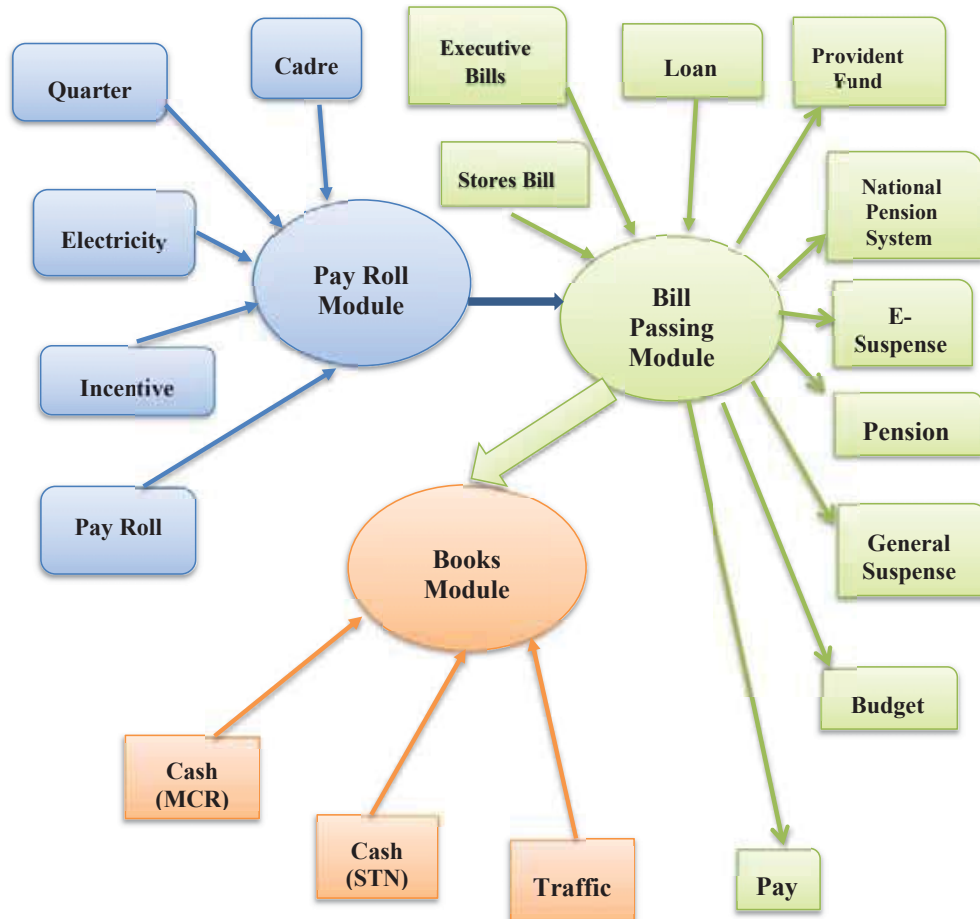


APPENDIX A

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 per cent (traffic module) and 94.21 per cent (executive bill module).</p> <p>ii. All sub-modules (except works register) under bill passing module were implemented in more than 90 per cent 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 per cent.</p> <p>vi. Out of 44 workshop AUs, incentive module was implemented in 28 workshop AUs (64 per cent).</p> <p>vii. Three modules – quarter, electricity and traffic module were implemented in 15.27 per cent, 23.82 per cent and 13.25 per cent 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 | <p>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.</p> <p>ii. Money receipt register (MRR) contained duplicate cheque numbers in 21 instances involving money value of ₹ 52.67 lakh⁴⁷.</p> <p>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.</p> <p>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.</p> |
| 3.4.1.1 Non linking of Leave module with Pay Roll module | <p>i. In eight ZRs⁴⁸, 39 employees, who were on leave on the increment date, were granted increment.</p> <p>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).</p> <p>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.</p> |
| 3.5.1 Cadre module | <p>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.</p> <p>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.</p> |
| 3.5.1 Provident Fund module | <p>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).</p> <p>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.</p> |

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, NEFR-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), PPN 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 | |
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| 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 | |
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| 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 | |
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| 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.