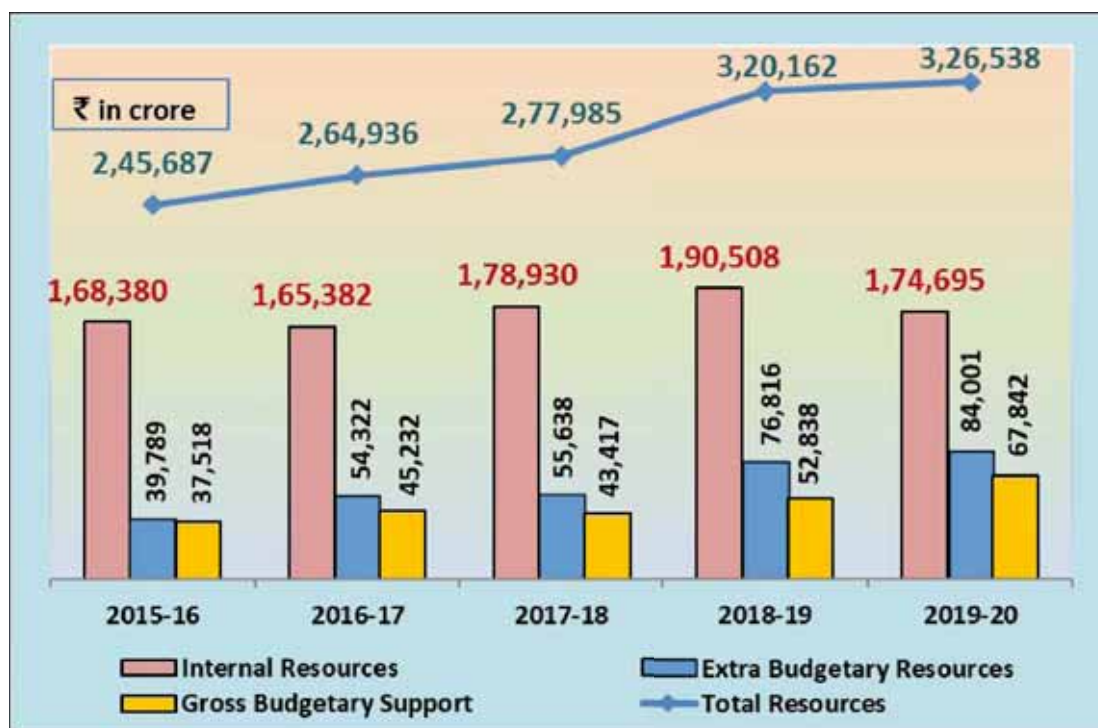


Figure 1.2: Share of various resources of IR during last five years.

The above shows that the largest resource of IR are the internal resources followed by extra budgetary resources (EBR) and GBS. The Railways have been raising EBR through Indian Railway Finance Corporation (IRFC), since its inception in 1987, for procurement of rolling stock. From 2015-16 onwards, MoR also resorted to EBR for project financing.

1.2.1 Extra Budgetary Resources

EBR includes funds raised through IRFC for procurement of rolling stock and for execution of projects of IR. Institutional Finance (EBR-IF) from Life Insurance Corporation of India (LIC) for funding capital projects and funds raised through implementing projects in Public Private Partnership (PPP) mode also form a part of EBR. During 2019-20, IR raised an amount of ₹ 84,001.45 crore through extra-budgetary resources against ₹ 76,816.32 crore raised during 2018-19 (increase of 9.35 per cent). This included ₹ 71,392.07 crore raised through IRFC for procurement of rolling stock and for execution of projects of IR through institutional finance/other market borrowings and ₹ 12,609.38 crore through PPP mode.

Efficiency in application of EBR funds assumes greater significance for Railways Finances due to interest liability. In view of greater dependence on EBR and rising debt burden of MoR a detailed analysis on financing of projects from EBR, was done in CAG's Report on Union Government (Railways) – Railways Finances – No. 8 of 2020.

1.2.2 Gross Budgetary Support

During the year 2019-20, Railways received ₹ 67,841.75 crore as Gross Budgetary Support (GBS) from Government of India against ₹ 52,837.67 crore received during 2018-19. It was 28.40 *per cent* more than the amount of GBS received during the previous year. GBS also included ₹ 17,250 crore received from Central Road Fund (out of diesel cess) during the year 2019-20.

1.2.3 Internally generated resources of Indian Railways

Railways internal resources include earnings from freight and passenger business, sundry earnings, other coaching and miscellaneous earnings. During 2019-20, railways generated total internal resources of ₹ 1,74,694.69 crore against ₹ 2,16,935 crore envisaged in the BE. The Railways could not achieve even RE target of ₹ 2,06,269 crore.

The internal resources are utilized for revenue expenditure and expenditure on replacement and renewal of fixed assets through Depreciation Reserve Fund (DRF).

The trend of total revenue receipts for the last five years is shown in the following Graph:



Figure 1.3: Revenue receipts during 2015-16 to 2019-20

The trend of growth rates of different segments of revenue receipts are discussed in the succeeding paragraphs.

a) **Freight Earnings**

As against the budget estimates of ` 1,43,000 crore during 2019-20, the actual freight earnings were ` 1,13,487.89 crore. The statistics regarding various parameters of freight services during the past five years were as follows:

Table 1.2 - Freight Services Statistics					
Year	Loading (Million Tonne)	NTKM¹⁰ (in million) (Revenue Freight Traffic only)	Earnings (` in crore)	Average lead¹¹ in km	Average earnings per tonne per km (in paise)
2015-16	1101.51 (0.57)	654481 (-3.99)	1,09,207.66 (3.23)	594	166.86 (7.52)
2016-17	1106.15 (0.42)	620175 (-5.24)	1,04,338.54 (-4.46)	561	168.24 (0.83)
2017-18	1159.55 (4.83)	692916 (11.73)	1,17,055.40 (12.19)	598	168.93 (0.41)
2018-19	1221.48 (5.34)	738523 (6.58)	1,27,432.72 (8.87)	605	172.55 (2.14)
2019-20	1208.41 (-1.07)	707665 (-4.18)	1,13,487.89 (-10.94)	586	160.37 (-7.06)

Note: Figures in bracket represent percentage increase/decrease over previous year.

During 2019-20, freight loading was 1208.41 Million Tonnes (MT) as compared to the loading of 1221.48 MT during 2018-19. The freight loading decreased by 1.07 per cent during 2019-20 over the previous year. The freight earnings also declined by 10.94 per cent as compared to previous years' growth rate of 8.87 per cent. Due to decline in loading and NTKM, the average lead declined from 605 km in 2018-19 to 586 km in 2019-20.

The Railways freight basket is limited to certain bulk commodities. The commodity wise share in loading and earnings are given in the following Graph:

¹⁰ NTKM-Net Tonne Kilometre-Unit of measure of freight traffic which represent the transport of one tonne goods over a distance of one kilometre.

¹¹ Average Lead - Average haul of a ton of freight.

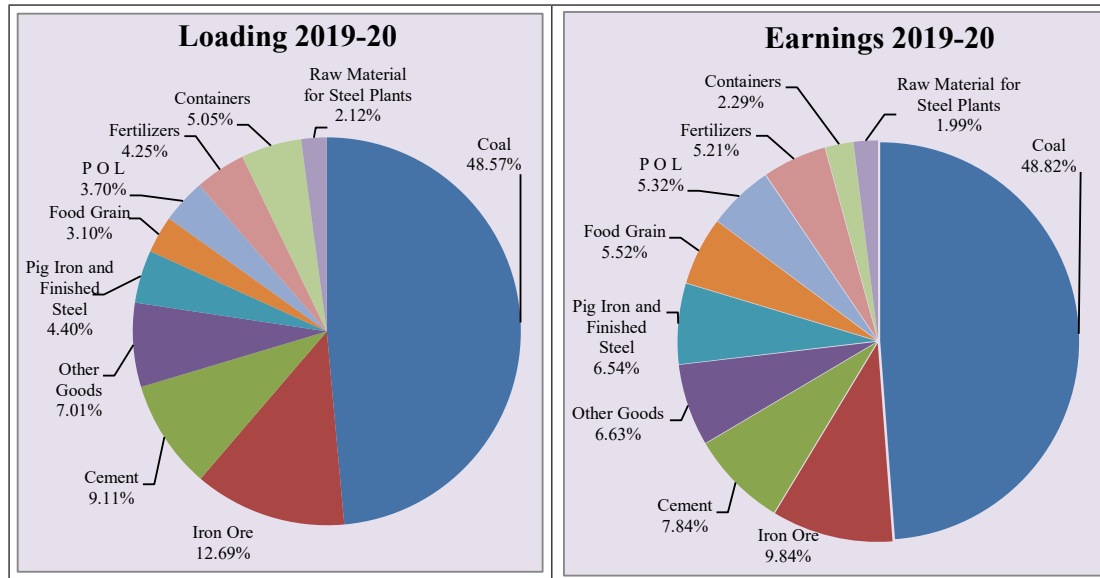


Figure 1.4: Major Commodity-wise share of loading and earnings

The above major commodities contributed to 98 per cent of the total freight earnings (excluding Miscellaneous Goods Earnings). Coal was the major component, both in loading (48.57 per cent) and earnings (48.82 per cent), followed by Iron Ore and Cement. The highest growth in loading was in Iron Ore (11.67 per cent) and POL¹² (3.88 per cent).

As compared to 2018-19, there was shortfall in freight loading by 13.07 million tonnes during 2019-20. Major shortfall in freight loading during 2019-20 was in commodities: Coal (by 18.97 MT), Cement (by 7.24 MT), Other Goods (2.19 MT), Food grains (by 1.78 MT) and Pig Iron & Finished Steel (by 0.86 MT). There was a declining trend in loading of Food grains during the last six years.

As can be seen from the above, there is heavy dependence on Coal transportation. Any shift in the bulk commodities transport pattern could affect the Railways freight earnings significantly. Railways have not been able to diversify their freight basket despite running various incentive schemes for long time.

b) Passenger Earnings

As against the budget estimates of ` 56,000 crore for passenger earnings during 2019-20, the actual passenger earnings were ` 50,669.09 crore. The growth rate for number of passengers originating and passenger earnings during the past five years is shown below:

¹² Petroleum, Oil and Lubricant



Figure 1.5: Growth rate of number of passengers and earnings

As can be seen from the above Graph, there was a sharp decline in number of passengers originating and passenger earnings as compared to the previous year. Key performance indicators of passenger services are as follows:

Year	Number of Passenger (in millions)	Passenger Kilometre ¹³ (in million)	Earnings (₹ in crore)	Average lead (in kilometre)	Average earnings per passenger per kilometre (in paise)
2015-16	8107.33 (-1.42)	1143039 (-0.36)	44,283.26 (4.96)	140.99	38.74 (5.33)
2016-17	8116.10 (0.11)	1149835 (0.59)	46,280.46 (4.51)	141.67	40.25 (3.90)
2017-18	8285.77 (2.09)	1177699 (2.42)	48,643.14 (5.11)	142.14	41.30 (2.61)
2018-19	8439.06 (1.86)	1157174 (-1.74)	51,066.65 (4.98)	137.12	44.13 (6.85)
2019-20	8085.74 (-4.19)	1050738 (-9.20)	50,669.09 (-0.78)	129.95	48.22 (9.27)

Source-Indian Railways Annual Statistical Statements

Note: Figures in bracket represent percentage increase/decrease over previous year.

As compared to the previous year, the annual growth rate of passengers originating was negative (-4.19 per cent). The shortfall in number of passengers was 4.54 per cent in non-suburban category and 3.91 per cent in suburban category. The passenger earnings also declined by 0.78 per cent in 2019-20 as compared to increase of 4.98 per cent in 2018-19. However, the average earnings per passenger per kilometre increased by 9.27 per cent i.e. from 44.13 paise in 2018-19 to 48.22 paise in 2019-20.

¹³ Passenger Kilometre – A passenger transported over one kilometre

c) Sundry Earnings and Other Coaching Earnings

As against the budget estimates of ` 17,575 crore for ‘Sundry and other coaching earnings’ during 2019-20, the actual earnings were only ` 10,503.54 crore. Sundry and other coaching earnings constituted only 6.02 *per cent* of the Gross Traffic Receipts in the current year. It decreased by 8.43 *per cent*, from ` 11,470.69 crore in 2018-19 to ` 10,503.54 crore in 2019-20.

Audit analysis showed that the decrease in Sundry Earnings was mainly due to shortfall in earnings from leasing of land, property development of land/air space and other sundry earnings. However, there was increase in receipts from catering department, earnings from RLDA/IRCTC, advertisement and publicity etc. The ‘Sundry Earnings’ also included an amount of ` 2,098.10 crore on account of reimbursement of operating loss on strategic lines. There was considerable scope for increasing revenue generation from advertisements and commercial utilization of railway land.

d) Unrealized Earnings

Unrealized earnings on account of movement of traffic is classified as ‘Traffic Suspense’. Unrealized earnings on account of rent/lease of building/land and maintenance charges of sidings etc. is ‘Demand Recoverable’. The outstanding unrealized earnings increased from ` 1,728.08 crore in 2018-19 to ` 2,032 crore at the end of 2019-20. Of this, an amount of ` 1,668.74 crore was outstanding under Traffic Suspense and ` 363.26 crore under ‘Demand Recoverable’. The major portion of outstanding under Traffic Suspense was on account of un-recovered freight and other charges from Power Houses and State electricity entities. This amounted to ` 638.75 crore, and constituted 38.28 *per cent* of the total Traffic Suspense. Major defaulters are as follows:

Table 1.4-Outstanding dues against State Electricity Entities/Power Houses (in crore)		
Sl. No.	State Electricity Entities/ Power Houses	Outstanding dues as of 31 March 2020
1.	Punjab	446.39
2.	Delhi	114.28
3.	Rajasthan	30.03
4.	NTPC	15.61
5.	Uttar Pradesh	14.72
6.	Maharashtra State	5.84
7.	West Bengal	5.62

Source-Statement of dues recoverable from State Electricity Entities/Power Houses

The outstanding dues in respect of electricity entities of Punjab, Delhi and Rajasthan are continuing over ten years. The Ministry of Railways needs to enhance its efforts to realize the old outstanding dues from State Electricity entities/Power Houses.

1.3 Cross-Subsidization of Passenger and other Coaching Services

IR was unable to meet its operational cost of passenger services and other coaching services. The data available in the latest Report¹⁴ published by the IR has been analysed. It indicates that there was cross subsidization from freight earnings to passenger and other coaching earnings. Loss incurred by passenger and other coaching services increased from ₹ 36,286.33 crore in 2015-16 to ₹ 63,364.25 crore in 2019-20. The losses on passenger and other coaching services vis-à-vis the profit on freight services during 2015-16 to 2019-20 is shown in the following Graph:

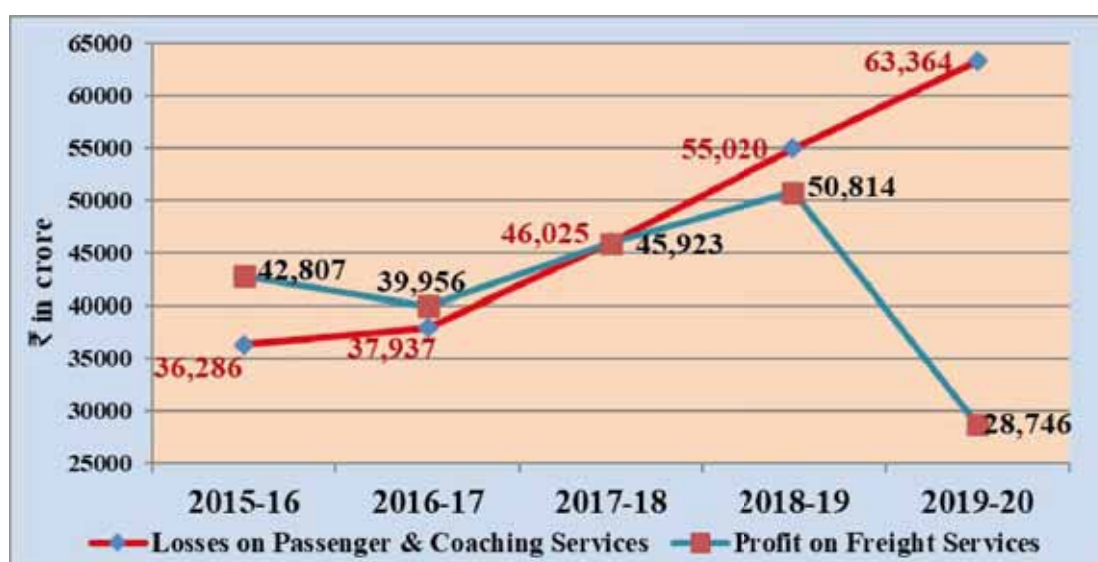


Figure 1.6: Losses on Passenger and Other Coaching Services vis-à-vis Profit on Freight Services

As can be seen from the above, the loss on passenger and other coaching services has been steadily increasing over the years. On the other hand, the profit earned on freight operations which had shown an increasing trend during the last three years, decreased sharply from ₹ 50,814.19 crore in 2018-19 to ₹ 28,746.06 crore in 2019-20. The entire profit from freight traffic was utilized to compensate the loss on operation of passenger and other coaching services. The loss of ₹ 34,618.19 crore from Passenger operations was left uncovered during 2019-20.

The operational losses of various classes of passenger services during 2015-16 to 2019-20 are given in the following table:

Table 1.5 Operational losses of various Classes of Passenger Services					
(₹ in crore)					
Class	2015-16	2016-17	2017-18	2018-19	2019-20
AC-Ist class	(-) 175.79	(-) 139.39	(-) 164.95	(-) 248.60	(-) 403.11
Ist class	(-) 58.00	(-) 53.31	(-) 34.67	(-) 38.87	(-) 37.89
AC 2 Tier	(-) 463.11	(-) 559.27	(-) 604.49	(-) 907.93	(-) 1,378.28
AC 3 Tier	898.06	1,040.52	738.75	318.03	64.65

¹⁴ Summary of End Results-Freight Services Unit Costs and Coaching Services Profitability/Unit Costs for the year 2019-20

Table 1.5 Operational losses of various Classes of Passenger Services					
(in crore)					
Class	2015-16	2016-17	2017-18	2018-19	2019-20
AC Chair car	(-) 5.58	117.83	98.39	242.80	(-) 182.21
Sleeper Class	(-) 8,301.15	(-) 9,313.27	(-) 11,003.06	(-) 13,011.55	(-) 16,055.93
Second class	(-) 8,569.77	(-) 10,024.88	(-) 11,523.87	(-) 13,214.04	(-) 14,456.65
Ordinary Class	(-) 13,237.74	(-) 14,647.64	(-) 16,568.07	(-) 19,124.13	(-) 20,449.92
EMU suburban services	(-) 5,124.74	(-) 5,323.62	(-) 6,184.46	(-) 6,753.56	(-) 6,937.72

Source-Summary of the End Results Coaching Services Profitability/Unit Costs.

Note: Negative figures denote losses and positive figures denote profits on passenger services.

As can be seen from the data above, all classes of train services have incurred losses during 2019-20 except AC 3 Tier which could recover its operational cost and earned profit. The cross-subsidisation in respect of Second Class, Ordinary Class and Suburban Services increased continuously in the last five years with subsidy on Ordinary Class being the maximum. The loss in various classes of passenger services ranged from ` 20,449.92 crore (Ordinary Class) to ` 37.89 crore (First Class).

One of the contributing factors for non-recovery of full cost from these classes is free and concessional fare passes/tickets to various beneficiaries. The revenue forgone in passenger earnings due to concessions to various categories of passengers (viz. physically challenged persons, patients, senior citizens, Izzat monthly season tickets, press correspondents, sport persons, war widows, etc.) increased from ` 1,994.83 crore in 2018-19 to ` 2,058.61 crore in 2019-20. A detailed analysis on concessions given by the Railways was done in CAG's Report on Union Government (Railways) – Railways Finances - No.10 of 2019.

1.4 Application of Resources

The two main components of expenditure in IR are 'Revenue Expenditure' and 'Capital Expenditure'. Revenue expenditure includes ordinary working expenditure and miscellaneous expenditure.

The total expenditure of IR grew from ` 3,20,110.17 crore in 2018-19 to ` 3,21,169.55 crore in 2019-20, registering a marginal increase of 0.33 *per cent*. The capital expenditure increased by 11 *per cent*, whereas the revenue¹⁵ expenditure decreased by 7.30 *per cent* during the same period. The share of Capital expenditure to total expenditure increased from 41.7 *per cent* in 2018-19 to 46.1 *per cent* in 2019-20. The share of Revenue expenditure decreased from 58.3 *per cent* in 2018-19 to 53.9 *per cent* in 2019-20. The details of Revenue and Capital expenditure during the last five years are shown in the following Graph:

¹⁵ *Excluding amount of surplus appropriated to DF, CF, DSF and RRSK (2015-16 ` 10,505.97 crore, 2016-17 ` 4,913.00 crore, 2017-18 ` 1,665.61 crore, 2018-19 ` 3,773.86 crore and 2019-20 ` 1,589.62 crore).*

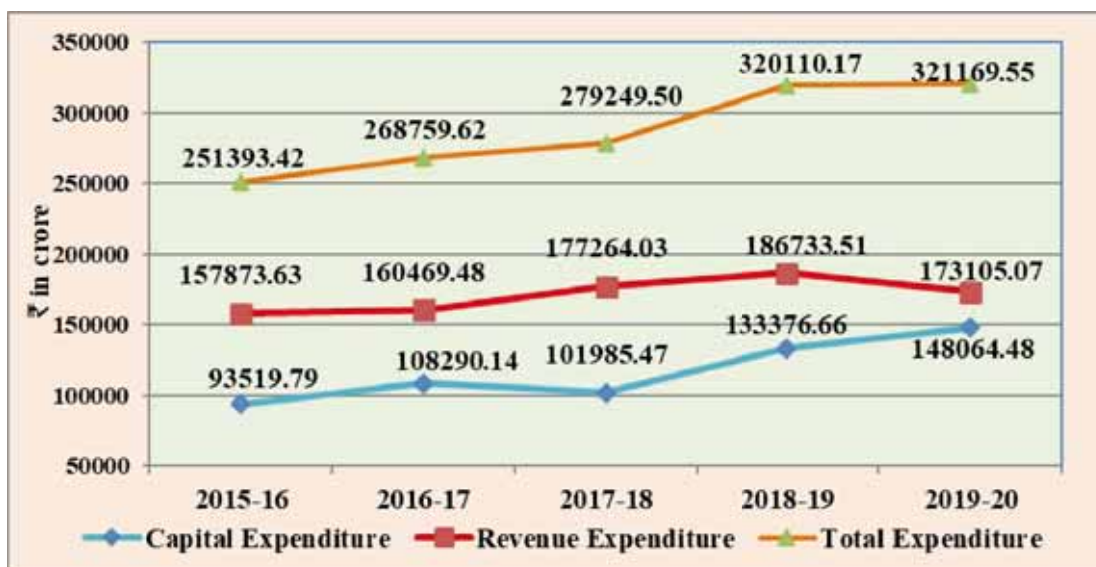


Figure 1.7: Capital and Revenue Expenditure in the last five years

1.4.1 Revenue Expenditure

Comparison of Share of Revenue Expenditure during 2019-20 against the Average Share of Revenue Expenditure during 2014-15 to 2018-19 is shown below:

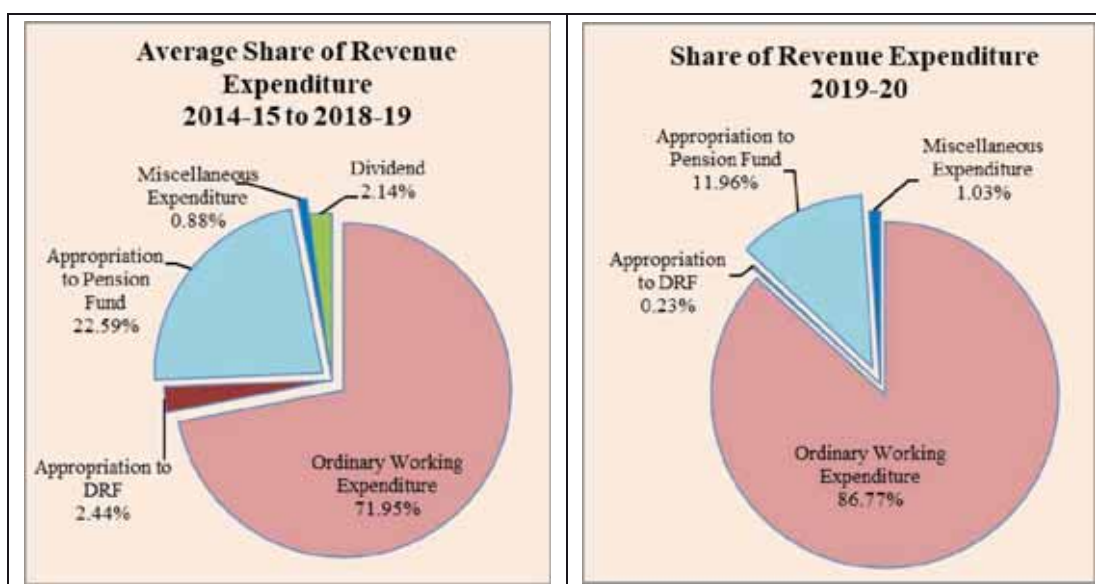


Figure 1.8: Share of Revenue Expenditure in the last five years

Ordinary Working Expenditure (OWE) comprises expenditure on day-to-day maintenance and operations of the Railways. This includes expenditure on office administration, repairs and maintenance of track and bridges, locomotives, carriage and wagons, plant and equipment, operating expenses on crew, fuel, miscellaneous expenditure, payment of interest component of lease charges, pension liabilities etc. During 2019-20, OWE increased to 86.77 per cent of the total revenue expenditure as compared to the average of 71.95 per cent during the past five years.

Component-wise Revenue Expenditure

The break-up of working expenditure of IR under staff, fuel, lease charges, stores, others and pension outgo for the last five years is shown in Graph below:

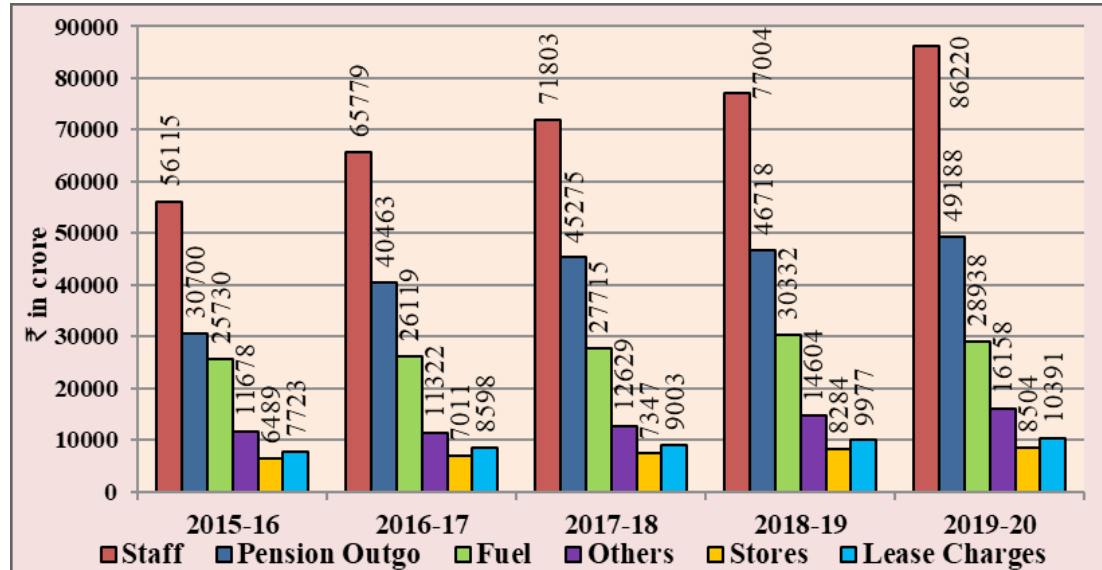


Figure 1.9: Component wise expenditure

As can be seen from the above, Staff cost (including pension outgo) constituted about 68 per cent of the working expenses during the current year. It increased by 9.45 per cent during 2019-20 as compared to the previous year.

The committed expenditure of the IR consisting of staff cost, pension payments and lease hire charges on rolling stock, was 73 per cent of the total working expenditure in 2019-20.

a) Appropriation to Pension Fund

Appropriation to Pension Fund is the second largest component of revenue expenditure. Railways appropriated ` 20,708.00 crore to the Pension Fund in 2019-20, against ` 44,280.00 crore appropriated last year. The actual expenditure on pension was ` 48,626.01 crore (for Zonal Railways) against this appropriated amount in 2019-20.

b) Appropriation to Depreciation Reserve Fund

Appropriation to DRF decreased significantly in 2019-20 as compared to the average appropriation during 2014-19. Against the budgeted amount of ` 500 crore for 2019-20, only ` 400 crore was appropriated to DRF. Under provisioning for depreciation is resulting in piling up of 'throw forward' of works relating to renewal of over aged assets. Detailed analysis of various Railways Funds is given in Paragraph 1.7.

1.4.2 Capital Expenditure

IR is required to augment infrastructure for sustainable economic growth. To keep pace with the transport sector in general and to respond to the pressures of a buoyant

economy, it is essential that its resources are used effectively. Creation of new assets, timely replacement and renewal of depleted assets etc. are carried out through capital expenditure.

a) Source-wise Capital Expenditure

The capital expenditure of IR is financed from three sources viz. GBS, internal resources¹⁶ and extra budgetary resources¹⁷. During the past five years, the contribution from various sources towards capital expenditure can be seen from the following table:

Source	2015-16	2016-17	2017-18	2018-19	2019-20	
	Actual	Actual	Actual	Actual	Revised Estimates	Actual
Gross Budgetary Support ¹⁸	37,608.47 (40.22)	45,231.64 (41.77)	43,417.55 (42.57)	52,837.67 (39.61)	68,104.64 (43.56)	67,477.49 (45.57)
Internal Resources (From Rlys Funds)	16,845.31 (18.01)	10,479.84 (9.68)	3,069.77 (3.01)	4,663.18 (3.50)	5,000.00 (3.20)	1,685.08 (1.14)
Total (GBS and Internal Resources)	54,453.78 (58.23)	55,711.48 (51.45)	46,487.32 (45.58)	57,500.85 (43.11)	73,104.64 (46.76)	69,162.57 (46.71)
Extra Budgetary Resources (IRFC and PPP)	39,066.01 (41.77)	52,578.66 (48.55)	55,498.15 (54.42)	75,875.81 (56.89)	83,247.33 (53.24)	78,901.91 (53.29)
Grand Total	93,519.79	1,08,290.14	1,01,985.47	1,33,376.66	156,351.97	1,48,064.48

Note: Figures in brackets represent percentage share of overall expenditure

During the year 2019-20, the overall Capital expenditure of IR increased substantially by 11 *per cent* as compared to the previous year. The share of GBS to the total capital expenditure increased from 39.61 *per cent* in 2018-19 to 45.57 *per cent* in 2019-20. However, the share of internal resources in total capital expenditure, which was as high as 18.01 *per cent* in 2015-16, decreased to 1.14 *per cent* in 2019-20. Inadequate generation of internal resources resulted in greater dependence on GBS and EBR.

The share of EBR decreased from 56.89 *per cent* in 2018-19 to 53.29 *per cent* in current year. During 2019-20, Ministry of Railways spent ` 33,376.47 crore on procurement of Rolling Stock from funds raised through market borrowings by IRFC. An amount of ` 32,916.06 crore was incurred on projects funded through EBR on New Lines (Construction), Gauge Conversion, Doubling, Railway Electrification Projects and Traffic Facilities. Further, ` 12,609.38 crore raised through Public Private Partnership (PPP) mainly for expenditure on New Line Projects, Traffic Facilities and Road Safety Works etc.

¹⁶ Reserve Funds such as Depreciation Reserve Fund, Capital Fund, Development Fund

¹⁷ Market borrowing through IRFC Limited and PPP

¹⁸ Includes expenditure from Railway Safety Fund

b) Expenditure under various Plan Heads

Indian Railways undertakes capital expenditure under the following Plan heads:

Table 1.7 - Category-wise Capital Expenditure (in crore)					
Plan Heads	2015-16	2016-17	2017-18	2018-19	2019-20
Doubling	10,472.35	9,093.23	11,240.34	15,168.33	22,688.83
New Lines (Construction)	15,789.74	15,969.89	9,183.82	11,275.40	12,929.36
Track Renewal	4,367.59	5,076.33	7,727.71	8,241.66	9,390.55
Gauge Conversion	3,615.65	3,769.92	2,880.11	4,055.00	4,218.53
Signaling and Telecommunication	892.89	951.56	1,255.64	1,537.02	1,622.62
Traffic Facilities & Yard Remodelling	983.00	910.67	1,224.84	1,146.70	1,634.23
Bridge Work	517.20	474.52	448.73	528.27	781.50
Rolling Stock and Payment of Capital Component of Lease charges	24,237.48	26,610.98	28,119.11	37,219.68	47,801.56
Investment in PSUs, JVs, SPVs	7,349.71	7,184.13	4,887.99	12,678.36	16,924.88
Workshop and Production Units and Plant & Machinery	1,921.14	1,965.00	1,753.57	2,442.94	2,583.07
Others	8,292.04	9,449.82	11,147.61	14,802.16	14,879.97
Total¹⁹	78,438.79	81,456.05	79,869.47	109,095.52	135,455.10

Source-Indian Railways Appropriation Accounts-Grant No.80 and Statement No.10-Statement of Expenditure on Capital Account.

Note: 'Others' include Road Safety Works, Electrification Projects, Computerization, other Electric Works, Railway Research, Other Specified Works, Stores Suspense, Manufacturing Suspense, Miscellaneous Advance, Staff Quarters, Passenger Amenities, Metropolitan Projects.

Doubling, New Lines (Construction), Track Renewal and Gauge Conversion are the major components of Capital Expenditure. IR also undertook new line construction, traffic facility works, Rolling stock, Road Safety Works (Road Over/Under Bridge) etc. through PPP mode.

The expenditure on 'Rolling Stock and Capital Component of Lease charges' increased by 28 per cent in 2019-20 as compared to the previous year.

1.5 Revenue Surplus

The 'Net revenue surplus' is the surplus available with the railways after meeting all expenditure of revenue nature such as staff cost including pension, operational expenses, repair and maintenance cost and appropriation to DRF and Pension Fund. This surplus is further allocated to various Railway Funds such as DF, CF, DSF, RSF and RRSK. The net revenue surplus during the years 2010-11 to 2019-20 can be seen in the Graph below:

¹⁹ Excludes expenditure on PPP



Figure 1.10 Revenue Surplus

Against the BE of ₹ 9,035 crore, the 'Net Surplus' was ₹ 1,589.62 crore in 2019-20. It was lower than the BE by ₹ 7,445.38 crore (82.41 per cent). The net surplus was also less by ₹ 2,184.24 crore as compared to the surplus of ₹ 3,773.86 crore achieved in 2018-19.

Audit analysis revealed that the Railways could show more surplus during 2019-20 by appropriating lesser amount to Pension Fund than the required amount. Had the actual amount (₹ 48,626 crore) required to meet the expenditure on pension payments of Zonal Railways been appropriated to the Pension Fund (instead of ₹ 20,708 crore), the Railways would have ended with a negative balance of ₹ 26,328.39 crore (instead of Surplus of ₹ 1,589.62 crore).

1.6 Efficiency Indices

The financial performance and efficiency in operations of an enterprise can best be measured from its financial and performance ratios. The relevant ratios in this regard for IR are 'Operating Ratio', 'Capital-Output Ratio' and 'Staff Productivity', which are discussed below:

1.6.1 Operating Ratio

Operating Ratio represents the ratio of working expenses to traffic earnings. A higher ratio indicates poorer ability to generate surplus. Against the target of 95 per cent in the Budget Estimates, the Operating Ratio of Railways was 98.36 per cent in 2019-20. This meant that railways spent ₹ 98.36 to earn ₹ 100. As compared to the Operating Ratio of 97.29 per cent during 2018-19, there was deterioration in 2019-20. The Operating Ratio of Indian Railways during the past ten years is as follows:



Figure 1.11 Operating Ratio of Indian Railways

As can be seen from the Graph above, the Operating Ratio of Indian Railways reached an all-time high of 98.44 per cent in 2017-18, which marginally came down to 97.29 per cent in 2018-19, and increased to 98.36 per cent in 2019-20.

Further, had the actual amount (₹ 48,626 crore) required to meet the expenditure on pension payments of Zonal Railways been appropriated to the Pension Fund (instead of ₹ 20,708 crore), the Railways working expenses would have increased. With the increased working expenses, the OR would have been 114.35 per cent instead of 98.36 per cent in 2019-20. In the Union Budget 2021-22 document, it has been mentioned that “with required level to appropriation to Pension Fund from Railways Revenues in 2019-20, the Operating Ratio would be 114.19 per cent.” **Thus the OR of 98.36 per cent shown by the Railways does not reflect the true financial performance of the Railways.**

Operating Ratio of zonal railways during the last five years ended on 31 March 2020 is shown in the following Table:

S. No.	Zonal Railway	2015-16	2016-17	2017-18	2018-19	2019-20
1.	Metro Railway/Kolkata	237.80	260.06	278.29	247.94	215.97
2.	North Eastern	196.52	197.01	201.78	204.54	188.16
3.	Eastern	180.56	165.27	181.15	185.98	169.75
4.	Northern	114.97	118.85	117.09	131.95	154.79
5.	Northeast Frontier	185.71	130.45	169.29	160.58	151.67
6.	Southern	134.89	147.83	161.14	152.61	146.48
7.	South Western	102.60	119.56	129.49	132.64	124.37
8.	Western	88.72	103.00	107.86	102.11	114.90
9.	North Western	91.15	95.17	107.90	105.75	112.66
10.	Central	98.13	105.00	111.12	105.44	104.67

S. No.	Zonal Railway	2015-16	2016-17	2017-18	2018-19	2019-20
11.	East Central	90.28	101.83	97.50	98.46	102.37
12.	South Central	78.71	86.24	82.94	79.53	87.55
13.	North Central	61.98	70.50	66.89	68.39	74.38
14.	West Central	64.38	73.90	74.91	67.83	70.61
15.	South Eastern	71.15	73.46	75.90	73.08	64.86
16.	South East Central	50.52	56.24	55.82	56.24	53.66
17.	East Coast	50.56	53.78	51.98	52.39	51.49
Overall IR		91.25	90.49	98.44	97.29	98.36

Source-Indian Railways Appropriation Accounts 2019-20

Operating Ratio of six Zonal Railways (South Central, North Central, West Central, South Eastern, South East Central and East Coast Railways) ranged between 87 per cent and 51 per cent. Operating Ratio of eleven Zonal Railways (Metro Railway/Kolkata, North Eastern, Eastern, Northern, Northeast Frontier, Southern, South Western, Western, North Western, Central and East Central Railways) was more than 100 per cent during 2019-20 implying that their working expenditure was more than their traffic earnings. Operating Ratio of seven Zonal Railways (Metro Railway/Kolkata, North Eastern, Eastern, Northern, Northeast Frontier, Southern and South Western Railways) had continued to be more than 100 per cent in the last five years.

1.6.2 Capital Output Ratio

Capital Output Ratio (COR) indicates the amount of capital employed to produce one unit of output. Total Traffic in terms of NTKMs (for both Goods and Passenger Traffic) is considered as the output in the case of IR. Higher COR indicates lower performance. COR of IR during the last five years ended on 31 March 2020 was as follows:

As on	Total Capital including investment from Capital Fund (in Million)	Goods Traffic (Million NTKM) (Revenue Traffic only)	Passenger Traffic (Million NTKM)	Total Traffic (in Million NTKMs) [Col. (3) + Col. (4)]	Capital at charge (in Paise) per NTKM (COR) [Col. (2)/ Col. (5) x100]
(1)	(2)	(3)	(4)	(5)	(6)
31.03.2016	2,751,353	654,481	81,156	735,637	374
31.03.2017	3,024,578	620,175	81,638	701,813	431
31.03.2018	3,247,256	692,916	83,617	776,533	418
31.03.2019	3,482,121	738,523	82,159	820,682	424
31.03.2020	3,749,039	707,665	74,602	782,267	479

Source-Indian Railways Annual Statistical Statements

COR had increased from 374 paise in 2015-16 to 479 paise in 2019-20 indicating decrease in physical performance of the IR as compared to capital employed. Higher cost overruns due to non-completion of projects in time coupled with investment in financially unviable projects contributed to higher COR.

1.6.3 Staff Productivity

In Indian Railways, the Staff productivity²⁰ is measured in terms of volume of traffic handled per thousand employees. A higher ratio indicates efficient transport of freight/passenger. The staff productivity decreased from 714 Million NTKM in 2018-19 to 664 Million NTKM in 2019-20 in respect of Open Line staff of all Zonal Railways. Deterioration in staff productivity in 2019-20 as compared to the previous year was due to decline in freight carried (tonnage) and passenger originating (total distance carried/travelled).

During 2019-20, highest Staff Productivity of 1847.33 Million NTKM was achieved by East Coast Railway. Staff Productivity of 248.9 Million NTKM of Southern Railway was the lowest during the same period.

1.7 Railway Funds

The following funds are operated by Indian Railways for specific purposes. These funds (except RSF and RRSK) also accrue interest at the rate fixed by the Ministry of Finance. The details of the funds are given in the following table:

Name of Fund	Opening Balance as on 01 April 2019	Accretion during the year	Withdrawal during the year	Closing Balance as on 31 March 2020
Depreciation Reserve Fund (DRF)	718.03	639.32	523.80	833.55
Pension Fund	196.11	20593.31	49187.89	-28398.47
Development Fund (DF)	248.36	1408.33	1137.40	519.29
Capital Fund (CF)	380.56	19.79	0.00	400.35
Railway Safety Fund (RSF)	140.99	17250	16885.74	505.25
Debt Service Fund (DSF)	204.11	10.61	0.00	214.72
RRSK	17.78	15200.76	15023.88	194.66
Total	1905.94	55122.12	82758.71	-25730.65

Note- Accretion includes financial adjustments, appropriation to fund and interest received on fund balances during the year.

The overall fund balances which was as high as ` 10,806.68 crore in 2015-16 turned into negative balance of ` 25,730.65 crore in 2019-20 for the first time. The adverse fund balance was the result of more expenditure towards pension payments than the actual appropriation to the Pension Fund. The trend of fund balances can be seen from the following Graph:

²⁰ Annual Statistical Statements of Indian Railways

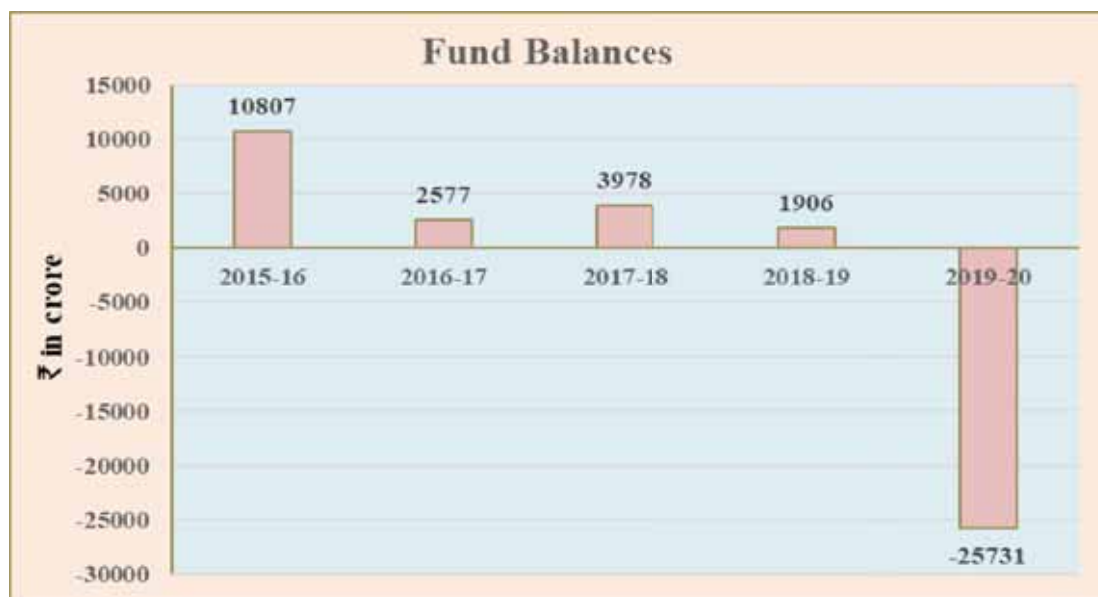


Figure 1.12: Trend of Railways Fund Balances (2015-16 to 2019-20)

1.7.1 Depreciation Reserve Fund

For replacement and renewal of assets, the Railways maintain DRF. During 2019-20, ₹ 600 crore²¹ was appropriated against the BE of ₹ 1,000 crore and ₹ 523.80 crore spent from the fund. The amount is insignificant as compared to the ‘throw forward’ for works to be done under DRF. The details of appropriation to and withdrawal from DRF during the last five years can be seen in the following Graph:

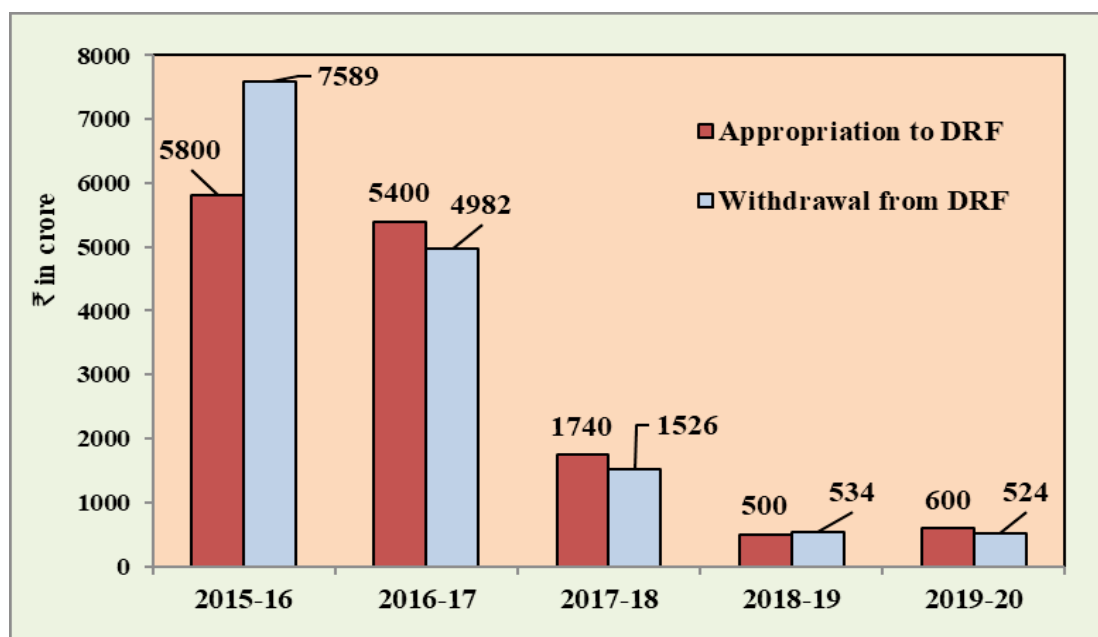


Figure 1.13: Appropriation to and withdrawal from DRF

The ‘throw forward’ value of assets to be replaced from DRF (up to 2019-20) was estimated at ₹ 95,217 crore. This mainly included ₹ 58,887 crore on track renewals,

²¹ ₹ 400 crore from revenue and ₹ 200 crore from Capital

₹ 26,547 crore on rolling stock, ₹ 3,063 crore on bridge works, ₹ 1,918 crore on signaling and telecommunication works, Tunnel Works and Approaches and ₹ 615 crore on Workshops including Production Units. Thus, there is huge backlog of renewal and replacement of over aged assets, which needs to be replaced timely, for safe running of trains.

The provision made to the fund for replacement and renewal of assets is inadequate. This has steadily decreased during the last five years and was insufficient to meet the requirements. Audit had flagged this issue in its earlier Reports. There is every possibility and especially in the background of depleting surplus, that replacement and renewal of over aged assets could become a burden for the Government of India.

1.7.2 Pension Fund

The fund was created to cover the current pension payments as also to meet the accumulated liability on account of pension benefits earned in each year of service. The fund is financed by transfer from revenue in case of Zonal Railways and by transfer from Workshop Manufacture Suspense (WMS) in case of Production Units.

Against the BE of ₹ 50,000 crore, Railways appropriated an amount of ₹ 20,708 crore during 2019-20. The actual expenditure on pension payment during the year 2019-20 was ₹ 49,187.89 crore²², which was more than the amount available in the Pension Fund. Thus the Railways have overdrawn from the Public Account during 2019-20 which resulted in negative balance of ₹ 28,398.47 crore in the fund for the first time. In the Union Budget 2021-22, an amount of ₹ 79,398 crore has been sanctioned as “special loan from General Revenues for Covid related resource gap in 2020-21 and to liquidate adverse balance in Public Account in 2019-20”.

The expenditure of Railways on account of Pension payments during the last five years is shown in the following Graph:



Figure 1.14: Expenditure on Pension Payments of Railways

²² Zonal Railways ₹ 48,626.01 crore, Production Units & Misc Organisations ₹ 561.88 crore

As can be seen from the above Graph, the expenditure on pension which was ₹ 30,701 crore in 2015-16, has increased to ₹ 49,188 crore in 2019-20 (60 per cent increase).

1.7.3 Capital Fund

The fund has been created (from 1992-93) with the express purpose of financing part of the requirement for works of capital nature. During 2019-20 no appropriation was made to the fund though an amount of ₹ 3,035 crore was envisaged in the BE. During 2019-20, IR spent ₹ 10,462 crore towards capital component of IRFC lease charges from GBS, as no appropriation was made to CF. Audit observed that during the last three years, the entire lease charges (Principal component) was being paid from the Budgetary Support. Ideally the repayment of lease charges to IRFC should have been made from Capital Fund (which is sourced from revenue surplus). However, due to inadequate surplus and insufficient funds available in CF, the repayment of lease charges to IRFC was made from GBS. This arrangement of repayment to IRFC from GBS is not a healthy trend and would deprive the railways of additional investments that could have been made on capital works.

Accurate forecast of budget is of paramount importance for efficient financial and operational performance of an organization. It assumes greater significance in view of COVID-19 pandemic. MoR needs to take timely steps towards realistic assessment of estimates in order to have prudent financial management of its receipts and expenditure.

1.7.4 Development Fund

The fund is financed by appropriation from 'Revenue Surplus'. It is utilised to meet expenditure for works relating to amenities for users of railway transport, labour welfare works, unremunerative operational improvement works etc. During 2019-20, ₹ 1,388.86 crore was appropriated against the Budget Estimates of ₹ 1,000 crore and ₹ 1,137.40 crore spent.

1.7.5 Debt Service Fund

The fund has been created (from 2013-14) for future debt service obligations in respect of loans taken from Japan International Cooperation Agency (JICA), World Bank and for future implementation of Pay Commissions. The fund is financed by appropriation from 'Surplus' after meeting the requirement of CF and DF. During the last two years, neither any amount was budgeted nor appropriated in DSF.

Audit observed that the fund account is being operated by MoR under Major Head 8116-101 pertaining to Railway Revenue Reserve Fund which ceased to exist with effect from 01.04.1993. However, no formal concurrence for opening of Major Head and methodology for operating the head has yet been obtained from the CGA.

1.7.6 Railway Safety Fund

This fund has been created (since April 2001) for financing works relating to conversion of unmanned level crossings and for construction of road over/under bridges. However, the scope of this fund has been enlarged in 2016-17 to include New Lines, Gauge Conversion, Electrification and Safety works. The fund is financed through transfer of fund by the Central Government from the Central Road Fund (CRF), out of diesel cess. Apart from this, amount can also be appropriated out of revenue surplus. During 2019-20, Railways received ` 17,250 crore as transfer from CRF. An amount of ` 6,885.74 crore was spent on works under RSF and ` 10,000 crore was transferred from RSF to RRSK for financing critical safety works.

1.7.7 Rashtriya Rail Sanraksha Kosh

This fund was created with effect from 2017-18 for financing critical safety related works. This included Track Renewals, Bridge Works, Signaling and Telecommunication Works, Road Safety Works of Level Crossings and Road Over/Under Bridges, Rolling Stock, Traffic Facilities, Electrical Works, Machinery and Plant, Workshops, Passenger Amenities and Training/HRD. The fund would receive credits from GBS, RSF, DRF and Revenue Surplus. The Fund has a corpus of ` 1 lakh crore over a period of five years. The assured annual outlay is ` 20,000 crore with ` 15,000 crore as contribution from GBS and ` 5,000 crore from internal resources of Railways.

As against an amount of ` 5,000 crore, railways could appropriate only ` 200.76 crore from its internal resources to RRSK due to inadequate revenue surplus. An amount of ` 10,000 crore was transferred from RSF and ` 5,000 crore from GBS and an expenditure of ` 15,023.88 crore was incurred. Audit observed that this Fund has been created by simply transferring funds from three existing sources. It is pertinent to mention that the works of renewal, replacement and upgradation of critical safety assets are already being undertaken through the existing Funds namely DRF and RSF. Audit observed that by funding replacement and renewal of assets through RRSK instead of DRF, railways have reduced the appropriation to DRF, thereby presenting the working expenses and operating ratio in a better light.

1.8 Conclusion

The total expenditure of Indian Railways grew from ` 3,20,110.17 crore in 2018-19 to ` 3,21,169.55 crore in 2019-20, registering a marginal increase of 0.33 *per cent*. The capital expenditure increased by 11 *per cent*, whereas the revenue expenditure decreased by 7.30 *per cent* during the year. The committed expenditure of staff cost, pension payments and lease hire charges on rolling stock, was 73 *per cent* of the total working expenditure in 2019-20.

During 2019-20, the Total Receipts decreased by 8.30 *per cent* as compared to 6.47 *per cent* increase in 2018-19. The decrease in 2019-20 was mainly on account of decline in Freight Earnings (by 10.94 *per cent*) and Sundry Earnings (by 16.20 *per cent*)

as compared to 2018-19. There was heavy dependence on transportation of Coal, which constituted 48.82 *per cent* of Freight Earnings. Any shift in bulk commodities transport pattern could affect the freight earnings significantly.

Net surplus was ` 1,589.62 crore in 2019-20, as compared to ` 3,773.86 crore in 2018-19. Railways would in fact, have ended up with a negative balance of ` 26,328.39 crore instead of surplus of ` 1,589.62 crore, had the actual amount (` 48,626 crore) required to meet the expenditure on pension payments of Zonal Railways been appropriated to the Pension Fund (instead of ` 20,708 crore).

The Operating Ratio which was 97.29 *per cent* in 2018-19 increased to 98.36 *per cent* in 2019-20. The OR of the Railways would have been 114.35 *per cent* instead of 98.36 *per cent* if the actual expenditure on pension payments is taken into account. Thus the OR of 98.36 *per cent* shown by the Railways does not reflect the true financial performance of the Railways.

As per the Summary of End Results prepared by IR for 2019-20, the loss on operation of passenger and other coaching services increased from ` 36,286.33 crore in 2015-16 to ` 63,364.25 crore in 2019-20. The entire profit from freight traffic was utilized to compensate the loss on operation of passenger and other coaching services. The loss of ` 34,618.19 crore in passenger operations was left uncovered during 2019-20.

The overall fund balances which was as high as ` 10,806.68 crore in 2015-16 turned into negative balance of ` 25,730.65 crore in 2019-20. The adverse fund balance was the result of more expenditure towards pension payments than the actual appropriation to the Pension Fund.

During the year, IR spent ` 10,462 crore towards capital component of IRFC lease charges from GBS. Audit observed that for the last three years, the entire lease charges (Principal component) were being paid from the Budgetary Support. Ideally the repayment of lease charges to IRFC should have been made from Capital Fund (which is sourced from revenue surplus). This arrangement of repayment to IRFC from GBS is not a healthy trend and would deprive the railways of additional investments that could have been made on capital works.

During 2019-20, appropriation to DRF decreased as compared to the previous years (from ` 5,800 crore in 2015-16 to ` 600 crore in 2019-20). Under-provisioning for depreciation resulted in piling up of 'throw forward' works estimated at ` 95,217 crore (up to 2019-20).

During the year 2019-20, Railways appropriated an amount of ` 200.76 crore from its internal resources to RRSK. Further, ` 10,000 crore was transferred from RSF and ` 5,000 crore from GBS to RRSK. There was an expenditure of ` 15,023.88 crore from the fund. By funding replacement and renewal of assets through this Fund instead of DRF, railways have reduced the appropriation to DRF, thereby, presenting the working expenses and operating ratio in a better light.

Summary of Audit findings

- Total Receipts decreased sharply due to shortfall in freight and sundry earnings. Freight earning was heavily dependent on transportation of coal.
- Contribution of internal resources for capital projects declined resulting in greater dependence on GBS and EBR.
- Due to less appropriation to Pension Fund, Railways could show surplus and higher Operating Ratio.
- Under provisioning for depreciation resulted in piling up of renewal and replacement works.

1.9 Recommendations

Ministry of Railways -

- Needs to take steps to diversify their freight basket to enhance freight earnings and also consider to exploit its idle assets to increase other earnings.*
- Needs to take steps to augment their internal revenues, so that dependence on GBS and EBR is contained.*
- Needs to revisit the passenger and other coaching tariffs so as to recover the cost of operations in a phased manner and reduce its losses in its core activities.*
- Needs to ensure that surplus and Operating Ratio represent a true picture of its financial performance.*
- Needs to address the backlog of renewal of over-aged assets for safe running of trains.*

Chapter 2 Financial Performance of Railway Public Sector Undertakings

2.1 Introduction

This Chapter presents the financial performance of Government Companies and Government controlled Companies falling under the Administrative control of Ministry of Railways (MoR).

A Government Company is defined in Section 2(45) of the Companies Act, 2013 as a company in which not less than 51 *per cent* of the paid-up share capital is held by Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments, and includes a company which is a subsidiary of a Government Company.

Besides, any other company²³ owned or controlled, directly or indirectly, by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments are referred to as Government controlled Other Companies in this Chapter.

The Companies falling under the Administrative control of MoR have been referred as Railway PSUs in this Chapter.

2.2 Mandate

Audit of Government Companies and Government Controlled other companies is conducted by the CAG under the provisions of Section 143(5) to Section 143 (7) of the Companies Act, 2013 read with Section 19 of the CAG's (Duties, Powers and Conditions of Service) Act, 1971 and the Regulations made there under. Under the Companies Act, 2013, the CAG appoints the Chartered Accountants as Statutory Auditors for companies and gives directions on the manner in which the accounts are to be audited. In addition, CAG has right to conduct a supplementary audit.

2.3 What this chapter contains

This chapter gives an overall picture of the financial performance of the Railway PSUs.

2.4 Number of Railway PSUs

As on 31 March 2020, there were 40²⁴ Railway Public Sector Undertakings (Railway PSUs) under the administrative control of the Ministry of Railways (MoR)

²³ *Companies (Removal of difficulties) Seventh Order, 2014 issued by the Ministry of Corporate Affairs vide Gazette Notification dated 4 September 2014*

²⁴ *The 40 Railway PSUs do not include Railway Sports Promotion Board, which is a non-profit making Company registered under Section 25 of the Companies Act 1956. This Company does not have any share capital and is limited by Guarantee of Govt. of India.*

(Annexure-1). The 40 Railway PSUs included 16 Major Railway Companies, 12 Subsidiaries, five Joint Ventures (JVs) and seven Special Purpose Vehicles (SPVs) as detailed in Table 2.1:

Table 2.1: Total number of Railway PSUs as on 31 March 2020			
Type of Railway PSUs	Working Railway PSUs	Non-working Railway PSUs [#]	Total
Major Railway Companies ²⁵	13	3	16
Subsidiaries	12	-	12
Joint Ventures	5	-	5
Special Purpose Vehicles	7	-	7
Total	37	3	40

[#] Non-working Railway PSUs are those which have ceased to carry on their operations.

These Railway PSUs carry out various activities like execution of construction projects, financing, logistics services, consultancy, catering, hospitality, telecommunication, tourism etc.

2.5 Summary of Financial Performance of 40 Railway PSUs as on 31 March 2020

(` in crore)

Table 2.2: Financial Performance of Railway PSUs			
Paid-up Capital	GoI		42,894
	Others		5,417
	Total		48,311
Profitability	Profit	30 Railway PSUs	6,979
	Loss	9 Railway PSUs	443
	Zero profit	1 Railway PSU	-
	Total		6,536
Dividend	11 Railway PSUs		1,856
Net worth (Total)			86,747
Return on Equity (in per cent)			7.53

2.6 Investment in Railway PSUs

The amount of investment in equity and loans in Railway PSUs (Annexure-2 & 3) as at the end of March 2020 was ` 3,16,437 crore as given in Table 2.3:

²⁵ Major Railway Companies which are under direct administrative control of Ministry of Railways.

(` in crore)

Sources of investment	As on 31 March 2019			As on 31 March 2020		
	Equity	Long Term loans	Total	Equity	Long Term loans	Total
Central Government	32,210	1,683	33,893	42,894	2,538	45,432
Central Govt. Companies	2,252	6,541	8,793	2,716	7,473	10,189
State Governments/ State Govt. Companies	1,529	96	1,625	1,626	102	1,728
Financial Institutions and others	993	1,90,265	1,91,258	1,075	2,58,013	2,59,088
Total	36,984	1,98,585	2,35,569	48,311	2,68,126	3,16,437

From the above, it can be seen that during the last two years, the major contribution of investment in the Railway PSUs was through Long Term Loans from Financial Institutions and others. The Long-Term Loans increased from ` 1,98,585 crore in 2018-19 (84 *per cent* of the total Investment) to ` 2,68,126 crore during 2019-20 (85 *per cent* of the total investment). The contribution of the investment in Railway PSUs from equity increased from ` 36,984 crore (16 *per cent* of total Investment) in 2018-19 to ` 48,311 crore (15 *per cent* of total Investment) in 2019-20.

2.6.1 Investment in Equity

During 2019-20, the total investment of equity in 40 Railway PSUs registered an increase of ` 11,327 crore. The increase was mainly due to increase of share capital amounting to ` 5,100 crore in National High Speed Rail Corporation, ` 3,308 crore in DFCCIL and ` 2,500 crore Indian Railway Finance Corporation.

2.6.2 Long Term Loans given to Railway PSUs

The total outstanding Long-Term Loans of 40 Railway PSUs from all sources as on 31 March 2020 was ` 2,68,126 crore as against the total outstanding long term loans of ` 1,98,585 crore as on 31 March 2019. During 2019-20, there was an increase of ` 69,541 crore of Long-Term Loans which was mainly due to raising of finances by two Railway PSUs from Financial Institutions (Dedicated Freight Corridor Corporation of India- ` 7,154 crore and Indian Railway Finance Corporation- ` 59,725 crore).

2.6.3 Market Capitalisation of Equity Investment

Market capitalization is the market value of publicly traded company's outstanding shares. It represents market value of the shares of companies whose shares are listed in stock exchanges. As on 31 March 2020, shares of the following five Railway PSUs were listed on the various stock exchanges in India.

- Container Corporation of India Limited (listed since May 1997)
- RITES Limited (listed in July 2018)
- IRCON International Limited (listed in September 2018)
- Rail Vikas Nigam Limited (listed in April 2019).
- Indian Railway Catering and Tourism Corporation Limited (listed in October 2019).

The total value of market capitalization of the shares of these Railway PSUs as on 31 March 2020 was ₹ 48,337 crore. The position of market capitalization of the equity of Railway PSUs is given in Table 2.4:

Railway PSU	Market Price (₹ /share)	Market Capitalisation (₹ in crore)
Container Corporation of India Limited	331	20,195
Indian Railway Catering and Tourism Corporation Limited	982	15,718
RITES Limited	246	6,149
IRCON International Ltd	381	3,585
Rail Vikas Nigam Limited	13	2,690

2.7 Return on Investment

2.7.1 Profit Earned by Railway PSUs

The Railway PSUs registered a steady increase in profits from the years 2017-18 to 2019-20 (*Annexure-4*) as can be seen from the Table 2.5.

Type of Railway PSU	Profit/ loss (₹ in crore)		
	2017-18	2018-19	2019-20
Major Railway Companies	4,681	5,710	6,375
Subsidiaries	25	2	11
SPVs	274	351	75
Joint-Ventures	19	80	75
Total	4,999	6,143	6,536

Source: Compiled from Financial statements of the Railway PSUs

The overall profits of the Railway PSUs during the past three years had increased from ₹ 4,999 crore (2017-18) to ₹ 6,536 crore (2019-20). Of the 16 Major Railway PSUs, three Railway PSUs (Dedicated Freight Corridor Corporation Limited – ₹ 91 crore, Kolkata Metro Rail Corporation – ₹ 237 crore and Bharat Wagon & Engineering Limited- ₹ 1 crore) had incurred losses during 2019-20, 12 Railway PSUs

had made profits and one Railway PSU (Wagon India Limited) was under liquidation. Closure proceedings of Burn Standard Corporation Limited²⁶ have already been initiated. Bharat Wagon & Engineering Limited is also under the process of winding up.

During 2019-20, 3 out of 12 subsidiaries and one out of five JVs had incurred losses. Two SPVs out of seven SPVs had incurred losses during 2019-20. The profitability of the SPVs and subsidiaries had shown a fluctuating trend in last three years. The overall profits of SPVs had steeply decreased from ₹ 351 crore in 2018-19 to ₹ 75 crore during 2019-20. The Subsidiaries had registered a profit of ₹ 25 crore in 2017-18 which reduced to ₹ 2 crore in 2018-19. But the subsidiaries improved their performance during 2019-20 by registering an overall profit of ₹ 11 crore.

A list of the loss-making Railway PSUs in 2019-20 is stated below:

Type of Railway PSU	Loss making Railway PSU
Major Railway PSU	1. Dedicated Freight Corridor Corporation of India 2. Kolkata Metro Rail Corporation 3. Bharat Wagon and Engineering Limited
Subsidiaries	4. Fresh and Healthy Enterprises 5. IRCON PB Tollway Limited 6. IRCON Shivpuri Guna Tollway Limited
SPVs	7. Bharuch Dahej Rail Company Limited 8. Krishnapatnam Rail Company Limited
JVs	9. Maharashtra Rail Infrastructure Development Ltd.

2.7.2 Activity-wise Profitability of the Railway PSUs

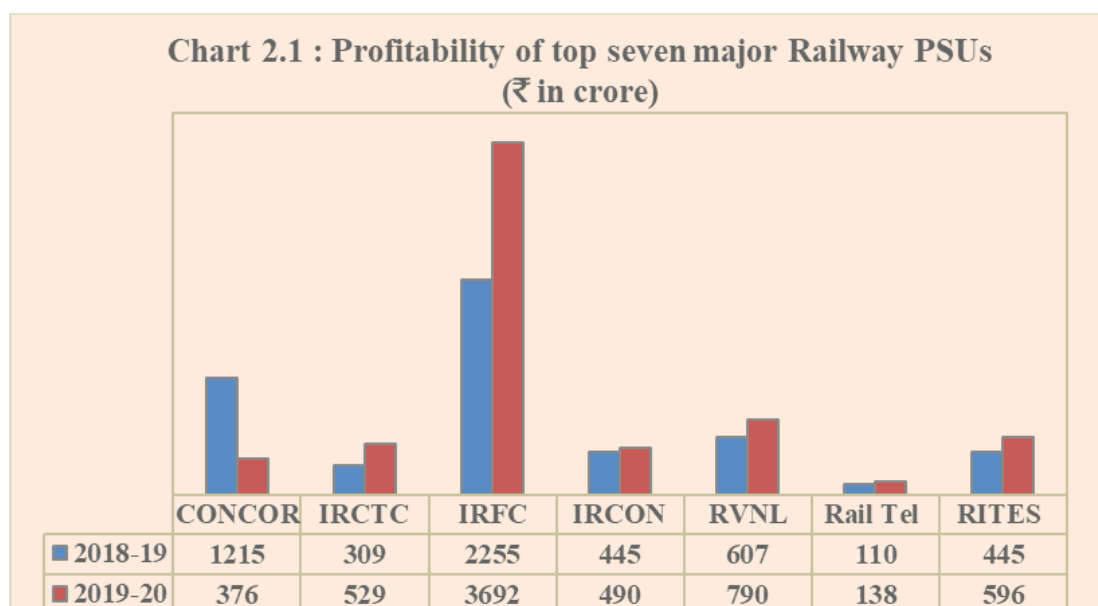
Operating results of the Railway PSUs as per the activities carried out by them is summarized in the Table 2.6:

Type of Activity of Railway PSU	Profit/ loss (₹ in crore)		
	2017-18	2018-19	2019-20
Financing	2,007	2,255	3,692
Construction	1,331	1,576	1,093
Consultancy	337	445	597
Catering, Tourism & Hospitality	219	309	529
Logistics	1,022	1,191	384
Communication and Network	158	112	141
Others	32	47	39
Wagon Building	-107	208	61
Total	4,999	6,143	6,536

From the above it can be seen that profitability in financing, consultancy and catering, tourism & hospitality activities had steadily increased over past three years. However,

²⁶ Vide cabinet decision (GoI) dated 4/4/2018 the company was ordered for closure. The GoI had provided one-time financial grant amounting to ₹ 417.10 crore in May 2018.

the profitability had decreased in construction, logistics and communication & network activities. The loss-making wagon building activity in 2017-18 had registered profits during 2018-19 and 2019-20. The trend of profitability of top seven Railway PSUs is given in Chart 2.1.



Source: Compiled from financial statements of the Railway PSUs

2.7.3 Payment of Dividend

The position of dividend declared by the Railway PSUs during 2019-20 is summarised in the Table 2.7. From the table it is noticed that out of 30 Profit earning Railway PSUs which had earned a profit of ₹ 6,979 crore, only 11²⁷ Railway PSUs had declared dividend of ₹ 1,856 crore during 2019-20.

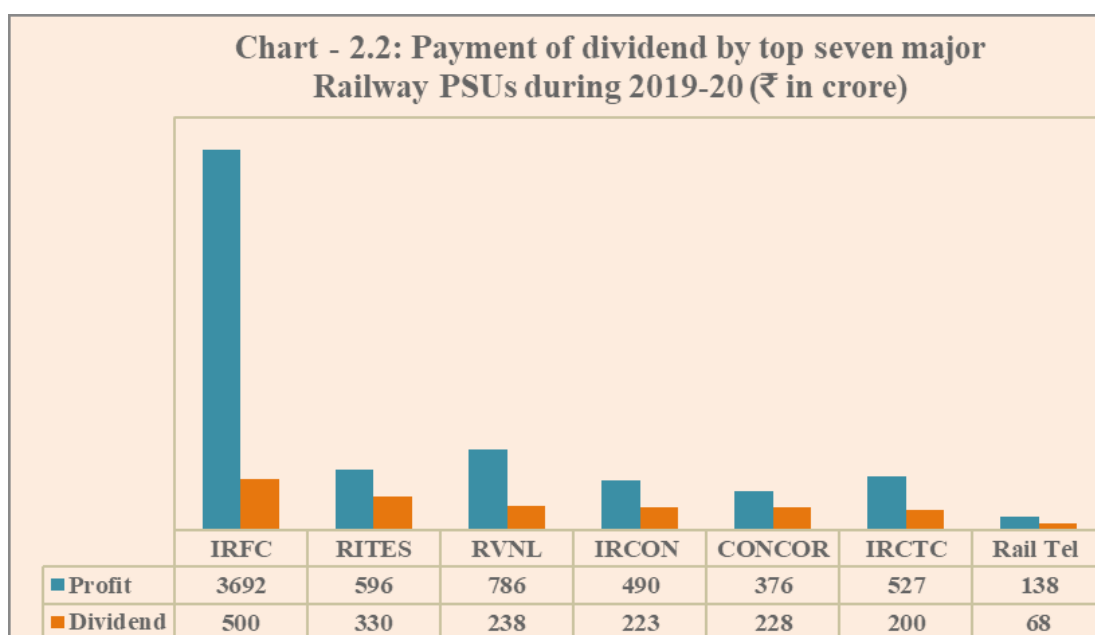
Table 2.7: Profit earned and dividend declared during 2019-20
(₹ in crore)

Type of Railway PSU	No of Railway PSUs	Profit (Profit making Railway PSUs only)	Dividend Declared (Dividend declaring Railway PSUs)
Major Railway Companies	16	6,704 (12)	1,787 (7)
Subsidiaries	12	65 (9)	34 (2)
SPVs	7	135 (5)	35 (2)
Joint-Ventures	5	75 (4)	0 (0)
Total	40	6,979 (30)	1,856 (11)

Source: Compiled from financial statements of the Railway PSUs

²⁷ CONCOR, IRCTC, IRCON International, IRFC, Rites Lt, RVNL, RailTel Corporation of India, CONCOR AIR, Rail Energy Management Company Ltd, Kutch Railway Company Ltd and Piprav Railway Corporation Limited

The details of dividend due and paid by various Railway PSUs in 2019-20 is given in *Annexure-5*. Department of Investment and Public Assets Management (DIPAM) instructed²⁸ (May 2006) that every Central Public Sector Enterprise should pay a minimum annual dividend of 30 per cent of Profit after Tax or 5 per cent of net worth, whichever is higher, subject to the maximum dividend permitted under the extant legal provisions. It was noticed that out of 40 Railway PSUs, 30 Railway PSUs had earned profits after tax during 2019-20. However, 11 Railway PSUs have declared dividend amounting to ` 1,856 crore²⁹ during the year. The profit earned and dividend paid by top seven Railway PSUs is given in Chart 2.2.



2.7.4 Return on Equity of Railway PSUs

Return on Equity (RoE)³⁰ is a measure of financial performance of companies calculated by dividing net income by shareholders' equity. RoE of Railway PSUs during 2019-20 is depicted in Table 2.8:

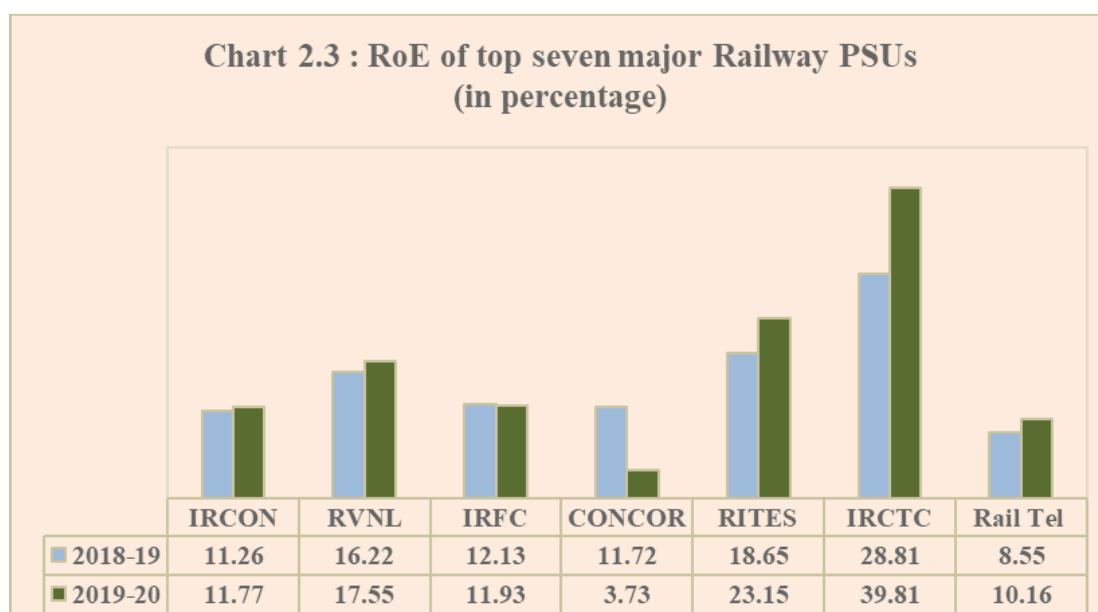
Type of Railway PSU	2017-18	2018-19	2019-20
Major Railway Companies	9.60	10.04	8.73
Subsidiaries	2.81	0.18	0.87
SPVs	6.71	7.24	1.66
Joint-Ventures	2.46	2.44	0.94
All 40 Railway PSUs	9.17	9.31	7.53

²⁸ letter F. No. 512/2016 dated 27.05.2016

²⁹ Due to accumulated losses in the books of account in some Companies, no dividend was paid

³⁰ Return on Equity = (Net Profit after Tax and preference Dividend/Equity)*100 where Equity = Paid up Capital + Free Reserves – Accumulated Loss – Deferred Revenue Expenditure

It can be seen that the RoE of the Railway PSUs had steadily decreased from 9.17 per cent in 2017-18 to 7.53 per cent in 2019-20, though there was a slight increase in the RoE during 2018-19. The decrease was largely due to decrease in RoE of Major Railway PSUs which had registered a decline of RoE from 9.60 per cent during 2017-18 to 8.73 per cent during 2019-20. RoE of top seven Railway PSUs is given in Chart 2.3. It was revealed that among these seven Railway PSUs, IRCTC has the highest RoE of 39.81 per cent during 2019-20 followed by RITES Limited (23.15 per cent) and RVNL (17.55 per cent). Whereas the RoE in respect of five out of the seven mentioned Railway PSUs had increased as compared to the previous year, the performance of two Railway PSUs viz. IRFC and CONCOR had decreased.



Activity wise RoE of Railway PSUs is given in Table 2.9:

Table 2.9: Activity wise Return on Equity			
Name of activity	2017-18	2018-19	2019-20
Catering, Tourism & Hospitality	23.22	28.81	39.81
Consultancy	15.37	18.65	23.15
Wagon Building	-46.18	47.22	13.14
Financing	14.80	12.13	11.93
Others	20.21	22.58	14.42
Communication and Network	12.49	8.59	10.23
Logistics	10.54	11.16	3.69
Construction	4.95	5.03	2.78

Source: Compiled from financial statements of the Railway PSUs

Activity wise analysis of RoE of Railway PSUs (*Annexure 6*) indicates that only Consultancy and Catering & Tourism activities had shown an increase of RoE. The RoE had increased from 15.37 per cent (2017-18) to 23.15 per cent (2019-20) in respect of Consultancy whereas the RoE had increased from 23.22 per cent (2017-18) to 39.81 per cent (2019-20) in respect of Catering & Tourism activities. In respect of all other activities, the RoE had decreased during the past three years.

2.8 Share Capital and Net Worth of Railway PSUs

The share capital and net worth of Railway PSUs as on 31 March 2020 (*Annexure-7*) is given in Table 2.10.

Type of Railway PSU	No of Companies	Share capital (₹ in Crore)	Net-worth (₹ in Crore)
Major Railway Companies	16	36,327	73,042
Subsidiaries	12	1,185	1,219
SPVs	7	3,001	4,532
Joint-Ventures	5	7,798	7,953
Total	40	48,311	86,746

Source: Compiled from financial statements of the Railway PSUs

From the details (*Annexure-7*) of the net-worth and equity of the Railway PSUs it can be seen that the equity of Bharat Wagon and Engineering Limited had completely eroded as on March 2020. Winding-up process for this Company had already been initiated. Winding up process of another Company viz., Burn Standard Corporation Limited had also been initiated. Wagon India Limited is already a defunct Railway PSU.

The draft Chapter on financial performance of Railway Public Sector Undertakings was issued to the Ministry of Railways. The facts and figures as confirmed by MoR (June 2021) have been incorporated in the Chapter.

Summary of Audit findings

- **The overall Profitability and net worth of the Railway PSUs had increased during past three years though some Railway PSUs had incurred losses and three Railway PSUs were non-working.**

2.9 Recommendations

Ministry of Railways may consider -

- Speeding up the winding-up process of non-working Railway PSUs.*
- Reviewing the working of loss making Railway PSUs.*

Chapter 3: Review on Implementation of Integrated Pay Roll and Accounting System in Indian Railways

3.1 Introduction

In 2000, Indian Railways (IR) developed and implemented two applications, Pay Roll and Independent Modules (PRIME) and Advanced Financial and Railway Expenditure Management System (AFRES). PRIME dealt with payments, recoveries, leave account, provident fund, pension and other activities of all railway employees and also interfaced with AFRES sharing common database and information exchange. AFRES covered the financial management areas like bill passing, book keeping, costing, fuel, assets, inspections, budget & finance, cash and pay etc. These systems were running independent in headquarters, divisions and workshops. These applications were re-engineered and named as “Integrated Payroll and Accounting System” (IPAS).

IPAS was developed by Centre for Railway Information System (CRIS) as a web-based application using centralized architecture with single application and single database. It enables preparation, processing, bill passing and accounting of salary, allowances, loans etc. It has a provision to exercise budgetary control besides preparation of account current and appropriation accounts and other financial statements. IPAS was planned to integrate with various other legacy IT applications which operate in IR such as Crew Management System (CMS), Integrated Material Management System (iMMS), Indian Railways E-Procurement System (IREPS) etc.

IPAS was implemented to provide real time access to financial transaction data in addition to bringing financial and fiscal discipline. The integrity, completeness and consistency of data in IPAS plays a pivotal role in generating several Management Information System (MIS) reports for decision making.

IPAS was developed and implemented in phases. Initially, it was developed and implemented in ECoR in 2008. After ECoR, the application was implemented in four Zonal Railways³¹ (ZR) during 2011-15. Thereafter, it was rolled out in the remaining 11 ZRs in 2016. For implementation of IPAS, CRIS has spent ₹ 45.31 crore as on 31 March 2020. IPAS comprises of 20 modules and 64 sub-modules. The process flow depicting the interrelation of the modules is shown in *Appendix-A*.

3.2 Background

The implementation of IPAS was partial. Many modules/sub-modules of IPAS were not fully implemented. Deficiencies were observed in data validation, application level control and availability of required rules and provisions of codes and manuals of IR in IPAS to generate desired output. A committee of Principal Financial Advisers (PFAs) had recommended 20 measures for strengthening of internal checking mechanism

³¹ NR, NER, NWR and ER.

(important recommendations shown in *Appendix E*). Railway Board (RB) instructed³² (August 2018) PFAs of all ZRs to examine the recommendations and take necessary action for implementation of the same. Some of the recommendations, such as, duration of validity of OTP, activation of suspense and leave modules in IPAS, sanitization of master data etc. were not complied in some ZRs.

A fraud in Accounts Department of NFR involving ₹ 4.33 crore was reported to RB. The fraud took place due to unfettered access to IPAS by the staff concerned. Apart from this, requisite checks and balances as laid down in Indian Railways code for the accounts department were not followed. In yet another case in SCR, a fraud involving ₹ 2.20 crore was detected where 27 fake pharma bills were passed by an Accounts Assistant.

In this background, this review was taken up to assess the status of implementation and management of IPAS. Audit also sought to obtain reasonable assurance as to the adequacy of the IPAS application in delivering the desired outcome. Audit also focused on the efficiency and effectiveness of IPAS in addressing various business process rules inbuilt into IPAS. Analytical review coupled with substantive testing using Computer Assisted Audit Techniques tools namely Interactive Data Extraction Analysis (IDEA) and MS Excel was conducted to assess the reliability of the data processed and produced by the system.

The scope of audit covered test check and analysis of data (updated as on 31 March 2020) in IPAS. Details of sample selection in respect of Bill Units (BU), Spending Units (SU), vouchers, pension cases etc. are shown in *Appendix - B*.

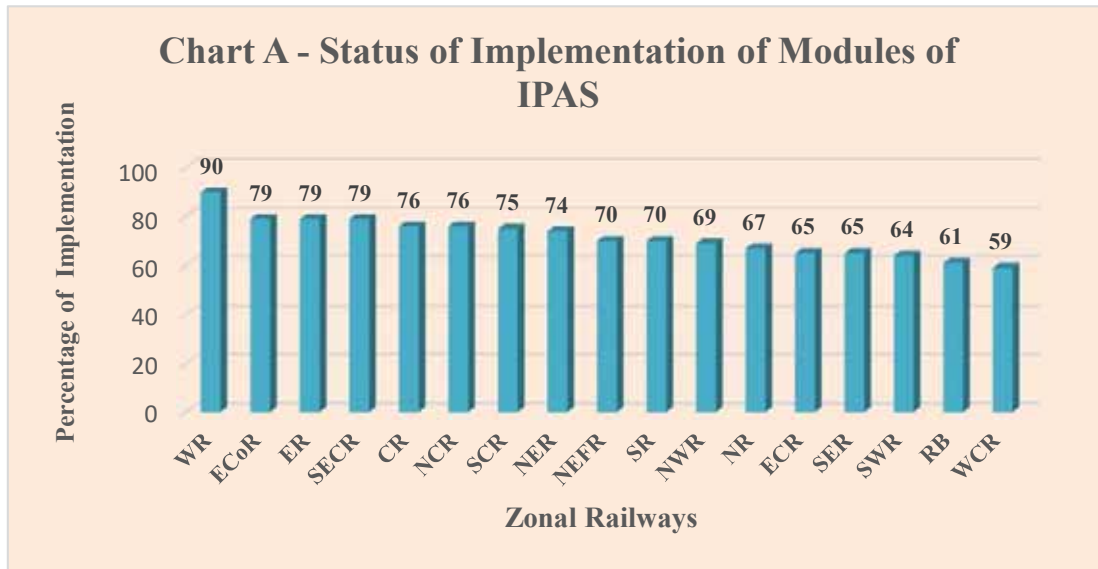
3.3 Status of implementation of IPAS

Integrated Pay Roll and Accounting System (IPAS) was intended to bring uniformity in collection, processing, storage, accounting of personnel and financial information across all ZRs. Based on functionality, the various modules of IPAS basically perform two functions – pay roll and accounts. Pay roll functions are performed through modules like pay roll, cadre, electricity, quarters, loans and advances etc. Accounts functions are performed through modules, such as, books, budget, pension, suspense, stores accounts etc.

Successful implementation of different sub-modules is of paramount importance for efficient functioning of their main modules. Functioning of main modules are also interlinked to one another. The extent of implementation of one module affects the deliverables of the other due to absence of seamless flow of data among these modules. Effectiveness of modules primarily depends on the complete and correct porting of data from legacy systems, proper validation checks and in-built business process rules in IPAS. The different modules and their sub- module are shown in the *Appendix – C*.

³² RBA No.92/2018 Letter No.2018/ACII(CC)/IPAS/37/9 dated 27.8.2018.

The overall status of implementation in percentage worked out as the ratio of the product of number of accounting units and number of modules implemented to the product of total number of units of the zone and total number of modules, in ZRs as on 31 March 2020 is shown in the **Chart- A** below:



Audit test checked implementation of various modules and sub-modules of IPAS in 173 Accounting Units (AU) of ZRs. It revealed that the modules, such as, quarter, electricity, incentive and traffic were not implemented in many AUs of ZRs. Similarly, book of sanction, leave and running allowance sub-modules etc. were also not implemented in some ZRs as shown in **Appendix E and Annexure-8**.

Ministry of Railways (MoR) stated (June 2021) that the implementation of all modules was being monitored. Ministry also stated that the cadre and leave sub-modules were being implemented through a separate application “Human Resource Management System’ (HRMS). Ministry did not explain the reasons for rolling out separate HRMS using the same database instead of implementing cadre and leave sub-modules available in the existing IPAS application. This had resulted in duplication of works besides wasteful expenditure in developing those modules for IPAS. Ministry’s remarks were also silent on the slow implementation of other modules such as quarter, electricity and traffic. The reply of the Ministry is, therefore, not acceptable.

Audit Findings

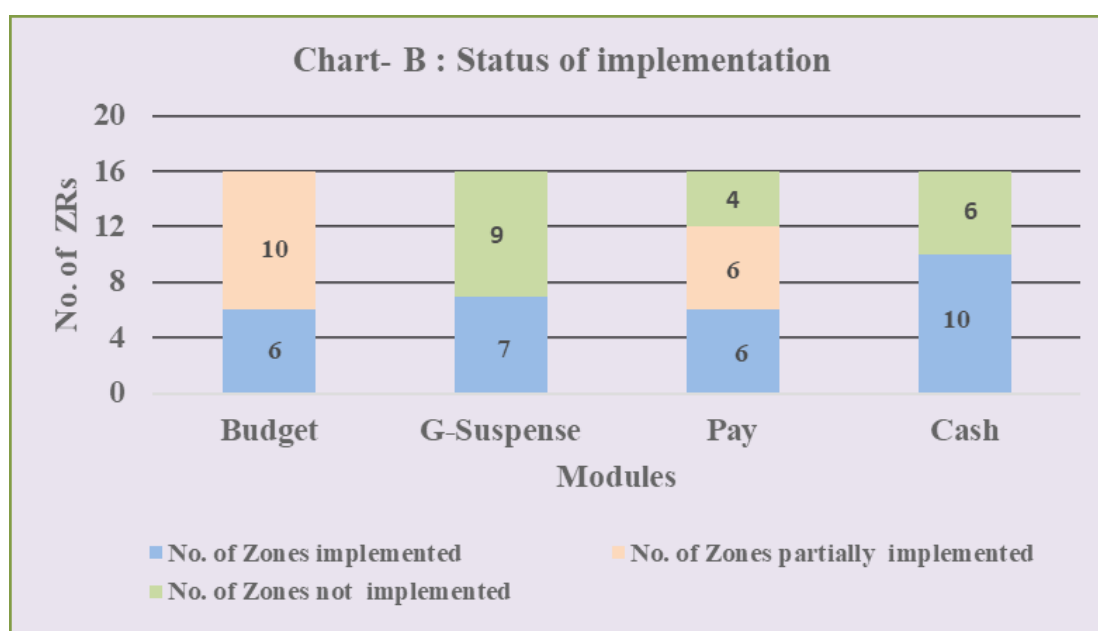
The aspects related to Integrated Pay Roll and Accounting System were reviewed in Railway Board and Zonal Railways. The audit findings emerging on analysis of data are discussed in the succeeding paragraphs.

3.4 Partial implementation of modules of IPAS

One of the objective of implementation of IPAS was to achieve automation of processes through seamless flow of data among inter-related modules and sub-modules. Due to partial implementation of some modules, such as, quarters and electricity,

G-suspense, loans, traffic etc., IR failed in achieving the desired objective of automation. Even the modules implemented so far were not integrated properly, thus diluting the purpose of development of the system.

Review of the status of implementation of modules revealed that quarter, electricity and traffic modules were not fully implemented in any ZRs. The status of implementation of some other modules is shown in **Chart-B** below:



3.4.1 Impact of partial implementation

Audit observed that due to partial implementation of modules and also non-linking with other modules, manual feeding of data is continued for processing desired output. This had resulted in deficiencies³³ in the system generated reports and irregular payment to employees as indicated below:

Audit Findings	Reply of Ministry of Railways (MoR) (June 2021)	Further Audit Comments
Quarters, Electricity and Loan Modules		
i. Short recovery / irregular recovery of License Fees of ₹ 11.01 crore ³⁴ in six ZRs.	Ministry stated that leave, loan, quarter and electricity modules are being developed in HRMS which would share data with IPAS.	Ministry did not explain the reasons for rolling out separate HRMS when these modules were already available in the existing IPAS application.
ii. Excess payment of ₹ 4.50 lakh ³⁵ towards HRA to employees who were allotted quarters.		
iii. The calculation of recovery of principal and interest was being done manually.		

³³ Details indicated in Appendix-E.

³⁴ ECR- ₹ 11.87 lakh, NWR - ₹ 3.49 lakh, NER- ₹ 2.43 crore, NCR- ₹ 5.83 crore, SCR - ₹ 2.44 Crore and WCR - ₹ 16.38 lakh.

³⁵ CR- ₹ 0.97 lakh and NR - ₹ 3.53 lakh.

Audit Findings	Reply of Ministry of Railways (MoR) (June 2021)	Further Audit Comments
Budget Module		
<p>There were deficiencies in the reports generated in the module like 'NIL' values for budget proportion in budget control statement. The statement did not depict the correct variation between budget provision and the actual expenditure incurred. The figures of actual expenditure is being shown as variation. The actual expenditure shown under the budget control statement revenue report did not match with the corresponding figures in Revenue Allocation Register (RAR) report. This has resulted in dependency on other applications/manual records for budget monitoring.</p>	<p>MoR stated that budget monitoring is being done through IPAS. MoR further stated that RAR and budget control statement data were fetched from IPAS tables only and no variation was detected.</p>	<p>Audit, however, observed that budget module was not linked to bill passing. Module in eight ZRs³⁶ for ensuring availability of funds for passing of bills and the function of ascertaining budget availability was performed manually. The contention of the Ministry of Railways is not tenable as the verification of records revealed mismatch between RAR and budget control statement.</p>
G-Suspense Module		
<p>In ER, discrepancies were noticed between half yearly review report and summary report generated by the system. The half-yearly review report on suspense balance and summary report under G-Suspense module were incomplete and contradicted with each other.</p>	<p>MoR admitted the audit observations.</p>	<p>No comments.</p>
Traffic Module		
<p>IPAS has not been interfaced with the PRS/ FOIS /UTS / PMS applications for earnings. Goods balance sheet is being generated electronically by the goods sheds and sidings in different applications other than IPAS.</p>	<p>Traffic module is being implemented separately as a part of Traffic Accounts Management System (TAMS) Module.</p>	<p>Ministry did not explain the reasons for implementing TAMS, when this module is available in the existing IPAS application. This had resulted in duplication of works besides wasteful expenditure in developing this module for IPAS.</p>

³⁶ ER, CR, ECoR, ECR, NCR, SCR, SECR and SR.

Audit Findings	Reply of Ministry of Railways (MoR) (June 2021)	Further Audit Comments
Pay Module		
Manual register is being maintained in zonal headquarters for cash payment.	MoR stated that after implementation of Centralized Integrated Payment Solution (CIPS), pay module has become obsolete.	The expenditure incurred, for development of pay module in IPAS, thus proved infructuous.
Cash (Misc. Cash Receipt) and Cash (Station) Modules		
Deficiencies, such as, duplicate cheque number, erroneous closing balance as observed in ER on analysis of data of cash (MCR) module are shown in <i>Appendix-E</i> .	MoR stated that 11 ZRs had implemented the module.	The reply of the Ministry did not address the issues pointed out by audit.

3.4.1.1 Non linking of leave module with pay roll module

Due to non-linking of leave module with pay roll module, audit observed that there was a mismatch between the leave shown in the leave cum absentee statement, irregular grant of increment and excess payment of productivity linked bonus as indicated in *Appendix-E*.

MoR stated (June 2021) that the leave module in IPAS was provided to facilitate salary preparation through entry of absentee statement for the month which affects pay and allowances. It further stated that the complete leave module including sanction of leave to its updating in service record would be a part of HRMS.

The contention of the Ministry was not tenable. As per the IPAS user manual, the purpose of software was to capture employee data to process payroll, maintain loan and leave record and generation of various bills etc. Due to non-implementation of leave module/ non feeding of leave particulars in the module, instances of irregular increment, overpayment in bonus/ transport allowance, HRA etc. were noticed. Instead of integrating the leave records in IPAS, creation of another application called HRMS was not in line with the spirit of the IPAS. Moreover, the reply of the Ministry was general in nature and not specific to audit observations.

3.4.1.2 Integration of IPAS with other IT applications of IR

Apart from IPAS, various other applications such as Crew Management System (CMS), Indian Railways E-procurement System (IREPS), Integrated Material Management System (iMMS) etc. are in operation in IR. These applications were envisaged to be integrated with IPAS for seamless flow of data for accuracy and elimination of manual intervention for feeding of data from one system to another.

Audit, however, observed that IPAS was integrated with CMS and IREPS in 13 ZRs³⁷ and 10 ZRs³⁸ respectively. It was also observed that although CMS had been linked with IPAS, manual feeding of data is being done for calculation of kilometrage allowance.

Audit further observed that iMMS was not fully integrated with IPAS. Recoveries towards liquidated damages, security deposit and rejection of stores etc. were being made through manual intervention.

3.5 Management of quality of data in IPAS

Efficiency and effectiveness of any IT system depends on the efficiency in managing the quality of data, which should *inter-alia*, include clean and consistent database free from redundancy and availability of requisite criteria for data processing. Effective User Management ensures data integrity and makes the system reliable.

Audit observed that the output of IPAS lacked reliability. Manual interventions were resorted due to erroneous porting of legacy data, weak validation controls and absence of relevant provisions governing the data processing as discussed below:

3.5.1 Erroneous or partial porting of legacy data into IPAS

In December 2015, CRIS issued Guidelines for Implementation of IPAS. As per the guidelines, ZRs were required to migrate legacy data from their existing systems (AFRES and PRIME) to IPAS tables. The responsibility for correctness of migrated data rests with CRIS and ZRs. It was, however, observed that the legacy data were either not correctly ported or ported partially into IPAS. As a result, following deficiencies³⁹ were noticed in different modules:

Audit findings	Reply of Ministry of Railways (June 2021)	Further audit comments
Cadre Module		
i. Date of Appointment of 2,072 employees were not rectified even after the system was made live.	IPAS has another field cessation date, which is being used for employees of various categories (such as apprentice, contractual, redeployed), where employees retirement is prior to 60 years.	The reply of the Ministry was not specific to the instances pointed out by audit and therefore, is not acceptable.
ii. The date of retirement of 1,15,578 employees were shown before completion of 60 years of age.		

³⁷ CR (except Mumbai Division), ECR, ER, NCR, NER (except two diesel lobbies in Izzatnagar), NFR (except Rangapara North), NR (Except Ferozpur Division), NWR, SECR, SER, SR (only in two Divisions) WCR and WR.

³⁸ CR, ER, NCR, NR, NWR, SECR, WCR, SWR, SR, WR and RB.

³⁹ Details indicated in Appendix-E.

Audit findings	Reply of Ministry of Railways (June 2021)	Further audit comments
Provident Fund Module		
There was a mismatch of balances between IPAS data and PF ledger.	MoR admitted that these might be old cases on account of legacy data and initial stage of implementation when bills were passed through PF module of PRIME and in case of transferred employees due to delay in accounting of journal vouchers during transfer- in and transfer- out.	No comments.
Books Module		
The balances shown in capital and revenue ledger reports were not reliable and accuracy not guaranteed. Block Account was not functional in many ZRs. There was difference between annual reports generated by the system and manually compiled block account. As a result, intended objective of preparation of final account current using revenue and capital ledger accounts was defeated.	No remarks from the Ministry.	No comments.
E-Suspense Module		
<p>i. Debt head report sub-module was not functional in any ZR.</p> <p>ii. Monthly ledger reports in respect of loans and advances (HBA and PC advance) revealed that that there were negative opening balances in 837 cases.</p> <p>iii. There was discrepancies between actual figures in suspense balance and IPAS report.</p>	MoR stated that the annual financial statement is being prepared through IPAS. It further added that the suggestions of audit are taken for development and testing.	No comments.

3.5.2 Weak data validation control

The data validation control in IPAS was not adequately effective. This had led to data inconsistency in IPAS and irregular transactions. The reports generated through IPAS were not reliable due to its erroneous database. Deficiencies⁴⁰ observed on analysis of different modules are mentioned below:

Audit findings	Reply of Ministry of Railways (June 2021)	Further audit comments
Provident Fund Module		
i. In nine ZRs, 1,802 employees had negative balances of ₹ 50.21 crore. ii. 169 employees who had negative PF balance of ₹ 8.57 lakh retired during April 2016. PF balance was, however, carried forward even after their retirement. iii. 384 employees withdrew ₹ 10.69 crore more than the credit available in their PF accounts. Excess payment of ₹ 1.5 crore from PF to 58 employees of NFR at the time of final settlement. iv. Recovery of PF subscription from employees governed under NPS and vice-versa.	MoR admitted that the negative PF balance was due to non-closure of PF account during 2016-17 and 2017-18. MoR also stated PF module does not allow withdrawal of more than the balance available in PF ledger. Ministry further added that the necessary validation had been incorporated in the system.	MoR did not provide specific reply to the instances pointed out by audit. These instances indicate that the existing validation control was not adequately effective and also indicate the failure of the system which railways rely on.
National Pension System (NPS) Module		
i. 5,058 employees under NPS category were allotted PF numbers. An amount of ₹ 4.38 crore of interest was credited into PF ledger accounts of 14,424 employees who were covered under NPS. ii. In respect of 14,529 employees both PRAN and PF numbers were allotted. 6,081 employees were availing of the facility of both PF and NPS as on 31 March 2019 and an amount of ₹ 26.59 crore stood as PF balance of these employees.	No remarks from the Ministry.	No comments.

⁴⁰ Details indicated in Appendix-E.

Cadre Module		
i. Employee Number was not unique in some ZRs	MoR stated that the audit observations were not based on data related to serving employees. It further stated that IPAS has a strong validation for processing of salary.	Audit observations were based on serving employees. The reply of the Ministry did not address the audit findings.
ii. Existence of duplicate PAN, Aadhar and PRAN as per 'Exception Report' as indicated in <i>Appendix-D</i> .		
iii. Date of birth was shown as after the date of retirement.		
Leave Module		
i. 96 employees availed 838 days of leave during the period which was prior to their date of joining railway service.	MoR stated that the complete leave module including sanction of leave to its updating in service record would be a part of HRMS.	Ministry's reply did not explain the reasons for not implementing leave module in IPAS.
ii. Leave accounts of 557 employees were credited with Leave after their retirements.		
iii. 22 Employees had negative balance in their leave account.		

3.5.3 Absence of extant provisions in IPAS for data processing

Efficiency of an IT application depends upon the availability of extant provisions governing the processing of input in delivery of the desired output. Audit, however, observed that the relevant codal provisions were not built into IPAS. This had led to several instances of deficiencies⁴¹ in different modules as discussed below:

Audit findings	Reply of Ministry of Railways (June 2021)	Further audit comments
Pay Roll Module		
No provision in IPAS -	MoR stated that IPAS was meant to prepare salary bills based on entry of leave etc. in leave module. It also stated that the bill clerks of the bill units concerned enter the admissible allowances employees as per extant guidelines and the module then calculates the amount payable to employees.	The instances of overpayment indicate lack of supervision and effective input control. The absence of requisite provisions in IPAS to prevent manual intervention defeated the objective of automation of the process.
i. For reduction in pay or postponement of increments based on disciplinary action.		
ii. To govern the admissibility of various allowances, such as, children education allowance, transport allowance, night duty allowance, national holiday allowance, nursing allowance, and recovery of interest on advances to employees.		

⁴¹ Details indicated in *Appendix-E*.

Audit findings	Reply of Ministry of Railways (June 2021)	Further audit comments
	It further added that the necessary validations for auto calculation may be provided in IPAS only after complete implementation of leave module in HRMS and its integration with IPAS.	
Provident Fund Module		
<p>i. Depiction of PF balances of 165 employees, who had retired from service one to nine years ago.</p> <p>ii. No provision for auto settlement of PF. There was delay up to 82 months from the dates of retirement of 623 employees in settlement of PF in NR. Similar instances were also observed in NCR. There was delay upto 13 months from the dates of retirement of 19 employees in settlement of PF.</p>	<p>MoR admitted (June 2021) the audit contention for necessary action.</p> <p>Ministry also stated that there is no auto settlement provision in PF. It further added that the delay was due to delay in processing of settlement cases.</p>	<p>The contention of the Ministry was not acceptable.</p> <p>The PF module of IPAS should provide for requisite business process rules for all possible eventualities to facilitate automation of process of settlement of PF.</p> <p>Absence of auto settlement provisions defeated the purpose of implementing PF module in IPAS. Delay in settlement of PF also invites a cost to IR in the form of interest payment.</p>
Incentive Module		
Irregular/excess payment of incentive to the tune of ₹ 37.28 lakh.	MoR stated that there was no excess payment of incentives. It further added that the incentive was paid on the basis of pay level and not on grade pay.	The contention of MoR was not tenable. From the system generated statement for the pay period March 2019, it was observed that the calculation of incentive and categorization were made on the basis of grade pay and basic.

Audit findings	Reply of Ministry of Railways (June 2021)	Further audit comments
Books Module		
<p>i. The system was not adequately equipped with extant provisions for acceptance of correct Head of Allocation (HOA). 565 cases of adoption of invalid/incorrect HOA were noticed in some of the ZRs.</p> <p>ii. System lacked provisions for automated reconciliation of cheques with bank scroll. Reconciliation of cheques and bills with bank scroll was being done manually.</p>	<p>MoR admitted that IPAS should be uniform across all ZRs.</p>	<p>No comments.</p>
Bill Passing Module		
<p>i. The module does not contain provisions for statutory deductions, such as income tax, welfare cess, and Liquidated Damages (LD).</p> <p>ii. Several instances of incorrect flagging of Input Tax Credit (ITC) were noticed. In two ZRs, interest of ₹ 9.35 crore was paid due to incorrect flagging of ITC.</p>	<p>Admitting the audit observation, Ministry stated that the provision for option of mode of submission of SD, amount of SD and auto deduction / updation of SD recovered in the form of Metadata in IPAS is under process. Ministry also admitted that there had been some gaps due to many changes in the rules, guidelines and tax bracket of different items.</p>	<p>The reply of the Ministry was general in nature and did not address the discrepancies pointed out by audit.</p>
Leave Module		
<p>i. There was no provision for debiting the encashed leave in leave account of employee concerned and the same was being done manually.</p> <p>ii. In CR, leave encashment of ₹ 5.93 lakh to 33 employees was made twice within the same block period.</p> <p>iii. The leave module has no provision for crediting un-availed joining time.</p>	<p>MoR stated that the complete leave module including sanction of leave to its updating in service record would be a part of HRMS.</p>	<p>Ministry's reply prove the redundancy of Leave module in IPAS. Further, the reply of the Ministry did not address the audit observations.</p>

3.5.4 User management in IPAS

Scrutiny of user management revealed that the user IDs were created with invalid employee number and for employees belonging to other ZRs. Further, the recommendation of CRIS regarding use of digital signature for bill passing functionality of IPAS was not uniformly complied across ZRs as indicated in *Appendix-E*.

MoR stated (June 2021) that the use of digital signature was tested in RB and the same was not implemented in ZRs as bills/invoices are received physically in accounts departments and they need to be signed physically. It further stated that the two systems might create confusion and therefore, not proliferated to other units till bills are digitally signed by the executive are available for arranging payment.

In this connection, it is stated that the MoR should have done complete automation of work flow processes, both at the RB and ZRs level, to achieve the objectives of automation of different functionalities of IPAS.

3.5.5 Continuous upgradation of IPAS

Audit observed that CRIS has complied with 35⁴² out of 85 change requests⁴³ which were pending as on 31 March 2020 as indicated in *Annexure –9 & 9A*. The delay in compliance of 26 out of 32 change requests ranged between 101 days and 833 days. Out of the remaining 50 pending issues, delays in respect of 26 cases ranged between 208 days and 774 days. In respect of 10 issues, CRIS stated that there was already provisions in IPAS to deal with such issues. For seven issues, details were not available at CRIS. There were 12 more cases which were pending with the nodal railways for periods ranging from 244 days to 1112 days as shown in *Annexure – 10*.

The above instances indicate that neither the RB nor the ZRs actively pursued issues involved in upgradation of IPAS. This had adverse impact on efficient operations of IPAS.

MoR stated (June 2021) that nodal railway for specific modules had been nominated for improvement of functionalities and trouble shooting in IPAS. Ministry further added that continuous modification/validations are being carried out.

The reply of the Ministry did not address the audit observations and is, therefore, not acceptable.

3.6 Conclusion

Indian Railways rolled out IPAS with a view to bringing a common centralized platform and following similar automation processes across Zonal Railways (ZRs). None of the ZRs fully implemented all modules and sub-modules of IPAS. There was a lack

⁴² Includes three closed cases as shown in Annexure 9A.

⁴³ A brief of monitoring mechanism is indicated in Appendix-E.

of inter-linking among the modules/sub-modules. As a result, the application is far from being stabilized even after five years of its implementation. Some of the modules, such as, cadre, loan, quarters, electricity etc., which were developed for implementing through IPAS, were, however, removed from IPAS for implementing through a new application, named as HRMS. This indicated lack of judicious planning of MoR, resulting in duplication of works and wasteful expenditure in developing these modules using the same database. Macro planning elements of computerization in this fashion need further examination including the role of CRIS.

Two very significant objectives of IPAS were to implement budgetary control and to generate appropriation accounts. Audit observed that budget compilation and manual reconciliation continued outside IPAS as also, generation of appropriation accounts.

Ineffective change management had an adverse impact on the operational efficiency of IPAS. Lack of seamless flow of data and partial integration of IPAS with other IT applications in operations had often necessitated manual intervention for data capturing and report generation. There was an inordinate delay at RB level and CRIS in addressing the issues flagged by the ZRs for upgradation of the system.

Incomplete and incorrect porting of legacy data led to data inconsistency of IPAS, such as, joining date, employee number, PRAN number for NPS employees, mismatch of provident fund balances etc. The reports generated from IPAS were not reliable due to its erroneous database. Indian Railways, therefore, continued to rely on physical records.

Deficiency in validation control led to several instances of acceptance of erroneous data by IPAS. Indian Railways failed in effective utilization of the provisions of generation of 'Exception Reports' for sanitization of data inconsistency in IPAS.

Provisions laid down in codes and manuals of Indian Railways and instructions/guidelines of RB issued from time to time were not adequately incorporated in IPAS. This had resulted in excess or irregular payment of pay and allowances to employees.

Summary of Audit findings

- **Delayed upgradation and partial implementation resulted in underutilisation of the system.**
- **Weak data validation and wrong porting resulted in inheriting of erroneous data.**
- **Non-following of government provisions resulted in wrong output from modules.**

3.7 Recommendations

Ministry of Railways may consider to-

- i. Frame strategic IT plan at macro level instead of ad-hoc development of applications.*
- ii. Expedite sanitization of database and porting of legacy data into IPAS with requisite validation controls.*
- iii. Introduce appropriate business rules in all modules and sub-modules for effective functioning of IPAS.*
- iv. Fix responsibility for improper management of IPAS.*
- v. Formulate time bound effective action plan to improve efficiency of CRIS in management and continuous upgradation of IPAS by developing internal expertise for continuity.*

New Delhi

Dated: 23 NOV 2021



(DOLLY CHAKRABARTY)

Deputy Comptroller and Auditor General

Countersigned



New Delhi

Dated: 25 NOV 2021

(GIRISH CHANDRA MURMU)

Comptroller and Auditor General of India

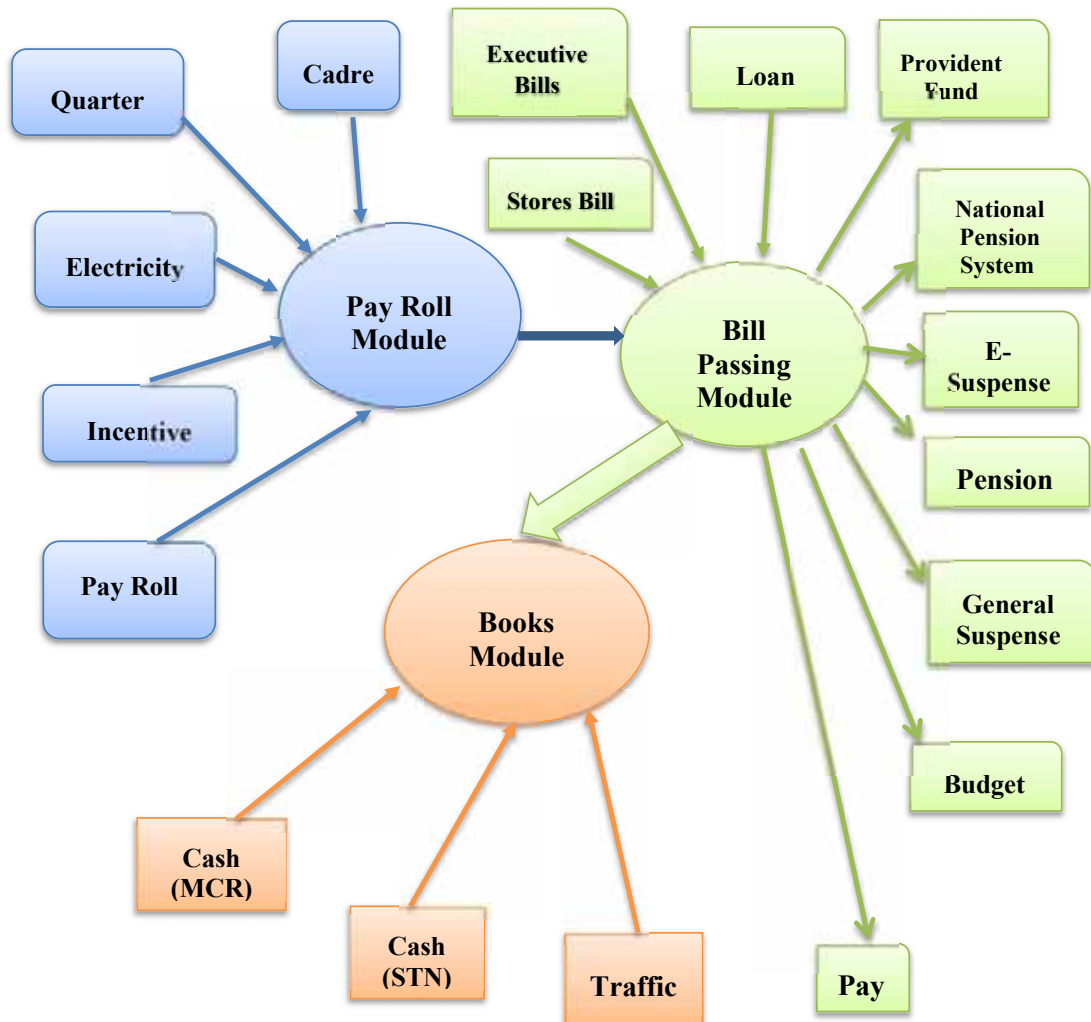
GLOSSARY OF TERMS

<i>Terms</i>	<i>Description</i>
<i>Account Current</i>	<i>A statement of receipts and payment of Indian Railways.</i>
<i>Accounting Unit</i>	<i>Accounting Unit in a Zonal Railway generally represents a divisional office or a unit office, each comprising spending units and bill units. All the expenditure in a zonal railway is made and accounted through its Accounting Units.</i>
<i>Appropriation Accounts</i>	<i>It is a statement comparing the amount of actual expenditure with the amount of grants voted by the Parliament. These statements are prepared for presentation to the Parliament.</i>
<i>Budget Control Statement</i>	<i>Budget Control Statement shows sub-major head /primary unit-wise proportionate budget provision and actual expenditure of a particular period.</i>
<i>Capital-at-charge</i>	<i>The capital-at-charge represents the central government's investment in railways by way of loan capital and value of the assets thus created.</i>
<i>Capital Expenditure</i>	<i>Expenditure incurred for creation, acquisition, construction and replacement of assets</i>
<i>Capital Output Ratio</i>	<i>The amount of capital employed to produce one unit of output (total traffic in NTKMs)</i>
<i>Crew Management System</i>	<i>It manages crew assignments to various trains and to improve efficiency in crew operations, integration with IPAS was planned for calculation of various allowances payable to employees.</i>
<i>Demand Recoverable</i>	<i>Unrealized earnings recoverable on account of rent/lease of land and buildings, interest and maintenance charges of sidings etc.</i>
<i>Extra Budgetary Resources</i>	<i>Resources of IR other than general budget support and internally generated resources</i>
<i>Freight Earnings</i>	<i>Earnings from carrying goods on rail</i>
<i>Gross Traffic Receipts</i>	<i>Receipts of railways through its operations</i>
<i>Integrated Material Management System</i>	<i>It is automated management of procurement, receipt, issue and accounting of stock in stores department in IR. Its integration with IPAS was intended to take care of all the payments and suspense head being operated in stores accounts.</i>
<i>Indian Railways E-Procurement System</i>	<i>An online e-tendering portal. Its integration with IPAS is necessary for fetching data relating to contracts /purchase orders, refund of earnest money, security deposit etc. into the bill passing module of IPAS.</i>

<i>Net Surplus</i>	<i>Difference between the gross earnings and the working expenses</i>
<i>New lines</i>	<i>Construction/laying of new railway links/lines not existed earlier</i>
<i>Night Duty Allowance</i>	<i>Night Duty Allowance is admissible to eligible categories of non-gazetted Railway Servants classified under chapter XIV of the Indian Railway Act, 1989, read with the Railway Servants (hours of work and period of rest) Rules, 2005. It is admissible for work put in during the period from 2200 hrs. to 0600 hrs.</i>
<i>Operating Ratio</i>	<i>The ratio of working expenses (excluding suspense but including appropriation to depreciation reserve fund and pension fund) to gross earnings.</i>
<i>Ordinary Working Expenses</i>	<i>Expenditure on administration, operation, maintenance and repairs, contribution to depreciation reserve fund and pension fund.</i>
<i>Other Coaching Earnings</i>	<i>Earnings from transportation of parcels, luggage and post office mail and catering etc.</i>
<i>Passenger Earnings</i>	<i>Earnings from carrying passengers on rail</i>
<i>Permanent Pension Account Number</i>	<i>Immediately on joining, employees covered under the new pension system are allotted a unique 16 digit.</i>
<i>Permanent Retirement Account Number</i>	<i>It is created for individual members. NPS accumulates savings into subscriber's PRAN while he/she is in service and use the same at retirement to procure pension for the rest of his/her life.</i>
<i>Revenue Allocation Register</i>	<i>It records all revenue expenditure</i>
<i>Revenue Expenditure</i>	<i>Expenditure incurred for day to day operations, maintenance of railways including dividend payment.</i>
<i>Spending Units</i>	<i>Spending Units are required to monitor actual expenditure as per budget proportions and bill units are required for payroll and related payments.</i>
<i>Staff Productivity</i>	<i>It is measured in terms of volume of traffic handled (in terms of NTKM) per thousand employees.</i>
<i>Traffic Suspense</i>	<i>Unrealised operational earnings of the railways.</i>
<i>Total Working Expenditure</i>	<i>Ordinary working expenditure and appropriation to depreciation reserve fund and pension fund.</i>

APPENDIX A

PROCESS FLOW AND INTERRELATION OF VARIOUS MODULE AND SUB MODULES OF INTEGRATED PAY ROLL AND ACCOUNTING SYSTEM



* Others include Night Duty Allowance, National Holiday Allowance, Overtime Allowance, Travelling Allowance, Children Education Allowance, Kilometerage Allowance, Bonus, Dearness Allowance Arrear etc.

APPENDIX B

STATEMENT SHOWING THE SAMPLE SIZE SELECTED FOR TEST CHECK			
Sl. No.	Category	Criteria for selection of sample	Sample selected
1	Accounting units (AU)	100 <i>per cent</i>	193*
2	Bill units (BU)	15 <i>per cent</i> from each AU	2760
3	Spending units (SPU)	25 <i>per cent</i> from each SPU	1081
4	Service records	20 <i>per cent</i> of the employees from each selected BUs subject to maximum of 100 Employees	34673
5	Vouchers	20 <i>per cent</i> of the voucher from each selected SPUs subject to maximum of 100 vouchers	37854
6	Normal pension	50 <i>per cent</i> of each AU subject to a max of 50 cases	5729
7	Family pension	50 <i>per cent</i> of each AU subject to a max of 50 cases	1613
8	Other pension	100 <i>per cent</i>	750

*Due to Covid-19 only 173 AU were test checked.

APPENDIX C

STATEMENT SHOWING MODULES AND SUB-MODULES OF INTEGRATED PAY ROLL AND ACCOUNTING SYSTEM APPLICATION				
Sl. No.	Module	Sub-Module		
1	Cadre (Maintenance of employee data, leave posting etc.)	Personnel	Leave	Career
		Increment	Book of sanction	Cadre report
2	Pay roll (Covers salary bill preparation, salary bill passing, cheque printing for salary and cash book preparation)	Payroll	Leave encashment	Income tax
		Bonus	Cash compensation (RPF)	Travelling allowance
		Children education allowance	Running allowance (linked with CMS)	National holiday allowance
		Night duty allowance	Over time	Leave encashment
3	Provident Fund (Maintenance of PF ledger of employees, passing of PF advances/settlement bills, interest calculation and closure of accounts)	PF application	PF sanction	PF bill passing
		PF settlement	PF ledger	PF reconciliation
		PF interest calculation		
4	Electricity (Recovery of electricity charges from the monthly salary of employees)	Electricity charges for quarters	Energy bill posting	
5	Bill Passing (Facilitates passing of bills submitted by the government e-marketing, contractors and suppliers in execution of agreements and purchase orders placed on them)	CO6	Passing of bills (other than establishment PF & settlements)	Works register
		CO7		
6	Books (Confirmation of Journal Voucher, preparation of trial balance, ledger and account current (approximate & actual) along with its schedules)	Cheque printing	Journal voucher	Interfacing with e-Recon
		Account current (including schedules of revenue & capital)	Cheque reconciliation	RBI reconciliation
		RIB (Remittance into Bank)		

STATEMENT SHOWING MODULES AND SUB-MODULES OF INTEGRATED PAY ROLL AND ACCOUNTING SYSTEM APPLICATION				
Sl. No.	Module	Sub-Module		
7	Pension (PPO generation and pension bills such as DCRG and commutation)	Pension	Settlement bills preparation & passing	e-PPO
8	E-Suspense (Maintenance of establishment suspense)	Loans & advances	Maintenance of suspense registers	Reconciliation with general books
		Interest calculation		
9	G-Suspense (Half yearly review of suspense balances to facilitate clearance of outstanding and maintaining efficient balances under various suspense heads)	General suspense registers		
10	Budget (All the estimates like budget estimates and grant, revised estimates and grant, final modification)	Budget (Revenue)	Budget (Capital)	
11	Bills (Enables the originating bill preparing field office to register the claim, check the authenticity of claim and forward it to associate accounts for passing)	Executive bill register		
12	Incentive (Used by time office of workshops for entering basic data for incentive calculation and incentive section for processing incentive)	Workshop incentive		
13	Cash (MCR) (Captures the details of money received in cash office through miscellaneous cash receipts)	Cash office – misc. cash receipt		
14	Cash (STN) (Accounting of station earnings in cash office)	Cash office - cash remittance note		
15	Pay (Maintain details of cash and cheques distributed by the cashiers of the pay office situated at various locations to employees and third parties)	PMR generation		

STATEMENT SHOWING MODULES AND SUB-MODULES OF INTEGRATED PAY ROLL AND ACCOUNTING SYSTEM APPLICATION				
Sl. No.	Module	Sub-Module		
16	Stores Accounts (Registration of stores bills including fuel bills, passing of registered stores bills, recovery of deductions, refund of security deposit etc.)	Bill passing.	Interfacing with IREPS and IMMS	
17	Quarter (Maintenance of quarter data and recovery of license fee)	Quarters master	Quarter allotment	Quarter occupation
		Quarter vacation	Rent and water charges	
18	Loan (Fund allocation to working units for loan, loan sanction memorandum and bill passing after sanction of loan etc.)	Loans		
19	NPS (Passing of NPS Bills and uploading of NPS data on NSDL website)	Settlement bills preparation & passing	NPS PPO	
20	Traffic (Captures coaching earnings, goods earnings and sundry earnings.)	Station earnings (coaching, goods, sundry other earnings)		

APPENDIX D

EXCEPTION REPORT

Sl. No.	Description of Report	Number of items listed
1	“List of employees having railway join date greater than 2004 and employee type PF”	408 (ER -10,NER-53, NFR- 3,SCR-335 and SER -7)
2	“List of employees having railway join date earlier to 2004 and employee type is NPS”	133 (ECoR-2,ECR-01, ER- 27, SCR-103)
3	“List of employees having employee type is PF but NPS recovery made”	561 (ECoR-36, ECR-1, NCR- 1, NER-53, NFR-1, NWR-10, NR-32,SER-384, SR-41, WCR- 2)
4	“List of employees having employee type is NPS but PF recovery made”	159 (ECR-7,NCR-3, NER-1, SCR-135, NR-11, SR-1, WCR- 1)
5	“List of employees for whom grade pay not belong to their pay band”	424 (ER-2, ECR- 417, SECR- 2, SER -1, SR-2)
6	“List of employees pertaining to employee type NPS and PRAN is not valid”	14855 (CR-18, ECoR-1469 ECR-259, ER-2168, NCR -279, NER-1421, NFR-969, NR-1147, NWR - 33 SCR-2695, SER -1473, SR-1088 ,SWR - 948, WCR – 888)
7	“List of employees for whom any of the mandatory fields in bio data is not filled”	11709 (CR-110 ,ECoR-1243, ECR-2074, ER-12, NCR- 248, NER-136, NFR-2301, NR-1093 NWR- 237, SER -1005, SR-2380, WCR- 870)
8	“List of employees having duplicate PRAN Number”	23072 (CR-152,ECoR-5040, ECR-1897, ER - 54, NCR-797, NER-2157, NFR-1115, NR- 2940, NWR - 110, SCR-6, SECR-748, SER-3309, SR- 4526, SWR- 221)
9	“List of employees having duplicate pension account number”	2748 (ECR-1823, ER-128, SCR-63, SR-734)
10	“List of employees having duplicate PAN”	1497 (CR-2, ECoR- 239, ECR- 58, ER-452, NCR-27, NER -108, NFR-123, NR-157, NWR -3, SECR-27, SER -141, SR-160)
11	“List of employees having duplicate aadhar number”	209 (CR- 1, ECoR-38, ECR- 18, ER-56, NR-34, NCR-36, NFR-4, SECR-14, SR-6, WCR -2)
12	“List of employees having invalid railway join date (15 Aug, 26 Jan or 2 Oct)”	2357 (CR-141, ECoR- 112, ECR- 373, ER - 250, NCR -24, NER -130, NFR-98, NR-213, NWR-13, SCR-239 SECR-99,SER-229, SR- 266 WCR-148, SWR-13 ,WR- 9

APPENDIX- E

AUDIT FINDINGS	
Ref. to Para	Audit Findings
3.2 (PFA's recommendations)	<p>i. The committee recommended that OTP for login should be valid for only 10 minutes. It was observed that the OTP was valid even after 24 hours. In their reply, MoR stated (June 2021) that repeated change of OTP would affect the working of user. The contention of the ministry was not tenable, as the committee would have taken into consideration of all possible security threat to the system before making recommendation in this regard.</p> <p>ii. In case of first appointment of employees, the panel should be made available on IPAS and details available on panel needs to be matched with the appointment letter and thumb impression available with the panel data. This recommendation was yet to be implemented. MoR accepted the audit observation. No specific time line was, however, prescribed for linking with IPAS.</p> <p>iii. It was also recommended that the suspense and leave record modules in IPAS need to be activated. ZRs implemented these modules. These modules were, however, not being used for maintaining/updating leave accounts and suspense registers. A test check in NCR revealed that leave and suspense modules were implemented but these were not properly functional. Differences between leave account and manual account were noticed. This indicated the deficiency in the data flow in leave and suspense module of IPAS.</p>
3.3 Status of implementation of modules/ sub-modules	<p>i. Module-wise, the percentage of implementation ranged between 13.25 <i>per cent</i> (traffic module) and 94.21 <i>per cent</i> (executive bill module).</p> <p>ii. All sub-modules (except works register) under bill passing module were implemented in more than 90 <i>per cent</i> of the accounting units. Out of 52 accounting units of three ZRs⁴⁴, works register module was implemented in eight units only.</p> <p>iii. Book of sanction sub- module (under cadre module) was not implemented in any of 69 accounting units of eight ZRs⁴⁵.</p> <p>iv. Interest calculation sub-module under e-suspense module was not implemented in any of the 61 accounting units of seven ZRs⁴⁶.</p> <p>v. In sub-modules leave and running allowance under pay roll module, the extent of implementation was less than 80 <i>per cent</i>.</p> <p>vi. Out of 44 workshop AUs, incentive module was implemented in 28 workshop AUs (64 <i>per cent</i>).</p> <p>vii. Three modules – quarter, electricity and traffic module were implemented in 15.27 <i>per cent</i>, 23.82 <i>per cent</i> and 13.25 <i>per cent</i> respectively of the total accounting units</p>

⁴⁴ SR(3), NR(4) and WCR (1).

⁴⁵ ECoR, ECR, NER, NEFR, NWR, SR, SWR and WR

⁴⁶ ECoR, ECR, NCR, NEFR, SECR, SER and SWR.

AUDIT FINDINGS	
Ref. to Para	Audit Findings
3.4.1 Cash (MCR) module and Cash (STN) module	<ul style="list-style-type: none"> i. In ER, miscellaneous cash receipt (MCR) register for different dates (29 March 2019, 18 April 2020 and 22 April 2020) reported the same closing balance of ₹ 129.37 crore. ii. Money receipt register (MRR) contained duplicate cheque numbers in 21 instances involving money value of ₹ 52.67 lakh⁴⁷. iii. In ER, the system failed to capture bank names in 874 instances involving money value of ₹ 50.27 crore. Money receipt register (consolidated) for 2018-19 did not contain cheque numbers in 39 instances involving money value of ₹ 24.70 crore. iv. In ER, two cases, money was deposited in cash. The same money receipt number was used for two different deposits by the same person.
3.4.1.1 Non linking of Leave module with Pay Roll module	<ul style="list-style-type: none"> i. In eight ZRs⁴⁸, 39 employees, who were on leave on the increment date, were granted increment. ii. There was a mismatch between the leave shown in the leave cum absentee statement of salary bill and annual leave account in respect of nine employees of ER (4) and NCR (5). iii. Excess productivity linked bonus (PLB) for the year 2018-19 amounting to ₹ 10,471 was paid to one employee of ECoR who was absent from duty for 214 days (LWP for 31 days and absent for 183 days) during 2018-19.
3.5.1 Cadre module	<ul style="list-style-type: none"> i. As per IPAS implementation guidelines, in case appointment date / railway joining date was not available, '15-08-2000' (PF scheme) or '15-08-2004' (NPS) was to be used to avoid delay in data preparation by accounting units. These incorrect data was required to be rectified using "data correction" option in IPAS before the system was made live. It was, however, observed that the date of appointment of 2,072 employees pertaining to six ZRs⁴⁹ and RB was not rectified even after the system was made live. In five ZRs⁵⁰ and RB, the date of retirement of 1,15,578 employees were shown before completion of 60 years of age. In case of three employees of SCR, retirement age was shown as more than 60 years. Date of superannuation was not the last day of the month in respect of 408 employees of NR.
3.5.1 Provident Fund module	<ul style="list-style-type: none"> i. There was mismatch of balances between IPAS data and PF ledger. In case of 88 employees pertaining to five ZRs⁵¹, there was mismatch of balances between IPAS data and PF ledger. The differences ranged between (-) ₹ 0.90 lakh (ECoR) to ₹ 22.86 lakh (WCR). In respect of 446 employees of SCR there was mismatch between opening balances of data ported from PRIME application and IPAS. In four ZRs⁵², 2,644 employees had differences between opening balance and closing balance of previous year.

⁴⁷ ER-09 cases (₹ 43.30 lakh) and NCR-12 cases (₹ 9.37 lakh).

⁴⁸ CR-1, ECoR-2, NER 10, NWR 6, NR 7, SCR-10, SER-2 and SR-1.

⁴⁹ CR-337, NCR-1, NEFR-11, NR-543, RB-1124, SCR-46 and WR-10.

⁵⁰ ER-55427, NCR-728, NR-408, RB-1780, SER-57231 and SWR-4.

⁵¹ ECoR-20, WCR-29, ECR-11, NWR-27 and NCR-1.

⁵² ECoR-1105, NR-1315, SCR- 128 and SER-96.

AUDIT FINDINGS	
Ref. to Para	Audit Findings
3.5.1 Books module	<ul style="list-style-type: none"> i. In 11 ZRs⁵³, capital and revenue ledger reports are not complete, accurate and reliable due to non-porting of data. As a result, these reports were not being used in preparation of final accounts. ii. In SWR, as opening balances were not ported into the system, capital and revenue ledgers were not prepared. iii. In NWR, capital and revenue ledger did not include balances from previous years. iv. The figures of revenue ledger did not tally with the revenue allocation register (RAR). In the final accounts, differences were made good by manual intervention, as the system could not capture all relevant entries. (ER, NCR and NER). v. Mismatch of figures of reports of schedule of account current and revenue ledger were noticed in NCR, ECoR and SER. vi. Block account was not functional in eight ZRs⁵⁴ and RB. In five ZRs⁵⁵, there was difference between annual reports generated by the system and manually compiled block account.
3.5.1 E-Suspense module	<ul style="list-style-type: none"> i. Debt head report sub-module was not functional in any ZR due to non- porting of legacy data into IPAS. Monthly ledger reports in respect of loans and advances (HBA and PC advance) revealed that that there were negative opening balances in 837 cases pertaining to six ZRs⁵⁶. ii. There were discrepancies between actual figures in suspense balance and IPAS report figures due to incomplete porting of legacy data into IPAS. As a result, manual preparation of half-yearly review report had been resorted to instead of system generated report.
3.5.2 Provident Fund module	<ul style="list-style-type: none"> i. In nine ZRs⁵⁷ and RB, 1,802 employees had negative balances of ₹ 50.21 crore. In respect of five employees of SCR, negative interest of ₹ 0.25 lakh was shown in PF balance. No remarks were furnished by the MoR on this issue. ii. In two ZRs (ECOR-1, SR-168), 169 employees who had negative PF balance of ₹ 8.57 lakh retired during April 2016. PF balance was, however, carried forward even after their retirement. No action was taken to rectify the negative balance (March 2020). iii. In three ZRs⁵⁸ and RB, 384 employee withdrew ₹ 10.69 crore more than the credit available in their PF accounts. iv. Excess payment of ₹ 1.5 crore from PF to 58 employees of NFR at the time of final settlement. In NR, negative interest to the tune of ₹ 3.91 lakh was shown in the PF accounts of 19 employees. In SR, opening balances and total credits of three employees were zero but interest of ₹ 1.04 lakh was credited to their accounts.

⁵³ CR, ECoR, NCR, NER, NEFR, NWR, SCR, SER, SR, SWR and WCR.

⁵⁴ ECoR, RB, SECR, SR, SER, SCR, SWR WR, and WCR.

⁵⁵ ER, ECR, NER, NCR and NWR.

⁵⁶ ER-155, NER-93, NR-77, WCR-08, SR-117 and NWR-387.

⁵⁷ ECoR-132, ER-07, RB-03, SER-16, NR-783, SR-148, NEFR-58, NER-354, NCR-286 and WR-15.

⁵⁸ NEFR, NR and SCR.

AUDIT FINDINGS	
Ref. to Para	Audit Findings
	<p>v. In NR, in case of 54 employees who were governed under PF, recovery of subscription of ₹ 15.85 lakh was made under NPS. Similarly, PF subscription amounting to ₹ 27.24 lakh was made from 110 employees who were governed under NPS in five ZRs⁵⁹.</p> <p>vi. In five ZRs⁶⁰, in case of 110 employees governed under NPS but recovery of PF subscription amounting to ₹ 27.24 lakh was made. In two ZRs⁶¹, interest of ₹ 0.15 Lakh was credited to the PF ledger of 76 NPS employees.</p> <p>vii. In three ZRs⁶², PF subscription was credited to 751 employees' PF Accounts during the last three months of their service, which was in violation of extant rules of non-recovery of PF subscription during the last three months of the service.</p>
3.5.2 National Pension System module	<p>i. 5,058 employees of seven ZRs⁶³ under NPS category were allotted PF Numbers. An amount of ₹ 4.38 crore of interest was credited into PF ledger accounts of 14,424 employees who were covered under NPS for the period from 2016 to 2019 (NR).</p> <p>ii. In respect of 14,529 employees of three ZRs⁶⁴, both PRAN and PF numbers were allotted. In NR, 6,081 employees were availing of the facility of both PF and NPS as on 31 March 2019, an amount of ₹ 26.59 crore stood as PF balance of these employees.</p> <p>iii. For 35,312 employees of eight ZRs⁶⁵ and RB under NPS, no PPAN/PRAN was allotted. For 253 employees of five ZRs⁶⁶, PRAN was not allotted. However, NPS contribution by the govt. and the employee was made.</p> <p>iv. There were 33,105 number of cases in nine ZRs⁶⁷ with invalid / nil PPAN/PRAN.</p> <p>v. In NR, in respect of 2,729 employees, PRAN was allotted but no recovery was effected.</p> <p>vi. In ER, NPS contribution amounting to ₹ 11.16 lakh was not deducted during January to March 2019 from 157 employees for whom PRAN was allotted.</p> <p>vii. During the period 2016 to 2019, ₹ 91.59 lakh was credited (deposited) into PF ledger accounts of 494 employees (NR) covered under NPS. This indicated that these employees had been availing the facility of PF as well as NPS.</p>

⁵⁹ ECoR-6, ECR-7, NCR-21, NEFR-20 and SR-56.

⁶⁰ ECoR-6, ECR-7, NCR-21, NEFR-20 and SR-56.

⁶¹ NEFR - 20 and SR – 56.

⁶² ER (1), NR (748) and NCR (2).

⁶³ ECoR-3384, ECR-7, ER-431, NCR-559, NR-149, SCR-334 and SER-194.

⁶⁴ ER -13594, NER-929 and NR-6.

⁶⁵ ECoR-659, ECR-14, NCR-10631, NWR-795, NR-6958, RB-59, SCR-2635, SER-2489 and SWR-11072.

⁶⁶ ECoR-1, ECR-14, NCR-5, NR-7 and SCR-226.

⁶⁷ ER-21, ECR-1459, ECoR-46, NR-1445, NCR-26919, NEFR-107, SCR-192 SECR-594 and SER-2322.

AUDIT FINDINGS	
Ref. to Para	Audit Findings
3.5.2 Cadre module	<p>i. In Indian Railways, employee number was made unique by adding predefined three-digit prefix to the existing eight-digit employee numbers making it 11 digits in IPAS. It was observed that-</p> <p>a. 15,828 employees of seven ZRs⁶⁸ were not having 11 digits employee number.</p> <p>b. 1,437 employees of five ZRs⁶⁹ had multiple employee numbers.</p> <p>c. Initial three digits of an employee ID are specific for a particular accounting unit of the employee concerned. In SECR, there should be nine types of initial three digits prefixing employee ID for nine accounting units of the zone. It was, however, noticed that the allotted employee IDs contained 135 combinations of initial three digits, which implied existence of 135 accounting units in SECR instead of actual nine accounting units. Allotment of incorrect employee ID may enhance the risk of presence of ghost employee.</p> <p>ii. In NR, absence of different parameters due to blank aadhaar number (24 cases), PF number blank (12 cases), PPAN number blank (8 cases), date of next increment (10 cases) etc. were noticed.</p> <p>iii. As per 'Exception report' generated in IPAS, there were 23,072 employees⁷⁰ with duplicate PRAN.</p> <p>iv. 'Exception report' indicated duplicate permanent account number for 1,497 employees⁷¹ and duplication of aadhaar number for 209 employees⁷² in IPAS.</p> <p>v. In SCR, 70 employees had year of birth ranging from the year 2025 to 2049. In ER and NCR, date of birth of 80,511 employees⁷³ were shown as after the date of their retirement. This implied that the basic data validation was missing.</p>
3.5.2 Leave module	<p>i. 96 employees availed 838 days of leave during the period, which was prior to their date of joining railway service. leave accounts of 557 employees were credited with leave after their retirements. (NR)</p> <p>ii. In four ZRs⁷⁴, 22 employees had negative balance in their leave account.</p>

⁶⁸ NCR-11, NER-4, NR-386, SCR-40, SER-8360, SWR-98 and WR-6929.

⁶⁹ NEFR-6, NR-303, SECR-80, SER-1020 and SWR-28.

⁷⁰ CR-152, ECoR-5040, ECR-1897, NCR-797, ER-54, NER-2157, NFR-1115, NR-2940, NWR-110, SCR-6 SECR-748, SR-4526, SER-3309 and SWR-221.

⁷¹ CR-2, ECoR-239, ECR-58, NCR-27, ER-452, NFR-123, NER-108, NR-157, NWR-3, SECR-27, SER-141 and SR-160.

⁷² CR-1, ER – 56, ECoR-38, ECR-18, NR-34, NCR-36, NFR-4, SECR-14, SR-6 and WCR-2.

⁷³ ER-49,138 and NCR-31,373.

⁷⁴ NER-06, SECR-05, SER- 01 and SR-10.

AUDIT FINDINGS	
Ref. to Para	Audit Findings
3.5.3 Pay Roll module	<p>Children Education Allowance</p> <p>i. In violation of the extant orders of allowing two classes prior to 1st standard, CEA for three classes prior to 1st standard was paid in NR⁷⁵.</p> <p>ii. There was no provision in IPAS for payment of CEA at double the prescribed rate for handicapped child resulting in less payment⁷⁶ of CEA.</p> <p>iii. The extant codal provisions allows CEA for the eldest two children. In two ZRs (ECR and SER), there was irregular payment⁷⁷ of CEA to third child.</p> <p>iv. The extant provisions for admissibility of CEA had not been incorporated in IPAS till March 2020. This had resulted in overpayment of salary to the tune of ₹ 4.42 lakh.</p> <p>Transport Allowance</p> <p>i. The details relating to provision of vehicle for official purpose was not available in IPAS in 12 ZRs⁷⁸ and RB.</p> <p>ii. In SCR, transport allowance amounting to ₹ 9.30 lakh was paid to employees who were provided with official vehicles.</p> <p>iii. Irregular payment of transport allowance to the tune of ₹ 25.45 lakh to employees of nine ZRs⁷⁹ who were on leave/absent during the entire calendar month.</p> <p>iv. In NR, data analysis revealed that 1,613 employees who were either on long absence for more than a month or under suspension during 2016-19 were paid transport allowance resulting in overpayment of ₹ 19.42 lakh.</p> <p>National Holiday Allowance</p> <p>i. During 2018-20, 79,807 cases were noticed in ER where NHA was paid more than the maximum entitlement of ₹ 1,890. Out of total ₹ 37.32 crore expenditure incurred towards payment of NHA, ₹ 22.24 crore was paid in excess of the maximum entitlements.</p> <p>ii. NHA is payable to non-gazetted staff upto the pay level 8. In CR, NHA amounting to ₹ 40,728 was paid irregularly to 107 employees (Nagpur and Mumbai division) in the pay level 9.</p> <p>iii. In WCR, there was mismatch of NHA paid to employees between the reports generated in NHA sub-module and the salary bill module.</p> <p>iv. Four employees of Jodhpur division were irregularly paid NHA amounting to ₹ 2,121 as they were absent/on leave on gazetted holiday (NWR).</p>

⁷⁵ Excess payment of ₹ 0.43 lakh in respect of two children.

⁷⁶ Less payment of ₹ 0.27 lakh to one employee of ECR.

⁷⁷ Amounting to ₹ 0.54 lakh.

⁷⁸ ECoR, ECR, NER, NR, NWR, NCR, ER, WCR, SER, ECR, NFR and SR.

⁷⁹ ECoR (₹ 0.07 lakh), NCR (₹ 0.01), NWR (₹ 0.37 lakh), SCR (₹ 14.34 lakh), SER (₹ 0.12 lakh), WCR (₹ 0.38), CR (₹ 7.10 lakh) ECR (₹ 0.14 lakh) and SR (₹ 2.92 lakh).

AUDIT FINDINGS	
Ref. to Para	Audit Findings
	<p>Night Duty Allowance</p> <p>i. Excess payment of NDA amounting to ₹ 16,890 in respect of 35 employees⁸⁰ in two ZRs.</p> <p>ii. In NWR, NDA paid to four employees (Ajmer division) as per the original vouchers ₹ 9,040. However, as per NDA report of IPAS, the NDA paid was shown as ₹ 16,016. Similarly, in NCR, there was mismatch between pay bill and NDA report generated in IPAS. As per pay bill, ₹ 26.86 lakh was the expenditure incurred towards NDA, whereas IPAS reported the expenditure as ₹ 23.76 lakh.</p>
	<p>Loans and Advances</p> <p>i. In NR, recovery of motor cycle/scooter/moped advances amounting to ₹ 32.81 lakh in respect of 146 employees was completed during April 2016 to March 2019. The analysis of salary and allowances data, however, revealed that there was no record of recovery of interest on these advances. Similarly, there was no record of recovery of interest towards PC advance of ₹ 18.54 lakh to 56 employees. In ECoR, interest on scooter and PC advance of ₹ 0.50 lakh⁸¹ were not recovered.</p> <p>ii. As per extant provisions, recovery of HBA (principal) should be made in maximum 180 instalments and interest thereon in 60 instalments. Analysis of IPAS data revealed that the HBA (principal) was to be recovered in 181 to 229 instalments in five cases (NR) and 193 to 600 instalments in four cases (SCR).</p> <p>iii. HBA is sanctioned only once throughout the service of an employee. However, as per IPAS database, there were multiple records of sanction of HBA during the service in respect of 124 employees (NR).</p>
	<p>Pay Roll</p> <p>i. There was no provision in IPAS for reduction in pay or postponement of increments based on disciplinary action in 10 ZRs⁸² and RB. This was being done by applying earning/deduction (ED) code.</p> <p>ii. The provision for reduction in pay or postponement of increment in IPAS was available in five ZRs⁸³. However, the system did not have provision for recording penalties involving non-financial implications like withdrawal of pass/PTO.</p>

⁸⁰ NWR- ₹ 13,936 (34) and NR- ₹ 2,954 (1)

⁸¹ Scooter Advance ₹ 0.33 lakh (three employees) and PC Advance ₹ 0.17 lakh (four employees).

⁸² NWR, NCR, SECR, WR, WCR, NFR, SR, SWR, ER and SER.

⁸³ NER, SCR, SECR, NFR and NR.

AUDIT FINDINGS	
Ref. to Para	Audit Findings
3.5.3 Bill Passing module	<p>Goods and Service Tax Identification Number (GSTIN) is assigned to each tax payer, which will be state wise and PAN based. It is in 15-digit GSTIN format. The first two digits represent State code and the next ten digit is PAN of the tax payer. The thirteenth digit is assigned based on the number of registration within a state. The fourteenth digit will be “Z” by default and last digit will be for check code. While passing the bill, ITC is flagged⁸⁴ as T1,T2,T3 etc. depending upon the admissibility of ITC. Audit observed that -</p> <ol style="list-style-type: none"> i. There were 621 instances of incorrect flagging of ITC in ten ZRs⁸⁵. ii. In ECR, incorrect GSTINs were used in 895 cases during 2018-20. iii. There had been no GSTIN for 2405 transactions with bill type ‘WOC (works contracts)’ during July 2017 to December 2019 (ECoR). iv. An analysis of GSTIN number in NR revealed following discrepancies: <ol style="list-style-type: none"> a. In respect of 29 GSTIN, incorrect state codes were shown. State codes were shown as either in alphabets or alpha numeric. b. 41 GSTIN numbers linked with 51 party codes were not valid as they did not have 14th character as ‘Z’. During July 2017 to March 2019, 262 bills valuing ₹ 1,594.00 crore pertaining to these invalid GSTIN numbers were passed for payment. v. In ER, flagging of ITC was done without proper indication of types and description of bill. 2,275 transactions valuing ₹ 7.49 crore were flagged as C2 (partial credit) and 10 transactions of ₹ 16.67 lakh were flagged as T4 (full credit) without any reference to bill types and descriptions respectively. Similar instances of flagging of T1, T2 and T3 where ITC codes were noticed in respect of 5120 transactions involving ₹ 15.35 crore without indication of types and description of bills. vi. In ER, bills amounting to ₹ 4.99 lakh were passed, using GSTIN allotted to West Bengal instead of using GSTIN allotted to Bihar.
3.5.3 Provident Fund module	<ol style="list-style-type: none"> i. Depiction of PF balances of 165 employees⁸⁶ who had retired from service one to nine years ago. MoR admitted (June 2021) the audit contention for necessary action. ii. There was delay up to 82 months from the dates of retirement of 623 employees in settlement of PF in NR. Similar instances were also observed in NCR. There was delay upto 13 months from the dates of retirement of 19 employees in settlement of PF.

⁸⁴ T1 and T2 (No credit) and T3 (Credit Restrictions).

⁸⁵ ECoR, ECR, NCR, NR, NWR, SCR, SECR, SER, SWR and WCR.

⁸⁶ SR (32), NFR (46) and NR (87),

AUDIT FINDINGS	
Ref. to Para	Audit Findings
3.5.3 Incentive module	Audit observed that the absence of relevant provisions ⁸⁷ governing the admissibility of incentive in IPAS led to irregular/excess payment of incentive in ER to the tune of ₹ 34.98 lakh. Similar overpayment of ₹ 2.30 lakh was made to 20 employees during 2018-20 of Perambur workshop (SR).
3.5.3 Books module	<p>i. The system was not adequately equipped with extant provisions for acceptance of correct Head of Allocation (HOA). System accepts HOA having length less/more than standardized eight digits (NFR, NWR and SWR). However, in seven ZRs⁸⁸, system gives a warning of invalid allocation. 565 cases of adoption of invalid/ incorrect HOA were noticed in four ZRs⁸⁹.</p> <p>ii. System lacked provisions for automated reconciliation of cheques with bank scroll. In nine ZRs⁹⁰, reconciliation of cheques and bills with bank scroll was being done manually.</p>
3.5.3 Bill Passing module	<p>i. The module does not contain provisions for statutory deductions, such as income tax, welfare cess, and Liquidated Damages (LD).</p> <p>ii. Users are at liberty to decide and assign a particular type of flagging. Several instances of incorrect flagging of ITC were noticed. SR administration had to pay interest of ₹ 8.98 crore on the additional tax liability of ₹ 89.66 crore due to incorrect flagging of ITC in IPAS data. In NWR, ₹ 36.51 lakh was paid as interest due to incorrect flagging of ITC in IPAS.</p>
3.5.3 Leave module	<p>i. There was no provision for debiting the encashed leave in leave account of employee concerned and the same was being done manually. Instances were noticed where leave encashment was not debited in their leave accounts of 21 employees. In CR, leave encashment of ₹ 5.93 lakh to 33 employees was made twice within the same block period.</p> <p>ii. The leave module has no provision for crediting un-availed joining time</p>

⁸⁷ As per Para 418 of Indian Railways Rolling Stock Code, incentive is paid to Artisan Staff of Workshop for time saved by them and it is evaluated at the Incentive Bonus hourly rates as fixed by the Railway Board for different categories of staff from time to time.

⁸⁸ ECoR, NFR, NR, NWR, SECR, ECoR and WR.

⁸⁹ NCR-10, NR-19 NWR-501 and SWR 35.

⁹⁰ CR, ECR, NER, NFR, NWR, NR, SER, WCR, and WR.

AUDIT FINDINGS	
Ref. to Para	Audit Findings
3.5.4 User Management in IPAS	<p>i. User-ID is normally zone or accounting unit specific. It allows access to data/system of the respective zone or accounting unit. In NFR four user-IDs were created by admin user (ADMINDLI01) belonging to employee No.50303065790 of NR. Two user-IDs of NR were linked with bill units of ECoR. In ER, three end users with NR nomenclatures under NR admin user (ADMINDLI01) were defined in the system with access to 197 bill units of ER. Allowing access to data /system by the user-IDs of other zones indicates improper user management, which may pose threat to the system.</p> <p>ii. In NFR, five Admin (user No. 108006120, 121, 125, 127 and 12201168903) had been created with invalid employee number. Details of these employees were not available in the employee master table.</p> <p>iii. In SER, CO7 voucher No. 07120118700097 dated 06.09.2018 was passed at two levels in construction accounts in Ranchi. In both the levels, the user was the same which indicated that level-1 and level-2 passing authority was allotted to the same user.</p>
3.5.5 Continuous upgradation of IPAS	<p>In February 2017, Railway Board (RB) devised a mechanism to monitor issues such as requirement of additional features/reports and suggestions/modifications to existing modules raised by ZRs post-implementation of IPAS. Eight ZRs were nominated as nodal railways⁹¹. ZRs were to address issues to their respective nodal railways. The nodal railways concerned, in turn, were to study those issues in terms of extant guidelines, rules and regulations. The nodal railways would then suggest CRIS the required modification/changes in IPAS module with the approval of the respective FA&CAO. All ZRs were required to furnish RB the status of module-wise issues referred to the nodal railways concerned.</p> <p>As per RB guidelines, nodal railways were to review module wise position on references received from railways on monthly basis including their own suggestions and follow up on pending references with CRIS.</p> <p>In September 2019, RB suggested CRIS to make a format for change request which should include the problems that are being addressed through the change, benefits etc. CRIS in October 2019 devised a format for software change request. The changes would be made by CRIS and offered to nodal railways for its testing and acceptance. Once accepted, the functionality would be released for all ZRs.</p>

⁹¹ CR, ER, SECR, SER, NR, WR, SCR and ECoR.

ANNEXURE – 1
List of Railway PSUs

Sl. No.	Name of the Railway PSU	Activity
Major Railway Companies		
1	Dedicated Freight Corridor Corporation Limited (DFCCIL)	Construction
2	Container Corporation of India Limited (CONCOR)	Logistics
3	Indian Railway Catering and Tourism Corporation Limited (IRCTC)	Catering , Hospitality & Tourism
4	Indian Railway Finance Corporation Limited (IRFC)	Financing
5	IRCON International Limited (IRCON)	Construction
6	Rail Vikas Nigam Limited (RVNL)	Construction
7	Rail Tel Corporation of India Ltd (RAILTEL)	Communication and Network
8	RITES Limited (RITES)	Consultancy
9	Braithwaite and Company Limited	Construction
10	Burn Standard Corporation Limited(ordered for closure in April, 2018)	Wagon Building
11	Kolkata Metro Rail Corporation	Construction
12	Bharat Wagon and Engineering Limited (Winding Up)	Wagon Building
13	Konkan Railway Corporation Limited	Construction
14	Mumbai Rail Vikas Corporation	Construction
15	Wagon India Ltd.(Defunct)	Wagon Building
16	NRTU Foundation	Others
Subsidiaries		
17	CONCOR Air Limited	Logistics
18	Fresh and Healthy Enterprises Limited	Logistics
19	Punjab Logistics Infrastructure Limited	Logistics
20	Sidcul Concor Infra Company Ltd.	Logistics
21	IRCON PB Tollway Ltd.	Construction
22	IRCON Shivpuri Guna Tollway Limited.	Construction
23	IRCON Davanagere Haveri Highway Limited	Construction
24	IRCON Vadodra Kim Expressway Limited	Construction
25	IRCON Infrastructure & Services Limited	Construction
26	High Speed Rail Corridor Corporation Limited	Construction
27	Railtel Enterprises Limited	Communication and Network
28	Railway Energy Management Company Ltd	Others

Sl. No.	Name of the Railway PSU	Activity
Joint Ventures		
29	Indian Railway Stations Development Corporation Limited	Others
30	Surat Integrated Transportation Development Corporation Limited	Others
31	SAIL RITES Bengal Wagon Industries Ltd	Wagon Building
32	National High Speed Rail Corporation Limited	Construction
33	Maharashtra Rail Infrastructure Development Corporation Limited	Construction
Special Purpose Vehicles		
34	Haridaspur Paradip Railway Company Limited, Bhubaneswar	Construction
35	Bharuch Dahej Rail Company Limited	Construction
36	Krishnapatnam Rail Company Limited	Construction
37	Kutch Railway Company Limited	Construction
38	Angul Sukinda Railway limited	Construction
39	Pipavav Railway Corporation Limited	Construction
40	Hassan Mangalore Rail Development Corporation	Construction

Annexure – 2
Total investment of the Government of India and Central Govt. Companies/State Govt./ State Govt. Companies etc. in
Equity of Railway PSUs (in crore)

Name of the Railway PSU	2017-18					2018-19					2019-20								
	Total Equity	Central Govt.	CG Comp	State Govt.	SGC	FI and others	Total Equity	Central Govt.	CG Comp	State Govt.	SGC	FI and others	Total Equity	Central Govt.	CG Comp	State Govt.	SGC	FI and others	
Dedicated Freight Corridor Corporation Limited	10768.11	7658.27	0	0	0	3109.8	11022.8	10768.7	0	0	0	254.05	14076.63	14076.63	0	0	0	0	0
Container Corporation of India Ltd.	243.72	133.55	0	0	0	110.17	304.65	166.94	0	0	0	137.71	304.65	166.94	0	0	0	0	137.71
Indian Railway Catering and Tourism Corporation Limited	40	40	0	0	0	0	160	160	0	0	0	0	160	139.84	0	0	0	0	20.16
Indian Railway Finance Corporation Limited	6526.46	6526.46	0	0	0	0	9380.46	9380.46	0	0	0	0	11880.46	11880.46	0	0	0	0	0
IRCON International Limited	94.05	93.78	0	0	0	0.27	94.05	83.88	0	0	0	10.17	94.05	83.88	0	0	0	0	10.17
Rail Vikas Nigam Limited	2085.02	2085.02	0	0	0	0	2085.02	2085.02	0	0	0	0	2085.02	1831.56	0	0	0	0	253.46
RailTel Corporation of India Limited	320.94	320.94	0	0	0	0	320.94	320.94	0	0	0	0	320.94	320.94	0	0	0	0	0
RITES Limited	200	200	0	0	0	0	200	174.8	0	0	0	25.2	250	180.05	0	0	0	0	69.95
Braithwaite and Company Limited	33.42	33.42	0	0	0	0	83.42	83.42	0	0	0	0	83.42	83.42	0	0	0	0	0
Burn Standard Company Limited	184.63	184.63	0	0	0	0	184.63	184.63	0	0	0	0	184.63	184.63	0	0	0	0	0
Kolkata Metro Rail Corporation Ltd.	1403	1377.22	0	0	0	25.78	1403	1400	0	0	3	3	1403	1400	0	0	0	0	3
Bharat Wagon and Engineering Company Limited	75.85	75.85	0	0	0	0	75.85	75.85	0	0	0	0	75.85	75.85	0	0	0	0	0
Konkan Railway Corporation Limited	5128	4649	0	460	0	19	5351	4749	0	590	0	12	5382	4748.86	0	613.7	0	0	19.44
Mumbai Rail Vikas Corporation Ltd.	25	12.75	0	12.25	0	0	25	12.75	0	12.25	0	0	25	12.75	0	12.25	0	0	0
Wagon India Ltd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NRTU Foundation	0	0	0	0	0	0	1	1	0	0	0	0	1	1	0	0	0	0	0
TOTAL	27128.2	23390.89	0	472.25	0	3265.02	30691.82	29647.39	0	602.25	0	442.13	36326.66	35186.81	0	625.95	0	513.89	0
Concor Air Limited	36.65	0	36.65	0	0	0	36.65	0	0	36.65	0	0	0	36.65	0	36.65	0	0	0
Fresh and Healthy Enterprises Ltd	147	0	147	0	0	0	160	0	160	0	0	0	215.01	0	215.01	0	0	0	0
Punjab Logistics Infrastructure Ltd	200	0	102	0	98	0	200	0	102	0	98	0	200	0	102	0	98	0	0
Sidecul Concor Infra Company Ltd	99.47	0	73.61	0	25.86	0	99.47	0	73.61	0	25.86	0	99.47	0	73.61	0	25.86	0	0
IRCON PB Tollway Limited	165	0	165	0	0	0	165	0	165	0	0	0	165	0	165	0	0	0	0
IRCON Shivpuri Guna Limited	150	0	150	0	0	0	150	0	150	0	0	0	150	0	150	0	0	0	0
Ircon Davangere Haveri Highway Ltd	0.05	0	0.05	0	0	0	104.05	0	104.05	0	0	0	164.05	0	164.05	0	0	0	0
IRCON Vadodara Kim Expressway Ltd	0	0	0	0	0	0	6	0	6	0	0	0	10	0	10	0	0	0	0
IRCON Infrastructure & Services Ltd	65	0	65	0	0	0	65	0	65	0	0	0	65	0	65	0	0	0	0

Annexure - Chapter 2

Name of the Railway PSU	2017-18					2018-19					2019-20							
	Total Equity	Central Govt.	CG Comp	State Govt.	SGC	FI and others	Total Equity	Central Govt.	CG Comp	State Govt.	SGC	FI and others	Total Equity	Central Govt.	CG Comp	State Govt.	SGC	FI and others
High Speed Rail Corridor Corporation Limited	0.11	0	0.11	0	0	0	0.11	0	0.11	0	0	0	0.11	0	0.11	0	0	0
Railtel Enterprises Limited	10	0	10	0	0	0	10	0	10	0	0	0	10	0	10	0	0	0
Railway Energy Management Company Limited	70	34.3	35.7	0	0	0	70	34.3	35.7	0	0	0	70	34.3	35.7	0	0	0
TOTAL	943.28	34.3	785.12	0	123.90	0	1066.28	34.3	908.12	0	123.86	0	1185.29	34.3	1027.13	0	123.86	0
Indian Railway Station Development Corporation Limited	40	20	20	0	0	0	51.6	25.8	25.8	0	0	0	80	40	40	0	0	0
Surat Integrated Transportation Development	0.10	0	0.06	0.04	0	0	0.10	0	0.06	0.04	0	0	10	0	6.3	3.4	0	0.3
SAIL RITES Bengal Wagon Industries Limited	48	0	48	0	0	0	48	0	48	0	0	0	48	0	48	0	0	0
National High Speed Rail Corporation Limited	655	650	0	5	0	0	2455	2350	0	105	0	0	7580	7450	0	130	0	0
Maharashtra Rail Infrastructure Development Corporation Limited	10	5	0	5	0	0	20	10	0	0	10	0	80	40	0	40	0	0
TOTAL	753.10	675	68.06	10.04	0	0	2574.7	2385.8	73.86	105.04	10	0	7798	7530	94.3	173.4	0	0.3
Haridaspur Paradeep Railway Company Limited	600.04	0	282.42	142.8	94.82	80	713.71	0	268.72	183.82	94.82	166.35	1063.36	0	593.3	200.87	92.92	176.27
Bharuch Dahej Railway Company Ltd	155.11	0	55	18.11	41	41	155.11	0	55	18.11	41	41	155.11	0	55	18.11	41	41
Krishnapatnam Rail Company Ltd	270	0	122	35	0	113	625	0	476	35	0	114	625	0	476	35	0	114
Kutch Railway Company Limited	250	0	125	75	0	50	250	0	125	75	0	50	250	0	125	75	0	50
Angul Sukinda Railway Limited	600	0	345	132	63	60	600	0	345	132	63	60	600	0	345	132	63	60
Pipavav Railway Corporation Limited	196	98	0	0	0	98	196	98	0	0	0	98	196	98	0	0	0	98
Hassan Mangalore Rail Development Company Limited	112	45	0	38	7	22	112	45	0	38	7	22	112	45	0	38	7	22
TOTAL	2183.15	143	929.42	440.91	205.80	464	2651.82	143	1269.72	481.93	205.82	551.35	3001.47	143	1594.3	498.98	203.92	561.27
GRAND TOTAL	31007.73	24243.23	1782.60	923.20	329.70	3729.02	36984.57	32210.49	2251.70	1189.22	339.68	993.48	48311.41	42894.11	2715.73	1298.33	327.78	1075.46

Annexure-3
Total Long Term Loans from Government of India and others (in crore)

Name of the Railway PSU	2017-18						2018-19						2019-20					
	Total LT loans	GoI	CG Cos	SG	SGC	FI and Others	Total LT loans	GoI	CG Cos	SG	SGC	FI and Others	Total LT loans	GoI	CG Cos	SG	SGC	FI and Others
Dedicated Freight Corridor Corporation Limited	10080	0	0	0	0	10080	15303	0	0	0	0	15303	22457	0	0	0	0	22457
Container Corporation of India Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Indian Railway Catering and Tourism Corporation Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Indian Railway Finance Corporation Limited	114854	0	0	0	0	114854	168527	0	0	0	168527	228251	0	0	0	0	0	228251
IRCON International Limited	3203	0	3203	0	0	0	2560	0	2560	0	0	1846	1846	0	1846	0	0	0
Rail Vikas Nigam Limited	2259	0	2259	0	0	0	3024	0	3024	0	0	4257	4257	0	4257	0	0	0
RailTel Corporation of India Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RITES Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Braithwaite and Company Limited	11	10	0	1	0	0	10	10	0	0	0	10	10	10	0	0	0	0
Burn Standard Company Limited	40	35	0	4	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Kolkata Metro Rail Corporation Limited	2435	579	0	96	0	1760	3357	1529	0	96	1732	4420	2384	0	96	0	0	1940
Bharat Wagon and Engineering Company Limited	24	24	0	0	0	0	144	144	0	0	0	144	144	144	0	0	0	0
Konkan Railway Corporation Limited	1750	0	0	0	0	1750	1939	0	0	0	1939	2332	2332	0	0	0	0	2332
Mumbai Rail Vikas Corporation Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wagon Inda Ltd (Defunct)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NRTU Foundation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	134656	648	5462	101	0	128445	194864	1683	5584	96	187501	263717	2538	6103	96	0	0	254980

Name of the Railway PSU	2017-18					2018-19					2019-20							
	Total LT loans	GoI	CG Cos	SG	SGC	FI and Others	Total LT loans	GoI	CG Cos	SG	SGC	FI and Others	Total LT loans	GoI	CG Cos	SG	SGC	FI and Others
Concor Air Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fresh and Healthy Enterprises Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Punjab Logistics Infrastructure Limited	62	0	0	0	0	62	70	0	0	0	0	70	64	0	0	0	0	64
Sideul Concor Infra Company Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
IRCON PB Tollway Limited	241	0	241	0	0	0	310	0	310	0	0	0	379	0	379	0	0	0
IRCON Shivpuri Guna Limited	526	0	526	0	0	0	517	0	517	0	0	0	541	0	541	0	0	0
Ircon Davangere Haveri Highway Limited	0	0	0	0	0	0	130	0	130	0	0	0	269	0	269	0	0	0
IRCON Vadodara Kim Expressway Ltd	0	0	0	0	0	0	0	0	0	0	0	0	181	0	181	0	0	0
IRCON Infrastructure & Services Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
High Speed Rail Corridor Corporation Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Railtel Enterprises Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Railway Energy Management Company Limited	48	0	0	0	0	48	40	0	0	0	40	0	33	0	0	0	0	33
TOTAL	877	0	767	0	0	110	1067	0	957	0	110	1467	0	1370	0	0	0	97
Indian Railway Station Development Corporation Ltd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Surat Integrated Transportation Development	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SAIL RITES Bengal Wagon Industries Limited	43	0	0	0	0	43	34	0	0	0	34	0	30	0	0	0	6	24
National High Speed Rail Corporation Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Maharashtra Rail Infrastructure Development Corporation Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	43	0	0	0	0	43	34	0	0	0	34	30	0	0	0	6	24	

Name of the Railway PSU	2017-18						2018-19						2019-20					
	Total LT loans	GoI	CG Cos	SG	SGC	FI and Others	Total LT loans	GoI	CG Cos	SG	SGC	FI and Others	Total LT loans	GoI	CG Cos	SG	SGC	FI and Others
Haridaspur Paradeep Railway Company Limited	662	0	0	0	0	662	1094	0	0	0	0	1094	1306	0	0	0	0	1306
Bharuch Dahej Railway Company Ltd	134	0	0	0	0	134	106	0	0	0	0	106	78	0	0	0	0	78
Krishnapatnam Rail Company Ltd	930	0	0	0	0	930	1043	0	0	0	0	1043	992	0	0	0	0	992
Kutch Railway Company Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Angul Sukinda Railway Limited	0	0	0	0	0	0	283	0	0	0	0	283	446	0	0	0	0	446
Pipavav Railway Corporation Limited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hassan Mangalore Rail Development Company Limited	98	0	0	0	0	98	94	0	0	0	0	94	90	0	0	0	0	90
TOTAL	1824	0	0	0	0	1824	2620	0	0	0	0	2620	2912	0	0	0	0	2912
GRAND TOTAL	137400	648	6229	101	0	130422	198585	1683	6541	96	0	190265	268126	2538	7473	96	6	258013

Annexure – 4
Profitability of Railway PSUs (` in crore)

Sl. No.	Name of the Railway PSU	2017-18	2018-19	2019-20
Major Railway Companies				
1	Indian Railway Finance Corporation Ltd	2007.31	2254.75	3692.42
2	Rail Vikas Nigam Limited	469.66	606.59	789.86
3	RITES Limited	336.81	444.65	596.39
4	Indian Railway Catering and Tourism Corporation Limited	219.52	308.56	528.57
5	IRCON International Limited	390.86	444.68	489.79
6	Container Corporation of India Limited	1044	1215.41	375.78
7	Rail Tel Corporation of India Limited	156.18	109.80	138.35
8	Burn Standard Corporation Limited	-22.86	192.52	47.00
9	Braithwaite and Company Limited	2.60	7.86	19.78
10	Mumbai Rail Vikas Corporation	1.62	35.87	19.60
11	Konkan Railway Corporation Limited	125.82	101.88	5.96
12	NRTU Foundation	0	-0.38	0.38
13	Bharat Wagon and Engineering Limited	-80.15	-1.42	-1.42
14	Dedicated Freight Corridor Corporation Ltd	18.19	24.53	-90.52
15	Kolkata Metro Rail Corporation	11.51	-34.97	-236.92
16	Wagon India Ltd.	0	0	0
	TOTAL Major Railway Companies	4681.07	5710.33	6375.02
Subsidiaries				
17	Railway Energy Management Company Ltd	30.28	41.34	35.02
18	IRCON Infrastructure & Services Limited	13.65	14.03	11.51
19	CONCOR AIR LIMITED	12.16	0.04	7.20
20	Sidcul Concor Infra Company Ltd.	-11.1	-4.68	6.60
21	Railtel Enterprises Limited	1.59	1.80	2.70
22	Punjab Logistics Infrastructure Limited	-12.13	-11.87	0.95
23	IRCON Davanagere Haveri Highway Ltd	0.63	2.14	0.77
24	IRCON Vadodra Kim Expressway Ltd	0	0.05	0.24
25	High Speed Rail Corridor Corporation Ltd	0.05	0.04	0.04
26	Fresh and Healthy Enterprises Limited	-10.62	-8.39	-6.45
27	IRCON PB Tollway Ltd.	0.83	-2.12	-17.18
28	IRCON Shivpuri Guna Tollway Limited.	-0.07	-30.61	-30.83
	TOTAL Subsidiaries	25.27	1.77	10.57

Sl. No.	Name of the Railway PSU	2017-18	2018-19	2019-20
Joint Ventures				
29	National High Speed Rail Corporation Ltd	21.15	46.09	55.92
30	SAIL RITES Bengal Wagon Industries Ltd	-4.15	16.49	15.53
31	Indian Railway Stations Development Corporation Ltd	2.74	10.06	3.07
32	Surat Integrated Transportation Development Corporation Ltd	-1.04	-2.09	0.41
33	Maharashtra Rail Infrastructure Development Corporation Ltd	0	9.82	-0.38
TOTAL JVs		18.7	80.37	74.55
Special Purpose Vehicles				
34	Pipavav Railway Corporation Limited	75.18	85.61	82.27
35	Kutch Railway Company Ltd	222.11	157.93	30.22
36	Hassan Mangalore Rail Development Corporation	-88.01	25.58	21.46
37	Haridaspur Paradip Railway Company Ltd, Bhubanaswer	0.31	0.42	0.49
38	Angul Sukinda Railway limited	11.84	2.25	0.28
39	Bharuch Dahej Rail Company Limited	26.84	6.26	-10.79
40	Krishnapatnam Rail Company Limited	25.80	72.92	-48.59
TOTAL SPVs		274.07	350.97	75.34
GRAND TOTAL		4999.11	6143.44	6535.48

Annexure – 5
Payment of dividend by Railway PSUs during 2019-20 (in crore)

Sl. No.	Name of the Railway PSU	Profit	Dividend paid	30% of PAT	5% of Net Worth	Dividend to be paid	Shortfall
Major Railway Companies							
1	Dedicated Freight Corridor Corporation Limited	-90.52	0	-27.16	712.81	0	0
2	Container Corporation of India Limited	375.78	228	112.73	503.24	503.24	275
3	Indian Railway Catering and Tourism Corporation Limited	528.57	200	158.57	66.39	158.57	0
4	Indian Railway Finance Corporation Limited	3692.42	500	1107.73	1548.12	1548.12	1048.12
5	IRCON International Limited	489.79	223.38	146.94	208.06	208.06	0
6	Rail Vikas Nigam Limited	789.86	237.69	236.96	224.99	236.96	0
7	Rail Tel Corporation of India Limited	138.35	68.06	41.51	68.06	68.06	0
8	RITES Limited	596.39	330	178.92	128.83	178.92	0
9	Braithwaite and Company Limited	19.78	0	5.93	4.17	5.93	5.93
10	Burn Standard Corporation Limited	47	0	14.10	24.87	24.87	24.87
11	Kolkata Metro Rail Corporation	-236.92	0	-71.08	59.25	0	0
12	Bharat Wagon and Engineering Limited	-1.42	0	-0.43	-4.5	0	0
13	Konkan Railway Corporation Limited	5.96	0	1.79	95.57	95.57	95.57
14	Mumbai Rail Vikas Corporation	19.6	0	5.88	12.22	12.22	12.22
15	Wagon India Ltd.(Defunct)	0	0	0	0	0	0
16	NRTU Foundation	0.38	0	0.11	0.05	0.11	0.11
	TOTAL	6375.02	1787.13	1912.50	3652.13	3040.63	1461.82

Sl. No.	Name of the Railway PSU	Profit	Dividend paid	30% of PAT	5% of Net Worth	Dividend to be paid	Shortfall
Subsidiaries							
17	CONCOR Air Limited	7.2	23.86	2.16	1.84	2.16	0
18	Fresh and Healthy Enterprises Limited	-6.45	0	-1.94	1.82	0	0
19	Punjab Logistics Infrastructure Limited	0.95	0	0.29	8.79	8.79	8.79
20	Sidcul Concor Infra Company Ltd.	6.6	0	1.98	4.52	4.52	4.52
21	IRCON PB Tollway Ltd.	-17.18	0	-5.15	7.48	0	0
22	IRCON Shivpuri Guna Tollway Ltd.	-30.83	0	-9.25	4.39	0	0
23	IRCON Davanagere Haveri Highway Limited	0.77	0	0.23	8.38	8.38	8.38
24	IRCON Vadodra Kim Expressway Ltd	0.24	0	0.07	6.8	6.8	6.8
25	IRCON Infrastructure & Services Ltd	11.51	0	3.45	7.69	7.69	7.69
26	High Speed Rail Corridor Corporation Ltd	0.04	0	0.01	0.01	0.01	0.01
27	Railtel Enterprises Limited	2.7	0	0.81	0.9	0.9	0.9
28	Railway Energy Management Company Limited	35.02	10.51	10.51	8.31	10.51	0
	TOTAL	10.57	34.37	3.17	60.93	49.76	37.09
Joint Ventures							
29	Indian Railway Stations Development Corporation Limited	3.07	0	0.92	5.00	5.00	5
30	Surat Integrated Transportation Development Corporation Limited	0.41	0	0.12	0.36	0.36	0.36
31	SAIL RITES Bengal Wagon Industries Limited	15.53	0	4.66	2.88	4.66	4.66
32	National High Speed Rail Corporation Limited	55.92	0	16.78	385.04	385.04	385.04
33	Maharashtra Rail Infrastructure Development Corporation Limited	-0.38	0	-0.11	4.64	4.64	0
	TOTAL	74.55	0	22.37	397.92	399.70	395.06

Sl. No.	Name of the Railway PSU	Profit	Dividend paid	30% of PAT	5% of Net Worth	Dividend to be paid	Shortfall
Special Purpose Vehicles							
34	Haridaspur Paradip Railway Company Limited, Bhubaneswer	0.49	0	0.15	53.23	53.23	53.23
35	Bharuch Dahej Rail Company Limited	-10.79	0	-3.24	9.34	0	0
36	Krishnapatnam Rail Company Limited	-48.59	0	-14.58	32.69	0	0
37	Kutch Railway Company Limited	30.22	25	9.07	80.28	80.28	55.28
38	Angul Sukinda Railway limited	0.28	0	0.08	36.23	36.23	36.23
39	Pipavav Railway Corporation Limited	82.27	9.8	24.68	32.08	32.08	22.28
40	Hassan Mangalore Rail Development Corporation	21.46	0	6.44	18.98	18.98	18.98
	TOTAL	75.34	34.8	22.6	262.83	220.8	186
		6535.48	1856.30	1960.64	4373.81	3710.89	2079.97

Annexure – 6
Activity-wise Return on Equity of Railway PSUs

Sl. No	Name of the Railway PSU	2017-18			2018-19			2019-20		
		Net worth (` in crore)	Profit (` in crore)	RoE (per cent)	Net worth (` in crore)	Profit (` in crore)	RoE (per cent)	Net worth (` in crore)	Profit (` in crore)	RoE (per cent)
1	Dedicated Freight Corridor Corporation Ltd	11020.86	18.19	0.17	11298.9	24.53	0.22	14256.29	-90.52	-0.63
2	IRCON International Limited	3751.95	390.86	10.42	3949.55	444.68	11.26	4161.14	489.79	11.77
3	Rail Vikas Nigam Limited	3351.48	469.66	14.01	3738.76	606.59	16.22	4499.77	789.86	17.55
4	Braithwaite and Company Limited	5.82	2.6	44.67	63.68	7.86	12.34	83.45	19.78	23.70
5	Kolkata Metro Rail Corporation	1472.14	11.51	0.78	1422.04	-34.97	-2.46	1185.08	-236.92	-19.99
6	Konkan Railway Corporation Limited	1831.28	125.82	6.87	2068.09	101.88	4.93	1911.31	5.96	0.31
7	Mumbai Rail Vikas Corporation	228.97	1.62	0.71	246.25	35.87	14.57	244.34	19.6	8.02
8	IRCON PB Tollway Ltd.	168.93	0.83	0.49	166.81	-2.12	-1.27	149.62	-17.18	-11.48
9	IRCON Shivpuri Guna Tollway Limited.	149.27	-0.07	-0.05	118.64	-30.61	-25.80	87.82	-30.83	-35.11
10	IRCON Davanagere Haveri Highway Limited	0.68	0.63	92.65	106.82	2.14	2.00	167.6	0.77	0.46
11	IRCON Vadodara Kim Expressway Limited	0	0	0.00	6.05	0.05	0.83	136.06	0.24	0.18
12	IRCON Infrastructure & Services Limited	128.35	13.65	10.63	142.38	14.03	9.85	153.89	11.51	7.48
13	High Speed Rail Corridor Corporation Limited	0.04	0.05	125.00	0.08	0.04	50.00	0.13	0.04	30.77
14	National High Speed Rail Corporation Limited	681.91	21.15	3.10	3124.48	46.09	1.48	7700.74	55.92	0.73
15	Maharashtra Rail Infrastructure Development Corporation Limited	10	0	0.00	60	10	16.67	92.86	-0.38	-0.41
16	Haridaspur Paradip Railway Company Limited, Bhubaneswar	600.35	0.31	0.05	714.44	0.42	0.06	1064.58	0.49	0.05
17	Bharuch Dahej Rail Company Limited	191.26	26.84	14.03	197.52	6.26	3.17	186.72	-10.79	-5.78
18	Krishnapatnam Rail Company Limited	274.52	25.8	9.40	702.31	72.92	10.38	653.72	-48.59	-7.43
19	Kutch Railway Company Limited	1507.8	222.11	14.73	1623.62	157.93	9.73	1605.54	30.22	1.88

Sl. No	Name of the Railway PSU	2017-18			2018-19			2019-20		
		Net worth (` in crore)	Profit (` in crore)	RoE (per cent)	Net worth (` in crore)	Profit (` in crore)	RoE (per cent)	Net worth (` in crore)	Profit (` in crore)	RoE (per cent)
20	Angul Sukinda Railway limited	679.57	11.84	1.74	681.81	2.25	0.33	724.69	0.28	0.03
21	Pipavav Railway Corporation Limited	497.38	75.18	15.12	571.18	85.61	14.99	641.52	82.27	12.82
22	Hassan Mangalore Rail Development Corporation	333.3	-88.01	-26.41	358.88	25.58	7.13	379.64	21.46	5.65
	TOTAL (CONSTRUCTION)	26885.86	1330.57	4.95	31362.29	1577.03	5.03	39361.82	1092.98	2.78
1	Indian Railway Finance Corporation Limited (Financing)	13565.21	2007.31	14.8	18585.51	2254.75	12.13	30962.43	3692.42	11.93
1	Container Corporation of India Limited	9374	1044	11.14	10367.87	1215.41	11.72	10064.74	375.78	3.73
2	CONCOR Air Limited	66.2	12.16	18.37	53.49	0.04	0.07	36.84	7.2	19.54
3	Fresh and Healthy Enterprises Limited	-18.1	-10.62	-58.67	-13.04	-8.39	-64.34	36.39	-6.45	-17.72
4	Punjab Logistics Infrastructure Limited	186.71	-12.13	-6.50	174.84	-11.87	-6.79	175.79	0.95	0.54
5	Sidcul Concor Infra Company Ltd.	88.5	-11.1	-12.54	83.24	-4.68	-5.62	90.37	6.6	7.30
	TOTAL (LOGISTICS)	9697.31	1022.31	10.54	10666.40	1190.51	11.16	10404.13	384.08	3.69
1	RITES Limited (Consultancy)	2191.66	336.81	15.37	2383.83	444.65	18.65	2576.62	596.39	23.15
1	Indian Railway Catering and Tourism Corporation Limited	945.37	219.52	23.22	1071.02	308.56	28.81	1327.82	528.57	39.81
1	Rail Tel Corporation of India Limited	1249.39	156.18	12.50	1283.73	109.80	8.55	1361.28	138.35	10.16
2	Railtel Enterprises Limited	13.54	1.59	11.74	15.34	1.80	11.73	18.04	2.70	14.97
	TOTAL (Communication)	1262.93	157.77	12.49	1299.07	111.60	8.59	1379.32	141.05	10.23
1	Burn Standard Corporation Limited	-130	-22.86	-7.51	496.90	192.52	38.74	497.38	47.00	9.45
2	Bharat Wagon and Engineering Limited	-97.82	-80.15	-81.94	-99.25	-1.42	1.43	-89.99	-1.42	-1.58

Sl. No	Name of the Railway PSU	2017-18			2018-19			2019-20		
		Net worth (` in crore)	Profit (` in crore)	RoE (per cent)	Net worth (` in crore)	Profit (` in crore)	RoE (per cent)	Net worth (` in crore)	Profit (` in crore)	RoE (per cent)
3	Wagon India Ltd.(Defunct)	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00
4	SAIL RITES Bengal Wagon Industries Limited	25.51	-4.15	-16.27	42.00	16.49	39.26	57.54	15.53	26.99
	TOTAL (Wagon Building)	232.07	-107.16	-46.18	439.65	207.59	47.22	464.93	61.11	13.14
1	NRTU Foundation	0.00	0.00	0.00	0.45	-0.38	-84.44	0.99	0.38	38.38
2	Railway Energy Management Company Limited	115.84	30.28	26.14	146.23	41.34	28.27	166.28	35.02	21.06
3	Indian Railway Stations Development Corporation Limited	42.79	2.74	6.40	63.09	10.06	15.87	95	3.07	3.16
4	Surat Integrated Transportation Development Corporation Limited	-0.41	-1.04	-253.66	6.88	-2.09	-30.38	7.28	0.41	5.63
	TOTAL (Others)	158.22	31.98	20.21	216.65	48.93	22.58	269.55	38.88	14.42
	GRAND TOTAL	54938.63	4999.11	9.10	66024.42	6143.62	9.31	86746.62	6535.48	7.53

Annexure – 7
Share capital and net worth of Railway PSUs (` in crore)

Sl. No	Name of the Railway PSU	Share Capital			Net Worth		
		2017-18	2018-19	2019-20	2017-18	2018-19	2019-20
Major Railway Companies							
1	Indian Railway Finance Corporation Limited	6526.46	9380.46	11880.46	13565.21	18585.51	30962.43
2	Dedicated Freight Corridor Corporation Ltd	10768.11	11022.8	14076.63	11020.86	11298.9	14256.29
3	Container Corporation of India Limited	243.72	304.65	304.65	9374	10367.87	10064.74
4	Rail Vikas Nigam Ltd	2085.02	2085.02	2085.02	3351.48	3738.76	4499.77
5	IRCON International Ltd	94.05	94.05	94.05	3751.95	3949.55	4161.14
6	RITES Limited	200	200	250	2191.66	2383.83	2576.62
7	Konkan Railway Corporation Limited	5128	5351	5382	1831.28	2068.09	1911.31
8	Rail Tel Corporation of India Limited	320.94	320.94	320.94	1249.39	1283.73	1361.28
9	Indian Railway Catering and Tourism Corporation Limited	40	160	160	945.37	1071.02	1327.82
10	Kolkata Metro Rail Corporation	1403	1403	1403	1472.14	1422.04	1185.08
11	Burn Standard Corporation Limited	184.63	184.63	184.63	-130	62	497.38
12	Mumbai Rail Vikas Corporation	25	25	25	228.97	246.25	244.34
13	Braithwaite and Company Limited	33.42	83.42	83.42	5.82	63.68	83.45
14	NRTU Foundation	0	1	1	0	0.45	0.99
15	Bharat Wagon and Engineering Limited	75.85	75.85	75.85	-97.82	-99.25	-89.99
16	Wagon India Ltd.(Defunct)	0	0	0	0	0	0
	TOTAL	27128.20	30691.82	36326.65	48760.31	56442.43	73042.65
Subsidiaries							
17	Punjab Logistics Infrastructure Limited	200	200	200	186.71	174.84	175.79
18	IRCON Davanagere Haveri Highway Limited	0.05	104.05	164.05	0.68	106.82	167.60
19	Railway Energy Management Company Limited	70	70	70	115.84	146.23	166.28
20	IRCON Infrastructure & Services Limited	65	65	65	128.35	142.38	153.89
21	IRCON PB Tollway Ltd.	165	165	165	168.93	166.81	149.62
22	IRCON Vadodara Kim Expressway Limited	0	6	10	0	6.05	136.06

Sl. No	Name of the Railway PSU	Share Capital			Net Worth		
		2017-18	2018-19	2019-20	2017-18	2018-19	2019-20
23	Sidecul Concor Infra Company Ltd.	99.47	99.47	99.47	88.5	83.24	90.37
24	IRCON Shivpuri Guna Tollway Limited.	150	150	150	149.27	118.64	87.82
25	CONCOR AIR LTD	36.65	36.65	36.65	66.2	53.49	36.84
26	Fresh and Healthy Enterprises Limited	147	160	215.01	-18.1	-13.04	36.39
27	Railtel Enterprises Ltd	10	10	10	13.54	15.34	18.04
28	High Speed Rail Corridor Corporation Limited	0.11	0.11	0.11	0.04	0.08	0.13
	TOTAL	943.28	1066.28	1185.29	899.96	1000.88	1218.83
Joint Ventures							
29	National High Speed Rail Corporation Limited	655	2455	7580	681.91	3124.48	7700.74
30	Indian Railway Stations Development Corporation Limited	40	51.6	80	42.79	63.09	95.00
31	Maharashtra Rail Infrastructure Development Corporation Ltd	10	20	80	10	60	92.86
32	SAIL RITES Bengal Wagon Industries Ltd	48	48	48	25.51	42	57.54
33	Surat Integrated Transportation Development Corporation Limited	0.06	0.1	10	-0.41	6.88	7.28
	TOTAL	753.06	2574.7	7798	759.8	3296.45	7953.42
Special Purpose Vehicles							
34	Kutch Railway Company Limited	250	250	250	1507.8	1623.62	1605.54
35	Haridaspur Paradip Railway Company Limited Bhubaneswar	600.04	713.71	1063.36	600.35	714.44	1064.58
36	Angul Sukinda Railway limited	600	600	600	679.57	681.81	724.69
37	Krishnapatnam Rail Company Limited	270	625	625	274.52	702.31	653.72
38	Pipavav Railway Corporation Limited	196	196	196	497.38	571.18	641.52
39	Hassan Mangalore Rail Development Corporation	112	112	112	333.3	358.88	379.64
40	Bharuch Dahej Rail Company Limited	155.11	155.11	155.11	191.26	197.52	186.72
	TOTAL	2183.15	2651.82	3001.47	4084.18	4849.76	4531.72
	GRAND TOTAL	31007.69	36984.62	48311.41	54504.25	65589.52	86746.62

ANNEXURE – 8

STATEMENT SHOWING PERCENTAGE OF IMPLEMENTATION OF MODULE/ SUBMODULE					
Sl. No.	Name of module	Name of sub-module/ function	Number of AUs	AUs in which implemented	Average of AUs in which implemented (in percentage)
1	Cadre	Personnel	172	167	80.52
		Leave	172	154	
		Career	172	159	
		Increment	172	171	
		Book of sanction	172	78	
		Cadre report	172	102	
		Total	1032	831	
2	Pay Roll	Pay roll	172	171	89.60
		Leave	172	136	
		Income tax	172	171	
		Bonus	172	170	
		Cash compensation (RPF)	170	117	
		Travelling allowance	172	166	
		Children education allowance	172	169	
		Running allowance (linked with CMS)	142	102	
		National holiday allowance	172	154	
		Night duty allowance	171	163	
		Over time	170	142	
		Leave encashment	172	157	
		Total	2029	1818	
3	Provident Fund	PF application	170	158	91.22
		PF sanction	170	158	
		PF bill passing	169	157	
		PF settlement	169	153	
		PF ledger	169	156	
		PF reconciliation	169	143	
		PF interest calculation	169	156	
Total	1185	1081			
4	Electricity	Electricity charges for quarters	170	40	23.82
		Energy bill posting	170	41	
		Total	340	81	

STATEMENT SHOWING PERCENTAGE OF IMPLEMENTATION OF MODULE/ SUBMODULE					
Sl. No.	Name of module	Name of sub-module/ function	Number of AUs	AUs in which implemented	Average of AUs in which implemented (in percentage)
5	Bill Passing	CO6	172	168	86.19
		Passing of bills (other than establishment PF & settlements)	172	170	
		CO7	172	171	
		Works register	172	84	
		Total	688	593	
6	Books	Cheque printing	173	173	82.04
		Journal voucher	173	172	
		Interfacing with e-Recon	173	168	
		Account current (including schedules of revenue & capital)	173	173	
		Cheque reconciliation	173	121	
		RBI reconciliation	169	81	
		Remittance into Bank	169	99	
		Total	1203	987	
7	Pension	Pension	166	150	83.23
		Settlement bills preparation & passing	166	149	
		e-PPO	169	118	
		Total	501	417	
8	e-Suspense	Loans & advances	172	119	63.81
		Maintenance of suspense registers	172	110	
		Reconciliation with general books	172	122	
		Interest calculation	172	88	
		Total	688	439	
9	G-Suspense	General suspense registers	173	104	60.11
10	Budget	Budget (Revenue)	171	154	76.38
		Budget (Capital)	172	108	
		Total	343	262	
11	Bills	Executive bill register	173	163	94.21
12	Incentive	Workshop incentive	44	28	63.64
13	Cash (MCR)	Cash office – misc. cash receipt	161	100	62.11
14	Cash (STN)	Cash office - cash remittance note	160	38	23.75
15	Pay	PMR generation	169	101	59.76

STATEMENT SHOWING PERCENTAGE OF IMPLEMENTATION OF MODULE/ SUBMODULE					
Sl. No.	Name of module	Name of sub-module/ function	Number of AUs	AUs in which implemented	Average of AUs in which implemented (in percentage)
16	Stores Accounts	Bill passing	166	128	73.19
		Interfacing with IREPS and iMMS	166	115	
		Total	332	243	
17	Quarters	Quarters master	169	27	15.27
		Quarter allotment	169	26	
		Quarter occupation	169	25	
		Quarter vacation	169	25	
		Rent and water charges	169	26	
		Total	845	129	
18	Loan	Loans	172	77	44.77
19	NPS	Settlement bills preparation & passing	164	146	88.11
		NPS PPO	164	143	
		Total	328	289	
20	Traffic	Station earnings (coaching, Goods, Sundry other earnings)	83	11	13.25

ANNEXURE-9

STATEMENT SHOWING ISSUES COMPLIED BY CRIS						
Sl. No.	ZR	Module to which the issue relates	ZR from which reference received	Description of issue	Date of receipt from ZR	Pending duration (in days)
1	CR	Pay Roll	CR	Generation of earnings code for payment of arrears salaries pertaining to previous years-primacy unit 42,43,44.	06-01-2017	814
2	CR	Pay Roll	CR, ECR	Statement 40 - additional report.		655
3	CR	Pay Roll	WR	Provision of facility for miscellaneous data upload for continuous recovery.		486
4	CR	Pay Roll	ER	Changes to be made in IPAS in respect of payment of HRA / transport allowance on leave regularization.	21-12-2017	452
5	CR	Pay Roll	CR	Changes to be made in IPAS in respect of postgraduate allowance as per 7th CPC to medical officers.	25-07-2018	249
6	CR	Pay Roll	NER	Changes to be made in IPAS in respect of vetting of CEA accounting unit wise for enabling / disabling vetting of CEA.		215
7	CR	Pay Roll	CR	Changes to be made in IPAS in respect of misc. data upload facility.		202
8	CR	Pay Roll	CR	Changes to be made in IPAS in respect of PLB matters.	10-10-2018	172
9	CR	Pay Roll	CR	Changes in IPAS family master-relation type-no. family /no. dependents to be provided.	31-07-2018	159
10	CR	Pay Roll	CR	Changes to be made in IPAS in respect of payment of TA/ DA to retired re-engaged employees.	03-12-2018	118
11	CR	Pay Roll	WR, ER	Changes to be made in IPAS in respect of display of overtime period and amount on salary slip.	12-11-2018 and 02-08-2018	114
12	CR	Pay Roll	CR	Recovery of NPS while making payment of additional post allowance.	09-01-2018	81

STATEMENT SHOWING ISSUES COMPLIED BY CRIS						
Sl. No.	ZR	Module to which the issue relates	ZR from which reference received	Description of issue	Date of receipt from ZR	Pending duration (in days)
13	CR	Pay Roll	ECR	Display of electricity consumption data/ month etc. on pay slip.	11-12-2018	80
14	CR	Pay Roll	CR	Revision of option in 7th CPC.	25-02-2019	34
15	CR	Pay Roll	CR	Age limit under central govt. employees group insurance scheme, 1980.	18-03-2019	13
16	CR	Pay Roll	CR	Changes in leave encashment module -various issues.	25-02-2019	30
17	SCR	Books	SCR	Non clubbing of journal voucher (JV) booked under same detailed head of allocation.	19-12-2016	833
18	SCR	Books	SCR	Under plan head 3300 (S&T), the amounts under credits against allocation 33-6808 i.e., 20-3368-08, 21-3368-08 etc., which represents receipts is getting reflected as (-) debit under capital schedule 2 (gross) instead of credits under capital schedule and thus resulting in reduction of expenditure.	11-09-2018	202
19	SCR	Books	SCR	Description of some of the allocations like 129-11101, 129-12107 (credits to court deposits), 12912101 etc, is shown as debit in IPAS whereas these allocations basically represent credits as such needs modification in description.	31-07-2018	244
20	SCR	Books	SCR	There is no provision to enter the data under “charged” in cash module. Entire expenditure is being shown as voted by cash office for the DDs/ cheques encashed though it is “charged” in nature. Zonal railways had to rectify the same through JV. As a result, suspense register is not showing “voted” and “charged” expenditure separately.	31-07-2018	244

STATEMENT SHOWING ISSUES COMPLIED BY CRIS						
Sl. No.	ZR	Module to which the issue relates	ZR from which reference received	Description of issue	Date of receipt from ZR	Pending duration (in days)
21	SCR	Books	ER	Creation of distinct scheme of allocation for booking of expenditure on cost sharing projects i.e. EBR (PPP) in IPAS so that expenditure incurred on cost sharing projects can be identified detailed head wise.	10-07-2018	265
22	SCR	Books	SCR	All the allocations should be validated in IPAS as per finance code volume II and correction slips issued thereto.	NA	NA
23	SER	Bill Passing	SWR	Generation of form 16A report for contractor / vendor and creation of ledger based on PAN number.	04-12-2018	117
24	SER	Bill Passing	CR	Modification in party master by adding a field for consumer number related to electricity bill.	01-11-2018	150
25	SER	Bill Passing	SER	Activation of another user for a temporary period of time in absence of original IPAS user.	28-09-2018	184
26	SER	Bill Passing	SER	To implement 100 <i>per cent</i> validation regarding “allocation Vs estimate” in such a manner, that no errors will be accepted in IPAS system while passing of bills. A complete list of cases having “allocation Vs estimate” mismatch/ error may be extracted from IPAS relating to construction office for making necessary JVs to rectify errors.	20-12-2018	101
27	SER	Bill Passing	CR	Four essential reports for maintenance of bank guarantee is required. These are: 1. Intimation letter to the executive concerned for extension of validity of BG. 2. Stop encashment letter to the concerned bank.	15-02-2017	774

STATEMENT SHOWING ISSUES COMPLIED BY CRIS						
Sl. No.	ZR	Module to which the issue relates	ZR from which reference received	Description of issue	Date of receipt from ZR	Pending duration (in days)
				3. Encashment letter to the concerned bank. 4. Release BG on fulfilment of contract.		
28	SER	Bill Passing	SER	BG entry form not working i.e. it is not able to link with the concerned PO /work order.	15-02-2017	774
29	SER	Bill Passing	SER/ NFR	Data in excel sheet for VAT is required to upload in the state govt. portal.	15-02-2017	774
30	SER	Bill Passing	SER	Spending unit has to be shown against each bill in the “abstract summary” of the CO7.	15-02-2017	774
31	SER	Bill Passing	SER	Party wise report of all contract agreement (party code/party name/agreement no./agreement date/agreement amount/validity date is required.	15-02-2017	774
32	WR	Pension	ECOR	Request for introduction of revision module for NPS cases in IPAS.	15-02-2019	44

ANNEXURE- 9A

STATEMENT SHOWING ISSUES PENDING WITH CRIS						
Sl. No.	ZR	Module to which the issue relates	ZR from which reference received	Description of Issue	Date of receipt from ZR	Pending duration (in days)
NOT COMPLIED						
1	CR	Pay Roll	CR	Leave module	21-04-2017	709
2	CR	Pay Roll	WR	Control on payment of transport allowance - (i) provision should be given for posting leave for more than one month (ii) If leave account is updated after the wage period-overpayment of transport allowance should be recovered through the system.	23-06-2017	605
3	CR	Pay Roll	ECR	Additional report in IPAS - salary audit register (SAR).	02-02-2018	403
4	CR	Pay Roll	CR	Changes to be made in IPAS in respect of non-payment of ration money allowance during commuted leave, medical leave etc.	16-07-2018	258
5	CR	Pay Roll	CR	Changes to be made in IPAS in respect of integration of CMS with IPAS.	09-01-2018	81
6	CR	Pay Roll	ECOR	Generation of new appointment report in IPAS.	21-12-2018	80
7	CR	Pay Roll	NER	Provision of separate tab in TA module for booking of TA claims for attending RRB /RRC examination.	12-10-2018	75
8	CR	Pay Roll	CR and SCR	Generation of consolidated pay and allowance report - zonal railway wise.	21-02-2019	38

Sl. No.	ZR	Module to which the issue relates	ZR from which reference received	Description of Issue	Date of receipt from ZR	Pending duration (in days)
9	CR	E-Suspense	SER	Various reports, ceiling limits for grant of advance etc.	13-07-2017	626
10	CR	E-Suspense	CR and ER	Transfer through system of loan balances when employees are transferred from one accounting unit to another, generation of half yearly suspense review reports, calculation of accrued interest on HBA for income tax rebate, insertion of remark column for entry regarding grant of rebate in interest working sheet.	28-01-2019	46
11	NR	Provident Fund	NFR	Modification in AIMS in respect of PF withdrawal by RCT members.	22-01-2019	60
12	SCR	Books	SCR and DLW	1. Provision of entry of opening balance 2. Block account 3. Debt head report 4. Revenue & capital ledger with OB. Provision for entry of transfer without financial adjustment figures should be made in these reports.	09-05-2017/ 15-11-2018	692
13	SCR	Books	SCR	Under suspense module, postings there is no provision for posting “voted” and “charged” expenditure separately for allocations like 121121-07 under passenger insurance scheme .	31-07-2018	244

Sl. No.	ZR	Module to which the issue relates	ZR from which reference received	Description of Issue	Date of receipt from ZR	Pending duration (in days)
14	SCR	Books	SCR	At present there are two distinct allocations towards recovery of CGEIS i.e., 00801111 for group C and 00801112 for group D employees and the same are getting reflected under revenue schedule separately for group C & D. However, as per 6th CPC recommendations there is no group D cadre. it is, therefore, necessary to deactivate group D allocation so as to enable zonal railways to shift the amount of group D to C.	06-07-2018	269
15	SCR	Books	SCR	In AFRES, no negative signs are being shown against deduct heads. Therefore, negative signs may be deleted.	06-07-2018	269
16	SCR	Books	SCR	It is seen that major heads appearing as headings of the following schedules are not confirming to the revised classification adopted by CGA.	06-07-2018	269
17	SCR	Books	ER	MIS report showing accounting unit wise, PH and source wise expenditure in one tabulation.	17-07-2017	623
18	SCR	Books	WR	Requirement of addl. reports. A consolidated report of revenue schedule 3 showing accounting unit wise in horizontal row and demands should be in vertical fashion.	15-09-2017	563

Sl. No.	ZR	Module to which the issue relates	ZR from which reference received	Description of Issue	Date of receipt from ZR	Pending duration (in days)
19	SCR	Books	WR	While porting debit scroll, provision needs to be given to generate a report in IPAS for ported and exception items of cheques to match with the debit scroll ported.	05-09-2018	208
20	SCR	Books	WR	Provision to reconcile the exception items of cheques on receipt of the same through debit scroll in subsequent months, so that for hassle free reconciliation.	05-09-2018	208
21	SER	Bill Passing	SER	Report is required for e-Recon JV with following fields: 1. e-Recon JN no. 2. IPAS JV no.	15-02-2017	774
22	SER	Bill Passing	SER	Provision of passing 'nil' bill for closing of agreement.	15-02-2017	774
23	SER	Bill Passing	SER/NFR	Additional features in the "works register".	15-02-2017	774
24	SER	Bill Passing	SER	Cumulative work registers (department and estimate wise, work wise breakup summary is required)	15-02-2017	774
25	SER	Bill Passing	SER	Department and estimate wise expenditure for the month and up to the month required.	15-02-2017	774
26	SER	Bill Passing	SER	Plan head wise expenditure vis-à-vis BG/RG/FG report is required.	15-02-2017	774
27	SER	Bill Passing	SER	Source of fund wise expenditure vis-à-vis BG/RG/FG report is required.	15-02-2017	774
28	SER	Bill Passing	SER	Work wise expenditure vis-à-vis BG/RG/FG report is required.	15-02-2017	774

Sl. No.	ZR	Module to which the issue relates	ZR from which reference received	Description of Issue	Date of receipt from ZR	Pending duration (in days)
29	SER	Bill Passing	SER	Requirement of survey work register (demand no.2)	15-02-2017	774
30	SER	Bill Passing	SER	Provision is to be made to prevent misclassification. Each work is associated with definite source of fund as per pink book. Programme should verify the allocation with that of in the estimate to avoid misclassification.	15-02-2017	774
31	SER	Bill Passing	SER	While passing of salary bills of construction units, only allocation, amount column exists but there is no column for estimate, which is required for verification.	15-02-2017	774
32	WR	Pension	RB	Provision of compassionate grants / ex gratia payment in the PPO.	22-03-2019	9
33	WR	Pension	RB	In case of multiple PPO generation for more than one nominee wrong amount shown in PPO regarding family.	22-03-2019	9
DETAILS NOT AVAILABLE						
1	SCR	Books	SCR	Only credits through CO7 should be allowed against allocation 00867002 (cheques & bills). System should not allow to put journal vouchers against this allocation.	NA	NA
2	WR	Budget	WR	Allotment of ID to executive departments.	19-10-2018	163
3	WR	Pension	All ZRs	Issue of PPO in favour of family members other than spouse.	28-03-2018	368

Sl. No.	ZR	Module to which the issue relates	ZR from which reference received	Description of Issue	Date of receipt from ZR	Pending duration (in days)
4	WR	Pension	RDSO	Report in the form of settlement register indicating details of payments made to the retired employee in the PPO.	31-01-2019	59
5	WR	Pension	NEFR	Request for provision for inclusion of the name of physically or mentally crippled daughter of the retiring employee, in the PPO.	21-01-2019	69
6	WR	Pension	ER	Request for provision to revise settlement payment & issue of revised PPO when penalty imposed on an employee is reduced or waived off.	10-01-2019	80
7	WR	Pension	CR	In many cases banks are paying dearness relief to pensioners/ family pensioners who are re-employed with central/ state govt. or any other institutions. It is necessary to suitably modify the remarks “payment of dearness relief as applicable”.	29-01-2019	61
ALREADY AVAILABLE						
1	SCR	Books	ER	Since the information for paid scroll from bank is available in soft copy modification should be made in cash book & RIB reconciliation process in IPAS. Data portion in specified formats may be allowed for reconciliation.	19-12-2016	833

Sl. No.	ZR	Module to which the issue relates	ZR from which reference received	Description of Issue	Date of receipt from ZR	Pending duration (in days)
2	SER	Bill Passing	CR	Consumer number against which payment is arranged should be communicated to the supplier in the form of narration while crediting the amount through NEFT.	01-11-2018	150
3	SER	Bill Passing	SER/ NFR	Allocation report is required.	15-02-2017	774
4	SER	Bill Passing	SER	User-wise report is required user ID wise bill pending/ return /passed position for a given from-to-date period.	15-02-2017	774
5	SER	Bill Passing	SER	Report is required for ageing analysis of bill for a given from to date period.	15-02-2017	774
6	SER	Bill Passing	SER	Field for excise duty clearance certificate number (ECC no.) is to be provided in the party master form.	15-02-2017	774
7	SER	Bill Passing	SER	Provision is required for assigning dealer at the time of registration of bills to monitor dealer wise position.	15-02-2017	774
8	SER	Bill Passing	SER	Exchequer control mechanism is required at bill passing stage.	15-02-2017	774
9	SER	Bill Passing	SER	Vendor bill status information should be available in the vendor self-service portal of IPAS home page.	15-02-2017	774
10	WR	Pension	RB	Facility to de-confirm a PPO should be given to the zonal administrator for smooth functioning of work.	22-03-2019	9

Sl. No.	ZR	Module to which the issue relates	ZR from which reference received	Description of Issue	Date of receipt from ZR	Pending duration (in days)
CLOSED						
1	CR	Pay Roll	CR	Ad-hoc bonus to group B non-gazetted staff of audit department	18-03-2019	12
2	CR	E-Suspense	SER	Matters pertaining to issue of 'no dues certificate', calculation and vetting of accrued interest on HBA, vetting of last pay certificate on transfers etc.	09-05-2017	674
3	CR	E-Suspense	CR	Advance of pay on transfer to be included in E-suspense module instead of suspense.	NA	409

ANNEXURE- 10

STATEMENT SHOWING ISSUES PENDING WITH NODAL RAILWAYS						
Sl. No.	Sent by (Zonal Railway)	Module to which the issue relates	Nodal Railway	Description of issue	Date of receipt from Zonal Railway	Pending duration (in days)
1	NEFR	Pension	WR	Revision of postal pension (7th CPC)	20-12-2018	467
2	NEFR	Payroll	CR	Hospital diet and electric charges module in IPAS.	10-03-2017	1117
3	NEFR	PF	NR	GPF rule for audit department regarding general provident fund withdrawal.	11-01-2017	1175
4	SER	Pension	WR	Provision is required to return the bill in IPAS for returning bills even after passing the bill at the CO7 posting stage.	01-06-2017	1034
5	SER	Pension	WR	The amount of 'family pension' does not appear in para-3 of both halves of the PPO unless 'applied' options selected against the name of the spouse in the family details although spouse is automatically eligible for family pension. The amount of family pension should be shown automatically whenever spouse's name is entered in the relevant field.	15-03-2017	1112
6	SER	Pension	WR	After deducting the commuted portion, reduced pension is not showing in the IPAS generated PPO.	15-03-2017	1112
7	SER	Payroll	CR	IPAS system should have mandatory online random sample check and certification at OS and BCO level of personnel executive office.	28-09-2018	550
8	SER			Extra budgetary report not working	17-07-2018	623
9	SER	Cash & Pay	ECoR	Query/report menu required for disposal of CRN & MCR.	15-03-2017	1112

STATEMENT SHOWING ISSUES PENDING WITH NODAL RAILWAYS						
Sl. No.	Sent by (Zonal Railway)	Module to which the issue relates	Nodal Railway	Description of issue	Date of receipt from Zonal Railway	Pending duration (in days)
10	SER	Books	SCR	Non-finalization of issue of money receipts through IPAS as well as non-preparation of chief cashier's cashbook and its concurrent linking in IPAS with the cashbook.	15-03-2017	1112
11	SR	Cash & Pay	ECoR	Due to a recent validation made by CRIS, receipt notes pertaining to other railways and production units are not visible in IPAS for Southern railway users resulting in inability to pass stores bills for centralized procurement. Hence, it is requested that the above validation is exempted specifically for Southern railway so as to ensure accessibility of receipt notes of other zonal railways.	31-07-2019	244
12	SR	Books	SER	Improvement required in CO6 pending report available under bill passing in IPAS. Two additional columns viz. "spending unit and allocation" are requested.	22-07-2019	253

© CONTROLLER AND
AUDITOR GENERAL OF INDIA
www.cag.gov.in