# Report of the
# Comptroller & Auditor General
# of India

*for the year ended March 2012*

***Laid in Lok Sabha/Rajya Sabha on ___________________________***

# **Union Government (Railways)**
# **Railways Finances**

Report No. 12 of 2013

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# PREFACE

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

Based on the audited accounts for the year ended 31 March 2012, this report provides an analytical review of the Accounts and Finances of the Indian Railways (IR). The report is structured in three chapters.

**Chapter 1** covers the audit findings on the finances of IR and makes an assessment of the fiscal status of IR as on 31 March 2012. Various indicators on earnings, expenditure, reserves, operational efficiency etc are analyzed.

**Chapter 2** covers the audit findings on the Appropriation Accounts of IR and analysis of management of allocated resources. This chapter also analyzed the reasons for savings/excesses against the authorization given by Parliament.

**Chapter 3** is on the process of preparation of Budget at Railway Board, Zonal Headquarters and field levels along with rules and regulations governing the formulation of budget and Financial Management including the existing system of internal controls in IR. It also includes audit findings on inadequate financial management which resulted in shortfall in generation of internal resources, extra budgetary resources etc.

# EXECUTIVE SUMMARY

## Background

IR is a departmental commercial undertaking of the Government of India. It consists of 64,600 route kms* on which more than 19,710 trains ply, carrying about 23 million passengers and hauling nearly 2.67 million tonne of freight everyday. Policy formulation and overall control of the Railways is vested in Railway Board comprising of the Chairman, Financial Commissioner and other functional Members. The IR system is managed through 17 zones having 68 operating divisions. Apart from the zonal railways representing the operational part of the system, there are six production units engaged in manufacturing of rolling stock and other related items.

From 1 April 1950, a separate Railway Budget is being presented to the Parliament prior to presentation of the General Budget every year. Though the Railway Budget is presented to Parliament separately, the figures relating to the receipts and expenditure of IR are also shown in the General Budget, as Railway Budget forms part of the total budget of the Government of India.

## Summary of Conclusions

Report of the Comptroller and Auditor General of India-Union Government (Railways) for the year ended 31 March 2011 (Report No. 3 of 2012-13) highlighted that during 2010-11, the gross traffic receipts increased by 8.71 *per cent* over the previous year. However, total revenue receipts, increased by 8.35 *per cent* which was below the Compound Annual Growth Rate (CAGR) of 10.53 *per cent* during the period 2006-10. The growth of freight earnings and passenger earnings were 7.42 *per cent* and 9.81 *per cent* respectively, which were below the CAGR achieved during 2006-10. Net surplus after meeting dividend liability was ₹ 1,404.89 crore in 2010-11. The Operating Ratio was almost static as compared to the previous year.

During 2011-12, the gross traffic receipts increased by 10.13 *per cent* over the previous year. However, total revenue receipts, increased by 9.89 *per cent* which was slightly above CAGR of 9.68 *per cent* during the period 2007-11. The growth rate of freight earnings and passenger earnings was 10.67 *per cent* and 9.51 *per cent* respectively over the previous year. These were above the

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CAGR achieved during 2007-11. The Operating Ratio deteriorated as compared to the previous year.

Net surplus after meeting dividend liability stood at ₹ 1,125.57 crore in 2011-12. It was less than the budget estimates by 78.59 *per cent* despite a reduction in the appropriation to Depreciation Reserve Fund by seven *per cent* and a growth of revenue expenditure at 10.33 *per cent* which was well below the CAGR of 16.77 *per cent* recorded during the period 2007-11.

Depreciation Reserve Fund and Pension Fund closed with negligible balances of ₹ 5.05 crore and ₹ 6.52 crore respectively in 2011-12. Development Fund closed with negligible balance of ₹ 4.73 crore in 2011-12 this was after obtaining a loan of ₹ 3,000 crore from Ministry of Finance under this fund during the current year. Capital Fund closed with a negative balance of ₹ 401.53 crore in 2011-12. Balances in the reserve funds stood at ₹ 1,770.91 crore at close of the year 2011-12. Though the fund balances improved by ₹ 1,428.40 crore over the previous year balance of ₹ 342.51 crore, the financial performance of IR remained poor in the current year. The meager/negative balances in reserve funds will adversely impact the safety aspects and future expansion of IR’s existing services.

IR was unable to meet its operational cost of passenger and other coaching services. During 2010-11, there was a loss on passenger and other coaching services of ₹ 20,948.35 crore. The freight services earned a profit of ₹ 20,563.59 crore which indicated that IR is actually incurring a loss on its core activities. The above issues have been regularly highlighted in the preceding Reports of Comptroller and Auditor General of India-Union Government (Railways).

IR incurred ₹ 1,048.14 crore more than the authorization given by Parliament in two revenue grants and two appropriations, despite obtaining supplementary provisions in all these grants and appropriations. In seven revenue grants and one capital grant (three segments), there were savings of more than ₹ 100 crore. In one revenue grant, the savings was more than the supplementary grant obtained.

Existing internal control in IR was not adequate in ensuring compliance to the rules and regulation for effective budgeting. Measures suggested by the Ministry of Finance were not addressed or provided due consideration while formulating budget. Non-observance of extant provisions led to adopting defective budgeting procedures which manifested in the form of incorrect assessment of funds.

The basis adopted by the IR for projecting growth and variation in earnings as well as expenditure were not adequately assessed and documented.

Moderation of estimates both at the zonal level and the Railway Board level were resorted to without recording logical reasons thereof.

IR was not able to generate adequate internal resources due to higher rate of increase in ordinary working expenses over gross traffic receipt. Due to shortfall (28 *per cent*) in internal resources and Extra Budgetary Resource component, the Plan Expenditure during the year 2011-12 was reduced by ₹ 11,163 crore (19 *per cent*). Arbitrary investment decision without adhering to the laid down criteria resulted in excess expenditure or savings in allotted fund.

## *Major Recommendations*

Recommendations on various aspects of Railway finances are given in the relevant chapters of this report; some of the major recommendations are summarized below:

- IR is facing severe financial crunch and their accumulated funds have eroded considerably from ₹ 21,681.60 crore in 2007-08 to ₹ 1,770.91 crore in 2011-12. The way forward for IR is to improve its finances and rationalize both freight as well as passenger tariffs. IR may explore new avenues to recover the cost from its services in order to generate sufficient surplus to meet its future requirements.
- IR needs to review all cases of licensing/renting of its assets for timely revision/raising of bills and realization of dues including arrears.
- IR needs to pursue effectively the cases of unrealized earnings pending under traffic suspense mainly on account of movement of traffic and demand recoverable.
- IR should fortify its internal controls to effectively reduce the instances of misclassification of expenditure. Deterrent sanctions should be put in place to foster greater responsibilities at the level of key controlling officers.
- MoR to institutionalize effective system of documentation of the process of preparing estimates and the system of verifying the authenticity of data used in projecting estimates.
- MoR needs to devise suitable strategies for generating adequate internal resources and strengthen financial management for optimal use of available resources.

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- MoR needs to devise suitable strategies for generating adequate internal resources and strengthen financial management for optimal use of available resources.

# Chapter-1 State of Finances

This chapter provides a broad perspective of the finances of the Indian Railways (IR) during 2011-12 and analyses critical changes in the major financial indicators with reference to the previous year as well as the overall trend analysis. The base data for this analysis is the Finance Accounts of the IR, which is a document that is compiled annually for incorporation in the Union Government Finance Accounts. In addition, data from authentic government reports[1] has also been used to compare actual performance of IR during 2011-12 vis-à-vis targets set by it.

## 1.1 Summary of Current Year's Fiscal Transactions

Table 1.1 presents the summary of IR's fiscal transactions during 2011-12 vis-à-vis the previous year and budget estimates for 2011-12. It broadly provides perspective of the finances of the IR during the year 2011-12, alongwith its comparison with actual of the previous year including deviations of actual receipts and expenditure of this year from the budget estimates.

**Table 1.1 Summary of Receipts and Expenditure of IR**

*(₹ in crore)*

| Sl. No. | Details | Actual 2010-11 | Budget Estimates 2011-12 | Revised Estimates 2011-12 | Actual 2011-12 |
|---|---|---|---|---|---|
| 1 | Passenger Earnings | 25,792.63 (9.81) | 30,456.00 | 28,800.00 | 28,246.10 (9.51) |
| 2 | Freight Earnings | 62,844.72 (7.42) | 68,620.00 | 68,620.00 | 69,547.59 (10.67) |
| 3 | Other Coaching Earnings[2] | 2,469.84 (10.50) | 2,903.00 | 2,750.00 | 2,716.85 (10.00) |
| 4 | Sundry Earnings[3] | 3,418.27 (18.70) | 4,060.00 | 3,700.00 | 3,643.00 (6.57) |
| 5 | Suspense | 10.17 (-107.23) | 200.00 | 47.00 | -43.19 (524.68) |
| 6 | Gross Traffic Receipts[4] (Item no.1 to 5) | 94,535.63 (8.71) | 106,239.00 | 103,917.00 | 104,110.35 (10.13) |
| 7 | Ordinary Working Expenditure[5] | 68,139.22 (3.54) | 73,650.00 | 75,650.00 | 74,537.41 (9.39) |
| 8 | Appropriation to | | | | |
| | Depreciation Reserve Fund | 5,515.00 (152.17) | 7,000.00 | 6,160.00 | 6,520.00 (18.22) |
| | Pension Fund | 15,820.00 (6.05) | 15,800.00 | 16,800.00 | 17,610.00 (11.31) |
| 9 | Total Working Expenditure (Item no.7 and 8) | 89,474.22 (7.91) | 96,450.00 | 98,610.00 | 98,667.41 (10.27) |

[1] Budget documents, Annual Statistical Statements of Indian Railways.
[2] Other coaching earnings from transportation of parcels, luggage and post office mail etc
[3] Sundry Earnings from renting, leasing of building, catering services, advertisements, interest, maintenance of sidings and level crossing, re-imbursement of loss on strategic lines etc
[4] Gross Traffic Receipts-Operational receipts from freight, passenger, other coaching traffic and sundry earnings of IR
[5] Operating Expenses of IR

| | | | | | |
|---|---|---|---|---|---|
| ***10*** | ***Net Traffic Receipts (Item no.6 – 9)*** | ***5,061.41 (25.02)*** | ***9,789.00*** | ***5,307.00*** | ***5,442.94 (7.54)*** |
| ***11*** | ***Miscellaneous Receipts[6]*** | ***2,145.39 (-5.30)*** | ***3,154.13*** | ***2,729.78*** | ***2,134.92 (-0.49)*** |
| ***12*** | ***Miscellaneous Expenditure[7]*** | ***860.66 (11.80)*** | ***950.00*** | ***892.39*** | ***796.26 (-7.48)*** |
| ***13*** | ***Net Miscellaneous Receipt (Item no. 11 – 12)*** | ***1,284.73 (-14.09)*** | ***2,204.13*** | ***1,837.39*** | ***1,338.66 (4.20)*** |
| ***14*** | ***Net Revenue (Item No.10 and 13)*** | ***6,346.14 (14.47)*** | ***11,993.13*** | ***7,144.39*** | ***6,781.60 (6.86)*** |
| ***15*** | ***Dividend Payable to General Revenues*** | | | | |
| | ***Current year*** | ***4,941.25 (-10.86)*** | ***6,734.72*** | ***5,652.24*** | ***5,656.03 (14.47)*** |
| | ***Deferred Dividend of previous year*** | ***0.00*** | | | ***0.00*** |
| | ***Total Dividend Payment*** | ***4,941.25 (-10.86)*** | ***6,734.72*** | ***5,652.24*** | ***5,656.03 (14.47)*** |
| ***16*** | ***Net Surplus (Item no. 14 – 15)*** | ***1,404.89 (187220)*** | ***5,258.41*** | ***1,492.15*** | ***1,125.57 (-19.88)*** |
| ***17*** | ***Surplus available for appropriation*** | | | | |
| | ***Development Fund*** | ***1,404.89*** | ***2,400.00*** | ***550.00*** | ***610.00 (-56.58)*** |
| | ***Capital Fund*** | ***-----*** | ***2,858.41*** | ***942.15*** | ***515.57*** |

***Source: Explanatory Memorandum on Railway Budgets and Accounts for 2011-12 and 2012-13***
***Note: Figures in brackets represent the increase/decrease in percentage over previous year***

## *1.2 Reliability of Budget Estimates*

Accurate forecast of budget is critical to an organization's financial and operational performance. Assessment of how well the financial targets are met depends on how realistic the financial estimates were from the outset. During the current fiscal year IR could not achieve the projected performance. Anticipated Gross Traffic Receipts (GTR) of 2011-12, in all the segments except for freight earning, was not achieved and overall decline of around two *per cent* (₹ 2,128.65 crore) was recorded as compared to the budget estimates of current fiscal year. Ordinary Working Expenditure (OWE) increased by one *per cent* (₹ 887.41 crore) whereas the Total Working Expenditure (TWE) increased by about two *per cent* above the Budgeted Estimates. There was a reduction in appropriation to Depreciation Reserve Fund (DRF) by around seven *per cent* with an increase in appropriation to Pension Fund by 11 *per cent* when compared to Budget Estimate. The resultant net revenue was below the budget projections by 43.45 *per cent***,** mainly due to shortfall in passenger earning by seven *per cent* and additional appropriation to pension fund (11 *per cent*) than as envisaged in the budget 2011-12.

6***Miscellaneous Receipts comprise of subsidy from Government of India (GoI) towards dividend receipt and other concession, receipts by Railway Recruitment Board etc.***
7***Miscellaneous Expenditure comprised of expenditure on Railway Board, Surveys, Research, Designs and Standards Organization, Other Miscellaneous Establishments of IR, Statutory Audit, Expenditure on Open Line Works (Revenue) etc.***

## 1.3 Fiscal Transactions in 2011-12- An overview

### 1.3.1 Gross Traffic Receipts (GTR)

GTR increased by 10.13 *per cent* during the current fiscal year (2011-12), this was higher than the 8.71 *per cent* growth achieved during 2010-11, which was mainly due to increase in freight earnings during the current year as compared to the previous year. However, for all other sources of earnings the growth rate decreased as compared to previous year.

### 1.3.2 Ordinary Working Expenditure (OWE)

OWE grew by 9.39 *per cent* in current fiscal year (2011-12) over the previous year which was higher than the growth rate of 3.54 *per cent* achieved during 2010-11 as compared to 2009-10.

### 1.3.3 Miscellaneous Receipts and Expenditure

In the current fiscal year (2011-12), Miscellaneous Receipts as well as Miscellaneous Expenditure decreased by 0.49 *per cent* and 7.48 *per cent* respectively over the previous year. As the decline in the growth rate of Miscellaneous Expenditure was high, Net Miscellaneous Receipts grew by 4.20 *per cent* over previous year. Net Miscellaneous Receipts were significantly below the budget projection by nearly 39.27 *per cent*.

### 1.3.4 Net Revenue

Net revenue in the current fiscal year increased by 6.86 *per cent*, which was significantly low than the 14.47 *per cent* growth achieved during previous year. This was mainly due to increase in the total working expenditure (10.27 *per cent*) during the current year as compared to the 7.91 *per cent* rate for the previous year.

### 1.3.5 Dividend Payment

Dividend payable to the Government of India (GoI) is based on the Capital-at-charge advanced through general budgetary support. The rate of dividend for 2011-12 was fixed at five *per cent* by the Railway Convention Committee (RCC). Payment of dividend to general revenues in current fiscal year increased by 14.47 *per cent* over the previous year 2010-11. IR paid dividend of ₹ 5,656.03 crore in 2011-12. However, this was lower than the budget projection by nearly 16.02 *per cent*.

### 1.3.6 Net Surplus available for Appropriation

Generation of Net surplus after meeting all revenue liabilities including payment of dividend decreased by 19.88 *per cent* in current fiscal year. Net Surplus decreased to ₹1,125.57 crore as compared to ₹ 1,404.89 crore in 2010-11.

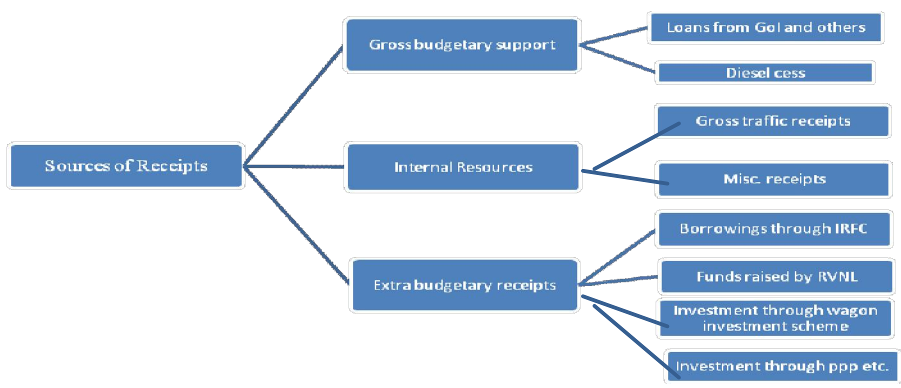
Net Surplus was 78.59 *per cent* less than the budget estimates, the reason of decrease in the net surplus was due to decrease in Net Traffic Receipt (excess of Gross Traffic Receipts over Total Working Expenditure) and Net Miscellaneous Receipt (excess of Miscellaneous Receipts over Miscellaneous Expenditure) by 44.40 *per cent* and 39.27 *per cent* respectively.

The Net Surplus to the tune of ₹ 610.00 crore and ₹ 515.57 crore was appropriated to Development Fund and Capital Fund respectively.

## *1.4 Resources of IR*

The main sources of IR receipts were as follows:

**Figure 1.1: Sources of Receipts**

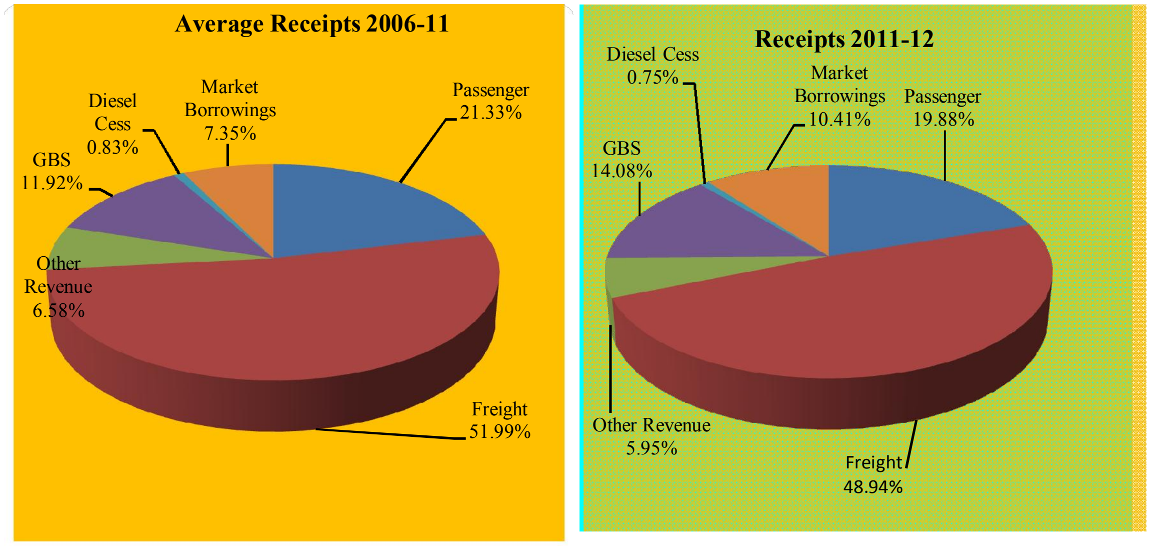



The revenue receipt from internal resources increased by 9.89 *per cent* during 2011-12 against the Compound Annual Growth Rate (CAGR)[8] of 9.68 *per cent* during 2007-11. The General Budgetary Support increased by 8.86 *per cent* during 2011-12 against CAGR of 31.23 *per cent* during 2007-11, while extra budgetary receipts (market borrowings) increased by 51.23 *per cent* during 2011-12 against CAGR of 23.68 *per cent* during 2007-11. Thus Market Borrowings increased at a higher rate than internal resources of the IR.

Share of each of these sources of funds during the current year 2011-12 as well as over the average of past five years ended 31 March 2011 are given in pie diagram Figure 1.2.

[8] *Rate of growth over a period of years taking into account the effect of annual compounding*

**Figure 1.2: Relative Share of various Resources of IR**



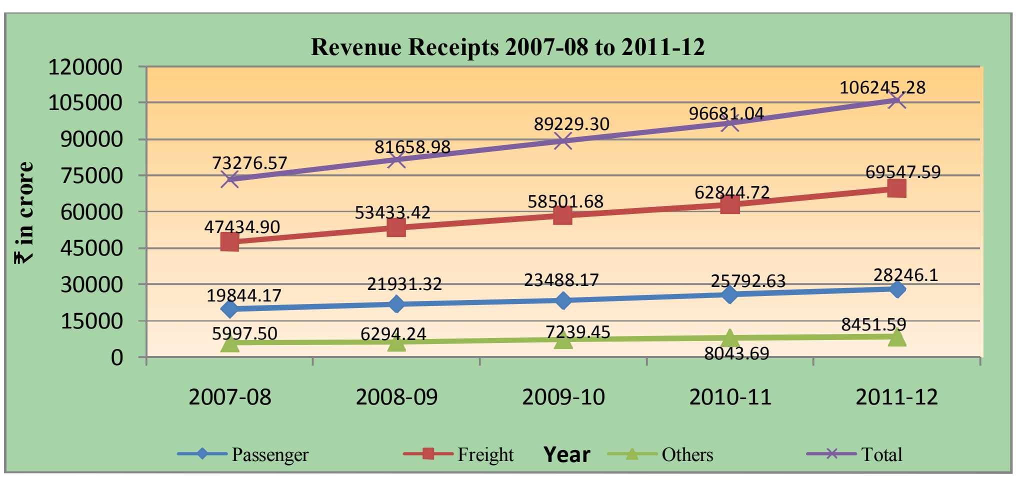

***Note: Other Revenue Earnings include Other Coaching Earnings, Sundry Other Earnings and Miscellaneous Receipts; GBS- General Budgetary Support***

Diagram at 1.2 shows that the single largest resource earnings of IR was mainly from freight sector, followed by passenger earnings. These two factors continued to be the largest sources of IR receipts for the current year also, their relative share reduced in the current year which was compensated by a significant increase in market borrowings.

### *1.4.1 Revenue Receipts*

The trend of total revenue receipts for the last five years are given in the Figure 1.3.

**Figure 1.3: Revenue Receipts during 2007-12**




***Note: Others include Other Coaching, Sundry Others, Suspense and Miscellaneous Receipts***

Total Revenue Receipts increased at a CAGR of 9.68 *per cent* during 2007-11, however, the increase in the Total Revenue Receipts during year 2011-12 was 9.89 *per cent*. The annual inflation of all commodities on an average during 2011-12 was around 8.94 *per cent*[9], which implies that the real increase in revenue receipts was 0.95 *per cent* (after discounting for inflation).

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

### *1.4.1.1 Freight Earnings*

Trend of freight loading and freight earnings of IR for the last five years ended 31 March 2012 are shown in the graph below:

**Figure 1.4: Annual Rate of Growth of Freight Earnings and Freight Loading**

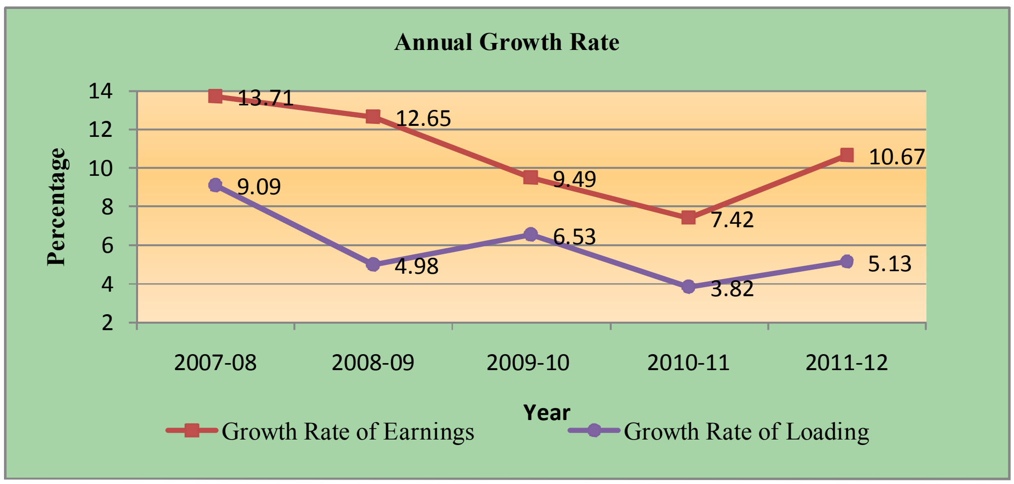



Figure 1.4 indicates that there is an increase in the annual growth of freight loading in the current fiscal year. The annual growth rate of loading in the last five years ended 31 March 2012 showed a decline from 2007-08, except for the year 2009-10, where it was 6.53 *per cent*. The annual incremental increase in loading (in absolute terms) ranged between 66.14 Million Tonne (2007-08) to 33.94 Million Tonne (2010-11) during the last five years. Therefore, increase in freight loading by 5.13 *per cent* during 2011-12 was marginally higher than the CAGR of 5.10 *per cent* achieved during 2007-11.

In 2011-12, freight earnings increased by 10.67 *per cent* over the previous year against the CAGR of 9.83 *per cent* achieved during 2007-11. The status of freight services statistics are given in the Table No. 1.2:

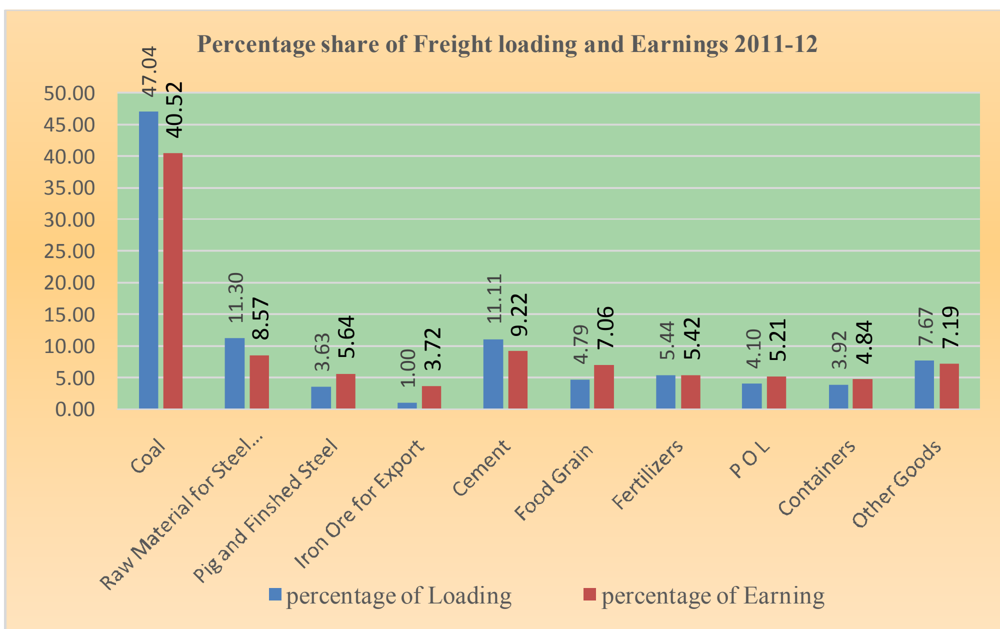
9 ***(Source –Economic Survey, Ministry of Commerce and Industry)***

**Table 1.2 Freight Services Statistics**

| *Year* | *Loading (MT)* | *NTKM (in million)* | *Earning (₹in crore)* | *Average lead ( in kilometre)* | *Rate per tonne per km (in paise)* |
|---|---|---|---|---|---|
| *2007-08* | *793.89* | *521372* | *47,434.90* | *657* | *89.04* |
| *2008-09* | *833.39* | *551448* | *53,433.42* | *662* | *93.84* |
| *2009-10* | *887.79* | *600548* | *58,501.68* | *676* | *94.77* |
| *2010-11* | *921.73* | *625723* | *62,844.72* | *679* | *100.00* |
| *2011-12* | *969.05* | *667607* | *69547.00* | *689* | *104.17* |

During 2011-12, it was seen that the annual growth rate of freight loading was 5.13 *per cent,* whereas the NTKM increased at the rate of 6.69 *per cent.* Despite this, there was an annual increase of 4.17 p*er cent* and 10.67 *per cent* in rate per tonne per kilometer and freight earning respectively. Average lead of 689 km in 2011-12 was higher than the previous year. Share of major commodities in loading and earnings are given in the bar chart (Figure 1.5).

**Figure 1.5: Major Commodity wise share of loading and earnings (2011-12)**




Coal, being a captive commodity, was the major component both in loading and earnings for IR. The above major commodities (excluding 'Other Goods' and Miscellaneous earnings) contributed about 90 *per cent* of the total freight earnings of IR. Iron ore for export constituted one *per cent* of the total loading and earned four *per cent* of the total freight earnings.

### 1.4.1.2 Passenger Earnings

The growth in earnings from Passenger traffic and in Passengers Originating during the last five year (2007-12) are shown in Figure 1.6.

**Figure 1.6: Growth Rate of Passenger Originating and Passenger Earnings**


The percentage increase in earnings from passenger traffic in 2011-12 over the previous year was 9.51 *per cent* which was above the CAGR of 9.13 *per cent* for the period 2007-11. The percentage increase in passengers originating in 2011-12 over the previous year was 5.31 *per cent* which was below the CAGR of 6.12 *per cent* during 2007-11.

Audit observed that passenger earnings fell short of budget estimates in all zones except East Coast Railway and Metro Railway/Kolkata during 2011-12. The shortfall in passenger earnings targets was upto 11 *per cent* in South Western Railway.

Key performance indicators of passenger services are tabulated below:

**Table 1.3 Passenger Services Statistics**

| Year | No. of Passenger (in millions) | Passenger Kilometre (in million) | Earnings (₹ in crore) | Average lead (in kilometre) | Average earnings per passenger per kilometre (in paise) |
|---|---|---|---|---|---|
| 2007-08 | 6536.44 | 771070 (10.81) | 19,844.18 (15.21) | 117.96 | 25.74 (4.00) |
| 2008-09 | 7046.91 | 839203 (8.84) | 21,931.32 (10.52) | 119.09 | 26.13 (1.52) |
| 2009-10 | 7382.77 | 904761 (7.81) | 23,488.17 (7.10) | 122.55 | 25.96 (-0.65) |
| 2010-11 | 7810.15 | 980131 (8.33) | 25,792.63 (9.81) | 125.50 | 26.32 (1.39) |
| 2011-12 | 8224.38 | 1046522 (6.77) | 28246.10 (9.51) | 127.25 | 26.99 (2.55) |

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

It was observed that the growth of passengers originating and passenger earnings decreased during 2011-12 over the previous year. In 2011-12, it was seen that average earnings per passenger per kilometer increased to 26.99

paise from 26.32 paise in 2010-11. IR had been incurring a loss every year on passenger and other coaching services. However, during 2010-11[10], this loss was ₹ 20,948.35 crore.

### *1.4.1.3 Sundry Earnings and Other Coaching Earnings*

Sundries and other coaching earnings constituted around six *per cent* of the Gross Traffic Receipts in the current fiscal year (2011-12). It grew at around eight *per cent* in 2011-12 as against 15 *per cent* in the year 2010-11. Analysis in audit revealed that earnings from rent, license fee and advertisements increased in the current year as compared to the previous year. Though there was considerable scope for increasing revenue generation from the components of sundry earnings provided bills for realization of rent of buildings, license fee (wherever due) were raised and realized in a time bound manner.

## 1.5 *Unrealized Earnings*[11]

Against the target for recovery of ₹ 200 crore during 2011-12 under un-realized earnings, IR accumulated ₹ 43.19 crore as unrealized earnings. At the end of the financial year unrealized earnings were ₹ 1,401.03 crore, of which ₹ 1,215.27 crore under Traffic Suspense and ₹ 185.76 crore under Demand Recoverable. During the current fiscal year Central Railway was the major contributor to the accumulation of unrealized earnings with ₹ 18.11 crore. This was followed by North East Frontier Railway with ₹ 16.47 crore. The major portion of outstandings under Traffic Suspense was on account of un-recovered freight and other charges from Power Houses and State Electricity Boards amounting to ₹ 676.58 crore which constituted 48 *per cent* of the total Traffic Suspense, yet to be recovered. Major defaulters are shown in the Table below:

**Table 1.4-Outstanding dues against State Electricity Board**

***(₹ in crore)***

| *Sl. No.* | *State Electricity Board/Power House* | *Outstanding dues as of 31 March 2011* | *Outstanding dues as of 31 March 2012* | *Increase/decrease (-) during the year* |
|---|---|---|---|---|
| *1.* | *Punjab State Electricity Board (PSEB)* | *448.07* | *447.47* | *(-)0.6* |
| *2.* | *Delhi Vidyut Board (DVB)* | *176.36* | *175.88* | *(-)0.48* |
| *3.* | *Rajasthan State Electricity Board (RSEB)* | *38.58* | *36.89* | *(-)1.69* |

Ministry of Railways in its Action Taken Note (Para 1.5) of the Report No. 3 of 2012-13 (Railways Finances) stated that realization of outstanding dues is

10 *Profitability/unit cost of coaching services for 2011-12 was still not compiled (March 2013).*

11 *Unrealized earnings on account of movement of traffic was classified as 'Traffic Suspense' whereas on account of rent/lease of building/land, interest and maintenance charges of sidings etc as 'Demand Recoverable'.*

concurrently chased up with the parties concerned. As regards, Traffic Suspense, the cases relating to PSEB and RSEB are subjudice in court of law. The Hon'ble Supreme Court has directed the PSEB and Northern Railway to work out the accounts in terms of revised interpretation of the scheme given by General Manager/Northern Railway as per arbitration award in the case. The case of RSEB has been linked with the decision of the court in the case of PSEB. In respect of DVB, the matter is under consideration of Group of Ministers. As regards Demand Recoverable, the Ministry of Railways has stated that position is monitored concurrently and as a result the outstanding has come down.

The Ministry of Railways needs to speed up the efforts to realize the old outstanding dues from SEB's.

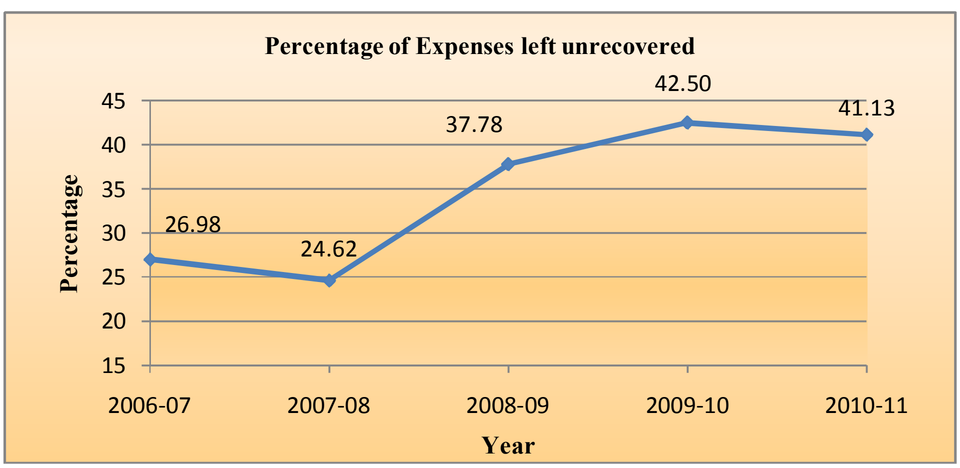
## 1.6 Cross-Subsidization

### 1.6.1 Subsidy towards Passenger and other Coaching Services

IR was unable to meet its operational cost of passenger services and other coaching services. Revenue from passenger services increased by 52 *per cent*[12] during the last five years as of 31 March 2011, however, the expenditure under this head increased by 88 *per cent* during the same period.

The Summary of End Results-Freight Services Unit Costs and Coaching Services Profitability/Unit Costs for the year 2010-11 published by the IR 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 ₹ 7,309.26 crore in 2006-07 to ₹ 20,948.35 crore in 2010-11. The gap in percentage of expenditure on passengers and other coaching services left unrecovered during the period of five years as of 31 March 2011, are shown in Figure 1.7 given below:

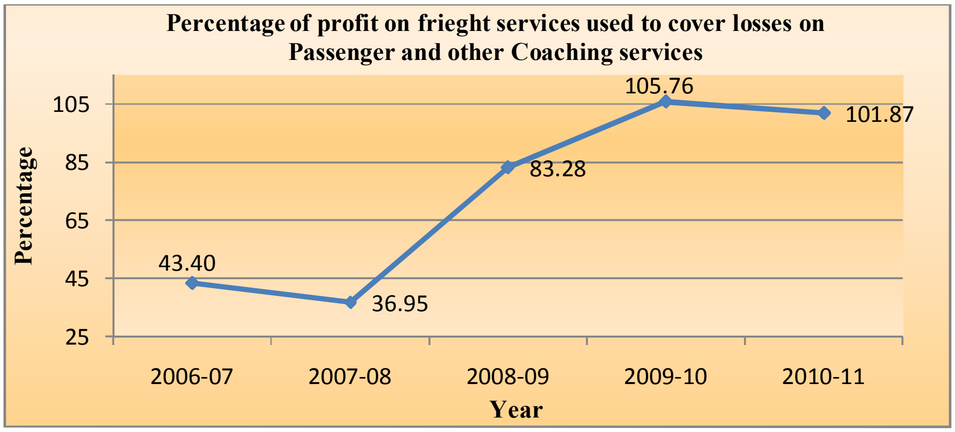
**Figure 1.7: Percentage of expenditure on Passenger and Other Coaching Services left uncovered**




12. ***Excluding Narrow Gauge and Metro Railway/Kolkata***

Figure 1.8 shows the percentage of profit on freight services, utilized to make up the loss on passenger and other coaching services:

**Figure 1.8: Percentage of profit on freight earnings used to subsidize the passenger and other coaching services**




It would be seen that the entire profit amounting to ₹ 20,563.59 crore from freight traffic was utilized to compensate the loss of ₹ 20,948.35 crore on operation of passenger and other coaching services of IR.

### *1.6.2 Operational losses of various Classes of Passenger Services*

Table 1.5 gives the operational losses of various classes of passenger services during 2006-07 to 2010-11:

**Table 1.5 Operational losses of various Classes of Passenger Services**

***(₹ in crore)***

| *Class of Passenger* | *2006-07* | *2007-08* | *2008-09* | *2009-10* | *2010-11* |
|---|---|---|---|---|---|
| *AC-Ist class* | *-19.76* | *-14.77* | *-59.37* | *-53.14* | *-46.61* |
| *Ist class* | *-13.84* | *-6.30* | *-69.67* | *-32.67* | *16.47* |
| *AC sleeper* | *72.92* | *123.09* | *-176.91* | *-372.32* | *-407.93* |
| *AC 3 Tier* | *423.99* | *547.60* | *540.57* | *212.14* | *266.31* |
| *AC Chair car* | *-4.94* | *114.68* | *5.45* | *-2.11* | *33.62* |
| *Sleeper Class* | *-1,888.27* | *-2,384.08* | *-3,175.24* | *-5,333.90* | *-6,070.58* |
| *Second class* | *-1,215.61* | *-993.22* | *-2,933.09* | *-3,401.25* | *-3,998.08* |
| *Ordinary (All Class)* | *-2,912.58* | *-3,541.28* | *-6,381.77* | *-7,763.36* | *-7,437.00* |
| *EMU suburban services* | *-891.13* | *-922.39* | *-1,651.19* | *-2,214.06* | *-2,320.23* |

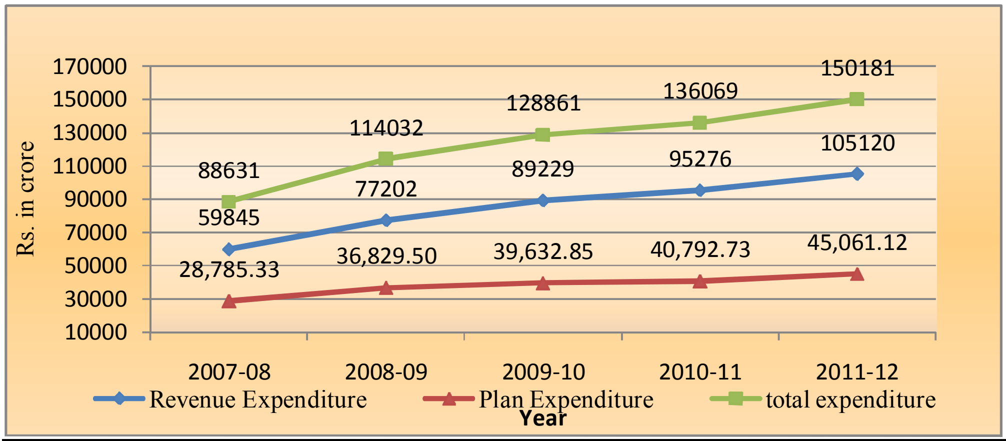
As is clear in the above table, the 1st Class train service has earned a profit for the first time in last five years ended March 31, 2011. AC-3-Tier and AC Chair car has also covered their operational cost in 2010-11. There is significant improvement in operations of AC Chair car in 2010-11.

The subsidy provided to both ordinary class and suburban services increased almost continuously in the last five years with subsidy on Ordinary Class being the maximum. The percentage of loss to the earning of the various classes of passenger services ranged from 13 *per cent* (AC-1st class) to 153 *per cent* (Ordinary class) with 125 *per cent* on EMU Suburban train services.

## 1.7 Application of Resources

The two main components of expenditure in IR are 'Revenue Expenditure' and 'Plan Expenditure'. Revenue expenditure includes ordinary working expenditure, miscellaneous expenditure and dividend payout. The total expenditure of IR and its composition under revenue and plan for the last five years are given below:

**Figure 1.9: Plan and Revenue Expenditure in the last five years**



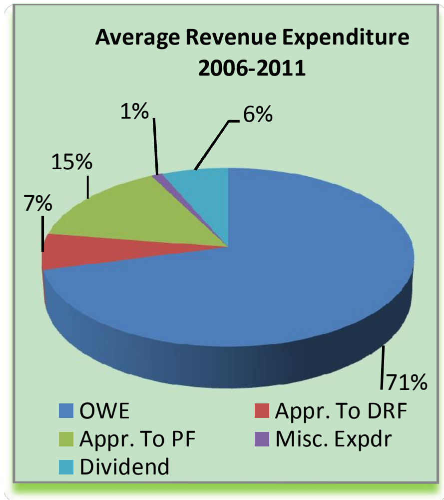

Total expenditure increased at the rate of 10.37 *per cent* in 2011-12 over the previous year. This was far below the CAGR of 15.36 *per cent* for the period 2007-11. Revenue expenditure grew at the rate of 10.33 *per cent* as compared to CAGR of 16.77 *per cent* over the period 2007-11. This was mainly due to impact of implementation of 6th CPC which had already been taken into account. Plan expenditure increased at the rate of 10.46 *per cent* in 2011-12 as compared to CAGR of 12.32 *per cent* over the period 2007-11. This indicates a substantial reduction in the availability of resources for capital creation.

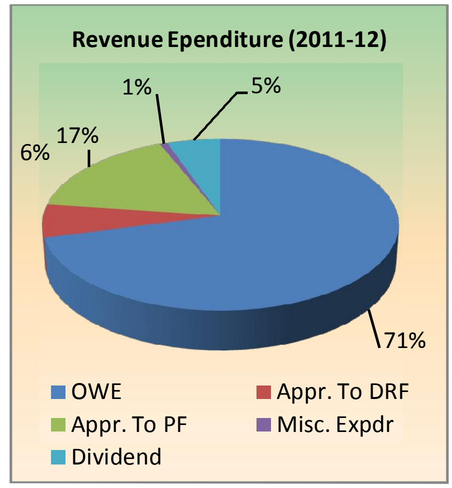
During last five years, the share of revenue expenditure and plan expenditure to total expenditure remained almost static within the range from 68 *per cent* (2007-08 and 2008-09) to 70 *per cent* in 2010-11 and 2011-12 and from 30 *per cent* (2010-11 and 2011-12) to 32 *per cent* (2007-08 and 2008-09) respectively. A detailed analysis of plan expenditure is discussed in paragraph 1.10.

### 1.7.1 Revenue Expenditure

Composition of revenue expenditure during the current year and an average of past five years ended on 31 March 2011 are given in Figure 1.10:

**Figure 1.10: Revenue Expenditure in last five years**

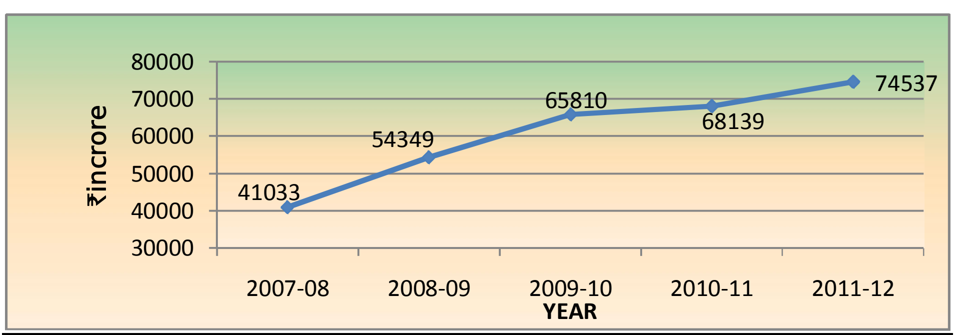



The main components of expenditure was OWE which constituted about 71 *per cent* of the total revenue expenditure on an average during 2006-11, which remained 71 *per cent* during 2011-12. Appropriation to DRF was reduced to six *per cent* in 2011-12 as compared to seven per cent on an average during 2006-11. Due to implementation of the 6th Central Pay Commission recommendations, appropriation to Pension Fund increased to 17 *per cent* in 2011-12 as compared to 15 *per cent* on an average during 2006-11 to meet the increased pension liabilities.

OWE comprises expenditure on day-to-day maintenance and operation of the IR i.e. 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, pension liabilities etc. The trend in OWE over the last five years is shown in Figure 1.11:

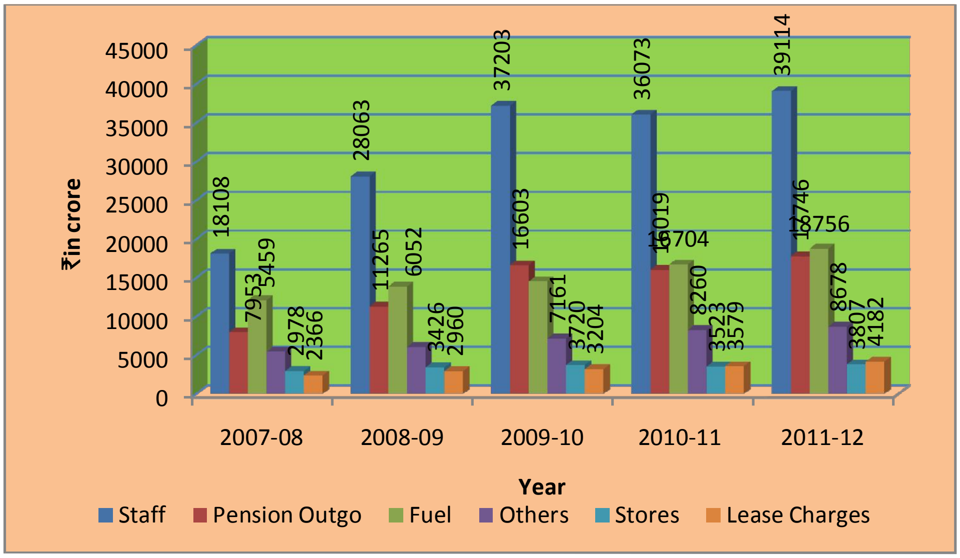
**Figure: 1.11 - Growth of Ordinary Working Expenses (2007-08 to 2011-12)**




The steep increase in OWE during 2008-10 was on account of implementation of 6th CPC's recommendations. OWE increased at a rate of 9.39 *per cent* during 2011-12 over the previous year against a CAGR of 18.41 *per cent* during 2007-11.

The break-up of working expenditure on IR under staff, fuel, lease charges, stores, other and pension outgo for the last five years is shown in the Figure 1.12.

**Figure: 1.12 -Component wise expenditure**



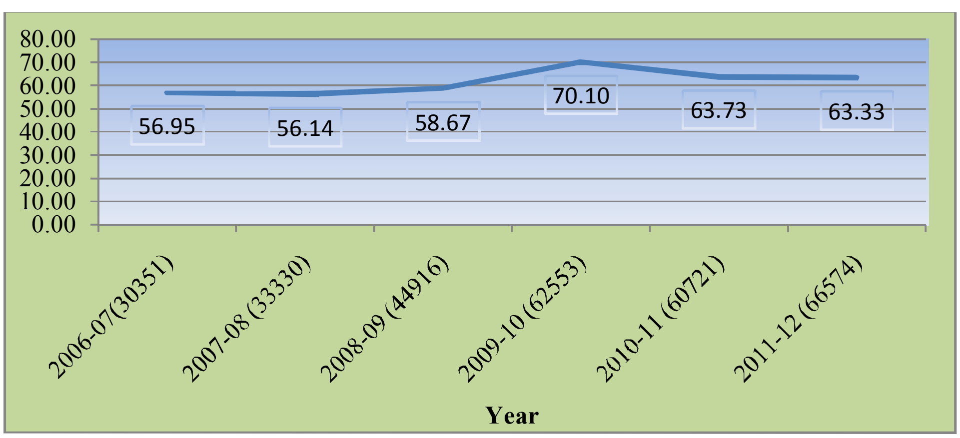

Staff cost (including pension outgo) constituted 62 *per cent* of the working expenses of the IR during the current year.

### 1.7.2 Committed Expenditure

The committed expenditure of the IR consisted of dividend payment to general revenues, staff cost, pension payments and lease hire charges on rolling stock.

Figure 1.13 shows the percentage of committed expenditure to the total revenue expenditure of IR during the last five years 2006-12:

**Figure 1.13: Committed Expenditure as a percentage of total Revenue Expenditure**



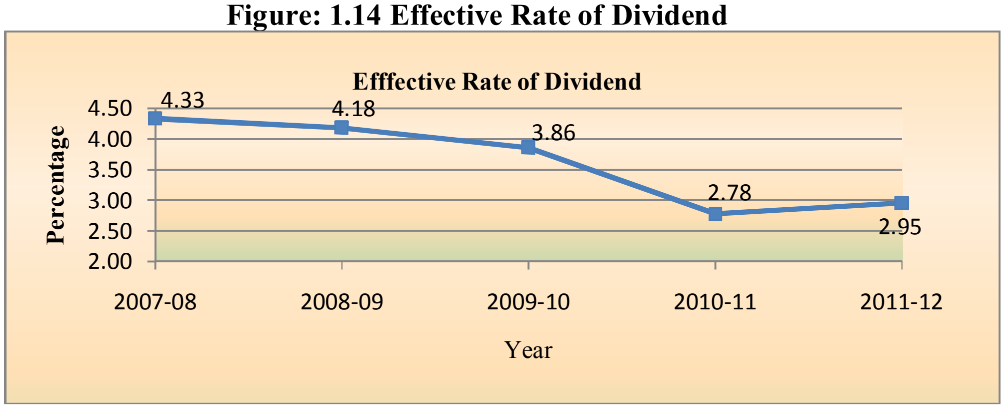

***(Figures shown in bracket indicate total committed expenditure)***

Committed expenditure to the total expenditure declined marginally during 2007-08 as the growth of total revenue expenditure was more than the growth of committed expenditure. However, it increased in 2008-10 due to payment of arrears of salary w.e.f 01.01.2006 (as a result of sixth pay commission recommendation). In 2010-11, committed expenditure decreased to 63.73 *per cent* from 70.10 *per cent* in 2009-10, however, it was higher as compared to previous years. With the increase in percentage of committed expenditure, in proportion to the total revenue expenditure, IR was left with only 36.67 *per cent* of the total revenue expenditure to run their operations, of this, fuel alone comprised as 48.80 *per cent*. This impacted IR's contribution to DRF.

### *1.7.3 Dividend and Subsidy*

Under the 'Separation Convention' the IR is required to pay dividend to the general revenues on the capital advanced by the GoI at a rate determined periodically by RCC. Further, in terms of the recommendations of the RCC, IR is given concessions towards payment of dividend in respect of capital invested in the larger national interest[13]. Dividend paid on such capital is received back as subsidy to IR. The subsidy decreased from ₹ 2,037.64 crore in 2010-11 to ₹ 2,034.37 crore in 2011-12. Thus, the net effective rate of dividend increased from 2.78 *per cent* in the 2010-11 to 2.95 *per cent* in 2011-12.

**Figure: 1.14 Effective Rate of Dividend**




### *1.7.4 Un-discharged Liability*

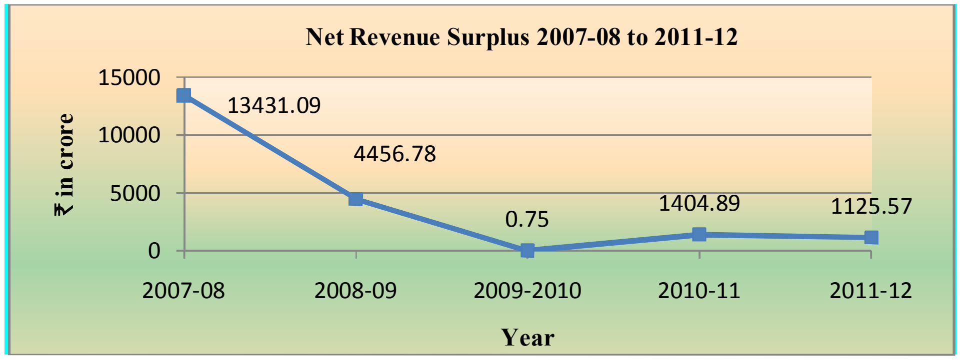
The RCC allowed a moratorium on payment of dividend on investments in New Lines during the period of construction and the first five years after opening of the line for traffic. Cumulative dividend was payable when the line showed surplus after discharging current liability. The account of dividend liability is closed after 20 years, extinguishing all such un-liquidated liability. The liability on this account which was ₹ 8,322.65 crore at the close of 2010-11 increased to ₹ 9,246.98 crore as of March 2012.

**13***Strategic Lines, 28 New Lines taken up on other than financial consideration, non-strategic capital of Northeast Frontier Railway, Un-remunerative branch lines, Ore lines, 50 per cent of work-in-progress*

## *1.8 Revenue Surplus*

Trend of net revenue surplus after meeting all revenue expenditure including payment of dividend, during the last five years as on 31 March 2012 are shown in the Figure 1.15.

**Figure: 1.15 Revenue Surplus**




The downward trend in net revenue surplus from 2007-10 was mainly due to decline of revenue receipts from 13 *per cent* to nine *per cent* and increase of revenue expenditure from 10 *per cent* to 16 *per cent*. Thereafter in 2010-11, there was slight increase in generation of net revenue surplus due to decline in revenue expenditure from 16 *per cent* to seven *per cent*. IR generated ₹13,431 crore as net surplus during 2007-08. Thereafter, generation of net surplus declined sharply to ₹ 75 lakh in 2009-10. The actual net surplus in 2010-11 was ₹ 620.53 crore. However, after adjustment of excess dividend of ₹ 784.36 crore pertaining to 2009-10, the net surplus in 2010-11 was ₹ 1,404.89 crore. The net surplus declined again to ₹1,125.57 crore in 2011-12.

## 1.9 *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 were 'Operating Ratio', 'Capital-Output Ratio' and 'Staff Productivity', which are discussed below:

### *1.9.1 Operating Ratio*

Operating ratio represents the percentage of working expenses to traffic earnings. The operating ratio was 94.59 *per cent* in 2010-11, decreased slightly to 94.85 *per cent* in 2011-12 for IR. This was primarily due to increase in growth rate of total working expenses from 8 *per cent* in 2010-11 to 10 *per cent* in 2011-12. Operating ratio of zonal railways and Metro Railway/ Kolkata during the last three years ended on 31 March 2012 are shown in the table 1.6.

### Table 1.6 Operating Ratio of Zonal Railways

| Sr. No. | Zonal Railway | 2009-10 | 2010-11 | 2011-12 |
|---|---|---|---|---|
| 1 | Central | 106.47 | 107.31 | 105.68 |
| 2 | Eastern | 186.25 | 178.52 | 182.1 |
| 3 | East Central | 107.94 | 109.06 | 103.58 |
| 4 | East Coast | 48.25 | 42.82 | 44.68 |
| 5 | Northern | 112.74 | 112.2 | 121 |
| 6 | North Central | 61.55 | 63.12 | 61.8 |
| 7 | North Eastern | 216.19 | 201.78 | 202.06 |
| 8 | Northeast Frontier | 161.28 | 167.25 | 166.4 |
| 9 | North Western | 110.29 | 106.41 | 99.99 |
| 10 | Southern | 137.47 | 135.55 | 122.58 |
| 11 | South Central | 80.66 | 85.76 | 85.9 |
| 12 | South Eastern | 69.18 | 66.98 | 72.74 |
| 13 | South East Central | 60.43 | 58.01 | 55.24 |
| 14 | South Western | 88.43 | 98.69 | 109.01 |
| 15 | Western | 97.88 | 97.96 | 94.61 |
| 16 | West Central | 74.07 | 74.93 | 70.13 |
| 17 | Metro Railway/Kolkata | 248 | 226.35 | 310.89 |
| Overall IR | | 95.28 | 94.59 | 94.85 |

There were noticeable improvements in the Operating Ratio of East Central, North Western, Southern, West Central and Western Railways whereas the same deteriorated noticeably in Eastern, Northern, South Eastern, South Western and Metro Railway, Kolkata during the current year compared to the previous year. Operating Ratio of Central, Eastern, East Central, Northern, North Eastern, Northeast Frontier, Southern, South Western Railways and Metro Railway, Kolkata was more than 100 *per cent* during 2011-12, implying that their working expenditure was more than their traffic earnings.

### *1.9.2 Capital-Output Ratio*

Capital Output Ratio indicates the amount of capital employed to produce one unit of output (Total Traffic in NTKMs could be seen as the output in the case of IR). The table 1.7 shows the Capital-output ratio for total traffic (in NTKMs), carried by the IR during the last five years ended on 31 March 2012:

### Table 1.7 Capital Output Ratio of IR (2007-12)

| As on | Total Capital including investment from Capital Fund (₹ in Million) | Goods Traffic (NTKMS) (in million) | Passenger Traffic | | Total Traffic (in Million NTKMs) | Capital at charge (in Paise) per NTKM |
|---|---|---|---|---|---|---|
| | | | Passenger Kilometres (in millions) | Million NTKMs | | |
| 31-Mar-08 | 885,211 | 523,196 | 769,956 | 54,667 | 577,863 | 153 |
| 31-Mar-09 | 1,043,012 | 552,002 | 838,032 | 59,500 | 611,502 | 171 |
| 31-Mar-10 | 1,230,007 | 601,290 | 903,463 | 64,146 | 665,436 | 185 |

| As on | Total Capital including investment from Capital Fund (₹ in Million) | Goods Traffic (NTKMS) (in million) | Passenger Traffic | | Total Traffic (in Million NTKMs) | Capital at charge (in Paise) per NTKM |
|---|---|---|---|---|---|---|
| | | | Passenger Kilometres (in millions) | Million NTKMs | | |
| 31-Mar-11 | 1,432,205 | 626,473 | 978,508 | 69,474 | 695,947 | 206 |
| 31-Mar-12 | 1,614,480 | 667,607 | 1,046,522 | 74,303 | 741,910 | 218 |

Capital Output ratio had increased from 153 paise (2007-08) to 218 paise (2011-12) 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 Capital Output ratio.

### 1.9.3 Staff Productivity

Staff productivity in case of IR is measured in terms of volume of traffic handled in terms of NTKM in Million per thousand employees, increased by over 38 *per cent* during the period 2007-08 (443) to 2011-12 (611).
The improvement in staff productivity over the last five years was a result of two distinct factors:

- Increase in freight carried in terms of tonnage and passenger originating in relation to total distances carried/travelled.
- Decline in workforce from 13.04 lakh (2007-08) to 12.15 lakh (2011-12).

Zone wise analysis of staff productivity revealed that during 2011-12, highest Staff Productivity of 1496 Million NTKM per thousand employees was achieved by East Coast Railway whereas Staff Productivity of 200.38 Million NTKM per thousand employees of Eastern Railway was the lowest during the same period.

## 1.10 Plan Expenditure

IR plays a crucial role in augmenting 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 plan resources are used effectively. Creation of new assets, timely replacement and renewal of depleted assets which had outlived its usage, augmentation of network capacity were the activities carried out by the IR through their plan expenditure. IR's plan expenditure was financed from the general exchequer extended as general budgetary support, internal resources [14] and extra budgetary support i.e. market borrowing through IRFC for rolling stock and new network links by RVNL.

The table 1.8 gives the sources of funds for the plan expenditure during 10$^{th}$FYP period and year wise expenditure of 11$^{th}$ FYP period:

14 ***Reserve Funds such as Depreciation Reserve Fund, Capital Fund, Development Fund***

**Table 1.8 Sources of Plan Expenditure**

**(₹ in crore)**

| Source of Plan Expenditure | 10th FYP (2002-03 to 2006-07) | 11th FYP 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | |
|---|---|---|---|---|---|---|---|
| | Actual | Actual | Actual | Actual | Actual | Budget Estimates | Actual |
| General Budgetary Support [15] (% age to the total) | 37,516.06 (44.88) | 8,667.90 (29.82) | 10,110.43 (27.45) | 17,716.09 (44.70) | 19,485.06 (47.77) | 22,000 (38.17) | 21,336.80 (47.35) |
| Internal Resources (% age to the total) | 29,567.99 (35.37) | 14,948.00 (51.43) | 18,941.23 (51.43) | 12,195.68 (30.77) | 11,527.39 (28.26) | 13,260 (23.01) | 8,933.73 (19.83) |
| Extra Budgetary Support (% age to the total) | 16,502.15 (19.75) | 5,169.43 (18.75) | 7,777.84 (21.12) | 9,720.79 (24.53) | 9,780.29 (23.97) | 22,370 (38.82) | 14,790.59 (32.82) |

*Note: Figures in brackets represent percentage to the total*

Due to generation of additional internal resources, the dependency of Plan Expenditure on general budget support decreased substantially in the first two years of the 11th FYP. While during the third, fourth and fifth year of the 11th FYP, dependency on general budget again increased due to non-availability of sufficient internal resources with corresponding decrease in Plan Expenditure from internal resources. During 2011-12, Ministry of Railways obtained extra budgetary support of ₹ 14,790.59 crore from IRFC for rolling stock and new network links etc. For this purpose, IRFC issued Tax free and Taxable bonds of ₹ 11,385 crore. The funds arranged by IRFC through bonds was utilized on rolling stock etc. At the end of 2011-12, ₹ 18.92 crore was with the Ministry of Railways which was carried forward in the next year.

Plan expenditure is broadly categorized under various Plan Heads. Table 1.9 gives the share of expenditure grouped under various categories of Plan Heads during the 10th FYP Period and year wise breakup of the 11th FYP period:

**Table 1.9 Category-wise Plan Expenditure**

**(₹ in crore)**

| Plan Heads | 10th FYP (2002-07) | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 |
|---|---|---|---|---|---|---|
| New Lines, Gauge Conversion, Doubling, Traffic Facilities, Track Renewal, Bridge Work, S & T | 42,391.07 | 13,056.99 | 15,094.45 | 15,386.09 | 15,899.34 | 13,839.34 |
| | (50.72) | (45.36) | (40.98) | (38.82) | (38.98) | (30.71) |
| Rolling Stock and Payment of Capital Component of Lease charges | 26,556.21 | 9,611.16 | 13,043.34 | 15,141.94 | 17,210.25 | 21,679.67 |
| | (31.77) | (33.39) | (35.42) | (38.21) | (42.19) | (48.11) |
| Workshop and Production Units and | 1,962.67 | 686.82 | 1,343.45 | 1,682.5 | 1,435.95 | 1,613.57 |

15 *Includes expenditure from RSF*

| *Plan Heads* | *10th FYP (2002-07)* | *2007-08* | *2008-09* | *2009-10* | *2010-11* | *2011-12* |
|---|---|---|---|---|---|---|
| *Plant & Machinery* | *(2.35)* | *(2.39)* | *(3.65)* | *(4.25)* | *(3.52)* | (3.58) |
| *Investments in Government Undertaking* | *2,886.59* | *1,581.74* | *2,095* | *2,041.99* | *1,789.58* | 2,599.88 |
| | *(3.45)* | *(5.49)* | *(5.69)* | *(5.15)* | *(4.39)* | (5.77) |
| *Others* | *9,789.65* | *3,848.66* | *5,253.27* | *5,380.33* | *4,457.93)* | 5,328.70 |
| | *(11.71)* | *(13.37)* | *(14.26)* | *(13.57)* | *(10.93)* | (11.83) |
| *Total* | *83,586.19* | *28,785.37* | *36,829.51* | *39,632.85* | *40,793.05* | 45,061.16 |

***Note: 1 Figures in brackets represent percentage to the total***
***Note: 2 Others include Road Safety Works, Electrification Projects, Computerization, Other Electric Works, Railway Research, Other Specified Works, Stores Suspense, Manufacturing Suspense and Miscellaneous Advance, Staff Quarters, Passenger Amenities, Metropolitan Projects.***
***Since IRFC, WIS and RVNL are also contributing to Plan Expenditure (i.e. Extra Budgetary Support), these were also including under Rolling Stock- (₹ 16,052.25 crore for 10th -FYP and ₹ 46,127.94 crore for five years of 11th FYP) and Investments-(₹ 450 crore in 10th -FYP and ₹ 1,111 crore for five years of 11th -FYP)***

The table 1.9 shows that the share of Plan Expenditure on track related works (Construction of New Lines, Doubling, Gauge Conversion, Yard Remodelling and Traffic Facilities, Bridge Works and Signal and Telecommunication Works) declined from 51 *per cent* during the 10th Five Year Plan to 40 *per cent* during 11th Five Year Plan with commensurate increase in share of Rolling stock, Workshop and Production Units and Plant & Machinery during the same period.

## *1.11 Railway Funds*

**Table 1.10 Status of Railway Funds**

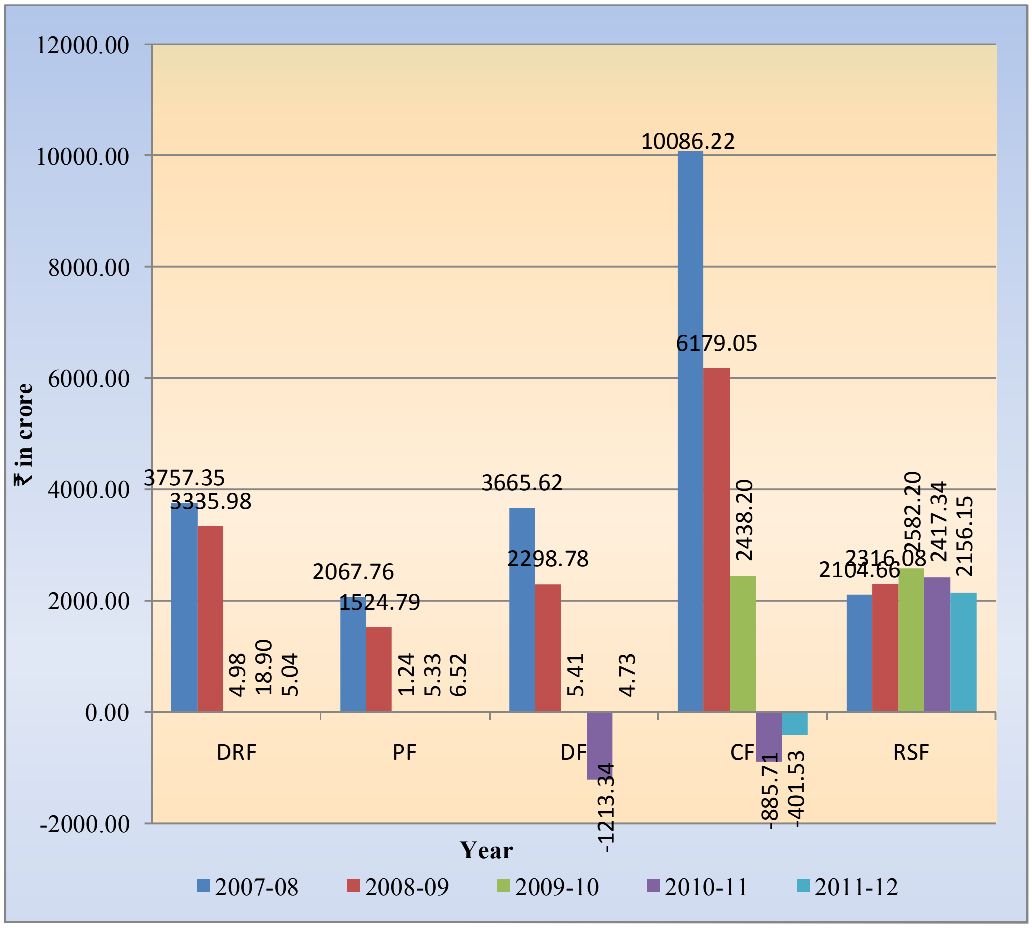
| *Fund* | *Description* |
|---|---|
| *Depreciation Reserve Fund* | *The appropriation to this fund is met out of the revenues earned by IR. This is meant for replacement and renewal of over-aged assets. This fund receives interest at the rate of dividend payable to general revenues. The fund closed at ₹ 5.05 crore at the end of 2011-12 by expending less amount (₹6,680.72 crore) on replacement and renewal of assets than appropriated to the fund (₹6,720 crore). The Appropriation to DRF was made less than Budgeted provision by 4 per cent.* |
| *Pension Fund* | *The opening balance in this fund account as on 1 April 2011 was ₹ 5.33 crore. Appropriation to this fund is also met out of the revenues earned by IR. The fund receives interest at the rate of dividend payable to general revenues. Appropriation to the fund during 2011-12 was slightly more than the withdrawals. The available balance under the fund at the close of the year was ₹ 6.52 crore as on 31 March 2012.* |

| *Fund* | *Description* |
|---|---|
| ***Development Fund*** | ***Due to continuous decrease in revenue surplus after 2007-08, there was a substantial decline in net balances under the fund at the end of each year. The fund account as on April 1, 2011 stood at negative balance of ₹ 1,213.34 crore. In 2011-12, the Revenue surplus to the tune of ₹ 610 crore was appropriated to it. Besides this, an amount of ₹ 3,000 crore was extended by the Central Government during 2011-12 towards loan to Railway Development Fund which was meant for appropriation to Railway Development Fund and to cover the negative balances in the fund and also enable funding essential safety related works in 2011-12. The fund closed at ₹ 4.73 crore due to the following reasons:-*** <br> ***1. The capital expenditure incurred out of this fund amounting to ₹ 2,222.56 crore was much more than the contribution to the Fund amounting to ₹ 610 crore;*** <br> ***2. Payment of the interest amounting to ₹ 41.12 crore to Government of India due to negative balance in fund account.*** <br> ***3. Payment of interest of ₹ 128.25 crore on loan taken from Government of India*** |
| ***Capital Fund*** | ***With the decrease in generation of revenue surplus since 2007-08, appropriation to this fund decreased from ₹11,072.09 crore (2007-08) to ₹ 3,065.78 crore in 2008-09. IR could not appropriate any amount to this fund in 2009-10 and 2010-11. In 2011-12, only ₹ 515.57 crore was appropriated in this fund. However, due to negative balance of ₹ 885.71 crore as on April 1, 2011, Ministry of Railways had to pay interest of ₹ 31.40 crore instead of receiving interest. This resulted into the negative balances of ₹ 401.53 crore as on March 31, 2012 in fund account despite no expenditure being incurred.*** |
| ***Railway Safety Fund*** | ***The opening balance in this fund account as on April 1, 2011 was ₹ 2,417.34 crore. An amount of ₹ 1,323.36 crore was utilized in 2011-12 as against an amount of ₹ 1,062.17 credited to it. The fund account closed at ₹ 2,156.15 crore at the end of 2011-12.*** |

The funds[16] shown above in Table No. 1.10 were either financed through revenues or surplus except Railway Safety Fund, which received a share of the Diesel Cess. The balance available in the funds increased from ₹ 342.51 crore in 2010-11 to ₹ 1,770.91 crore at the end of the year 2011-12 which was after obtaining a loan of ₹ 3,000 crore from Ministry of Finance under Development Fund.

16 ***Till 2007-08, IR also operated Special Railway Safety Fund which was created in 2001-02 to wipe out the arrears in renewal/replacement. The fund was closed at the end of 2007-08 and balance remained in the fund was transferred to Depreciation Reserve Fund.***

**Figure 1.16- Fund Balances at the close of the years (2007-12)**




The Development Fund and Capital Fund, are funded from the railway 'Excess' available after payment of dividend, closed with balances of ₹ 4.73 crore and negative balances of ₹ 401.53 crore, respectively. In order to bridge the gap in fund balances under the two funds, Ministry of Railways through Supplementary Demands for Grants (March 2012) obtained a loan of ₹ 3,000 crore towards Development Fund during 2011-12 under Major head-7002-Railways-Minor head 202-Loans to Railway Development Fund which was meant for appropriation to the Railway Development Fund to cover the negative balances in the fund and also to enable essential safety related works in 2011-12.

From Capital Fund, no expenditure was met during the year 2011-12. Ministry of Railways repays the principal amount of lease charges from Capital Fund to IRFC of money borrowed to purchase rolling stock. This repayment is made by IR since this is a committed liability. Initially, a budget provision of ₹ 3,700 crore was made for payment of principal component of lease charges to IRFC (₹ 3,447 crore) and investment in Rail Vikas Nigam Limited (₹ 253 crore). However, due to financial crunch (less generation of internal resources/revenue surplus and negative balance in the capital fund), the Ministry of Railways adopted General Budgetary Support and paid ₹

3,454.33 crore from 'Capital' to IRFC by obtaining supplementary grant of ₹ 664.09 crore (March 2012) and ₹ 2,776.08 crore by re-appropriation from other plan heads. Since principal component of lease charges to IRFC is met from Capital Fund, payment of principal component from 'Capital' will attract liability of payment of dividend to general revenues. Therefore, Ministry of Railways made an avoidable payment of dividend amounting to ₹ 172.72 crore to general revenues during 2011-12.

The contribution to DRF was not made on the basis of historical cost, expected useful life and expected residual life of the asset but was dependent on the amount which the working expenses could bear. During the last five years ending 31 March, 2012, the expenditure on renewal/replacement of assets to the appropriation made to the fund varied from 99 *per cent* (2011-12) to 251 *per cent* in 2009-10. Since renewal/replacement of assets is a high priority item, it is imperative that contribution to DRF be made in a transparent manner.

The annual contribution to DRF is distributed zone-wise in proportion to the Block Account (value of assets held) of each zonal railway. This apportionment is charged to the working expenses of the zone. It was seen that at the zonal level there was no relation between the amount appropriated to DRF and amount expended on replacement and renewal of the assets. There was negative balance at the end of 2011-12 in respect of Central, Eastern, North Central, North Eastern, North Western, South Central, South Eastern, South East Central, South Western, Western, West Central Railways, Integral Coach Factory (ICF), Central Organization for Railway Electrification (CORE) and MTP/Chennai.

## *1.12 Conclusions and Recommendations*

Finances of IR were severely impacted mainly due to slow-down of the Indian economy and implementation of the 6th CPC recommendation during 2008-10. Therefore, they were not able to achieve the projected performance as outlined in the budget for last two years. Though GTR was achieved as per projection during 2010-11, the net revenue was 35.12 *per cent* below the budget projection. During 2011-12, the GTR increased by 10.13 *per cent* over the previous year, yet this was below the budget projections by two *per cent* (₹ 2,128.65 crore). The Total Working Expenditure increased by 2.29 *per cent (*₹ 2,217.41 crore) as compared to budget projections. Thus, the Net Revenue was below the budget projections by 43.45 *per cent* (₹ 5,211.53 crore).

IR has not been able to meet their operational cost of passenger and other coaching services. There was significant cross-subsidization from freight services to passenger services. In fact Railway Convention Committee (2009), in its first report on ‘Rate of Dividend for 2009-10 and 2010-11 and other Ancillary matters’ desired that the Railways should explore the ways of raising their revenue including avenues for resource mobilization while curbing wasteful expenditure and enforcing financial discipline. IR earned profit of ₹ 20,563.59 crore from freight traffic on one hand and incurred loss of ₹ 20,948.35 crore on operation of passenger and other coaching services on the other hand during 2010-11.

During 2011-12, IR's Revenue surplus (₹1,125.57 crore) was 78.59 *per cent* below the budget projection of ₹ 5,258.41 crore. At the end of the year 2011-12, the funds closed with ₹ 1,770.91 crore. Even after obtaining a loan of ₹ 3,000 crore under Development Fund from Ministry of Finance during 2011-12, balance under this fund was ₹ 4.73 crore at the end of the year. The Capital Fund depicted negative balance of ₹ 401.53 crore. This situation may in long run affect the sustainability of IR operations.

The financial and operational efficiency indicators except the staff productivity indicator of IR were on decline during the year 2011-12. The overall operating ratio decreased from 94.59 *per cent* in 2010-11 to 94.85 *per cent* in 2011-12. Capital-output ratio increased significantly in the last five years (2007-12), indicating decrease in the physical performance of the IR as compared to capital employed.

The unrealized earnings increased to ₹ 1,401.03 crore at the end of 2011-12 from previous year's outstanding of ₹ 1,357.84 crore. This also affected the finances of IR.

***Recommendations***

- ***IR is facing severe financial crunch and their accumulated funds have eroded considerably from ₹ 21,681.60 crore in 2007-08 to ₹ 1,770.91 crore in 2011-12. The way forward for IR is to improve its finances and rationalize both freight as well as passenger tariffs. IR may explore new avenues to recover the cost from its services in order to generate sufficient surplus to meet its future requirements.***
- ***It is essential that IR increases its market share in bulk commodities like coal, steel, cement where it has an inherent competitive advantage.***
- ***It is important for the IR to review all the capital works in progress and take expeditious decision with regard to operation/non-operation of projects wherein road connectivity exists especially in case of un-remunerative lines.***
- ***IR needs to review all cases of licensing/renting of its assets for timely revision/raising of bills and realization of dues including arrears.***
- ***IR needs to pursue effectively the cases of unrealized earnings pending under traffic suspense mainly on account of movement of traffic and demand recoverable.***

# *Chapter 2 Appropriation Accounts*

This Chapter outlines IR financial accountability and budgetary practices through audit of Appropriation Accounts.

Railway Budget is an instrument of Parliamentary Financial Control and at the same time, an important management tool. Parliamentary Financial Control is secured not only by the fact that all 'voted' expenditure receives Parliament's prior approval, but also by the system of reporting back to it, the actual expenditure incurred against the Grants/Appropriations voted/approved by Parliament. The statements, which are prepared for presentation to Parliament, comparing the amount of actual expenditure with the amount of Grants voted by Parliament and, Appropriations sanctioned by the President, are called the **"Appropriation Accounts".**

The Appropriation Accounts are signed both by the Chairman, Railway Board and by the Financial Commissioner, Railways and transmitted to the Comptroller and Auditor General of India for audit. Audit by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various grants is within the authorization given under the Appropriation Act and also whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

Appropriation Accounts detail the accounts related to expenditure of IR for a particular year as compared to the appropriations for different purposes as specified in the schedules appended to the Appropriation Act passed by Parliament. These Accounts list the original budget allocation, supplementary grants, surrenders and re-appropriations distinctly and indicate the actual capital and revenue expenditure on various specified services vis-à-vis those authorized by the Appropriation Act in respect of both charged and voted items of budget. Appropriation Accounts thus facilitate management of finances and monitoring of budgetary provisions and are therefore complementary to Finance Accounts.

## *2.1 Summary of Appropriation Accounts*

IR authorized its expenditure through operation of 16 Grants comprising of 15 Revenue Grants[17] (Grants number 1 to 15) and one Capital Grant[18] (Grant No. 16). Revenue grants were financed through the internal resources generated by the IR through its earnings during the year, the Capital grant was funded mainly through the budget, internal resources and share of diesel cess from Central Road Fund.

Appropriation Accounts (Railways) for the sums expended during the year ended 31 March 2012, compared with the sums authorized in the Original and

**17** ***Grants detailing working expenses and other revenue expenditure as voted by Parliament..***

**18** ***Grant detailing expenditure on Assets Acquisition, Construction and Replacement voted by Parliament***

Supplementary Demands for Grants for expenditure and passed under Article 114 and 115 of the Constitution of India are summarized in table 2.1.

**Table 2.1- Summary of Appropriation Accounts 2011-12**

***(₹in crore)***

| | Original Grant/ Appropriation | Supplementary Grant | Total Sanctioned Grant | Actual Expenditure | Saving (-) / Excess (+) |
|---|---|---|---|---|---|
| **Voted** | | | | | |
| Revenue | ***1,26,582.63*** | ***3,926.94*** | ***1,30,509.57*** | ***1,26,100.20*** | ***(-)4,409.37*** |
| Capital | ***70,697.27*** | ***3,714.11*** | ***74,411.38*** | ***68,636.12*** | ***(-)5,775.26*** |
| Total Voted | ***1,97,279.90*** | ***7,641.05*** | ***2,04,920.95*** | ***1,94,736.32*** | ***(-)10,184.63*** |
| ***Charged*** | | | | | |
| Revenue | ***161.78*** | ***3.19*** | ***164.96*** | ***155.12*** | ***(-)9.84*** |
| Capital | ***60.00*** | ***67.07*** | ***127.07*** | ***105.64*** | ***(-)21.43*** |
| Total Charged | ***221.78*** | ***70.26*** | ***292.03*** | ***260.76*** | ***(-)31.27*** |
| Grand Total | ***1,97,501.67*** | ***7,711.31*** | ***2,05,212.98*** | ***1,94,997.08*** | ***(-)10,215.9*** |

The above table lists out the total expenditure of IR as ₹1,94,997.08 crore during the financial year 2011-12, of which nearly 64.75 *per cent* was spent on revenue grants which include working expenses on administrative, operational and maintenance activities while 35.25 *per cent* was spent on capital grant dealing with creation and augmentation of infrastructure facilities through Assets Acquisition, Construction and their Replacement/Renewal. The above table also indicates savings of 2.15 *per cent* (₹ 4 ,419.21 crore) under revenue grants and 2.82 *per cent* (₹ 5796.69 crore) under capital grant against the sanctioned provisions available in 2011-12.

An analysis of grant-wise expenditure revealed that the net saving of ₹ 10,215.90 crore was a result of savings of ₹13,384.74 crore under thirteen revenue grants, five segments of capital grant seven revenue appropriation[19] and five segments of capital appropriation, adjusted by an excess of ₹3,168.84 crore in three revenue grants, two segments of capital grant and four revenue appropriations as are shown in Appendix-2.1.

### *2.1.1 Revenue Grants*

IR operates 15 Revenue Grants. These are functionally clubbed under six distinct groups as listed in table 2.2:-

**Table 2.2- Grants operated by Railways**

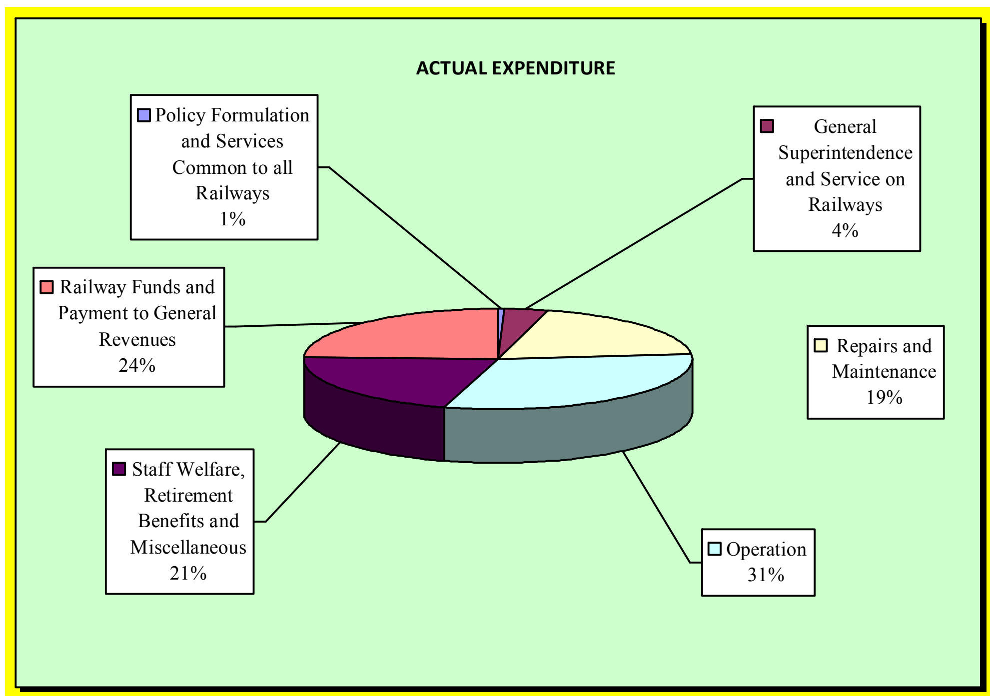
| No. | Particulars | Six Distinct Group |
|---|---|---|
| 1 | Railway Board | Policy Formulation and Services Common to all Railways |
| 2 | Miscellaneous Expenditure | |
| 3 | General Superintendence and Service on Railways | General Superintendence and Service on Railways |
| 4 | Repairs and Maintenance of Permanent Way and Works | Repairs and Maintenance |
| 5 | Repairs and Maintenance of Motive Power | |

**19** ***Appropriation refer to expenditure charged on Consolidated Fund of India***

| | | |
|---|---|---|
| 6 | Repairs and Maintenance of Carriages and Wagons | |
| 7 | Repairs and Maintenance of Plant and Equipment | |
| 8 | Operating Expenses-Rolling Stock and Equipment | Operation |
| 9 | Operating Expenses-Traffic | |
| 10 | Operating Expenses-Fuel | |
| 11 | Staff Welfare and Amenities | Staff Welfare, Retirement Benefits and Miscellaneous |
| 12 | Miscellaneous Working Expenditure | |
| 13 | Provident Fund, Pension and Other Retirement Benefits | |
| 14 | Appropriation to Fund | Railway Funds and Payment to General Revenues |
| 15 | Dividend to General Revenues, Repayment of loans taken from General Revenues and Amortization of over Capitalization | |

Therefore, the group-wise expenditure, in 2011-12, would appear as pie diagram 2.1.

**Diagram-2.1 Group wise Revenue Expenditure (2011-12)**




Group-wise estimates, expenditure and variation under the revenue grants are detailed in table 2.3.

**Table- 2.3 Group wise Estimates, Expenditure and Variation (2011-12)**

*(₹ in crore)*

| Particulars | Original Grant/ Appropriation | Supplementary Provision | Total Sanctioned Grant | Actual Expenditure | Variation w.r.t. Sanctioned Grant | Percentage variation |
|---|---|---|---|---|---|---|
| Policy Formulation and Services Common to all Railways | 880.01 | 0.00 | 880.01 | 757.90 | -122.11 | -13.88 |
| General Superintendence and Service on Railways | 4,996.02 | 0.03 | 4,996.05 | 4,665.36 | -330.69 | -6.62 |
| Repairs and Maintenance | 24,763.62 | 195.14 | 24,958.76 | 24,201.03 | -757.72 | -3.04 |
| Operation | 37,061.22 | 2,230.00 | 39,291.22 | 38,999.07 | -292.15 | -0.74 |
| Staff Welfare, Retirement Benefits and Miscellaneous | 24,240.41 | 1,504.96 | 25,745.37 | 26,710.35 | 964.98 | 3.75 |
| Railway Funds and Payment to General Revenues | 34,803.31 | 0.00 | 34,803.13 | 30,921.61 | -3,881.52 | -11.15 |

The main reasons for variations with reference to sanctioned provisions are as under:

- **Indian Railways Policy Formulation**

  Less expenditure incurred towards other charges such as foreign travel expenses, hospitality etc, non-execution or slow progress of certain survey works, non-finalization of tenders, less materialization of contractual payments, conducting of less number of examinations by Railway Recruitment Boards, slow progress of world class station works.

- **General Superintendence and Service on Railways**

  Less expenditure incurred towards staff cost and contingencies, less receipt of legal bills, reduction in staff cost due to non filling of vacancies, reduction in quantum of honorarium paid to the employees.

- **Repairs and Maintenance**

  Less expenditure incurred towards salary , wages and establishment charges, less procurement of non stock items, less sanitation work undertaken, materialization of less contractual payments, less direct purchases, less drawal of stores, less adjustment of wages and material on periodical overhaul, adjustment of less debits, less expenditure towards staff cost, less expenditure towards contingent expenses, less adjustment of workshop debits, less direct purchases for other repairs, less expenditure on maintenance activities, less debits received, less/non-materialization of decretal payments than anticipated.

- **Operation**

  Less expenditure towards staff cost, less drawal of consumable stores, less adjustment of stores debits, less expenditure towards procurement of stores, materialization of less contractual payments, less establishment charges and non-filling of vacancies, less expenditure on publicity charges, less payment of leasing charges other than IRFC, less expenditure towards Sales tax, Excise duty and other taxes/levies, adjustment of less debits, less expenditure on staff cost, less expenditure on cost of electricity used for traction services, less materialization of decretal payments than anticipated.

- **Staff Welfare, Retirement Benefits and Miscellaneous**

  Adjustment of more debits and more expenditure towards compensation claims, more expenditure towards accident insurance and compensation, incurrence of more expenditure towards contractual payments to private caterers and clearance of outstanding bills of Indian Railway Catering and Tourism Corporation(IRCTC), more materialization of claims and adjustment of debits, receipt of more debits from pension disbursing authorities, more payment towards ex-gratia pension, receipt of more debits towards family pension due to revision of family pension cases, finalization of more cases of death-cum-retirement-gratuity, more expenditure towards leave encashment for pension optees, more expenditure towards deposit linked insurance scheme, materialization of more decretal payments than anticipated.

- **Railway Funds and Payment to General Revenues**

  Savings in grant no. 14 – Less appropriation to DRF, lesser availability of excess to be appropriated in Development Fund and Capital Fund due to decline in internal resource generation.In grant no. 15 saving occurred as lowering of interest rate from 6 *per cent* to 5 *per cent*.

Grant wise authorisation and expenditure under the revenue and capital grants and appropriations are detailed in ***Appendix-2.1*** .

Analysis of capital grant is discussed in paragraph 2.2.4 and 2.6.

## *2.2 Financial Accountability and Budget Management*

### *2.2.1 Excess over Budget Provision*

The table No. 2.4 gives the grants and appropriations where in expenditure was incurred in excess of authorized expenditure.

**Table 2.4 Excess Expenditure**

***(₹ in crore)***

| S. No. | Particulars | Original Provision | Supplementary provision | Actual Expenditure | Excess |
|---|---|---|---|---|---|
| **Revenue- Voted** | | | | | |
| 1 | ***Grant No. 12–Working Expenses-Miscellaneous Working Expenses*** | ***3,684.74*** | ***425.13*** | ***4,388.08*** | ***278.21*** |
| 2 | ***Grant No. 13–Working Expenses–Provident fund, Pension and Other Retirement Benefits*** | ***16,479.74*** | ***1,077.61*** | ***18,326.97*** | ***769.62*** |
| ***Revenue- Charged*** | | | | | |
| 1 | ***Appropriation No. 3–General Superintendence and Services*** | ***0.00*** | ***0.03*** | ***0.30*** | ***0.27*** |
| 2 | ***Appropriation No. 13 – Working Expenses–Provident fund, Pension and Other Retirement Benefits*** | ***0.50*** | ***0.09*** | ***0.63*** | ***0.04*** |
| | ***Total*** | ***20,164.98*** | ***1,502.86*** | ***22,715.98*** | ***1,048.14*** |

The above mentioned grants and appropriations where excess expenditure occurred, supplementary provisions were obtained in all. Incurrence of excess expenditure despite obtaining supplementary grants indicated poor budgetary forecasting.

During 2011-12, the reasons of excess expenditure were due to adjustment of excess debits and additional expenditure towards compensation claims, excess expenditure towards accident insurance and compensation, incurrence of more expenditure towards contractual payments to private caterers including clearance of outstanding bills of Indian Railway Catering and Tourism Corporation(IRCTC), more materialization of claims vis-a-vis adjustment of debits, Receipt of more debits from pension disbursing authorities, more payment towards ex-gratia pension, receipt of more debits towards family pension due to revision of family pension cases, finalization of more cases of death-cum-retirement-gratuity, more expenditure towards leave encashment for pension optees, more expenditure towards deposit linked insurance scheme, materialization of more decretal payments than anticipated.

Public Accounts Committee (PAC) in its Sixty-fourth Report ($15^{th}$ Lok Sabha) on 'Excess over Voted Grants and Charged Appropriations (2010-11) observed that incurring of excess expenditure under the Grants/Appropriations operated by the Ministry of Railways is a recurring phenomenon indicating serious flaws in the budgetary exercise. The Committee also observed that while anticipating the requirement of funds by the Railways, estimations for various Sub-Heads could have been projected more realistically by analysing properly the total monetary effect of salary hike, prevailing expenditure trail, upcoming demands/requirements rising cost etc. which was possible by putting in a little more effort. Ministry of Railways replies on PAC's observations are awaited.

The excesses over the budgetary sanctions require regularization by Parliament under Article 115(1) (b) of the Constitution of India.

### 2.2.2 Persistent Excess Expenditure

There were persistent excess during 2009-10, 2010-11 and 2011-12 in the grant 13- Provident Fund, Pension and Other Retirement Benefits dealing with Staff Welfare, Retirement Benefits and Miscellaneous as in table 2.5.

**Table 2.5 Persistent Excess Expenditure**

*(₹ in crore)*

| S. No. | Name and Grant No. | Financial Year | Original Provision | Supplementary provision | Actual Expenditure | Excess |
|---|---|---|---|---|---|---|
| 1 | Grant No. 13 (Voted) – Provident Fund, Pension and Other Retirement Benefits | 2009-10 | 14,265.29 | 1,133.52 | 16,911.20 | 1,512.39 |
| | | 2010-11 | 14,417.50 | 531.24 | 16,352.71 | 1,403.97 |
| | | 2011-12 | 16,479.74 | 1,077.61 | 18,326.97 | 769.62 |
| 2 | Grant No. 12 (Voted) – Working Expenses- Misc. Working Expenses | 2009-10 | 3,157.65 | 0 | 3,177.23 | 19.59 |
| | | 2010-11 | 3,093.25 | 260.81 | 4,002.50 | 648.44 |
| | | 2011-12 | 3,684.74 | 425.13 | 4,388.08 | 278.21 |
| 3 | Appropriation No. 3 (Charged) – Working Expenses- General Superintendence and Services | 2009-10 | 0.01 | 0.09 | 0.35 | 0.24 |
| | | 2010-11 | 0.05 | 0.10 | 0.36 | 0.21 |
| | | 2011-12 | 0.00 | 0.03 | 0.30 | 0.27 |

IR attributed the excess mainly to incurrence of additional expenditure on receipt of more debits from pension disbursing authorities, extra payment towards ex-gratia pension, receipt of more debits towards family pension due to revision of family pension cases, finalization of more cases of death-cum-retirement-gratuity, more expenditure towards leave encashment for pension optees, more expenditure towards deposit linked insurance scheme, due to adjustment of excess debits and additional expenditure towards compensation claims, excess expenditure towards accident insurance and compensation, incurrence of more expenditure towards contractual payments to private caterers including clearance of outstanding bills of Indian Railway Catering and Tourism Corporation (IRCTC), materialization of more decretal payments than anticipated,

***The persistent excess in the last three years indicated the failure of IR to properly estimate budgetary requirements and enforce fiscal discipline.***

### 2.2.3 Savings

There were aggregate savings of ₹ 10,973.65 crore. In eleven cases, as detailed in table 2.6, the savings exceeded ₹ 100 crore:

**Table 2.6: Savings over ₹100 crore**

*(₹ in crore)*

| S. No. | Particulars | Original Provision | Supplementary provision | Actual Expenditure | Saving |
|---|---|---|---|---|---|
| *1* | ***Grant No. 2-Miscellaneous Expenditure*** | ***683.03*** | ***0*** | ***561.40*** | ***-121.63*** |
| *2* | ***Grant No. 3-General Superintendence and Service on Railways*** | ***4,996.02*** | ***0*** | ***4,665.06*** | ***-330.96*** |
| *3* | ***Grant No. 4-Repairs and Maintenance of Permanent Way and Works*** | ***8,154.65*** | ***0*** | ***7,794.56*** | ***-360.09*** |
| *4* | ***Grant No. 7-Repairs and Maintenance of Plant and Equipment*** | ***4,672.96*** | ***0*** | ***4,421.00*** | ***-251.96*** |
| *5* | ***Grant No. 9-Operating Expenses-Traffic*** | ***13,324.23*** | ***116.10*** | ***13,293.48*** | ***-146.85*** |
| *6* | ***Grant No. 10-Operating Expenses-Fuel*** | ***17,288.48*** | ***1,692.31*** | ***18,846.06*** | ***-134.73*** |
| *7* | ***Grant No. 14-Appropriation to Funds (DRF, CF, DF,PF)*** | ***28,068.41*** | ***0*** | ***2,5265.57*** | ***-2,802.83*** |
| *8* | ***Dividend to GR*** | ***6,734.72*** | ***0*** | ***5,656.03*** | ***-1,078.69*** |
| *9* | ***Grant No. 16-CAPITAL*** | ***53,501.37*** | ***714.10*** | ***52,704.66*** | ***-1,510.81*** |
| *10* | ***Grant No. 16-Railway Funds*** | ***15,137.70*** | ***0.004*** | ***11,572.47*** | ***-3,565.23*** |
| *11* | ***Grant No. 16-Railway Safety Funds*** | ***1,998.40*** | ***0.002*** | ***1,328.53*** | ***-669.87*** |

Reasons for savings were attributed to reductions in Revenue Grants due to non-execution/slow progress of certain survey works, non-finalization of tenders, reduction in materialization of contractual payments, conducting of less number of examinations by Railway Recruitment Boards, slow progress of world class station works, Incurrence of less expenditure towards staff cost and contingencies, non- receipt of legal bills, non-filling of vacancies, reduction in payment of honorarium, less procurement of non-stock items and withdrawal as well as procurement of stores, reduction in sanitation work undertaken, less expenditure on maintenance activities, reduction in direct purchases and debits received, less expenditure on publicity charges, minimize in payment of leasing charges other than IRFC, reduction in expenditure towards Sales tax, Excise duty and other taxes/levies, adjustment of less debits, and reduction in expenditure on cost of electricity used for traction services.

Reasons for saving in "Appropriation to Funds" were attributed mainly to less appropriation to DRF. Further, due to less availability of revenue surplus the appropriation under Development Fund and Capital Fund were not made as per Budget Estimate.

***Grant No. 16-Capital, Railway Funds and RSF*** – Reasons for savings under these funds are given in succeeding para.

### *2.2.4 Persistent Savings*

There were persistent savings of over ₹100 crore in following grants as shown in the table 2.7.

**Table 2.7 Persistent Savings**

*(₹in crore)*

| S.No. | Particulars | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 |
|---|---|---|---|---|---|---|
| *1* | *Grant No. 14 – Appropriation to Funds* | *373.99* | *6,429.96* | *4,301.51* | *2,533.20* | *2,802.84* |
| 2 | *Grant No. 16 – Capital* | *789.47* | *537.20* | *2,020.71* | *760.50* | *1,510.81* |
| 3 | *Grant No. 16 – Railway Funds* | *1,634.35* | *1,723.38* | *2,815.59* | *861.94* | *3,565.24* |
| 4 | *Grant No. 16 – Railway Safety Fund* | *517.44* | *734.56* | *649.98* | *598.56* | *669.87* |

- ***Grant No. 14 – Appropriation to Funds***

  Savings, during 2007-08, in grant no.14 had occurred because appropriation to DRF and/or Pension Fund had been reduced due to lower requirement of funds. However, in 2008-11, saving in this grant was attributed to lower generation of internal resources. In 2008-09, savings occurred due to reduction in contribution to CF by ₹7,773.96 crore. In 2009-10, contribution to DRF and DF was curtailed by ₹5,137 crore and no contribution to CF was made as internal generations of resources had decreased substantially. In 2010-11, DRF has been curtailed by ₹2,085 crore due to reduced internal resource generation and contribution to CF made as no money was left for appropriation during the year. In 2011-12, Appropriation to DRF has been curtailed by ₹403.31crore (i.e.5.76 *per cent* of BE) due to reduced internal resource generation and contribution to DF and CF made are ₹610.00 and ₹515.58 respectively which are 25.41 *per cent* and 18.04 *per cent* of BE of their respective funds as net surplus available for appropriation was only ₹1,125.58 crore.

- ***Savings in Grant No.16-Capital and Railway Funds***

  Savings were mainly attributed due to anticipated debits not materialized, land acquisition not completed/delay in land acquisition/delay in handing over of land by the State government, slow progress of work, less booking of expenditure than anticipated, New line work frozen by Railway Board, less materialization of contractual liabilities, expected Permanent Way work not materialized, slow progress of works related to Traffic facilities-Yard remodeling, less execution of computerization work, less procurement of Machinery and Plant items, non-finalization of tenders/proposals for staff quarters, slow progress of staff amenity works, less investment in non-government undertakings, revision in production programme, reduction in numbers of three phase locos.

Less materialization of contractual liabilities, slow progress of some works of traffic facilities-yard remodeling, delay in finalization of tender, non/late finalization of estimates/tenders of PRS works, slow of progress of computerization works, non receipt of expected material of receipt of railway research at RDSO, payment of capital component of leased assets not made from Capital Fund, less booking of expenditure that anticipated, materialization of less debits than anticipated, slow progress of works on passenger amenities, no investment in non-government undertakings.

- ***Savings in Grant no.16- Railway Safety Fund***

Slow progress of road safety works, materialization of less contractual payments, non/less finalization of tenders/proposals, delay in land acquisition, adjustment of less debits and (for 2011-12) Slow progress of works, delay in acquisition of land, less contractual activities were the main reasons for persistent savings under RSF.

***Instances of persistent savings were indicative of poor budgetary estimation by IR.***

## 2.3 Supplementary Provisions

Supplementary provisions amounting to ₹ 3,926.94 crore were taken during 2011-12 in seven revenue voted grants (6, 8, 9, 10, 11, 12, 13). These were obtained mainly for higher maintenance activity under materials, contractual Payment, Transfer of Debit/Credit, higher payment of lease charges to IRFC, more expenditure on fuel to increase in traffic/process of fuel under diesel traction & electric traction. In grant no. 6,10,11,12 and 13, supplementary provisions of 42 *per cent*, 100 *per cent*, 100 *per cent*, 65 *per cent* and 76 *per cent* remained unutilized.

Supplementary provisions of ₹3.19 crore were obtained under charged appropriations to meet higher decretal payments than anticipated. However, the assessment of supplementary provisions under charged appropriations no. 3,4,10, and 11 were either inadequate or excessive by more than 100 *per cent*. The reasons of such huge variation were explained due to more/less materialization of decretal payment than anticipated.

## 2.4 Surrenders

Savings in a grant or appropriation are required to be surrendered as soon as these are foreseen without waiting for the end of financial year. However, it was seen that the capital (charged) segment of grant no. 16 had savings of ₹13.70 crore in 2011-12 (11.76 *per cent* of total budgetary support received), out of which ₹ 0.32 crore was surrendered on 31 March 2012, depriving Government of India of the opportunity of utilising these funds for other departments by correspondingly reducing gross budgetary support for IR.

There were a number of cases of surrender as shown in the table 2.8:-

**Table 2.8 Surrenders under various Grants**

*(₹ in crore)*

| Grants | V/C | Original | Supplementary | Total provision | Actual exp | Net veriation | Surrender |
|---|---|---|---|---|---|---|---|
| 2 | V | 683.03 | 0 | 683.03 | 561.40 | 121.63 | -81.74 |
| 3 | V | 4,996.02 | 0 | 4,996.02 | 4,665.06 | -330.96 | -257.92 |
| 4 | V | 8,154.65 | 0 | 8,154.65 | 7,794.56 | -360.09 | -264.64 |
| 5 | V | 3,661.16 | 0 | 3,661.16 | 3,599.82 | -61.34 | -7.29 |
| 7 | V | 4,672.96 | 0 | 4,672.96 | 4,421.00 | -251.66 | -96.62 |
| 14 | V | 28,068.41 | 0 | 28,068.41 | 25,265.57 | -2,802.84 | -3,606.26 |
| RAILWAY FUNDS | V | 15,137.70 | 0 | 15,137.70 | 11,572.47 | -3,565.23 | -4,732.30 |
| RSF | V | 1,998.40 | 0 | 1,998.40 | 1,328.53 | -669.87 | 542.23 |
| OLWR | V | 59.80 | 0 | 59.80 | 30.46 | -29.34 | 8.24 |
| 12 | C | 159.01 | 0 | 159.01 | 152.12 | -6.89 | 4.36 |
| RAILWAY FUNDS | C | 8.80 | 0 | 8.80 | 2.34 | -6.46 | -4.94 |

## 2.5 Budgetary Control by Spending Units

Budget estimates are usually calculated by IR after taking into account zonal railways requirements which are analyzed and moderated. Rules provide[20] that any fund, during the course of the fiscal year, unlikely to be utilized for a particular purpose for which it was obtained could be re-appropriated, within the provisions of the rules, for some other purpose, or for other spending units (zonal railways). Re-appropriation of funds is done through Final Modification Statement[21] (FMS). Summary of railway-wise grant accounts (grant no.3 to 13) is given in ***Appendix-2.2.***

Audit review of the grant accounts (voted) of grant no. 3 to 13 of zonal railways revealed the following:

- In 94 cases, funds were surrendered through FMS by zonal railways in excess of availability.
- In 9 cases, zonal railways surrendered funds through FMS despite expenditure exceeding the sanctioned allocations.
- In 6 cases, zonal railways, through FMS, surrendered 50 *per cent* or more of the supplementary provisions allocated to them. It included 2 cases, where 100 *per cent* of the supplementary provisions allocated to them were surrendered.

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**20** *Paragraph 376 of Indian Railways Finance Code enumerates the powers of re-appropriation of funds*

**21** *Final Modification Statement referred to final re-appropriation of fund from one unit to other or from one work to other within the frame work of rules. It is usually done at the fag end of the year.*

- In 27 cases, zonal railways received additional funds through re-appropriation at the fag end of the year despite expenditure already incurred was less than the sanctioned grant.

***Such instances indicated defective budgetary control and resulted in consequent issue of injudicious re-appropriation orders.***

## *2.6 In-depth Study of Grant No. 16-Assets, Acquisition, Construction and Replacement*

IR operates one grant for capital expenditure. Grant no. 16 i.e. Works Grant is the largest grant in terms of allocation and area of activities in the field. It deals with expenditure on construction, acquisition and replacement of assets of IR. Entire Plan expenditure was formulated, budgeted and incurred through this grant. This grant has four segments and draws its funding from four distinct sources:

- **Capital**-budgetary support advanced by general budget of GoI,
- **Railway Funds**-internal resources kept under three different reserves[22],
- **Railway Safety Fund**-financed by Railways' share of diesel cess from Central Road Fund and
- **Open Line Works (Revenue)** - new or additional improvement/ replacement works costing less than ₹1 lakh financed from revenue.

Re-appropriation of funds from one segment to another is not permissible. Segment wise allocation and expenditure is given below:

**Table 2.9 Segment wise Expenditure under Grant No. 16**

***(₹ in crore)***

| Particulars | Original Provision | Supplementary provision | Total sanctioned provisions | Actual Expenditure | Saving (-)/ Excess (+) |
|---|---|---|---|---|---|
| Voted Portion | | | | | |
| Capital | 53,501.37 | 714.10 | 54,215.47 | 52,704.66 | (-)1,510.81 |
| Railway Fund | 15,137.70 | 0.004 | 15,137.70 | 11,572.47 | (-) 3,565.23 |
| Railway Safety Fund | 1,998.40 | 0.002 | 1,998.40 | 1,328.53 | (-)669.87 |
| Open Line Works – Revenue | 59.80 | 0.00 | 59.80 | 30.46 | (-) 29.34 |
| Loan to Railway Development Fund | 0.00 | 3000* | 3000 | 3000 | 0.00 |
| Total Voted | 70,697.27 | 3,714.11 | 74,411.38 | 68,636.12 | (-) 5,775.26 |
| Charged Portion | | | | | |
| Capital | 49.4 | 67.07 | 116.47 | 102.77 | (-)13.70 |
| Railway Fund | 8.80 | 0.00 | 8.80 | 2.34 | (-) 6.46 |
| Railway Safety Fund | 1.60 | 0.00 | 1.60 | 0.53 | (-) 1.07 |
| Open Line Works – Revenue | 0.20 | 0.00 | 0.20 | 0.00 | (-) 0.20 |
| Total Charged | 60.00 | 67.07 | 127.07 | 105.64 | (-) 21.43 |

***22 Reserve Funds were Depreciation Reserve Fund (DRF), Development Fund (DF) and Capital Fund (CF).***

- **Capital**

In 2011-12, provision of ₹ 53,501.37 crore was made for acquisition and construction of assets. Additional budgetary support of ₹ 3,714.10 crore was received through supplementary grant under Capital (Voted) includes (i) loan of ₹3,000* crore towards Development Fund being extended to MoR by Central Government during 2011-12 under 'Major Head-7002- Railways-Minor Head 202-Loan to Railway Development Fund' which is meant for appropriation to the Railway Development Fund and will cover the negative balance in the fund and also enable funding essential safety related works in 2011-12 and (ii) ₹714.10 crore to meet additional requirement under plan expenditure. This entire supplementary provision was utilized on payment of leased Assets –Payment of Capital Component (2200) and Rolling stock (2100).

There was a net savings of ₹1,510.81 crore, against the sanctioned provision, in this segment of the grant. Savings were attributed to anticipated debits not materialized, land acquisition not completed/delay in land acquisition/delay in handing over of land by the State government, slow progress of work, less booking of expenditure than anticipated, New line work frozen by Railway Board, less materialization of contractual liabilities, expected Permanent Way work not materialized, slow progress of works related to Traffic facilities-Yard remodeling, less execution of computerization work, less procurement of Machinery and Plant items, non-finalization of tenders/proposals for staff quarters, slow progress of staff amenity works, less investment in non-government undertakings, revision in production programme, and reduction in numbers of three phase locos.

- **Railway Funds**

Appropriation Accounts for 'Railway Funds' under grant no. 16, is financed through three sources of funds viz Depreciation Reserve Fund (DRF), Development Fund (DF) and Capital Fund (CF).

- DRF - for replacement/renewal of existing assets
- DF - for all passenger and other users, works including addition and replacement, labour welfare works not exceeding ₹1 lakh each and Safety Works
- CF - for meeting requirement of capital expenditure on construction and acquisition of new assets.

All these funds are financed from the internal resources of IR either by charging to 'Working Expenses' (DRF) or from 'Net Revenue Surplus' (DF and CF). Thus, performance of IR and availability of balances in the fund accounts impacts planning of expenditure under this segment of the grant. Though appropriation between these sources of funds is not permissible, a combined Appropriation Accounts for these funds is prepared. Source-wise break-up of sanctioned allocation and expenditure under Railway Funds is tabulated in table in 2.9.

**Table- 2.9- Component of Railway Funds**

***(₹in crore)***

| Particulars | Original Provision | Supplementary provision | Total sanctioned provisions | Actual Expenditure | Saving (-)/ Excess (+) |
|---|---|---|---|---|---|
| Voted Portion | | | | | |
| Depreciation Reserve Fund | *9,038.70* | *0.002* | *9,038.70* | *9,349.40* | *310.70* |
| Development Fund | *2,399.00* | *0.002* | *2,399.00* | *2,223.06* | *(-)175.94* |
| Capital Fund | *3,700.00* | *0.00* | *3,700.00* | *0.00* | *(-)3,700.00* |
| Total Voted | *15,137.70* | *0.004* | *15,137.70* | *11,572.47* | *(-)3,565.24* |
| Charged Portion | | | | | |
| Depreciation Reserve Fund | *6.20* | *0.00* | *6.20* | *1.12* | *(-)5.08* |
| Development Fund | *2.60* | *0.00* | *2.60* | *1.22* | *(-)1.38* |
| Capital Fund | *0.00* | *0.00* | *0.00* | *0.00* | *0.00* |
| Total Charged | *8.80* | *0.00* | *8.80* | *2.34* | *(-)6.46* |
| Total Voted and Charged | *15,146.50* | *0.004* | *15,146.50* | *11,574.81* | *(-) 3,571.70* |

Analysis of this segment of grant revealed there were net savings (under voted) of ₹3,565.24 crore (23.55 *per cent* of the sanctioned grant).

Further examination of source wise allocation and expenditure revealed the following:

- **DRF-** Excess expenditure of ₹310.70 (3.44 *per cent*) occurred against the sanctioned provisions of ₹9,038.70 crore.
- **DF**- Expenditure of ₹2,223.06 crore was incurred against the provision (voted) of ₹2,399 crore resulting in savings of ₹ 175.94 crore.
- **CF**- There was a saving of ₹3,700 crore (100 *per cent*) of the sanctioned grant as well as supplementary grant of ₹3,700 crore.

- ***Railway Safety Fund***

This source of capital expenditure is funded by IR's share of diesel cess in Central Road Fund. Available fund is utilized for road safety works like manning of un-manned railway crossing and construction of road over/under bridges. It was seen that proposed allocations had never been fully utilized in the last five years as there were continuous savings in this segment of the grant as discussed in Paragraph 2.2.4 above. Despite availability of funds there were delays in execution of road safety works.

- ***Open Line Works (Revenue)***

This segment of the grant was financed from the revenue of IR. Cost of all works (other than passenger amenities works) whether new or additional improvement/replacement, where cost is less than ₹1 lakh, is chargeable to this segment of grant. 49 *per cent* of the originally allocated funds of ₹59.80 crore were not utilized. The savings were attributed to slow progress of works, delay in finalization of tenders, materialization of less contractual payments, less receipt of debits, related to computerization/railway research, non/delayed finalization of tenders.

### 2.6.1 Withdrawal/Utilization of Railway Funds

The table below depicts the status of Budget Estimate and Actual with regard to 'Appropriation to funds' and 'Amount utilized' from the funds during the last three years:

**Table 2.10 - Appropriation to Railway Funds and withdrawal there from during the last three years ended 31 March 2012**

*(₹in crore)*

| Fund | Particulars | 2009-10 | 2010-11 | 2011-12 |
|---|---|---|---|---|
| DRF | Appropriation to Fund(BE) | 5,425.00 | 7,700.00 | 7,100.00 |
| | Appropriation to Fund(Actual) | 2,287.00 | 5,615.00 | 6,720.00 |
| | Excess/Shortage | (-)3,138.00 | (-)2,085.00 | (-)380.00 |
| | Expenditure/withdrawal from fund | 5,731.19 | 5,585.12 | 6,680.72 |
| DF | Appropriation to Fund(BE) | 2,000.00 | 2,800.00 | 2,400.00 |
| | Appropriation to Fund(Actual) | 0.75 | 1,404.90 | 610.00 |
| | Excess/Shortage | (-)1,999.25 | (-)1,395.10 | (-)1,790.00 |
| | Expenditure/withdrawal from fund | 3,141.48 | 2,576.59 | 2,222.56 |
| CF | Appropriation to Fund(BE) | 642.26 | 373.09 | 2858.41 |
| | Appropriation to Fund(Actual) | - | - | 515.57 |
| | Excess/Shortage | (-)642.26 | (-)373.09 | (-)2,342.84 |
| | Expenditure/withdrawal from fund | 3,282.74 | 3,329.85 | 0 |
| Total (Railway Funds) | Appropriation to Fund(BE) | 8,067.26 | 10,873.09 | 12,358.41 |
| | Appropriation to Fund(Actual) | 2,287.75 | 7,019.90 | 7 ,845.57 |
| | Excess/Shortage | (-)5,779.51 | (-)3,853.19 | (-)4,513.04 |
| | Expenditure/withdrawal from fund | 12,155.41 | 1,1491.56 | 8,903.28 |

From the above, it is seen that the appropriation to the funds was not made as per budget projections due to lower availability of funds during the last three years. The DRF, which is created to meet the requirement of funds needed for renewal/replacement of existing over aged assets, is not being appropriated as per the life of the assets but the appropriation in the fund was made to extent the working expenses could bear.

Further, due to less generation of revenue surplus, the appropriation to DF and CF also could not be made as per the budget estimates.

Withdrawal from the funds in almost all the three years was more than the amount appropriated to the funds.

### 2.6.2 Re-appropriation within Grant No. 16

Works/activities under each segment of the grant were grouped under 33 Plan Heads (Minor Heads of Account) like Construction of New Lines, Doubling, Gauge Conversion, Rolling Stock etc. Investment decisions which form the budget estimates for construction, acquisition and replacement of assets (Works Budget) were processed through the annual "Work, Machinery and

Rolling Stock Programme" prepared on the basis of advance and continuous planning process.

Despite detailed exercise in formulation of Works Budget of capital grant, non-utilization of sanctioned grant besides large scale re-appropriation of original allocated funds as mentioned below had been noticed.

- In Capital segment of the grant, the following was observed:

Estimates for requirement of funds proved incorrect as additional funds from other plan heads were provided through re-appropriation for Restoration of Dismantled lines-Plan Head-1300(₹11.54 crore- 23 *per cent*[23]), Gauge Conversion works- Plan Head-1400 (₹2,154 crore-380 *per cent*), Doubling projects- Plan Head-1500 (₹944.33 crore-925.80 *per cent*),Rolling Stock - Plan Head-2100(₹1,487.33 crore-2974.66 *per cent*), leased assets- Plan Head-2200(₹2,776 crore-418 *per cent*), other electrical works- Plan Head-3600(₹22.59 crore-29.72 *per cent*), and investment in Government commercial Undertaking- Plan Head-6200 (₹750 crore-3947.37 *per cent*).

Non-utilization and surrender of funds were noticed in the plan heads New Line Construction- Plan Head-1100- (₹2,032.55 crore-28.44 *per cent*),Traffic Facility-Yard Remodelling and others- Plan Head-1600-(₹10.62 crore-3.58 *per cent*), Computerization- Plan Head-1700-(₹65.42 crore-78.06 *per cent*),Bridge Work- Plan Head-3200-(₹18.71 crore-34 *per cent*),Machinery and Plant- Plan Head-4100-(₹26.67 crore-22 *per cent*), Metropolitan Transport Project- Plan Head-8100-(₹5,457.27 crore-83.96 *per cent*).

- In Railway Funds segment of the grant, the following was observed:

Under-estimation of the requirement of funds resulted in provision of additional funds for New Line Construction - Plan Head-1100-(₹1.51 crore-100 *per cent*), and Bridge Work - Plan Head-3200-(₹30.42 crore-11.12%).

Heavy surrenders and non-utilization of funds were noticed in plan heads dealing with Gauge Conversion- Plan Head-1400-(₹37.90 crore -75.8 *per cent*), Doubling- Plan Head-1500 (₹10.00 crore-76.92 *per cent*), Computerization- Plan Head-1700- (₹105.53 crore- 41.88 *per cent*), Railway research- Plan Head-1800-(₹32.28 crore -46 *per cent*), Bridge works - Plan Head-3200-(₹ 30.42 crore-11.12 *per cent*).

Non-utilization and surrender of funds under OLWR were noticed in the eight plan heads out of 11 plan heads. Non-utilization and surrender of funds were mainly in Traffic Facility-Yard Remodelling and others- Plan Head-1600-(₹12.12 crore-80.82 *per cent*), Computerization- Plan Head-1700-(₹ 3.78 crore-55.65 *per cent*), Signal and Telecommunication - Plan Head-3300-(₹1.42 crore-71.27 *per cent*).

- Non-utilization and surrender of funds were also noticed under RSF in Road Safety- Unmanned crossing -2900-(₹227.89 crore-28.49 *per cent*), and Road

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**23** ***Percentage was with reference to sanctioned grant.***

Safety –Over Bridge/Under Bridge- Plan Head-3000-(₹ 314.33 crore-26.23 *per cent)*.

***Large scale changes in priorities and re-appropriation of originally allocated resources from one plan head to another or from one Zonal railway to another Zonal railway were indicative of the lack of reliability in preparation of budgetary estimates for assets acquisition, construction and replacement/renewal. This affected the long term advance planning of construction and acquisition of assets and also schedules of completion of works/projects.***

**To sum up the analysis of the capital grant revealed**

- **Inadequate planning**
- **Weak links between policy making, planning and budgeting**
- **Inadequate relationship between budget as formulated and budget as executed**

## *2.7 Misclassification of Expenditure*

Instances of misclassification of expenditure and other accounting mistakes had been noticed while verifying the Accounts of the zonal railways. Cases of misclassification of expenditure and important accounting mistakes have been listed in the "Appropriation Accounts of IR 2011-12 – Detailed Accounts – Part II. These cases included misclassification of expenditure from one revenue grant to another and also from revenue to capital grant and vice-versa. Cases on misclassification of expenditure from capital to deposit heads of accounts were also identified in audit. Misclassification of expenditure from revenue to capital head of accounts or capital to deposit heads understated the revenue and capital expenditure in the accounts. A few of such misclassifications are listed in ***Appendix - 2.3***.

Test audit revealed that expenditure of ₹5.54 crore pertaining to revenue heads of account was misclassified to capital heads of account and ₹15.88 crore from capital heads of account to revenue heads of account thereby understating the capital expenditure to the extent of ₹ 10.34 crore. Further, a number of cases of mistake in accounting as well as misclassification under Revenue and Capital grants were noticed.

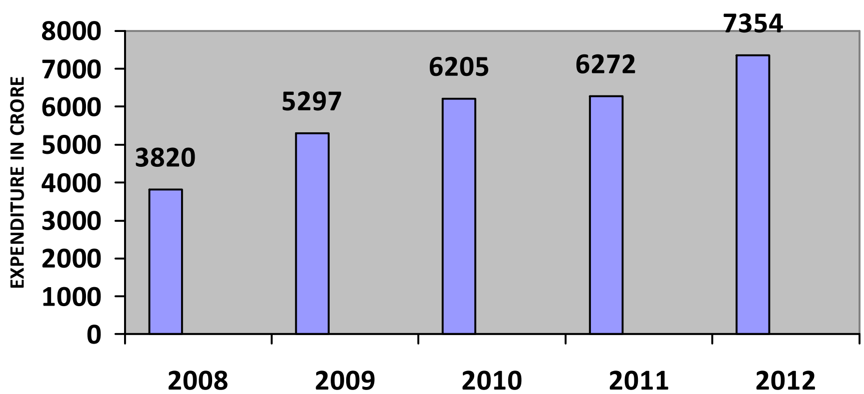
The Public Accounts Committee (PAC) in its Sixty-fourth Report ($15^{th}$ Lok Sabha) deplore that unabated trend of persistent misclassification of expenditure has reached endemic proportion and they have repeatedly failed to address and eliminated such fundamental flaw. Apparently, no tangible action has been taken by the Ministry either to fix responsibility for avoidable errors or for rectifying the terminological ambivalence leading to misclassification.

## 2.8 Unsanctioned Expenditure

All items of irregular expenditure incurred by IR, such as expenditure incurred in excess of sanctioned estimates, expenditure incurred without detailed estimates and miscellaneous overpayments etc. are noted in objection books by the zonal railways administration and treated as unsanctioned expenditure.

A review of such expenditure held under objection disclosed an increasing trend from ₹3,820 crore as of March 2008 to ₹5,297 crore as of March 2009 ₹6,205 crore as of March 2010 , ₹6,272 crore as of March 2011 and ₹7,354 core as on 31 March 2012. Unsanctioned expenditure as of 31 March 2012, included ₹ 6,205 crore (84 *per cent*) related to items which were more than two years old.

**Diagram-2.9 Unsanctioned Expenditure**




Increasing trend of unsanctioned expenditure indicated the inaction on the part of the administration to get the unsanctioned expenditure regularised.

## 2.9 Conclusions and Recommendations

IR had continuously been incurring expenditure over and above the budgetary provisions sanctioned by Parliament. Instances of misclassification of expenditure continued to occur regularly in the railways accounting system. Public Accounts Committee (PAC) had time and again expressed its displeasure over incurring expenditure in excess of the sanctioned grants which was a clear indication of inadequate exercise in preparation of budget by IR. The Committee had also repeatedly taken a serious view of the recurring instances of misclassification of expenditure.

The Public Accounts Committee (PAC) in its Sixty-fourth Report (15th Lok Sabha) deplore that unabated trend of persistent misclassification of expenditure has reached endemic proportion and they have repeatedly failed to address and eliminated such fundamental flaw. Apparently, no tangible action has been taken by the Ministry either to fix responsibility for avoidable errors or for rectifying the terminological ambivalence leading to misclassification.

Increasing trend of unsanctioned expenditure may be controlled and the administration to get the unsanctioned expenditure regularised.

### *Recommendations*

The Public Accounts Committee (PAC) in its Sixty-fourth Report (15th Lok Sabha) issued certain guidelines to the MoR which were based on the previous audit report. Therefore, the audit recommendations interelia include the directions of the PAC also.

***PAC recommendations***

- ***It is recommended that the Ministry of Railways strive earnestly for ensuring realistic estimation of their budgetary requirements under various sub-heads of the Grants/Appropriations operated by them so that the existing lapses/loopholes are identified and concrete remedial measures taken to obviate excess expenditure.***
- ***It is also recommended that the existing budgetary mechanism in the Railways needs to be thoroughly reviewed and revamped so that necessary corrective action, whenever warranted, could be taken to overcome systemic lacunae/loopholes for progressive elimination of misclassification syndrome. Further, responsibility be fixed for each patent misclassification so that there is greater caution and due diligence in classification of expenditure in future.***

***Audit recommendations***

- ***IR should fortify its internal controls to effectively reduce the instances of misclassification of expenditure. Deterrent sanctions should be put in place to foster greater responsibility at the level of key controlling officers.***
- ***IR should also explore a mechanism for estimates of supplementary grants more realistically so as to ensuing fiscal discipline.***
- ***Increasing trend of unsanctioned expenditure to be controlled; administration to ensure all unsanctioned expenditure are regularised on priority.***

# Chapter-3 Budget Formulation and Financial Management in Indian Railways

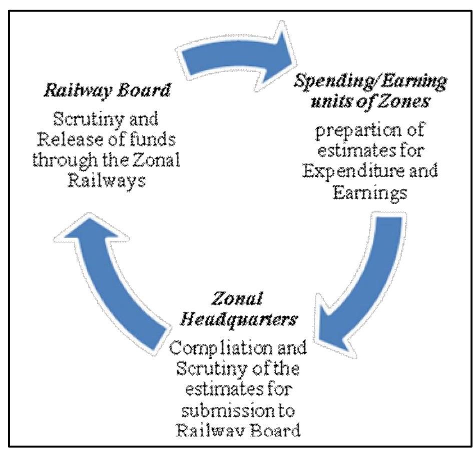
## 3.1 Introduction

The budget is the Government's key policy document of all planned revenue and capital expenditure. Budget is necessary for planning, decision making and judicious allocation of resources. In Indian Railways (IR), the Railway Budget is presented by the Minister for Railways to both Houses of Parliament separately from and ahead of the General Budget. The Railway finances were separated from the general finances of the government through a 'Separation Convention' in 1924 as per the recommendations of the Acworth Committee[24]. Though the Railway Budget is separately presented to Parliament, the figures relating to the receipts and expenditure of the Railways are a part of the total receipt and expenditure of the Government of India.

A study on the process of preparation of Budget and Financial Management including existing system of internal controls was conducted to obtain an assurance that the rules and regulations governing the formulation of budget were complied with and an effective Internal Control Mechanism exists for reliable financial reporting and adequate assurance provided for compliance on the subject.

The study covered the period 2009-12 with a representative sample[25] consisting of maximum of two Divisions and one Workshop from each zone. The study also covered the traffic accounts office of each Zonal Railway in addition to examination of documents relating to preparation of Budget at Railway Board level. **(Appendix 3.1)**

## 3.2 Budget Preparation




The process of preparation of Budget commences at the field unit level[26]. The field units prepare estimated Revenue and Capital Expenditure under different heads which forms the base for forecasting the requirement of funds for the concerned year say current year (Revised Estimate) and ensuing year (Budget Estimate). Similarly, the revenue earning units forecast the expected earnings based on the volume of traffic to be handled at current rates. The estimates are then compiled and scrutinized at the Zonal Headquarter level for

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[24] ***The Acworth Committee aimed at separating the railway finance from the general finances of the government. Accordingly, a resolution was adopted by the Central Legislative Assembly on 20th September, 1924 as a convention. This resolution provided for a separate railway budget and was known as 'separation convention'.***

***25 There are 68 divisions and 44 workshops spread over 16 zones excluding Metro Railways***

[26] ***17 Zones and 6 Production units-***

consideration and final allotment by the Railway Board. Railway Board also scrutinizes the estimates received from all the Zones. The estimates of expenditure are presented to the Parliament in the form of 'Demand for Grants'. After passing of Appropriation Bill by the Parliament, budgetary allocations are made to all the Zonal Railways.

## *3.3 Audit Findings*

### *3.3.1 Non compliance to Ministry of Finance Observations*

Ministry of Finance (MoF) while commenting on the budget proposal (2009-12) of Ministry of Railways, observed that even after increase in the freight charges, there were short realization of Gross Traffic Receipts (GTR) coupled with increase in Ordinary Working Expenses (OWE). MoF inter-alia advised that IR should ensure that bulk of Gross Budgetary Support (GBS) be utilized towards the priority projects and implement credible plans for increasing Internal and Extra Budgetary Resources (IEBR) in their total plan.

Scrutiny in Audit revealed that the observations of the Ministry of Finance were not adequately addressed by the Ministry of Railways (MoR). Few issues are mentioned below:

i. During 2009-10, MoF advised MoR to gear up and guard against further slippages on the Revenue front. Audit observed that against the projected Gross Traffic Receipts of ₹ 88356 crore, IR could garner only ₹ 86964 crore (2009-10).

ii. Against a projection of ₹1.69 lakh crore, IR could generate and utilise ₹1.14 crore from their IEBR during 11$^{th}$ Plan period leaving a gap of ₹ 0.55 lakh crore. During 2011-12, IR could generate only ₹ 23988 crore towards IEBR against projection of ₹ 35735 crore leaving a gap of ₹ 11747 crore. IR was not able to generate adequate internal resources due to higher rate of increase in ordinary working expenses over GTR. The average rate of growth for OWE was 15.22 *per cent* during the year 2009-12 in comparison to growth rate of 10.68 *per cent* for GTR during the same period. The initiative taken by the IR to augment their freight revenues by increasing the fares failed to generate adequate GTR.

iii. The increase (12 *per cent*) in the amount met from Pension Fund from ₹ 16019 crore (2010-11) to ₹ 17919 crore (2011-12) had adverse affect on generation of internal resource which decreased to ₹ 8935 crore in 2011-12 as compared to ₹ 11528 crore (22 *per cent*) generated during the previous year.

iv. Due to shortfall (28 *per cent*) in internal resources and EBR component, the Plan Expenditure during the year 2011-12 was reduced by ₹ 11163 crore (19 *per cent*). In January 2012, MoF extended a loan[27] of ₹ 3000 crore towards meeting the **capital expenditure** of Railways. Audit observed that the said loan obtained at the interest rate of 8.55 *per cent* was utilized for **development works**.

### *3.3.2 Non compliance with the codal provisions*

The compliance with the detailed provisions relating to the preparation of Budget as laid down in the Indian Railway Financial Code[28] were examined. Details of deviations noticed in different Zonal Railways while projecting estimates both in respect of receipts and expenditure are mentioned in **Appendix 3.2.** A few instances are highlighted below for understanding the gravity of the issues:

#### *3.3.2.1 Budgeting for Receipts*

i. As per provision contained in Para 313 of Indian Railway Financial Code Volume I, two sets of the estimates of earnings should be prepared, one on the basis of originating earnings[29] and the other with reference to apportioned earnings. The two sets of figures are required to be sent to the Railway Board both for the Revised Estimates for the current year as well as the Budget Estimates for the following year. Audit observed that in case of ER, two separate sets were not prepared and sent to Railway Board. In case of SECR estimates based on apportioned earnings were sent to Railway Board, however, estimates for originating earnings were not sent by the SECR to the RB.

ii. Para 314[30] provides that Earnings from each class of passenger traffic should be estimated on the basis of passenger kilometres and the average fare per passenger kilometre for each class separately. The earnings from parcels traffic should be estimated in the same way as for goods traffic and military traffic should be assessed on the basis of the previous actual and the influence of changing conditions in the future. The earnings from coaching traffic, other than passenger, parcel and military traffic, may be estimated on the basis of a ratio of the earnings from passenger traffic to be determined with reference to the previous actual. Audit, however, observed that in ER, NWR and SCR, earnings from each class of passenger traffic separately for AC, First Class, Second Class were not being prepared. This is required to enable the Railway Board to judge whether the estimates are reasonable. It also helps in assessing the total traffic prospects of the Railways. In SCR, the earnings from military traffic were not assessed. There was no documentation in support of the projected growth rate for traffic in five zones[31].

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[27] *Ministry of Finance (Department of Economic Affairs) letter No. F.2(1)-B(AC)/2011 dated 31 January 2012*
[28] *Para 309 to 337 of Indian Railway Financial Code Volume I*
[29] *Total originating earnings represent earnings on originating basis i.e. without apportionment of earnings derived from through traffic*
[30] *Indian Railway Financial Code Volume I*
[31] *ER, NWR,SECR, SR, and SCR*

iii. Para 322 of Indian Railway Financial Code Volume I provides that the variations under Passenger, Goods and Other Coaching earnings on account of the effect of increase/adjustments, if any, in fares and freights as compared to the increases provided in the Budget Estimates for the year should be explained separately. The revised estimates of the earnings to have a proper correlation to the latest traffic anticipations as revealed from the originating, cross and received traffic figures. Audit observed that the variations for Passenger, Goods and Other Coaching Earnings on account of effect of increase/adjustment in fare and freight as compared to the increase provided in the Budget Estimates for the year were not explained as per codal provisions in case of ER, SCR and SR.

### *3.3.2.1 Budgeting for Expenditure*

i. Para 326 of Indian Railway Financial Code Volume I provides that a brief narrative explanation to be given in case wherein substantial differences exist between the figures adopted for the revised estimate of the current year and the actual of the previous year vis-a-vis budget allotment for the current year. This was not followed in five zones[32];

ii. As per extant provision[33], the revised estimate for the current year and the budget-estimate for the next year should be fixed only after taking into account the expenditure of the previous year as compared to the expenditure made during the first seven months of the concerned financial year with the corresponding period of the previous year. A complete explanation of all the special features including all/any exceptional and abnormal adjustments along with the amounts involved which were included in previous year as well as current year along with next years' projection, should be given in the explanatory note accompanying the estimates. The financial effect of variations on account of specific reasons should be clearly brought out under each Demand. Audit observed that the said provision was not followed in case of six zones[34];

iii. Separate statements showing the details of the estimated number of rolling stock proposed for repairs along with the unit cost were also not furnished by seven zones[35] as required under Para 332 of Indian Railway Finance Code Volume I;

iv. No justification was provided by the six zones[36] regarding extant provisions[37] in case of each variation of the estimates as regards to the increase/decrease of the earnings/expenditure over the previous period.

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[32] ***ECR, NWR, SCR,SR and WCR***
[33] ***Para 327 of Indian Railway Financial Code Volume I***
[34] ***ECR, ER, NWR,SCR,SR,WCR***
[35] ***ECR,ER,NWR,SCR,SECR,SR and WCR***
[36] ***ER,SCR,SR,ECR,NWR and WCR***
[37] ***Para 322 and 326 of Indian Railway Financial Code Volume I***

Thus the estimates prepared were incomplete and faulty as they were prepared with deficient procedures and were sent to the Railway Board with moderations from the Zonal level. Therefore, this deficiency in compliance with the extant provisions led to defective budgeting which in turn resulted in excess/savings under various grants in different zones as discussed in the subsequent paragraphs.

### *3.3.3 Defects in Budgeting*

The efficiency of the Budgeting process prima facie depends on the realistic assessment of the expenditure and earnings so as to ensure optimum utilization of funds. While allotting funds to each zone, the Railway Board moderates the requirement of each zone on the basis of the availability of resources. Therefore, any deficiency with regard to the accuracy of the estimates resulted in excess expenditure /surrender of allotted funds.

Audit observed that in 248 instances the actual expenditure incurred by the Zonal Railways exceeded the allotment made by the RB and there were savings in 139 instances on account of lesser allotment of funds. Extent of incorrect assessment of funds as observed in different zones is discussed in detail hereunder:

### *3.3.3 1 Excess Expenditure Over Allotment*

In the final grant stage, RB moderated the requirement of the zone without ensuring proper documentation of the basis of moderation. Even after moderation, there was little control over the expenditure incurred by the various zones.

**a) <u>Requirement of Funds decreased by the RB</u>**

Audit observed that the Railway Board reduced the requirement of funds of the zones; therefore, the actual expenditure incurred by the zones exceeded the allotment of funds made by the RB. It was also observed that on one hand there was excess expenditure of ₹ 9497.78 crore (80.21 *per cent*[38]) during the period 2009-12 whereas on the other hand ₹ 11840.64 crore was surrendered by the zones at final grant stage **(Appendix 3.3)**. Table No.1 shows few instances wherein zones incurred excess expenditure as indicated below:

**Table No. 1: Expenditure in excess of Final Grant** ***(₹ in crore)***

| Grant No. | Year | Railway | Budget Grant (BG) | Final Grant (FG) | Actual Expenditure (Act) | Variation between FG and BG # | Variation Between Act and FG * | Per cent of Excess over Col 7 |
|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 4 | 11-12 | NCR | 559.63 | 481.54 | 510.38 | -78.09 | 28.84 | 36.93 |
| 5 | 11-12 | WCR | 366.62 | 283.02 | 321.21 | -83.6 | 38.19 | 45.68 |

[38] *The figure represents the average of excess expenditure during 2009-12.*

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *12* | *11-12* | *SR* | *285.95* | *234.61* | *280.23* | *-51.34* | *45.62* | *88.86* |
| *3* | *10-11* | *ECR* | *248.65* | *151.92* | *225.67* | *-96.73* | *73.75* | *76.24* |
| *4* | *10-11* | *NCR* | *539.53* | *300* | *462.45* | *-239.53* | *162.45* | *67.82* |
| *6* | *10-11* | *ECR* | *352.57* | *180* | *479.46* | *-172.57* | *299.46* | *173.53* |

# Cl.7= Cl.5- Cl.4, * Cl.8= Cl.67- Cl.5

**b) Excess allotment made by the RB**

Further scrutiny by Audit revealed instances wherein Railway Board increased the requirement of Zonal Railways. In such cases, the actual expenditure incurred by the zones was in excess of allotment. This excess expenditure amounted to ₹ 1414.14 crore (45.79 *per cent*[39]) in addition to the excess funds sought by the zone **(Appendix 3.4)**. A few instances are mentioned in Table No. 2 below:

**Table No. 2: Expenditure in excess of fund sought by the zones**

***(₹ in crore)***

| *Grant No* | *Year* | *Railway* | *BG* | *FG* | *Act Exp* | *Variation between FG & BE* | *Variation Between Act & FG* | *Per cent of Excess over Col 7* |
|---|---|---|---|---|---|---|---|---|
| *1* | *2* | *3* | *4* | *5* | *6* | *7* | *8* | *9* |
| *8* | *11-12* | *SER* | *435.72* | *438.31* | *443.62* | *2.59* | *5.31* | *205.02* |
| *9* | *11-12* | *NR* | *1618.2* | *1675.7* | *1859.3* | *57.5* | *183.6* | *319.3* |
| *8* | *10-11* | *CR* | *570.85* | *598* | *622.86* | *27.15* | *24.86* | *92.57* |
| *12* | *09-10* | *NR* | *494.48* | *565.84* | *739.26* | *71.36* | *173.42* | *243* |
| *11* | *09-10* | *CR* | *319.37* | *323* | *326.97* | *3.63* | *3.97* | *109.37* |

### *3.3.3.2 Surrender of Funds*

Railway Board reduced the requirement of funds for the zonal Railways. The actual expenditure incurred by the Zonal Railways was, however, significantly below the amount allotted by the Railway Board.

Audit observed that during 2009-12, even after reduction of BG, the actual expenditure incurred was less than the FG, as ₹ 6125.84 crore were surrendered on account of under-utilisation of Final Grant due to erroneous budget requirement assessed by the Zonal Railways. A few instances are mentioned below and details are shown in **Appendix 3.5**.

**Table No. 3: Under-utilisation of fund** ***(₹ in crore)***

| *Grant No* | *Year* | *Railway* | *BG* | *FG* | *Act Exp* | *Variation between FG & BE* | *Variation Between Act & FG* | *Per cent of Excess over Col 7* |
|---|---|---|---|---|---|---|---|---|
| *1* | *2* | *3* | *4* | *5* | *6* | *7* | *8* | *9* |
| *3* | *11-12* | *NCR* | *226.34* | *215.23* | *202.98* | *-11.11* | *-12.25* | *110.26* |
| *4* | *11-12* | *ECR* | *507.56* | *460* | *420.69* | *-47.56* | *-39.31* | *82.65* |
| *10* | *10-11* | *ECR* | *1239* | *1120* | *1035.5* | *-119* | *-84.5* | *71.01* |
| *12* | *09-10* | *ER* | *312.06* | *300* | *279.2* | *-12.06* | *-20.8* | *172.47* |

[39] ***The figure represents the average of excess expenditure during 2009-12.***

This indicated that the assessments as well as estimation made by the zones and Railway Board were arbitrary and had no correlation with the ground reality.

#### *3.3.3.3 Earnings below the estimate*

A review of the estimation of earnings for the IR revealed that the actual earnings during 2009-11 were less than the estimated earnings. It was observed that there was shortfall of ₹ 2320.70[40] crore. IR was able to achieve the revised estimate target with a surplus of ₹198.06 crore only during 2011-12. Incorrect estimation of earning adversely affected the appropriation to Pension Fund and Depreciation Reserve Fund (DRF). While the Pension Fund is meant for discharging committed liability, shortfall in appropriation to DRF would inevitably affect the day to day maintenance/replacement of essential safety related works. **(Appendix 3.6)**

### *3.3.4 Financial Management*

#### 3.3.4.1 *Investment* Planning

Investment decisions relating to the creation, acquisition and replacement of assets (Grant No 16) for the Railways are processed through the annual "Works, Machinery and Rolling Stock Programme". As per extant provision[41] all works proposed to be taken up are to be included in the Preliminary Works Programme. Some works are also sanctioned as Material Modification (MM) to the existing works. MM to a project are the unforeseen modifications that arise during the course of the execution of the project. Para 302 of the Indian Railway Code for the Engineering Department stipulates that the decision on any new project can be arrived at only after the economic study of the project with a minimum Rate of Return (ROR) of 14 *per cent*.

Study of the projects sanctioned during the years 2007-12 vis-a-vis funds allotted under Grant No 16 for the Plan Heads like New Lines, Gauge Conversion and Doubling during the years 2009-12 in Eastern, Southern, Northeast Frontier, Northern and Central Railway revealed that the utilization of the funds in case of 131 projects was ₹ 3113.51 crore (61.50 *per cent*) out of 5062.45 crore. Excess and saving to the tune of ₹ 631 crore and ₹ 820 crore respectively were observed in 152 and 45 instances during 2009-12 **(Appendix 3.7).** Table below indicates the allotment and utilization of funds under different heads during 2009-12.

[40] ***The figure represents the shortfall for the years 2009-10 and 2010-11***
[41] ***Para 609 to 611 of the Indian Railway Code for the Engineering Department***

**Table 4: Allotment and Utilisation of Funds during 2009-12**

*(₹ in crore)*

| Railway | Year | No of Works | Plan Heads[42] | Original Grant | Supplementary Grant | Total Grant | Actual expenditure |
|---|---|---|---|---|---|---|---|
| ER,SR, NEFR, NR and CR | 2009-10 | 16 | 1100 | 162.58 | 75.95 | 238.53 | 129.96 |
| | 2010-11 | 24 | 1100 | 345.74 | 131.11 | 476.85 | 320.84 |
| | 2011-12 | 37 | 1100 | 1140.13 | -57 | 1083.13 | 268.9 |
| | 2009-10 | 4 | 1400 | 116 | 20 | 136 | 155.83 |
| | 2010-11 | 4 | 1400 | 197 | 119 | 316 | 447.36 |
| | 2011-12 | 11 | 1400 | 549.5 | 0 | 549.5 | 567.17 |
| | 2009-10 | 16 | 1500 | 255 | 40 | 295 | 242.45 |
| | 2010-11 | 37 | 1500 | 680.84 | -35.5 | 645.34 | 389.02 |
| | 2011-12 | 83 | 1500 | 1322.1 | 0 | 1322.1 | 591.98 |
| TOTAL | 2009-10 | 36 | 1100 | 533.58 | 135.95 | 669.53 | 528.24 |
| | 2010-11 | 65 | 1400 | 1223.58 | 214.61 | 1438.19 | 1157.22 |
| | 2011-12 | 131 | 1500 | 3011.73 | -57 | 2954.73 | 1428.05 |

Further scrutiny of records revealed the following irregularities:

i. Out of 131[43] sanctioned works as of March 2012 (New Lines-37, Gauge Conversion-11 and Doubling- 83) 100 works[44] were taken up without inclusion in the Preliminary Works Programme;

ii. 40 works[45] were included as Material Modification works to the existing works, without the observance of rules for the financial viability of the projects.

iii. Out of 131 works sanctioned, only 25 projects (19 *per cent*) met the mandatory requirement of 14 *per cent* Rate of Return (ROR). In case of 13 projects the ROR was clearly less than 14 *per cent.* Out of the balance 93 projects, the ROR of 50 projects was negative and the economical viability of the remaining 43 other projects were not available.

Detail scrutiny of the pattern of fund utilization vis-à-vis allotment by the zones test checked revealed that there cases of either underutilization/surrender of funds or excess expenditure as indicated in the table below:

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[42] ***Plan Head-1100 (New Lines), 1400 (Gauge Conversion), 1500(Doubling).***
[43] ***ER(73),SR(14),NEFR(20),NR(19) and CR(5)***
[44] ***ER(55),SR(10),NEFR(18),NR(16) and CR(1)***
[45] ***ER(34),SR(2),NEFR(2) and NR(2)***

**Table 5: Status of utilization of funds**

| Railways | Year | Gauge Conversion | | New Lines | | Doubling | |
|---|---|---|---|---|---|---|---|
| | | Excess (per cent) | Surrender (per cent) | Excess (per cent) | Surrender (per cent) | Excess (per cent) | Surrender (per cent) |
| CR | 2009-10 | 41-288 | NIL | 32 | NIL | NIL | 24 |
| | 2010-11 | 41-288 | NIL | NIL | 02-25 | 2 | NIL |
| | 2011-12 | 41-288 | NIL | NIL | 02-25 | NIL | 16 |
| SR | 2009-10 | 20 | NIL | NIL | 48 | NIL | 18 |
| | 2010-11 | 41 | NIL | NIL | 71 | NIL | 21 |
| | 2011-12 | 99 | NIL | NIL | 45 | 11 | NIL |
| NEFR | 2009-10 | 68 | NIL | NIL | 30 | NIL | 20 |
| | 2010-11 | 59 | NIL | NIL | 36 | 66 | NIL |
| | 2011-12 | 9 | NIL | NIL | 67 | 41 | NIL |
| NR | 2009-10 | NIL | NIL | NIL | 1 | NIL | 1 |
| | 2010-11 | NIL | NIL | 158 | NIL | NIL | 1 |
| | 2011-12 | NIL | NIL | 44 | NIL | 1 | NIL |
| ER | 2009-10 | NIL | 54 | NIL | 19 | NIL | 39 |
| | 2010-11 | 3 | NIL | NIL | 53 | NIL | 40 |
| | 2011-12 | NIL | 66 | NIL | 96 | NIL | 64 |

From the table above, it is observed that there were several instances of surrender of funds in respect of doubling and new lines works. Excess expenditure over the allotment was also observed in gauge conversion projects. Extent of surrender of funds and excess expenditure was indicative of the inaccurate assessment of requirement of funds by the Zonal Railways. Thus, IR deviated from its own laid down guidelines for making investment decisions. The funds allotted for the projects were not optimally utilized thus defeating the objective of judicious allocation of available resources to priority projects while preparing budget.

### *3.3.4.2 Appropriation* to Pension Fund

As per extant provision[46] appropriation to the Pension Fund for the liability arising from pensionable services of Railway employees are to be based on actuarial calculations. It is also provided that in absence of such calculation, the appropriation is made on adhoc basis and re-assessed subsequently.

Audit observed that neither the estimation of pension liability was based on actuarial calculations nor was it re-assessed subsequently. The issue was

[46] ***Para No 339 of Indian Railway Financial Code Volume I***

highlighted vide Para 1.8.6 of the Audit Report No CA.19 of 2008-09 (Railways). Ministry of Railways (MoR) in their Action Taken Note stated (March 2010) that the appropriation to Pension Fund was being made on need-cum-availability basis. The contention of the Railway Administration was, however, not in line with the existing guidelines of estimation on actuarial basis.Further, in ER pension payment was reflected under Cheques and Bills during 2009-10.

Thus, non observance of extant provision led to erroneous appropriations to Pension Fund. **(Appendix 3.8)**

### *3.3.4.3 Appropriation to Depreciation Reserve Fund*

The contribution to DRF is being made on the basis of historical cost, expected usual life and expected residual life of assets. The appropriation to this fund is meant for replacement and renewal of over-aged assets. Table below indicates the appropriation to DRF vis-à-vis budgeted provision during the years 2009-12:

***(₹ in crore)***

| *Particulars* | *2009-10* | *2010-11* | *2011-12* |
|---|---|---|---|
| *Appropriation to DRF (BE)* | *5425.00* | *7700.00* | *9038.70* |
| *Appropriation to Fund (Actual)* | *2287.00* | *5615.00* | *9349.40* |
| *Excess/Shortage* | *(-) 3138.00* | *(-) 2085.00* | *(-) 310.70* |

From the table above, it is observed that there was wide gap between the budgeted provisions and the actual. Thus, lack of correlation of actual provision with the estimate was indicative of inherent deficiencies in budgeting.

### *3.3.4.4 Internal Control Update*

An effective internal control mechanism ensures compliance to the rules and regulations for efficient management of activities and resources of the organization. It also ensures reliable financial reporting and provides timely feedback and provides assurances to the management and other stakeholder relating to its achievement on financial and operational performance. Chapter-VIII of Indian Railways Code for Accounts Department (Part –I) has laid down detailed procedure of internal check.

Audit reviewed the effectiveness of the internal control system in place for efficient management of finance of the IR and the following observations are highlighted:

**A. Reconciliation of cheques and bills**

Scrutiny of records relating to reconciliation of cheques and bills and remittance into banks revealed deficiencies in reconciliation and adequate initiatives in clearance of discrepancies /differences. Some instances are mentioned below:

- Due to non reconciliation of Cheques & Bills , negative balance of ₹ 13.89 crore (March 2012) was exhibited in SECR. Similar instances were also observed in other zones like NWR, ER and SR.
- In ER, an amount of ₹60.04 crore and ₹138.45 crore was exhibited as negative balances in Remittance into Banks during the year ending March 2011 and March 2012 respectively due to accumulation of unlinked credit. Negative balance of ₹ 26.72 crore under remittance into bank was also observed in SR of which the oldest balance relates to the year 1999-2000.

**B. Miscellaneous Advances Revenue (MAR)**

All the working expenses of the year should be booked in the same accounting year so as to have the correct projection of the operating ratio of the Railways. Audit observed that SR exhibited a balance of ₹ 85.30 crore and ₹ 15.56 crore as of March 2012 under Miscellaneous Advance Revenue (MAR) – Books and Stores respectively. This had resulted in non-booking of revenue expenditure to Final Head of Account. Similar instances were also observed in other Zonal Railways.

**C. Transfer without financial adjustment (TWFA)**

Para 780 of Indian Railway Finance Code Volume I provide that when rolling stock is transferred from one Zonal Railway to another, the original cost, amount of depreciation, last renewal if renewed, should invariably be transferred through TWFA. Incorrect depiction or non depiction of such transaction affects the Capital-at-Charge for payment of Dividend Payable to General Revenues, Block Account and Balance Sheet of the concerned Zonal Railways.

Audit also observed that the transfer of rolling stocks to or from ECoR during 2011-12 was not included in the TWFA.

**D. Completion Reports**

Para 713 and 1701 of Indian Railways Code for Engineering Department provides for preparation of completion estimate showing the details of amount of sanctioned estimate, actual expenditure, anticipated future outlay etc. Completion Reports are required to be finalized as soon as the projects are completed. Delay in preparation of completion report provides scope for irregular booking of expenditure under the projects. In SR, Audit observed that the completion reports were not finalised in respect of 108 construction projects completed till March 2009. The oldest completed project for which the completion report was not drawn pertained to 1981-82.

**E. Purchase Suspense**

Debit balance of Purchase Suspense represents advance payment before receipt of stores. Proper action should be taken for expeditious clearance of outstanding by debiting/crediting to the final head of account to avoid excess over allotment. Audit observed that Purchase Suspense of SER showed a debit balance of ₹ 37.11 crore as of March 2012. 64 *per cent* of the balance pertained to the year prior to 2011-12.

**F. Irregular booking of expenditure**

In SR, the staff for maintenance of Meter Gauge section[47] were redeployed to various Broad Gauge section under Madurai Division and the actual expenditure of ₹ 5.96 crore on their salary was incorrectly booked under Demand No 4[48] even after closure of the MG section (January 2011).

### *3.3.4.5 Data Integrity*

The quality and integrity of data generated and utilized by an organization for budget formulation, is essential to gain assurance to the rationality and transparency in the budgetary processes. Audit examined the system of accounting of passenger fare and their apportionment to seek assurance to the authenticity of data used for apportionment of earnings. Audit observed that:

i. In SR, 'Base Fare' and other additional components of passenger fare such as superfast charges, tatkal charges, advanced Reservation charges, service tax etc were consolidated under 'Base Fare' of passenger earnings instead of accounting them separately. Possibility of irregular apportionment of earnings to other Zonal Railways due to Incorrect accounting of passenger fare i.e misrepresentation of earning shown under 'Base Fare' cannot be ruled out as while apportioning earnings certain elements of passenger fare are either excluded or included depending upon the rules for creation of additional charges. The impact of erroneous accounting could not be assessed in audit as the earning on account of levy of additional charges was not distinctly identifiable.

ii. The Originating earnings and share of apportionment for the Zonal Railways are compiled by Centre for Railway Information System (CRIS). The consolidated originating earnings and that of apportioned amount are being advised to zones as a single lump sum amount

[47] ***Madurai - Bodinayakanur section***
[48] ***Detailed head 280-Maintenance of Meter Gauge assets***

without any supporting documents. Neither the Zonal Railways nor Audit could verify the authenticity of the amount advised by CRIS in the absence of detail break- up of the consolidated amount and the basis of apportionment and calculation of originating passenger traffic earnings.

Thus, weak internal control resulted in improper accounting of expenditure /earnings and accumulation of inefficient balances under suspense head. Non-observance of rules and regulation due to absence of effective internal control defeated the objectives of authenticity and transparency in accounting and budgeting.

## *3.4 Conclusion and Recommendations*

Indian Railways has not strictly adhered to rules and regulations laid down for realistic formulation of budget. Suggestions of Ministry of Finance in respect of steps required to be taken by the Ministry of Railways while formulating budget were not given due consideration. Estimation of earnings was not properly classified. The basis adopted for projecting growth and variation in earnings as well as expenditure were not adequately assessed and documented. Moderation of estimates both at the zonal level and the RB level were resorted to without recording reasons thereof. Non-observance of extant provisions led to adopting defective budgeting procedures which manifested in the form of incorrect assessment of funds. Several instances of incurrence of expenditure in excess of the final grant or under-utilisation of allotted fund were observed. The variation between budget estimate and actual expenditure was indicative of inaccuracy of the data adopted for estimation at spending unit level. Arbitrary investment decision without adhering to the laid down criteria for assessing economical viability of projects led to either excess expenditure or savings in allotted fund. Deviating from the extant procedure, appropriation to Pension Fund was made on need cum availability basis instead of actuarial basis. Thus, poor financial management resulted in shortfall in generation of internal resources and extra budgetary resources in addition to reduction in plan expenditure. Existing internal control systems was not adequate in ensuring compliance to the rules and regulation for effective budgeting.

### *3.4.1 Recommendations*

***Railway Board***

- ***MoR needs to adhere to the guidelines of the Ministry of Finance (MoF) in respect of measures to be addressed while formulating budget. MoR also needs to record reasons or constraints for not adhering to the suggestions of MoF;***
- ***MoR to institutionalize effective system of documentation of the process of preparing estimates and the system of verifying the authenticity of data used in projecting estimates;***

- ***MoR needs to devise suitable strategies for generating adequate internal resources and strengthen financial management for optimal use of available resources;***
- ***MoR may redefine its existing internal control mechanism for ensuring compliance with the extant rules and regulation for effective budgeting and also for proper fiscal reporting. Accountability and responsibility needs to be clearly defined;***

***Zonal Railways***

- ***Zonal Railways may strengthen its internal control mechanism to gain assurance that the extant guidelines for realistic formulation of budget are complied with and documented.***
- ***Zonal Railways needs to improve its monitoring mechanism over utilization of fund and timely assessment of their requirement. Zonal Railway also needs to document the process of moderation with sufficient justification for bringing transparency in budgeting.***

**(VIJAYA MOORTHY)**

**New Delhi** **Deputy Comptroller and Auditor General**

**Dated**

**Countersigned**

**(VINOD RAI)**

**New Delhi** **Comptroller and Auditor General of India**

**Dated**

# Glossary of Terms

| Terms | Description |
|---|---|
| 17- Zones of Indian Railways | Central Railway (CR), Eastern Railway (ER), East Central Railway (ECR), East Coast Railway (ECoR), Northern Railway (NR), North Central Railway (NCR), North Eastern Railway (NER), Northeast Frontier Railway (NEFR), North Western Railway (NWR), Southern Railway (SR), South Central Railway (SCR), South Eastern Railway (SER), Southeast Central Railway (SECR), South Western Railway (SWR), Western Railway (WR), West Central Railway (WCR) & Metro Railway, Kolkata |
| 6-Railway Production Units | Chittaranjan Locomotive Works (CLW), Chittaranjan; Diesel Locomotive Works (DLW), Varanasi; Integral Coach Factory (ICF), Chennai; Rail Coach Factory (RCF), Kapurthala; Rail Wheel Factory (RWF), Yelahanka; Diesel Loco Modernisation Works (DMW), Patiala |
| Average lead | Average haul of a passenger or a tonne of freight |
| Branch lines | Broad Gauge and Metre Gauge lines joined to the main lines at one end only and all metre gauge lines |
| Broad Gauge | It is a rail gauge (1,676 mm) commonly used in India of movement of rail traffic |
| Capital-at-charge | Book value of the capital assets of Railways |
| Compound Annual Growth Rate | Rate of growth over a period of years, taking into account the effect of annual compounding. |
| Demand Recoverable | Unrealized earnings recoverable on account of rent/lease of land and buildings, interest and maintenance charges of sidings etc. |
| Dividend | Under the 'Separation Convention' IR is required to pay dividend to the general revenues on the capital advanced by the GoI at a rate determined periodically by RCC. |
| Extra Budgetary Resources | Resources of IR other than general budget support and internally generated resources |
| Gross Domestic Product | The total market value of all final goods and services produced in a country in a given year, |
| Gross Traffic Receipts | Receipts of railways through its operations |

| Terms | Description |
|---|---|
| *Meter Gauge* | *It is a rail gauge (1,000 mm) still used in some parts of India of movement of rail traffic* |
| *Minor Heads* | *Classification structure to record receipts and expenditure of the government* |
| *Narrow Gauge* | *It is a rail gauge (762 or 610 mm) still used in some parts of India of movement of rail traffic* |
| *National Projects* | *Projects of national importance being executed through additional budgetary support from GoI.* |
| *Net Tonne Kilometre* | *Unit of measure of freight traffic which represent the transport of one tonne goods (including the weight of any packing, but excluding the weight of the vehicle used for transport) over a distance of one kilometre* |
| *New lines* | *Construction/laying of new railway links/lines not existed earlier* |
| *Operating Ratio* | *The ratio of working expenses (excluding suspense but including appropriation to Depreciation Reserve Fund and Pension Fund) to gross earnings.* |
| *Ordinary Working Expenses* | *Expenditure on administration, operation, maintenance and repairs, contribution to Depreciation Reserve Fund and Pension Fund* |
| *Plan Expenditure* | *Expenditure incurred for creation, acquisition, construction and replacement of assets* |
| *Revenue Expenditure* | *Expenditure incurred for day to day operations, maintenance of railways including dividend payment* |
| *Strategic lines* | *Railway lines of strategic importance constructed at the request of Defence* |
| *Traffic Suspense* | *Unrealised operational earnings of the railways* |
| *Un-economic Branch Lines* | *Branch lines where revenue generated is less than the operational cost* |
| *Works Budget* | *Estimates prepared for construction, acquisition and replacement of assets* |
| *Route Kilometre* | *The distance between two points on the railways irrespective of the number of lines connecting them, viz single line, double line etc.* |
| *Total Working Expenditure* | *Ordinary working expenditure and appropriation to Depreciation Reserve Fund and Pension Fund* |
| *Staff Productivity* | *It is measured in terms of volume of traffic handled (in* |

| *Terms* | *Description* |
|---|---|
| | ***terms of NTKM) per thousand employees.*** |
| ***Capital Out put Ratio*** | ***The amount of capital employed to produce one unit of output (Total Traffic in NTKMs)*** |
| ***Net Surplus*** | ***Difference between the gross earnings and the working expenses after the payment of dividend to general revenues*** |
| ***Other Coaching Earnings*** | ***Earnings from transportation of parcels, luggage and post office mail and catering etc.,*** |
| ***Passenger Earnings*** | ***Earnings from carrying passengers on rail*** |
| ***Freight Earnings*** | ***Earnings from carrying goods on rail*** |

## Appendix-2.1- Appropriation Accounts 2011-12
## (Reference Paragraph No.2.1)

(*In units of ₹*)

| *Number and name of the Grant/ Appropriation* | | *Original Grant/ Appropriation* | *Supplementary* | *Final Grant/ Appropriation* | *Actual Expenditure* | *Excess (+)/ Savings (-)* |
|---|---|---|---|---|---|---|
| *1* | ***Revenue – Railway Board*** | | | | | |
| | ***Voted*** | ***1962700000*** | ***0*** | ***1962700000*** | ***1957850439*** | ***-4849561*** |
| *2* | ***Revenue – Miscellaneous Expenditure (General)*** | | | | | |
| | ***Charged*** | ***7100000*** | ***0*** | ***7100000*** | ***7100000*** | ***0*** |
| | ***Voted*** | ***6830300000*** | ***0*** | ***6830300000*** | ***5614014086*** | ***-1216285914*** |
| *3* | ***Revenue – Working Expenses – General Superintendence and Services*** | | | | | |
| | ***Charged*** | ***0*** | ***305000*** | ***305000*** | ***3034201*** | ***2729201*** |
| | ***Voted*** | ***49960200000*** | ***0*** | ***49960200000*** | ***46650589911*** | ***-3309610089*** |
| *4* | ***Revenue – Working Expenses – Repairs and Maintenance of Permanent Way and Works*** | | | | | |
| | ***Charged*** | ***8769000*** | ***6754000*** | ***15523000*** | ***6447383*** | ***-9075617*** |
| | ***Voted*** | ***81546461000*** | ***0*** | ***81546461000*** | ***77945598871*** | ***-3600862129*** |
| *5* | ***Revenue – Working Expenses – Repairs and Maintenance of Motive Power*** | | | | | |
| | ***Charged*** | ***0*** | ***415000*** | ***415000*** | ***414713*** | ***-287*** |
| | ***Voted*** | ***36611664000*** | ***0*** | ***36611664000*** | ***35998219027*** | ***-613444973*** |
| *6* | ***Revenue - Working Expenses – Repairs and Maintenance of Carriages and Wagons*** | | | | | |
| | ***Charged*** | ***600000*** | ***0*** | ***600000*** | ***17619*** | ***-582381*** |
| | ***Voted*** | ***82738721000*** | ***1944230000*** | ***84682951000*** | ***83849635360*** | ***-833315640*** |
| *7* | ***Revenue - Working Expenses – Repairs and Maintenance of Plant and Equipment*** | | | | | |
| | ***Charged*** | ***315000*** | ***0*** | ***315000*** | ***0*** | ***-315000*** |
| | ***Voted*** | ***46729627000*** | ***0*** | ***46729627000*** | ***44209985984*** | ***-2519641016*** |
| *8* | ***Revenue - Working Expenses – Operating Expenses – Rolling Stock and Equipment*** | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| | *Charged* | *0* | *603000* | *603000* | *602291* | *-709* |
| | *Voted* | *64480747000* | *4192862000* | *68673609000* | *68589106404* | *-84502596* |
| *9* | *Revenue - Working Expenses – Operating Expenses – Traffic* | | | | | |
| | *Charged* | *2993000* | *0* | *2993000* | *595308* | *-2397692* |
| | *Voted* | *133242261000* | *1160959000* | *134403220000* | *132934773992* | *-1468446008* |
| *10* | *Revenue - Working Expenses – Operating Expenses - Fuel* | | | | | |
| | *Charged* | *1376000* | *22536000* | *23912000* | *5000000* | *-18912000* |
| | *Voted* | *172884814000* | *16923085000* | *189807899000* | *188460640433* | *-1347258567* |
| *11* | *Revenue – Working Expenses – Staff Welfare and Amenities* | | | | | |
| | *Charged* | *1550000* | *351000* | *1901000* | *175266* | *-1725734* |
| | *Voted* | *39162655000* | *20920000* | *39183575000* | *38425052324* | *-758522676* |
| *12* | *Revenue - Working Expenses – Miscellaneous Working Expenses* | | | | | |
| | *Charged* | *1590108000* | *0* | *1590108000* | *1521534489* | *-68573511* |
| | *Voted* | *36847428000* | *42512940000* | *41098722000* | *43880815415* | *2782093415* |
| *13* | *Revenue - Working Expenses – Provident Fund, Pension and Other Retirement Benefits* | | | | | |
| | *Charged* | *4951000* | *907000* | *5858000* | *6267113* | *409113* |
| | *Voted* | *164797414000* | *10776091000* | *175573505000* | *183269673663* | *7696168663* |
| *14* | *Revenue - Appropriation to Funds – Depreciation Reserve Fund,* | | | | | |
| | *Development Fund, Pension Fund, Capital Fund* | | | | | |
| | *Voted* | *280684100000* | *0* | *280684100000* | *252655747627* | *-28028352373* |
| *15* | *Dividend to General Revenues, Repayment of Loans taken from* | | | | | |
| | *General Revenues and Amortisation of Over-Capitalisation* | | | | | |
| | *Voted* | *67347200000* | | *67347200000* | *56560345012* | *-10786854988* |
| *16* | *Assets – Acquisition, Construction and Replacement - Open Line Works – Revenue* | | | | | |
| | *Charged* | *2000000* | *0* | *2000000* | *0* | *-2000000* |
| | *Voted* | *598000000* | *0* | *598000000* | *304600975* | *-293399025* |

| | | | | | | |
|---|---|---|---|---|---|---|
| | *Assets – Acquisition, Construction and Replacement - Other Expenditure – Capital* | | | | | |
| | *Charged* | *494000000* | *670678000* | *1164678000* | *1027692976* | *-136985024* |
| | *Voted* | *535013679000* | *7141019000* | *542154698000* | *527046629024* | *-15108068976* |
| | *Assets – Acquisition, Construction and Replacement – Other Expenditure – Railway Safety Fund* | | | | | |
| | *Charged* | *16000000* | *0* | *1600000* | *5318769* | *-10681231* |
| | *Voted* | *19984000000* | *20000* | *19984020000* | *13285287428* | *-6698732572* |
| | *Assets–Acquisition, Construction and Replacement–Other Expenditure–Special Railway Safety Fund* | | | | | |
| | *Charged* | *0* | *0* | *0* | *0* | *0* |
| | *Voted* | *0* | *0* | *0* | *0* | *0* |
| | *Assets – Acquisition, Construction and Replacement - Other Expenditure – Railway Funds* | | | | | |
| | *Charged* | *88000000* | *0* | *88000000* | *23362628* | *-64637372* |
| | *Voted* | *151377000000* | *40000* | *151377040000* | *115724667687* | *-35652372313* |
| | *Loans to Railway Development Fund* | | | | | |
| | *Charged* | *0* | *0* | *0* | *0* | *0* |
| | *Voted* | *0* | *30000000000* | *30000000000* | *30000000000* | *0* |
| | *Grand Total* | | | | | |
| | *Charged* | *2217762000* | *702549000* | *2920311000* | *2607562756* | *-318748244* |
| | *Voted* | *1972798971000* | *76410520000* | *2049209491000* | *1947363233662* | *-101846257338* |
| | | | | | | |
| *Grand Total* | | 1975016733000 | 77113069000 | 2052129802000 | 1949970796418 | -102165005582 |

## Appendix 2.2 - Grant Wise- Railway Wise summary of Grant Account (Grant no.3 to 13) (Reference Para 2.5)

*(₹in thousands)*

| Grant No. | Rlys | Original | supple | Residual | Final | Actual Exp. | Variation | Net Variation |
|---|---|---|---|---|---|---|---|---|
| | | | | | (3+4+5) | | (7-6) | (7-4-3) |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 3 | C.R | 3944200 | 0 | -139610 | 3804590 | 3763722 | -40868 | -180478 |
| 3 | E.R | 5293700 | 0 | -625470 | 4668230 | 4670442 | 2212 | -623258 |
| 3 | E.C. | 2653100 | 0 | -58700 | 2594400 | 2535943 | -58457 | -117157 |
| 3 | E.CO. | 1432900 | 0 | -14896 | 1418004 | 1367885 | -50119 | -65015 |
| 3 | N.R | 5371200 | 0 | -364584 | 5006616 | 5017027 | 10411 | -354173 |
| 3 | N.C. | 2209300 | 0 | -23485 | 2185815 | 2071168 | -114647 | -138132 |
| 3 | N.E | 2745900 | 0 | -192013 | 2553887 | 2523979 | -29908 | -221921 |
| 3 | N.F | 2780200 | 0 | -43706 | 2736494 | 2738768 | 2274 | -41432 |
| 3 | N.W. | 2376500 | 0 | -144700 | 2231800 | 2226406 | -5394 | -150094 |
| 3 | S.R | 4311600 | 0 | -185895 | 4125705 | 4023656 | -102049 | -287944 |
| 3 | S.C | 3675300 | 0 | -114514 | 3560786 | 3421439 | -139347 | -253861 |
| 3 | S.E | 4061500 | 0 | -163600 | 3897900 | 3846175 | -51725 | -215325 |
| 3 | S.E.C. | 1534200 | 0 | -108200 | 1426000 | 1404738 | -21262 | -129462 |
| 3 | S.W. | 1419900 | 0 | -29500 | 1390400 | 1323378 | -67022 | -96522 |
| 3 | W.R | 4261000 | 0 | -404900 | 3856100 | 3842206 | -13894 | -418794 |
| 3 | W.C. | 1747700 | 0 | 29310 | 1777010 | 1736450 | -40560 | -11250 |
| 3 | METRO/CAL | 142000 | 0 | 5270 | 147270 | 137208 | -10062 | -4792 |
| 4 | C.R | 6490094 | 0 | -148094 | 6342000 | 6373916 | 31916 | -116178 |
| 4 | E.R | 4493500 | 0 | -312155 | 4181345 | 4071166 | -110179 | -422334 |
| 4 | E.C. | 4799118 | 0 | -110600 | 4688518 | 4237935 | -450583 | -561183 |
| 4 | E.CO. | 3232025 | 0 | 141422 | 3373447 | 3373608 | 161 | 141583 |
| 4 | N.R | 10048100 | 0 | -686044 | 9362056 | 9524112 | 162056 | -523988 |
| 4 | N.C. | 5069790 | 0 | -190201 | 4879589 | 5118470 | 238881 | 48680 |
| 4 | N.E | 3008977 | 0 | 50623 | 3059600 | 3075021 | 15421 | 66044 |
| 4 | N.F | 5363400 | 0 | 148100 | 5511500 | 5558769 | 47269 | 195369 |
| 4 | N.W. | 3817070 | 0 | -141470 | 3675600 | 3556916 | -118684 | -260154 |
| 4 | S.R | 5483700 | 0 | -509714 | 4973986 | 4848708 | -125278 | -634992 |
| 4 | S.C | 8913849 | 0 | -572217 | 8341632 | 8126749 | -214883 | -787100 |
| 4 | S.E | 4400222 | 0 | 5297 | 4405519 | 4347629 | -57890 | -52593 |
| 4 | S.E.C. | 2549100 | 0 | -62992 | 2486108 | 2504108 | 18000 | -44992 |
| 4 | S.W. | 2294705 | 0 | 24295 | 2319000 | 2193658 | -125342 | -101047 |
| 4 | W.R | 6937016 | 0 | 16066 | 6953082 | 6882726 | -70356 | -54290 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 4 | W.C. | 4414495 | 0 | -292700 | 4121795 | 3941630 | -180165 | -472865 |
| 4 | METRO/CAL | 231300 | 0 | -6000 | 225300 | 210477 | -14823 | -20823 |
| 5 | C.R | 3175983 | 0 | -213919 | 2962064 | 3057007 | 94943 | -118976 |
| 5 | E.R | 3255600 | 0 | -48276 | 3207324 | 3250184 | 42860 | -5416 |
| 5 | E.C. | 2144200 | 0 | 91300 | 2235500 | 2241716 | 6216 | 97516 |
| 5 | E.CO. | 1468601 | 0 | -103700 | 1364901 | 1353375 | -11526 | -115226 |
| 5 | N.R | 4584300 | 0 | 273076 | 4857376 | 4779232 | -78144 | 194932 |
| 5 | N.C. | 1720422 | 0 | -14286 | 1706136 | 1710660 | 4524 | -9762 |
| 5 | N.E | 1155500 | 0 | 63777 | 1219277 | 890963 | -328314 | -264537 |
| 5 | N.F | 1166200 | 0 | 220900 | 1387100 | 1290582 | -96518 | 124382 |
| 5 | N.W. | 1107964 | 0 | -44964 | 1063000 | 1056381 | -6619 | -51583 |
| 5 | S.R | 2656300 | 0 | 17678 | 2673978 | 2602519 | -71459 | -53781 |
| 5 | S.C | 3565538 | 0 | -29232 | 3536306 | 3254327 | -281979 | -311211 |
| 5 | S.E | 2548100 | 0 | -74893 | 2473207 | 2382896 | -90311 | -165204 |
| 5 | S.E.C. | 1073225 | 0 | -50175 | 1023050 | 977291 | -45759 | -95934 |
| 5 | S.W. | 1368074 | 0 | 65726 | 1433800 | 1464959 | 31159 | 96885 |
| 5 | W.R | 2679957 | 0 | -152234 | 2527723 | 2411206 | -116517 | -268751 |
| 5 | W.C. | 2941700 | 0 | -73710 | 2867990 | 3274921 | 406931 | 333221 |
| 5 | METRO/CAL | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | C.R | 7859631 | 9441 | 382 | 7869454 | 7957119 | 87665 | 88047 |
| 6 | E.R | 10198000 | 0 | -108561 | 10089439 | 10166378 | 76939 | -31622 |
| 6 | E.C. | 4128125 | 353159 | 526216 | 5007500 | 5013640 | 6140 | 532356 |
| 6 | E.CO. | 2398841 | 169500 | 50000 | 2618341 | 2715257 | 96916 | 146916 |
| 6 | N.R | 11149969 | 38790 | 8140 | 11196899 | 10891178 | -305720 | -297580 |
| 6 | N.C. | 1733402 | 106348 | 50000 | 1889750 | 1879116 | -10634 | 39366 |
| 6 | N.E | 2853963 | 119500 | 33937 | 3007400 | 3036797 | 29397 | 63334 |
| 6 | N.F | 3830200 | 141782 | 50018 | 4022000 | 3903461 | -118539 | -68521 |
| 6 | N.W. | 2742372 | 243028 | 150000 | 3135400 | 3076340 | -59060 | 90940 |
| 6 | S.R | 7336000 | 121000 | -158018 | 7298982 | 6857681 | -441301 | -599319 |
| 6 | S.C | 6023045 | 0 | -140388 | 5882657 | 5866330 | -16327 | -156715 |
| 6 | S.E | 6885200 | 120000 | 22800 | 7028000 | 7060986 | 32986 | 55786 |
| 6 | S.E.C. | 1911153 | 121429 | 162981 | 2195563 | 2246759 | 51196 | 214177 |
| 6 | S.W. | 2329835 | 269472 | 289593 | 2888900 | 2911634 | 22734 | 312327 |
| 6 | W.R | 9038800 | 0 | -905600 | 8133200 | 7727684 | -405516 | -1311116 |
| 6 | W.C. | 2008485 | 130781 | 0 | 2139266 | 2265924 | 126658 | 126658 |
| 6 | METRO/CAL | 311700 | 0 | -31500 | 280200 | 273351 | -6849 | -38349 |
| 7 | C.R | 4331440 | 0 | -382666 | 3948774 | 3933970 | -14804 | -397470 |
| 7 | E.R | 3801507 | 0 | 136408 | 3937915 | 3818062 | -119853 | 16555 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 7 | E.C. | 3628415 | 0 | 122833 | 3751248 | 3291409 | -459839 | -337006 |
| 7 | E.CO. | 1753231 | 0 | 56700 | 1809931 | 1712887 | -97044 | -40344 |
| 7 | N.R | 5451450 | 0 | -382888 | 5068562 | 4993336 | -75226 | -458114 |
| 7 | N.C. | 3029143 | 0 | -139527 | 2889616 | 2859908 | -29708 | -169235 |
| 7 | N.E | 1877076 | 0 | -185156 | 1691920 | 1652314 | -39606 | -224762 |
| 7 | N.F | 2039500 | 0 | -136100 | 1903400 | 1906247 | 2847 | -133253 |
| 7 | N.W. | 1734613 | 0 | -95213 | 1639400 | 1652345 | 12945 | -82268 |
| 7 | S.R | 3352200 | 0 | -2200 | 3350000 | 3111328 | -238672 | -240872 |
| 7 | S.C | 3572271 | 0 | 173416 | 3745687 | 3493867 | -251820 | -78404 |
| 7 | S.E | 2597200 | 0 | 114100 | 2711300 | 2752876 | 41576 | 155676 |
| 7 | S.E.C. | 1431892 | 0 | -40492 | 1391400 | 1359563 | -31837 | -72329 |
| 7 | S.W. | 782368 | 0 | 197432 | 979800 | 941644 | -38156 | 159276 |
| 7 | W.R | 4531800 | 0 | -409778 | 4122022 | 4046461 | -75561 | -485339 |
| 7 | W.C. | 2432521 | 0 | 21295 | 2453816 | 2340732 | -113084 | -91789 |
| 7 | METRO/CAL | 383000 | 0 | -14380 | 368620 | 343037 | -25583 | -39963 |
| 8 | C.R | 6218178 | 646264 | 162058 | 7026500 | 7042842 | 16342 | 178400 |
| 8 | E.R | 6047280 | 0 | -44280 | 6003000 | 6068129 | 65129 | 20849 |
| 8 | E.C. | 4950270 | 108450 | -20000 | 5038720 | 4882126 | -156594 | -176594 |
| 8 | E.CO. | 2470460 | 429066 | 50000 | 2949526 | 2853709 | -95817 | -45817 |
| 8 | N.R | 8157539 | 322219 | 113267 | 8593025 | 8703822 | 110797 | 224064 |
| 8 | N.C. | 3506467 | 308695 | -23300 | 3791862 | 3670828 | -121034 | -144334 |
| 8 | N.E | 2031583 | 85066 | 4951 | 2121600 | 2153287 | 31687 | 36638 |
| 8 | N.F | 2515200 | 0 | -235400 | 2279800 | 2252262 | -27538 | -262938 |
| 8 | N.W. | 2529394 | 0 | -175694 | 2353700 | 2362359 | 8659 | -167035 |
| 8 | S.R | 4614600 | 0 | -69274 | 4545326 | 4564717 | 19391 | -49883 |
| 8 | S.C | 4285631 | 351039 | 79805 | 4716475 | 4675135 | -41340 | 38465 |
| 8 | S.E | 4144000 | 309571 | 49130 | 4502701 | 4583173 | 80472 | 129602 |
| 8 | S.E.C. | 2735704 | 479400 | 50000 | 3265104 | 3188138 | -76966 | -26966 |
| 8 | S.W. | 1630849 | 289714 | 2337 | 1922900 | 1952035 | 29135 | 31472 |
| 8 | W.R | 5066300 | 550900 | 100000 | 5717200 | 5866200 | 149000 | 249000 |
| 8 | W.C. | 3153992 | 287678 | -22000 | 3419670 | 3345229 | -74441 | -96441 |
| 8 | METRO/CAL | 423300 | 24800 | -21600 | 426500 | 425115 | -1385 | -22985 |
| 9 | C.R | 12421440 | 0 | -1283528 | 11137912 | 11231317 | 93405 | -1190123 |
| 9 | E.R | 7132700 | 21991 | 824273 | 7978964 | 8119612 | 140648 | 964921 |
| 9 | E.C. | 12551500 | 0 | -1825065 | 10726435 | 10313908 | -412527 | -2237592 |
| 9 | E.CO. | 6803830 | 149005 | -211824 | 6741011 | 6350870 | -390141 | -601965 |
| 9 | N.R | 16460293 | 0 | 325884 | 16786177 | 18608188 | 1822011 | 2147895 |
| 9 | N.C. | 9595400 | 158300 | 616964 | 10370664 | 10405840 | 35176 | 652140 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 9 | N.E | 4353900 | 78200 | 822585 | 5254685 | 4967657 | -287028 | 535557 |
| 9 | N.F | 4247100 | 0 | -9832 | 4237268 | 3978335 | -258933 | -268765 |
| 9 | N.W. | 5457162 | 0 | -242281 | 5214881 | 5063531 | -151350 | -393631 |
| 9 | S.R | 9464100 | 0 | -1721998 | 7742102 | 7739079 | -3023 | -1725021 |
| 9 | S.C | 9828081 | 389673 | 934123 | 11151877 | 10915950 | -235927 | 698196 |
| 9 | S.E | 4261700 | 0 | 467903 | 4729603 | 4502551 | -227052 | 240851 |
| 9 | S.E.C. | 8417852 | 165967 | -134818 | 8449001 | 8223597 | -225404 | -360222 |
| 9 | S.W. | 4184903 | 0 | 1076840 | 5261743 | 4821932 | -439811 | 637029 |
| 9 | W.R | 11909200 | 0 | -301604 | 11607596 | 11482982 | -124614 | -426218 |
| 9 | W.C. | 5854800 | 197823 | 702218 | 6754841 | 5952562 | -802279 | -100061 |
| 9 | METRO/CAL | 298300 | 0 | -39840 | 258460 | 256862 | -1598 | -41438 |
| 10 | C.R | 16446000 | 2004500 | 299998 | 18750498 | 18736673 | -13825 | 286173 |
| 10 | E.R | 9135169 | 250643 | -153091 | 9232721 | 8881292 | -351429 | -504520 |
| 10 | E.C. | 11771700 | 0 | -171700 | 11600000 | 11623698 | 23698 | -148002 |
| 10 | E.CO. | 9322774 | 1355006 | -17956 | 10659824 | 9774160 | -885664 | -903620 |
| 10 | N.R | 17256700 | 2313877 | 350427 | 19921004 | 19506416 | -414588 | -64161 |
| 10 | N.C. | 11762627 | 972578 | 145693 | 12880898 | 12183283 | -697615 | -551922 |
| 10 | N.E | 5137883 | 1171448 | 0 | 6309331 | 6688918 | 379587 | 379587 |
| 10 | N.F | 6588624 | 1109600 | 0 | 7698224 | 7435111 | -263113 | -263113 |
| 10 | N.W. | 7318600 | 356600 | 44500 | 7719700 | 7833469 | 113769 | 158269 |
| 10 | S.R | 10389000 | 1663400 | -552400 | 11500000 | 11729522 | 229522 | -322878 |
| 10 | S.C | 18093690 | 1767260 | 141179 | 20002129 | 20106536 | 104407 | 245586 |
| 10 | S.E | 7229800 | 1058800 | 67000 | 8355600 | 8462588 | 106988 | 173988 |
| 10 | S.E.C. | 5808700 | 619300 | 41000 | 6469000 | 6610024 | 141024 | 182024 |
| 10 | S.W. | 7488400 | 743502 | -4602 | 8227300 | 8409404 | 182104 | 177502 |
| 10 | W.R | 17135647 | 1491648 | 187675 | 18814970 | 19187642 | 372672 | 560347 |
| 10 | W.C. | 11818500 | 0 | -377723 | 11440777 | 11044708 | -396069 | -773792 |
| 10 | METRO/CAL | 181000 | 44923 | 0 | 225923 | 247196 | 21273 | 21273 |
| 11 | C.R | 3539100 | 0 | -129100 | 3410000 | 3393343 | -16657 | -145757 |
| 11 | E.R | 3173700 | 0 | -139200 | 3034500 | 3014053 | -20447 | -159647 |
| 11 | E.C. | 1667400 | 0 | 2600 | 1670000 | 1622631 | -47369 | -44769 |
| 11 | E.CO. | 1387115 | 0 | 68372 | 1455487 | 1414388 | -41099 | 27273 |
| 11 | N.R | 4795200 | 0 | 48310 | 4843510 | 4819577 | -23933 | 24377 |
| 11 | N.C. | 1460100 | 0 | 764 | 1460864 | 1428867 | -31997 | -31233 |
| 11 | N.E | 1726603 | 0 | 15796 | 1742399 | 1722437 | -19962 | -4166 |
| 11 | N.F | 2844900 | 0 | 65500 | 2910400 | 2967511 | 57111 | 122611 |
| 11 | N.W. | 1463400 | 0 | 82700 | 1546100 | 1518670 | -27430 | 55270 |
| 11 | S.R | 3229200 | 20920 | 209880 | 3460000 | 3227994 | -232006 | -22126 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 11 | S.C | 3894700 | 0 | -225317 | 3669383 | 3396873 | -272510 | -497827 |
| 11 | S.E | 2619700 | 0 | 26200 | 2645900 | 2635932 | -9968 | 16232 |
| 11 | S.E.C. | 1204450 | 0 | -25950 | 1178500 | 1223576 | 45076 | 19126 |
| 11 | S.W. | 1168100 | 0 | 72451 | 1240551 | 1167899 | -72652 | -201 |
| 11 | W.R | 3456100 | 0 | -66001 | 3390099 | 3333971 | -56128 | -122129 |
| 11 | W.C. | 1471187 | 0 | -15679 | 1455508 | 1465226 | 9718 | -5961 |
| 11 | METRO/CAL | 61700 | 0 | 8674 | 70374 | 72104 | 1730 | 10404 |
| 12 | C.R | 2561872 | 437169 | 48323 | 3047364 | 3321593 | 274229 | 322552 |
| 12 | E.R | 3874600 | 366430 | -135974 | 4105056 | 4023161 | -81895 | -217869 |
| 12 | E.C. | 2578990 | 0 | -80040 | 2498950 | 2588404 | 89454 | 9414 |
| 12 | E.CO. | 1344210 | 1676722 | 387693 | 3408625 | 6720728 | 3312103 | 3699796 |
| 12 | N.R | 6670873 | 993275 | 140234 | 7804382 | 7417946 | -386436 | -246202 |
| 12 | N.C. | 1791600 | 285863 | 35328 | 2112791 | 2362805 | 250014 | 285342 |
| 12 | N.E | 2014596 | 0 | -40804 | 1973792 | 1620409 | -353383 | -394187 |
| 12 | N.F | 2005760 | 36640 | 1 | 2042401 | 2015433 | -26968 | -26967 |
| 12 | N.W. | 1195275 | 0 | -206500 | 988775 | 955378 | -33397 | -239897 |
| 12 | S.R | 2241560 | 194844 | 98772 | 2535176 | 2862731 | 327555 | 426327 |
| 12 | S.C | 2954925 | 75129 | -1350 | 3028704 | 2790638 | -238066 | -239416 |
| 12 | S.E | 2556647 | 0 | -49420 | 2507227 | 2316735 | -190492 | -239912 |
| 12 | S.E.C. | 748500 | 0 | 21500 | 770000 | 511359 | -258641 | -237141 |
| 12 | S.W. | 688790 | 185222 | 64000 | 938012 | 694908 | -243104 | -179104 |
| 12 | W.R | 2614550 | 0 | -205361 | 2409189 | 2717337 | 308148 | 102787 |
| 12 | W.C. | 854180 | 0 | -31152 | 823028 | 860523 | 37495 | 6343 |
| 12 | METRO/CAL | 150500 | 0 | -45250 | 105250 | 100727 | -4523 | -49773 |
| 13 | C.R | 13412200 | 3673000 | 1239658 | 18324858 | 18651773 | 326915 | 326915 |
| 13 | E.R | 23972900 | 0 | -834156 | 23138744 | 23942452 | 803708 | 803708 |
| 13 | E.C. | 7739400 | 0 | -1239400 | 6500000 | 7144395 | 644395 | 644395 |
| 13 | E.CO. | 4352700 | 0 | -220610 | 4132090 | 4125921 | -6169 | -6169 |
| 13 | N.R | 13819732 | 0 | -475205 | 13344527 | 15515096 | 2170569 | 2170569 |
| 13 | N.C. | 22836800 | 49600 | 0 | 22886400 | 24555704 | 1669304 | 1669304 |
| 13 | N.E | 3104570 | 107200 | 0 | 3211770 | 3141588 | -70182 | -70182 |
| 13 | N.F | 3773500 | 2136800 | 630000 | 6540300 | 6231830 | -308470 | -308470 |
| 13 | N.W. | 8432200 | 385400 | 100000 | 8917600 | 9215466 | 297866 | 297866 |
| 13 | S.R | 15573299 | 1180701 | 250000 | 17004000 | 18232112 | 1228112 | 1228112 |
| 13 | S.C | 14164200 | 449163 | 100749 | 14714112 | 14762715 | 48603 | 48603 |
| 13 | S.E | 7686550 | 33529 | 0 | 7720079 | 7687843 | -32236 | -32236 |
| 13 | S.E.C. | 3818500 | 188300 | 0 | 4006800 | 3913100 | -93700 | -93700 |
| 13 | S.W. | 4290381 | 924247 | 122772 | 5337400 | 5563425 | 226025 | 226025 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ***13*** | ***W.R*** | ***9511982*** | ***1301051*** | ***304656*** | ***11117689*** | ***11335635*** | ***217946*** | ***217946*** |
| ***13*** | ***W.C.*** | ***6619200*** | ***303300*** | ***50000*** | ***6972500*** | ***7557307*** | ***584807*** | ***584807*** |
| ***13*** | ***METRO/CAL*** | ***102700*** | ***43800*** | ***-29027*** | ***117473*** | ***120410*** | ***2937*** | ***2937*** |

***Note:- Negative sign denotes surrender (Col. No. 5) or saving(Col. No. 8 and 9)***

## *Appendix 2.3- Cases of Misclassification of Expenditure*

### *(Reference Paragraph 2.7)*

| *S. No.* | *Particulars* | *₹ in thousand* |
|---|---|---|
| | ***Misclassification between Miscellaneous Expenditure and other Revenue/Works Grants No. 16 (in unit of ₹)*** | |
| | **Expenditure towards:-** | |
| *1* | Cost of advertisement charges in connection with Comprehensive AMC contract for water cooler, building lighting of IRITM booked to Grant No. 7 Instead of Grant No. 02 (₹ 18706); | **2437** |
| *2* | Cost of Solid Hard Drawn Copper Wire booked to Grant No. 2 instead of Grant No. 7 (₹ 2418202); | |
| | **Misclassification within Revenue Grants (Working Expenses)** | |
| | **Expenditure towards:-** | |
| *1* | Hiring bill of the vehicles used by the officials of various departments booked to Grant No.7 (₹ 2951821) instead of Grant No. 3 (₹ 2853800) and Grant No.12 (₹ 98021); Cost of rewinding/repairing of machines booked to suspense head (Misc.Advance Revenue) instead of Grant.No.5. (₹ 1398000); (Total-₹7301642) | **134110** |
| *2* | Expenditure on security of electricity loca shed from outside security agency booked to Grant No. 5 instead of Grant No. 12 (₹6008000); | |
| *3* | Contractual payment on account of broken sanitary fittings, water supplies & G.I. pipes etc in staff quarters (₹91719), Advertisement charges for publication in various newspapers (₹1070953) and expenditure on repairs of roads in Railway colony /IRITM and JRRPF Academy (`₹ 7479545) booked to Grant No.4 instead of Grant No. 11(₹ 8550498); Pay and allowances of trolleymen booked to Grant no7 instead of Grant No. 4(₹ 2199621); Pay and allowances of staff of training school booked to Grant no.4 instead of Grant No. 12 (₹ 4195184); Cost of AMC work of inverters provided in coaches , electrical general services, train lighting booked to Grant No.11 instead of Grant No.6 (₹330178); Stipend paid to apprentices booked to Grant No 7 instead of Grant No 12 (₹1285999); Cost of electric energy charges of station building (₹1593226) and reimbursement of medical expenses of non-railway institutions (₹ 492770) booked to Grant no 8 instead of Grant No 11 (₹ 2085996); Procurement of Bus for RPSF/DBSI booked to Grant No.8 instead of Grant No 12 (₹ 1093969); Pay and allowances of Gate man of Engg. Deptt. Working on railway crossing gate booked to Grant No. 04 instead of Grant No.09 (₹ 33831789); Cost of utility van booked to Grant No 3 instead of Grant No 7 (₹ 42850); cost of lubricating and other stores used on diesel locomotives in sheds before/during the run booked to Grant No.5 instead of Grant No 8. (₹ 618233) (Total-₹64962530) | |
| *4* | Expenditure incurred for freight of P Way material booked to Grant No. 6 instead of Grant No. 4 (₹ 2192707); | |
| *5* | Contractual payment of repair to patient relative room in Railway hospital LGH booked to Grant No. 4 instead of Grant No. 11 (₹ 283939); | |

| | | |
|---|---|---|
| *6* | Salary of running staff like loco pilot, chief crew controller etc. booked to Grant No. 6 instead of Grant No.8 (₹33900000); Pay and Allowancs of Motor Van Drivers booked to Grant No. 4 instead of Grant No.7 (₹315241); | |
| *7* | Expenditure on works relating to Staff quarters booked to Grant No 4 instead of Grant No. 11 (₹274350); Booking of stipend amounts to Grants No 7 (₹ 53847) and 9 (₹ 103053) instead of Grant No 12 (₹ 156900); cost of maintenance of plant and equipment booked to Grant No 5 instead of Grant No.7 (₹ 1844206); cost of mechanized cleaning of coaches and toiletries booked to Grant No 6 instead of Grant No 8 (₹ 9581733); cost of maintenance of linen booked to Grant No 9 instead of Grant No. 8 (₹ 9,72,963); Pay and allowances of Gazetted Officer booked to Grant No 9 instead of to Grant No. 3 (₹ 5,42,603); Pay and allowances of Catering staff booked to Grant No 9 instead of Grant No 12 (₹ 55,37,155). (Total-₹19066810) | |
| *8* | Cost of Diesel Electric Locomotive Components booked to Suspense instead of Grant No. 5 (₹ 79231) | |
| | **Misclassification arising due to booking under Revenue Grants instead of Works Grant No. 16** | |
| | **Expenditure towards:-** | |
| *1* | Cost of erection of boundary wall booked to Grant. No. 4 instead of Grant no.16 (DF) (₹ 575767); | **158821** |
| *2* | Cost of concrete sleepers utilized in track renewal (₹ 1591285), Freight of stone ballast (₹ 7183620), engine hire charges (₹ 3386000), Freight charges for permanent way material (₹ 10004225), Cost of Stone ballast for raising cushion (₹7499720) and cost of manufacture and supply of PSC slab land retainers (₹1986726) booked to Grant No. 4 instead of Grant No. 16(DRF) (₹ 31651576); Cost of repair & replacement of FOB (₹ 87738) and cost of material for passenger platform shelter/foot over bridge (₹ 14080145) booked to Grant No. 4 instead of Grant No. 16 DRF (Passenger Amenities) (₹ 14167883); Cost of PRC sleepers booked to Grant No. 09 instead of Grant No. 16 (DRF Track- Renewal) (₹ 5483519); (Total-₹97122437) | |
| *3* | Salary of work charged post booked to Grant No. 3 (₹ 10092052) and Grant No.4 (₹ 149664) instead of Grant No. 16(DRF) (₹ 10241716); Expenditure incurred for freight of P Way material booked to Grant No. 6 instead of Grant No. 16 DRF (₹ 6907502) (Total-₹27390934) | |
| *4* | Pay and Allowances of Asstt. Health Officers (work charged posts) booked to Grant No.11 instead of Grant No.16 Capital (₹2596023); Cost of condemned rolling stock booked to Grant No.6 instead of Grant No.16 Capital (₹19428000); Pay and Allowancs of DSO/MDU booked to Grant No.3 instead of Grant No.16Cap (₹795325) (Total-22819348) | |
| *5* | Cost of construction of quarters and development works booked to Grant No 4(₹ 1368006) instead of Capital (₹ 2,38,472) and Development Fund (₹11,29,534) under Grant No. 16; Procurement of mechanized laundry to Grant No 8 instead of Grant No.16 DF (₹1347946); cost of replacement of staff quarters booked to Grant No 11 (₹ 3414261) instead of to DF (₹ 2437413) and DRF (₹ 976848) under Grant No.16. (Total-₹10912480) | |

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|---|---|---|
| | **Misclassification arising due to booking under Works Grant No. 16 instead of Revenue Grants** | |
| | **Expenditure towards:-** | |
| *1* | Cost of working of ballast cleaning machine (₹ 10533057) and Stone ballast for recoupment (₹12552143) booked to Grant No.16 -DRF-Track Renewals instead of grant No 4 (₹ 23085200); (Total-₹46170400) | **55430** |
| *2* | Cost of training of staffs booked to Grant No. 16-Capital instead of Grant No. 12 (₹ 3174000); | |
| *3* | Cost of maintenance of track booked to Grant No. 16 Capital instead of Grant No. 4 (₹ 3463075); | |
| *4* | Open line Engineering works booked to Grant No. 16-DF (₹ 988235), Capital Fund (₹51581) and Capital (₹ 271318) instead of Grant No.4 (₹1311134); (Total-₹2622268) | |
| | **Misclassification between Voted & Charged expenditure** | |
| | **Expenditure towards:-** | **4559** |
| *1* | Payment of Arbitration Awards booked as voted instead of charged under Grant No.7 (₹ 981281); | |
| *2* | Compensation payment at the instance of judgment of High-Court booked as Voted instead of Charged under Grant No. 12 (₹ 3577769); | |
| | **Misclassification within different sources of Works Grant No. 16** | |
| | **Expenditure towards:-** | |
| *1* | Cost of construction of additional temporary accommodation at East point Rest House/VSKP under DRF instead of DF (₹ 494386); | **124723** |
| *2* | Cost of replacement of Mechanical detector with Electrical detector booked to Capita instead of DRF (₹149000); | |
| *3* | Cost of amenities for staff booked to Grant No. 16 DRF (Track renewal) instead of Grant No. 16 - DF (Amenities for staff) (₹ 654241); Contractual payment in connection with Track Works booked to Grant No. 16-SF instead of DF (₹ 88143); cost of signalling works (₹ 6018651) and OFC Communication (₹25368692) booked to Grant No. 16- DRF instead of DF (₹31387343); Cost of construction of RRI work booked to Grant No. 16 DF instead of DRF (₹ 5000000); Cost of panel interlocking work booked to Grant No. 16- SF instead of DF (₹ 583051); Cost of platform shelter booked to Capital instead of DF (₹ 2051000); cost of manning of Unmanned level crossing booked to Grant No. 16 DRF instead of SF (₹ 243735); Track Renewal Works booked to Grant No. 16-DF instead of 16 DRF (₹ 562792); (Total-₹71957648) | |

| | | |
|---|---|---|
| *4* | Cost of construction of quarters booked to DRF instead of Capital (₹3416569); cost of providing additional look at 3 stations booked to capital instead of DF (` 886921); Expenditure on TRD estimate for improvment of earth system at sub station and switching station (CNB to GZB) booked to DF instead of DRF (₹609000); cost of Raising and Resufacing of plateform booked to DF (PH 6400) instead of DRF (PH 5200) under Grant No. 16 (₹ 2578000); wrong booking of expenditure to DRF (PH 5100) instead of Capital (PH 5100) under Grant No. 16 (₹2007884); (Total-9498374) | |
| *5* | Booking of expenditure pertaining to passenger amenities works to DRF instead of DF (₹41062655); Booking of expenditure pertaining to staff quarters on replacement account to Capital instead of DRF (₹395000); (Total-₹41457655) | |
| *6* | Expenditure inccured on Passenger Amenities (₹401218) and Cost of provision of Sand Humps, Trap Switches etc. at various stations (₹ 181800) booked to DRF instead of DF (₹583018); (Total-₹1166036) | |
| | **Mistakes in Revenue Grants** | |
| *1* | Irregular debit of Pay & Allowances relating to work-charged Gazetted post to Revenue Grant instead of Deposit Misc. for Deposit Work (₹365595); | **12651** |
| *2* | Debit towards supply of powerpack Assembly cylinders booked to Grant No.5 without physical receipt by consignee (₹ 1368906); cost of uniforms issued to different departments not allocated to relevant departments (₹ 1116047); | |
| *3* | Non inclusion of expenditure in Grant No. 12 as purchases(catering) (₹ 9800664); | |
| | **Mistakes in Works Grant No. 16** | |
| *1* | Expenditure incurred under PH-14 (Gauge Conversion –BWN-Katwa) booked under PH – 11 (New Line between Negun – Mangalkot (8.6Km) & Manteswar-Memari (35.6 Km) (₹589452000) and expenditure incurred under PH-14 (Gauge Conversion – Kalinarayanpur – KNJ with KNJ-Shantipur-NabadwipGhat) booked under PH – 11 (New Line between KNJ-Chatra, NH-RHA 3rd Line & Nabadwip Ghat-Nabadwip Dham) (₹ 247317000); | **1618560** |
| *2* | Cost of R.S Compressor booked under PH- 4100 instead of PH- 4200 (₹ 638370); cost of sleeper/PVC sleepers booked under PH-1500 instead of PH - 1100 (₹ 12824750); | |
| *3* | Expenditure incurred on "Renovation on embankment pitching & pier scour" wrongly booked to Plan Head 3100 instead of 3200 under DRF (₹6545947); | |
| *4* | Cost of materials consumed against the work of Provision of NPAC was charged against Plan Head 15 instead of Plan Head 33 under Grant No. 16 Cap (₹16628357); Booking of expenditure without actual receipt of materials {Cap (₹ 3200000) and DF (₹ 16000000)} under Grant No.16; | |

| | | |
|---|---|---|
| *5* | Booking of expenditure twice resulted in understatement of Plan Head 2900 (LC gates)and overstatement of Plan head 3000(ROB/RUB) (₹953761); Operation of non-existing head under PH 3100 Track renewals as 'Odd renewals' and non accounting of opening debit balances and irregular adjustment of credits relating to previous years with the debit of current year (₹725000000); | |
| | **Mistakes/misclassifications between Revenue/Works Grants No. 16 and Earnings** | |
| *1* | Irregular accountal of penalty accrued in contractor bills as reduction in expenditure instead of crediting the same under Indian Railway-Misc.Receipts (₹179643); | **647741** |
| *2* | Debit towards earnings from goods traffic booked to Grant No 10 instead of Abstract -Y (₹ 36279442); Mobilization advance was wrongly credited to Traffic Earnings instead of crediting to Works i.e USBRL Project (₹18525078); | |
| *3* | Non- apportionment of earnings of Krishnapatnam Rail Corp Ltd.(₹41,35,30,415) and non-adjustment of Office and Maintenance costs(₹16,78,26,012) resulted in overstatement of earnings; Non accountal of trip charges and shunting charges of March 2012 resulted in understatement of earnings.(₹ 1,14,00,540) | |
| | **Mistakes/misclassifications between Revenue/Works Grants No. 16 and Deposit** | |
| *1* | Interest on the amount of New Pension Scheme kept under Deposits without linking to amount already transferred to Trustee bank (₹22321560); | **22322** |
| | **Miscellaneous Mistakes** | |
| *1* | Cheques deposited with bank awaiting clearance included as part of Closing Cash Balance instead of Remmittance into Bank resulted in inflation of closing cash balance (₹115544); | **134399** |
| *2* | Non-adjustment of incorrect claim of subsidy on Branch Line leading to overstatement of Dividend and Subsidy statement and P&L A/c (₹19200000); Irregular balance lying under “Stores for Special Works” against the item Const. Sleeper (₹ 10742000); Wrong transaction under Public Account (Indian Railway Deposits) - Withdrawal is treated as minus credit instead of debit (₹ 693361); Non -adjustment of discrepancy between the provisional interest credited to Provident Fund (Public Account) and actual interest credited to the Subscriber's account (₹ 28758440); Leave salary contribution received in respect of officials on deputation on FSC terms and condition are credited to Grant No.13 instead of crediting to Major Head 1001- Indian Railway- Misc. Receipts (₹663145); Wrong crediting of liquidated damages recovered from contractors bills to Sundry earnings instead of Major Head 1001- Indian Railway Misc. Receipts.(₹11333646); | |
| *3* | Non-clearance of New Pension Scheme balances under MAR/PF (₹5217658); | |
| *4* | Non-raising of debits for material issued to other divisions (₹ 3343135); | |
| *5* | Debit of rails were not accepted by executive inspite of receipt of material (₹ 54332386) | |

**Appendix 3.1-Railway Zones, Divisions and Selected Division/Workshop for the Study (Reference Paragraph 3.1)**

| Railway | Divisions | Selected Division | Workshop |
|---|---|---|---|
| **Central** | PUNE,MUMBAI,SOLAPUR, NAGPUR,BHUSAVAL | Mumbai, Bhusaval | Parel |
| **East Central** | SONPUR,DANAPUR,DHANBAD, MUGHALSARAI,SAMASTIPUR | Danapur, Samastipur | Samastipur |
| **East Coast** | VISAKAPATNAM,KHURDA ROAD,SAMBHALPUR, | Khurda Road, Sambhalpur | Mancheswar |
| **Eastern** | SEALDAH,ASANSOL, MALDA,HOWRAH, | Howrah, Asansol | Kancharapara |
| **Metro** | Kolkatta | Kolkatta | Kolkatta |
| **North Central** | ALLAHABAD,AGRA,JHANSI | Allahabad, Jhansi | Jhansi |
| **North East Frontier** | ALIPUR DUAR, KATHIHAR, LUMDING,RANGIA, TINSUKIA | Lumding, Rangiya | New Bongaigaon |
| **North Eastern** | IZZATNAGAR,LUCKNOW, VARANASI, | Lucknow, Varanasi | Gorakhpur |
| **North Western** | JAIPUR,JODHPUR,AJMER, BIKANER | Jaipur Ajmer | Ajmer |
| **Northern** | AMBALA,DELHI,MORADABAD FIROZPUR,LUCKNOW | Moradabad, Lucknow | Alambagh |
| **South Central** | SECUNDERABAD,HYDERABA DGUNTAKAL, GUNTUR, NANDED, VIJAYAWADA, | Vijayawada, Guntur | Rayanpadu |
| **South East Central** | BILASPUR,NAGPUR,RAIPUR | Nagpur, Bilaspur | Raipur |
| **South Eastern** | ADRA,CHAKRADARPUR, KHARAGPUR,RANCHI | Adra, Kharagpur | Kharagpur |
| **South Western** | HUBLI,BANGALORE, MYSORE | Hubli, Bangalore | Mysore workshop |
| **Southern** | CHENNAI,TRICHY,MADURAI, PALGHAT,TRIVANDRUM, SALEM | Trichy Salem | Perambur |
| **West Central** | JABALPUR, BHOPAL,KOTA | Jabalpur, Kota | Bhopal |
| **Western** | AHMEDABAD,RAJKOT, VADODARA,MUMBAI, BHAVNAGAR | Mumbai Central, Vadodara | Lower Parel |

# Appendix 3.2

## Statement Showing the deviation of Codal Provisions while framing the Revised Estimates/Budget Estimates for the Earnings and Expenditure-(Reference-Para 3.3.2)

**Earnings**

| Rule No | Description of the Rule | Railway | Remarks |
|---|---|---|---|
| 313 | The estimates of Gross Receipts are required in the form (item (1) of Annexure II) and should be prepared in quadruplicate, the various figures being given in thousands of rupees. Information should be furnished in accordance with the instructions printed on the reverse of the form (item (1) of Annexure II). Two sets of the estimates of earnings should be prepared, one on the basis of originating earnings and the other with reference to apportioned earnings. The two sets of figures should be sent to the Railway Board both for the Revised Estimates for the current year and the Budget Estimates for the following year | ER and SECR | In ER, two separate sets are not being prepared and sent to Railway Board and in SECR only one set of estimates based on apportioned earnings are sent to Railway Board. Estimates for originating earnings are not sent. |
| 314 | Earnings from each class of passenger traffic viz., Air conditioned, First and Second, should be estimated on the basis of passenger kilometres and the average fare per passenger kilometre for each class separately. The earnings from parcels traffic should be estimated in the same way as for goods traffic, and from military traffic should be assessed on the basis of the previous actuals and the influence of changing conditions in the future. The earnings from coaching traffic, other than passenger, parcel and military traffic, may be estimated on the basis of a ratio of the earnings from passenger traffic to be determined with reference to the previous actuals | ER, NWR, SECR and SR | In ER, NWR and SCR, earnings from each class of passenger traffic separately for AC, First Class, Second Class are not being prepared. In SCR the earnings from military traffic are not assessed.. In SR there is no documentation for considering the growth rates while projecting the estimates |
| 315 | Estimate for the commodities which, yield the bulk of the Railway's revenue, should be based on the anticipated net tonne kilometres (NTKM) to be carried, and the average yield per NTKM, for each commodity. The earnings from the rest of the commodities should be assessed in lump sum, based on the trend of events in the immediate past, the experience of the past years and, so far as it is possible to ascertain, the influence of changing conditions in the future | ER and NWR | In ER, the estimates for commodities are being prepared for Coal and other than Coal and not commodity wise. In NWR, the estimated for the goods earnings based on the NTKM carried for the bulk commodities and the average yield per NTKM for each commodity and the earnings for the rest of the commodity in lump sum are not being carried out. Only the percent increase of earning from previous year has been taken as base for increase for the following year. |
| 316 | The miscellaneous earnings of a railway are derived mainly from the following sources :-<br>(i) Telegraph;<br>(ii) Rent and tolls ;<br>(iii) Commercial Publicity ;<br>(iv) Catering ;<br>(v) Sale proceeds of grass and trees ; and<br>(vi) Interest and maintenance charges on account of' assisted sidings, saloons, postal vehicles, etc. The | SECR and SR | In SECR the Estimates from commercial publicity are not estimated. BE are always projected at 5% above RE of previous year and in SR item wise estimation for sundry earnings not done. |

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| | earnings from these sources are comparatively small and should be estimated on the basis of previous actuals and any other circumstances that may be known or foreseen at the time | | |
| **318** | The figures of refunds of revenue should be deducted from the estimated receipts under each sub-head and the figures for gross receipts should be given net (after deduction of refunds). | ER and SECR | In ER and SECR the figures of refunds as per codal provisions are not being exhibited. |
| **319** | The estimates should be accompanied by a brief narrative explanation of the figures of actual earnings for the first seven months of the current year, especially if they show any pronounced change from those for the corresponding period of the preceding year. For example, if the earnings from second class traffic have risen or fallen markedly, the narrative explanation should state what, in the General Manager's opinion, is the reason for so large a change in the number of passengers carried or the average distance travelled by them; if goods traffic in certain commodities has been exceptionally brisk or dull, the commodities affected should be specified, and so on. Similar explanations should be given of the figures adopted by the General Manager for the revised estimate for the remaining period of the current year, and for the budget estimates for the ensuing year. | SCR and SR | In SCR, though the Railway Administration is sending the RE/BE along with Traffic Plan, no such narrative explanations of actual earnings is forwarded to Railway Board and in SR the estimate has not been accompanied by a narrative explanation for changes in the actual earnings. No explanations are provided for the figures adopted for RE/BE. |
| **320** | The estimates of earnings under each category should be shown separately for "local" and "interchanged" traffic and an analysis furnished indicating the trend of realisation in the current year as compared to the previous year. It must be ensured that figures for interchanged traffic take into account the latest position of both "outward" and "inward" transactions and the period upto which the earnings have been realised should, also be indicated. The Railway-wise details of the realisations/ anticipated realisations, indicating also the period up to which these relate, should be furnished. Judicious and purposeful use should be made of the periodic statement of approximate earnings on originating basis as well as of the monthly digest of current trends in economic conditions of Railway Transport circulated to the Railway Administrations by the Director, Statistics and Economics, Railway Board. | ER and SCR | In ER, the estimates of Earnings in respect of interchanges traffic are not being prepared and in SCR though the Railway Administration is sending inward and Outward transactions, Railway wise realization/anticipated realization and the period up to which earnings have been realized is not projected in the RE/BE. |
| **321** | The estimates of originating goods traffic (in tonnes) based on the actuals of the first 7 months and expectations for the last 5 months of the current year should be given separately for (i) traffic moved to and from the steel plants by principal categories (other than coal) such as raw materials, finished products like steel manufactures, pig iron and alloy steel, (ii) Coal for Steel Plants, Washeries, and other users, (iii) Cement, (iv) Export ore, (v) Fertilisers, (vi) POL products, (vii) Food grains, and (viii) General Goods. The increase/decrease anticipated in the originating tonnage during the current year over that of the preceding year under each of the categories of goods traffic mentioned above should also be given specifically in a statement annexed to the earnings estimates. The annexure to the Earnings Estimates (item (2) of Annexure II) indicating certain selected commercial and operating statistical data for the purpose of establishing a better link between the estimates of | ER, NWR, SCR, SECR and SR | In ER, NWR, SCR, SECR the estimates of originating goods have not been prepared as per the codal provisions. In SR the statement showing the increase/decrease in the originating tonnage during the current year over the preceding year has not been given. The annexure to the earnings estimates indicating certain selected commercial and operating statistical data for the purpose of establishing a better link between the earnings and expenditure has not been furnished |

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| | earnings and working expenses, should be completed in all respects and sent with the estimates of earnings. Additionally, the approximate amount of increase in earnings due to the opening of new lines, as well as the consequent increase on existing lines, should be stated, as far as possible, separately for the information of the Railway Board. | | |
| **322** | Variations under Passenger, Goods and Other Coaching earnings on account of the effect of increase/adjustments, if any, in fares and freights as compared to the increases provided in the Budget Estimates for the year should be separately explained. The revised estimates of earnings should, therefore, have a proper correlation to the latest traffic anticipations as revealed from the originating, cross and received traffic figures. | ER,SCR and SR | In ER, SCR and SR, the Variations for Passenger, Goods and Other Coaching Earnings on account of effect of increase/adjustment in fare and freight as compared to the increase provided in the Budget Estimates for the year have not been explained as per the codal provisions. |
| **323** | Review of Traffic Outlook - These explanations are required not only to enable the Railway Board to judge whether the estimates are reasonable, but also to assist them in explaining them to the Parliament. What in fact is wanted from the General Manager is a very brief review of the traffic outlook for the current and ensuing years which can be used for assessing the total traffic prospects of the Railways. The actual form in which this brief review should be rendered each year is left entirely to the discretion of the General Manager; the Railway are particularly desirous that it should not be stereo typed . | ER, NWR, SCR and SR | In ER, NWR, SCR and SR the codal provisions as per for the review of Traffic outlook are not done. |

**Expenditure**

| Rule No | Description of the Rule | Railway | Remarks |
|---|---|---|---|
| **326** | A brief narrative explanation should be given of the causes (with amounts involved in each case) of substantial differences between the figures adopted for the revised estimate of the current year and (i) the actuals of the previous year, and (ii) budget allotment for the current year. Similar explanation should be given for differences between the figures of the budget estimate of the ensuing year and the revised estimate of the current year. Large variations which compensate each other should also be indicated | ECR, NWR, SCR, SR and WCR | In ECR, NWR, SCR, SR and WR the explanations for variations are not quoted in the estimates for the differences in figures between BE of the ensuing year and RE of the current year. |
| **327** | The revised estimate for the current year and the budget-estimate for the next year should be fixed after taking into account the expenditure of the previous year and comparing the expenditure during the first seven months of the year with the corresponding period of the previous year. A full explanation of special features and any exceptional and abnormal adjustments (with amounts involved) included in each period of the previous and current year as also in the next year, should be given in the explanatory note accompanying the estimates. The financial effect of variations on account of specific reasons should be clearly brought out under each Demand as shown in the statements (Items 58 to 64) of Annexure II. | ECR, ER, NWR, SCR ,SR and WCR | In ECR, ER, NWR, SCR, SR and WCR the codal provisions relating to fixing of RE and BE are not followed. |
| **328** | When the expenditure anticipated in the last five months of the year is disproportionate as compared with (i) the | ECR, NWR, | In ECR, ER, NWR, SCR, SR and WCR the codal provisions relating |

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| | first seven months of the year or (ii) the corresponding period of the previous year, reasons for the disproportionate expenditure should be given in the revised estimate. Special and non-recurring items of expenditure in a year should show a corresponding saving in the following year. Likewise, when transfers are made from one demand to another due to changes in classification, the saving shown under one demand should agree with the excess shown under the other demand | SCR, SR and WCR | to fixing of RE and BE are not followed |
| **329** | In working out the cost of establishments, the Railway Administrations should not make any meticulous calculations of the emoluments to which individuals will be entitled if they continue to hold the posts during the year. The estimates of the cost of establishment should be based on past experience of their actual cost, with due allowance for any changes either in the number or rates of pay of each individual establishment in the year in which, or for which the estimate is being made. | ER,SR and WCR | In ER, SR and WCR, the estimates of the cost of establishment has not been prepared on the past experience of their actual cost with due allowance for any changes either in the number or rates of pay of each individual establishment in the year in which the estimate has been prepared. |
| **330** | In the explanatory note accompanying the estimate, information should be given as to what part of the proposed expenditure represents expenditure on the permanent staff already sanctioned, how much of the proposed increase in the next year is due to ordinary increments, how much is new expenditure and how much for temporary establishment. Reasons should be given for additional staff when provision is made in the estimates for such increase in expenditure. The estimates of ordinary working expenses should be accompanied by 'Staff Statements' under each Demand in the proforma given in items, 14, 16, 18, 21, 23, 25, 27, 29, 41 and 43 of Annexure II. Explanations for substantial variations in the numbers should be furnished as between current year's budget and, revised estimates and budget estimates for the following year. | ECR, ER, NWR, SCR, SECR and WCR | In ECR, ER, NWR, SCR, SECR and WCR the estimates of the Ordinary Working expenses are not accompanied by the staff statement under each demand by the Divisions and Workshops as per codal provisions. |
| **331** | The estimates in respect of revenue suspense heads (viz., Demands Payable and Misc. Advances-Revenue) should be prepared by the Financial Adviser and Chief Accounts officer on the basis of past actuals and current trends. Budget for Demands payable is for the net increase or decrease in the balance at the end of the year, while for Misc. Advances the budget requirement would be on a 'gross' basis | ER and NWR | In ER and NWR, the codal provisions on the budgeting of Revenue Suspense heads (Viz Demands Payable and Misc Advances-Revenue) are not followed according to the Codal provisions. |
| **332** | The budget and revised estimates of expenditure on repair and maintenance of Rolling Stock separately by locomotives (steam, diesel and electric), carriages, wagons and other coaching vehicles Included in Demands No. 5 and 6 should be supported by separate statements (see item 19 in Annexure II) showing in detail the estimated number of Rolling Stock proposed for repairs in the current year's budget and revised estimates and the budget of the ensuing year with corresponding unit cost. | ECR, ER, NWR, SCR, SECR, SR and WCR | In ECR, ER, NWR, SCR, SECR, SR and WCR the Budget Estimates and the Revised Estimates expenditure on repair and maintenance of Rolling Stock prepared was not supported by the statement showing the number of rolling stock proposed for repairs. |
| **333** | Two statements, one showing the quantity and cost of coal, diesel oil and electricity (items 30 to 32 in Annexure II) and another showing the quantity and freight of coal carried by sea (item 33 in Annexure II) | ER and SECR | In ER and SECR, complete information as required in 'Correlation Statement' accompanying the RE and BE |

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| | should be submitted along with the revised and budget estimates for Demand No. 10-Operating Expenses - Fuel. Care should be taken to furnish complete information as required in the 'Correlation Statements' (items 34 to 36 in Annexure II) accompanying the revised and budget estimates for Demand No. 10. | | were not furnished. |
| **336** | Summary of Ordinary Working Expenses -The Railway Board should be furnished with a summary of the ordinary working expenses (in the form at item 46 of Annexure II) comparing, under each demand, the actuals during each of the preceding three years, with the budget estimates and revised estimates for the current year and budget estimates for the following year. The figures of actuals should agree with those appearing in the final accounts intimated to the Railway Board and the differences, if any, should be suitably explained in the remarks column. | SCR and SECR | IN SCR and SECR, only the current years demand wise summary of actual working expenses vis-à-vis actual expenditure of last year is furnished to Railway Board as against the last three years figures. |
| **337** | Summary of Revenue Receipts and Expenditure-In order to represent the financial position of a railway correctly, the estimates of its receipts should be correlated with the estimates of its expenditure. For this purpose the Railway Board should be furnished, along with the estimates for gross receipts, with a statement summarizing the estimates for gross receipts and expenditure chargeable to revenue. These should contain the figures for the previous year, the budget and revised estimates of the current year and the budget estimates for the following year. | NWR and SCR | In NWR, as per the codal provisions regarding the correlation of receipts with the estimates of expenditure a statement summarizing the estimates for gross receipts and expenditure chargeable to Revenue should be prepared. This is not being followed. |

**Appendix -3.3 -Cases where Railway's requirement reduced by Railway Board but actual expenditure exceeded the amount fixed by the Railway Board-Reference Para 3.3.3.1**

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | in crore of ₹ | |
| **Grant No** | Railway | Requirement Made as BE | Amount allotted by Railway Board as FG | Actual Expenditure incurred | Variation between col 3and 4 | Variation between col 4 and 5 | Percentage | Summary | | | | |
| **1** | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | | | |
| **2011-12** | | | | | | | | | | | | |
| 3 | **NR** | 531.48 | 470.66 | 481.87 | -60.82 | 11.21 | 18.43 | 531.48 | 470.66 | 481.87 | -60.82 | 11.21 |
| 4 | **CR** | 686.44 | 631.23 | 634.83 | -55.21 | 3.60 | 6.52 | | | | | |
| 4 | **NR** | 1050.34 | 935.60 | 949.77 | -114.74 | 14.17 | 12.35 | | | | | |
| 4 | **NER** | 341.51 | 303.61 | 305.17 | -37.90 | 1.56 | 4.12 | | | | | |
| 4 | **NFR** | 601.64 | 550.97 | 555.79 | -50.67 | 4.82 | 9.51 | | | | | |
| 4 | **ECoR** | 349.80 | 324.74 | 327.68 | -25.06 | 2.94 | 11.73 | | | | | |
| 4 | **NCR** | 559.63 | 481.54 | 510.38 | -78.09 | 28.84 | 36.93 | 3589.36 | 3227.69 | 3283.62 | -361.67 | 55.93 |
| 5 | **CR** | 344.50 | 286.98 | 293.79 | -57.52 | 6.81 | 11.84 | | | | | |
| 5 | **ER** | 351.69 | 319.94 | 324.62 | -31.75 | 4.68 | 14.74 | | | | | |
| 5 | **NR** | 492.39 | 463.27 | 469.96 | -29.12 | 6.69 | 22.97 | | | | | |
| 5 | **ECR** | 224.99 | 223.55 | 224.14 | -1.44 | 0.59 | 40.97 | | | | | |
| 5 | **WCR** | 366.62 | 283.02 | 321.21 | -83.60 | 38.19 | 45.68 | 1780.19 | 1576.76 | 1633.72 | -203.43 | 56.96 |
| 6 | **CR** | 898.14 | 779.98 | 785.65 | -118.16 | 5.67 | 4.80 | | | | | |
| 6 | **ER** | 1106.10 | 1003.90 | 1013.54 | -102.20 | 9.64 | 9.43 | | | | | |
| 6 | **NER** | 345.02 | 293.24 | 296.69 | -51.78 | 3.45 | 6.66 | | | | | |
| 6 | **SER** | 694.60 | 692.32 | 695.21 | -2.28 | 2.89 | 126.75 | | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6 | **ECR** | 575.96 | 500.50 | 501.31 | -75.46 | 0.81 | 1.07 | | | | | |
| 6 | **ECoR** | 268.43 | 261.45 | 270.83 | -6.98 | 9.38 | 134.38 | | | | | |
| 6 | **NCR** | 222.83 | 181.11 | 183.57 | -41.72 | 2.46 | 5.90 | | | | | |
| 6 | **SECR** | 240.45 | 203.56 | 205.69 | -36.89 | 2.13 | 5.77 | | | | | |
| 6 | **WCR** | 256.71 | 211.90 | 225.11 | -44.81 | 13.21 | 29.48 | 4608.24 | 4127.96 | 4177.60 | -480.28 | 49.64 |
| 7 | **NFR** | 215.28 | 190.24 | 190.52 | -25.04 | 0.28 | 1.12 | | | | | |
| 7 | **NWR** | 186.50 | 161.19 | 163.58 | -25.31 | 2.39 | 9.44 | 401.78 | 351.43 | 354.10 | -50.35 | 2.67 |
| 8 | **ER** | 592.59 | 562.10 | 567.43 | -30.49 | 5.33 | 17.48 | | | | | |
| 8 | **NR** | 866.48 | 834.53 | 837.26 | -31.95 | 2.73 | 8.54 | | | | | |
| 8 | **NER** | 216.43 | 207.66 | 210.09 | -8.77 | 2.43 | 27.71 | | | | | |
| 8 | **NWR** | 261.31 | 229.45 | 230.85 | -31.86 | 1.40 | 4.39 | 1936.81 | 1833.74 | 1845.63 | -103.07 | 11.89 |
| 9 | **CR** | 1212.51 | 1113.54 | 1122.56 | -98.97 | 9.02 | 9.11 | | | | | |
| 9 | **NCR** | 1086.34 | 1037.07 | 1040.00 | -49.27 | 2.93 | 5.95 | 2298.85 | 2150.61 | 2162.56 | -148.24 | 11.95 |
| 10 | **ECR** | 1233.35 | 1160.00 | 1162.37 | -73.35 | 2.37 | 3.23 | | | | | |
| 10 | **SWR** | 854.00 | 819.49 | 838.09 | -34.51 | 18.60 | 53.90 | 2087.35 | 1979.49 | 2000.46 | -107.86 | 20.97 |
| 11 | **NFR** | 301.79 | 290.99 | 296.74 | -10.80 | 5.75 | 53.24 | | | | | |
| 11 | **SECR** | 134.45 | 118.00 | 122.36 | -16.45 | 4.36 | 26.50 | | | | | |
| 11 | **WCR** | 176.84 | 145.49 | 146.47 | -31.35 | 0.98 | 3.13 | | | | | |
| 11 | **MR** | 7.52 | 7.04 | 7.21 | -0.48 | 0.17 | 35.42 | 620.60 | 561.52 | 572.78 | -59.08 | 11.26 |
| 12 | **SR** | 285.95 | 234.61 | 280.23 | -51.34 | 45.62 | 88.86 | | | | | |
| 12 | **WR** | 288.63 | 253.81 | 286.46 | -34.82 | 32.65 | 93.77 | | | | | |
| 12 | **WCR** | 79.79 | 73.31 | 75.60 | -6.48 | 2.29 | 35.34 | 574.58 | 488.42 | 566.69 | -86.16 | 80.56 |
| 13 | **WCR** | 17.74 | 17.10 | 17.28 | -0.64 | 0.18 | 28.13 | 17.74 | 17.10 | 17.28 | -0.64 | 0.18 |
| | | 18526.77 | 16858.69 | 17171.91 | -1668.08 | 313.22 | | 313.22 | | | | |
| **2010-11** | | | | | | | | | | | | |
| 3 | **ER** | 519.51 | 454.00 | 456.08 | -65.51 | 2.08 | 3.18 | | | | | |
| 3 | **SCR** | 327.47 | 319.00 | 321.81 | -8.47 | 2.81 | 33.18 | | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 3 | **WR** | 361.32 | 357.00 | 361.67 | -4.32 | 4.67 | 108.10 | | | | | |
| 3 | **ECR** | 248.65 | 151.92 | 225.67 | -96.73 | 73.75 | 76.24 | | | | | |
| 3 | **NCR** | 210.24 | 124.00 | 191.01 | -86.24 | 67.01 | 77.70 | | | | | |
| 3 | **NWR** | 238.77 | 198.87 | 206.49 | -39.90 | 7.62 | 19.10 | | | | | |
| 3 | **WCR** | 152.07 | 122.30 | 157.81 | -29.77 | 35.51 | 119.28 | 2058.03 | 1727.08 | 1920.54 | -330.95 | 193.46 |
| 4 | **CR** | 655.26 | 596.00 | 610.22 | -59.26 | 14.22 | 24.00 | | | | | |
| 4 | **ER** | 421.75 | 375.00 | 381.38 | -46.75 | 6.38 | 13.65 | | | | | |
| 4 | **SCR** | 823.74 | 770.00 | 774.41 | -53.74 | 4.41 | 8.21 | | | | | |
| 4 | **SER** | 400.55 | 399.45 | 404.69 | -1.10 | 5.24 | 476.36 | | | | | |
| 4 | **WR** | 690.93 | 628.20 | 648.82 | -62.73 | 20.62 | 32.87 | | | | | |
| 4 | **NCR** | 539.53 | 300.00 | 462.45 | -239.53 | 162.45 | 67.82 | | | | | |
| 4 | **WCR** | 430.94 | 207.00 | 407.31 | -223.94 | 200.31 | 89.45 | 3962.70 | 3275.65 | 3689.28 | -687.05 | 413.63 |
| 5 | **ER** | 306.81 | 281.50 | 298.11 | -25.31 | 16.61 | 65.63 | | | | | |
| 5 | **NR** | 383.08 | 381.00 | 422.86 | -2.08 | 41.86 | 2012.50 | | | | | |
| 5 | **NFR** | 123.87 | 105.50 | 136.46 | -18.37 | 30.96 | 168.54 | | | | | |
| 5 | **SR** | 272.55 | 225.00 | 231.54 | -47.55 | 6.54 | 13.75 | | | | | |
| 5 | **SCR** | 381.76 | 314.00 | 320.48 | -67.76 | 6.48 | 9.56 | | | | | |
| 5 | **SER** | 229.24 | 217.00 | 231.79 | -12.24 | 14.79 | 120.83 | | | | | |
| 5 | **WR** | 274.58 | 220.00 | 254.34 | -54.58 | 34.34 | 62.92 | | | | | |
| 5 | **NCR** | 175.87 | 132.00 | 160.39 | -43.87 | 28.39 | 64.71 | | | | | |
| 5 | **SWR** | 150.02 | 91.40 | 129.14 | -58.62 | 37.74 | 64.38 | | | | | |
| 5 | **WCR** | 325.46 | 123.00 | 299.08 | -202.46 | 176.08 | 86.97 | 2623.24 | 2090.40 | 2484.19 | -532.84 | 393.79 |
| 6 | **ER** | 1005.23 | 871.50 | 909.56 | -133.73 | 38.06 | 28.46 | | | | | |
| 6 | **NR** | 972.42 | 899.27 | 950.01 | -73.15 | 50.74 | 69.36 | | | | | |
| 6 | **NFR** | 372.37 | 358.00 | 374.64 | -14.37 | 16.64 | 115.80 | | | | | |
| 6 | **SR** | 706.38 | 630.00 | 649.36 | -76.38 | 19.36 | 25.35 | | | | | |
| 6 | **SCR** | 613.83 | 530.00 | 530.30 | -83.83 | 0.30 | 0.36 | | | | | |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6 | **WR** | 884.98 | 800.00 | 805.68 | -84.98 | 5.68 | 6.68 | | | | | |
| 6 | **ECR** | 352.57 | 180.00 | 479.46 | -172.57 | 299.46 | 173.53 | | | | | |
| 6 | **NWR** | 291.76 | 157.50 | 235.40 | -134.26 | 77.90 | 58.02 | | | | | |
| 6 | **SWR** | 225.75 | 197.00 | 254.25 | -28.75 | 57.25 | 199.13 | 5425.29 | 4623.27 | 5188.66 | -802.02 | 565.39 |
| 7 | **CR** | 419.24 | 389.00 | 392.47 | -30.24 | 3.47 | 11.47 | | | | | |
| 7 | **ER** | 384.39 | 331.00 | 338.54 | -53.39 | 7.54 | 14.12 | | | | | |
| 7 | **NR** | 475.28 | 461.59 | 483.12 | -13.69 | 21.53 | 157.28 | | | | | |
| 7 | **NER** | 155.80 | 153.00 | 153.39 | -2.80 | 0.39 | 13.93 | | | | | |
| 7 | **NFR** | 216.22 | 182.00 | 188.95 | -34.22 | 6.95 | 20.31 | | | | | |
| 7 | **SR** | 320.81 | 282.00 | 285.07 | -38.81 | 3.07 | 7.91 | | | | | |
| 7 | **SCR** | 352.52 | 304.84 | 311.50 | -47.68 | 6.66 | 13.96 | | | | | |
| 7 | **WR** | 423.49 | 385.00 | 387.74 | -38.49 | 2.74 | 7.12 | | | | | |
| 7 | **ECR** | 286.08 | 217.00 | 315.48 | -69.08 | 98.48 | 142.56 | | | | | |
| 7 | **NCR** | 313.37 | 160.00 | 268.01 | -153.37 | 108.01 | 70.42 | | | | | |
| 7 | **WCR** | 235.23 | 78.77 | 221.47 | -156.46 | 142.70 | 91.21 | 3582.43 | 2944.20 | 3345.74 | -638.23 | 401.54 |
| 8 | **NR** | 704.15 | 673.04 | 737.50 | -31.11 | 64.46 | 207.19 | | | | | |
| 8 | **NER** | 195.95 | 180.81 | 194.69 | -15.14 | 13.88 | 91.68 | | | | | |
| 8 | **WR** | 470.49 | 450.00 | 466.76 | -20.49 | 16.76 | 81.80 | | | | | |
| 8 | **ECR** | 431.06 | 287.64 | 465.14 | -143.42 | 177.50 | 123.76 | | | | | |
| 8 | **NCR** | 362.48 | 230.00 | 347.91 | -132.48 | 117.91 | 89.00 | | | | | |
| 8 | **SECR** | 251.73 | 208.00 | 266.97 | -43.73 | 58.97 | 134.85 | | | | | |
| 8 | **WCR** | 289.23 | 157.00 | 297.53 | -132.23 | 140.53 | 106.28 | 2705.09 | 2186.48 | 2776.50 | -518.61 | 590.02 |
| 9 | **SER** | 449.09 | 366.13 | 386.70 | -82.96 | 20.57 | 24.80 | | | | | |
| 9 | **WR** | 842.80 | 748.50 | 751.71 | -94.30 | 3.21 | 3.40 | | | | | |
| 9 | **ECR** | 1215.00 | 512.90 | 1136.77 | -702.10 | 623.87 | 88.86 | | | | | |
| 9 | **NCR** | 927.50 | 649.83 | 938.21 | -277.67 | 288.38 | 103.86 | | | | | |
| 9 | **SECR** | 612.62 | 471.01 | 815.17 | -141.61 | 344.16 | 243.03 | | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9 | **WCR** | 396.50 | 287.64 | 495.91 | -108.86 | 208.27 | 191.32 | 4443.51 | 3036.01 | 4524.47 | -1407.50 | 1488.46 |
| 10 | **WR** | 1609.80 | 1560.00 | 1605.53 | -49.80 | 45.53 | 91.43 | | | | | |
| 10 | **NCR** | 1102.78 | 910.00 | 1051.10 | -192.78 | 141.10 | 73.19 | | | | | |
| 10 | **SWR** | 656.87 | 566.00 | 777.63 | -90.87 | 211.63 | 232.89 | | | | | |
| 10 | **WCR** | 1136.96 | 724.06 | 1102.46 | -412.90 | 378.40 | 91.64 | 4506.41 | 3760.06 | 4536.72 | -746.35 | 776.66 |
| 11 | **ER** | 289.61 | 271.00 | 276.76 | -18.61 | 5.76 | 30.95 | | | | | |
| 11 | **NFR** | 283.21 | 249.00 | 268.74 | -34.21 | 19.74 | 57.70 | | | | | |
| 11 | **SR** | 314.29 | 291.25 | 299.14 | -23.04 | 7.89 | 34.24 | | | | | |
| 11 | **WR** | 319.54 | 310.00 | 319.29 | -9.54 | 9.29 | 97.38 | | | | | |
| 11 | **ECR** | 150.02 | 132.35 | 135.80 | -17.67 | 3.45 | 19.52 | | | | | |
| 11 | **NCR** | 135.09 | 131.86 | 135.07 | -3.23 | 3.21 | 99.38 | | | | | |
| 11 | **WCR** | 147.11 | 105.00 | 145.89 | -42.11 | 40.89 | 97.10 | 1638.87 | 1490.46 | 1580.69 | -148.41 | 90.23 |
| 12 | **ER** | 380.18 | 315.32 | 334.64 | -64.86 | 19.32 | 29.79 | | | | | |
| 12 | **SR** | 229.73 | 149.74 | 175.61 | -79.99 | 25.87 | 32.34 | | | | | |
| 12 | **ECR** | 275.00 | 69.50 | 190.52 | -205.50 | 121.02 | 58.89 | | | | | |
| 12 | **NCR** | 165.56 | 73.84 | 124.53 | -91.72 | 50.69 | 55.27 | | | | | |
| 12 | **SWR** | 67.84 | 63.52 | 67.59 | -4.32 | 4.07 | 94.22 | | | | | |
| 12 | **WCR** | 76.14 | 71.84 | 98.76 | -4.30 | 26.92 | 626.05 | 1194.45 | 743.76 | 991.65 | -450.69 | 247.89 |
| 13 | **ECoR** | 12.09 | 7.98 | 14.21 | -4.11 | 6.23 | 151.58 | | | | | |
| 13 | **SECR** | 12.17 | 11.68 | 17.32 | -0.49 | 5.64 | 1151.02 | | | | | |
| 13 | **WCR** | 12.58 | 12.20 | 14.12 | -0.38 | 1.92 | 501.46 | 36.84 | 31.86 | 45.65 | -4.98 | 13.79 |
| | | 32176.86 | 25909.23 | 31084.09 | -6267.63 | 5174.86 | | 5174.86 | | | | |
| **2009-10** | | | | | | | | | | | | |
| 3 | **ECR** | 326.47 | 159.76 | 243.58 | -166.71 | 83.82 | 50.28 | | | | | |
| 3 | **NCR** | 181.34 | 138.00 | 182.76 | -43.34 | 44.76 | 103.28 | | | | | |
| 3 | **NWR** | 284.08 | 195.00 | 221.01 | -89.08 | 26.01 | 29.20 | | | | | |
| 3 | **WCR** | 163.33 | 130.00 | 163.09 | -33.33 | 33.09 | 99.28 | 955.22 | 622.76 | 810.44 | -332.46 | 187.68 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 4 | **SCR** | 867.36 | 760.00 | 774.28 | -107.36 | 14.28 | 13.30 | | | | | |
| 4 | **NCR** | 364.06 | 308.00 | 477.23 | -56.06 | 169.23 | 301.87 | | | | | |
| 4 | **WCR** | 364.64 | 212.00 | 426.33 | -152.64 | 214.33 | 140.42 | 1596.06 | 1280.00 | 1677.84 | -316.06 | 397.84 |
| 5 | **NER** | 108.96 | 95.00 | 101.13 | -13.96 | 6.13 | 43.91 | | | | | |
| 5 | **NFR** | 106.57 | 105.00 | 116.94 | -1.57 | 11.94 | 760.51 | | | | | |
| 5 | **SR** | 262.86 | 236.00 | 247.21 | -26.86 | 11.21 | 41.73 | | | | | |
| 5 | **WR** | 254.75 | 223.00 | 235.25 | -31.75 | 12.25 | 38.58 | | | | | |
| 5 | **SECR** | 104.58 | 104.00 | 108.91 | -0.58 | 4.91 | 846.55 | | | | | |
| 5 | **SWR** | 114.31 | 108.00 | 137.83 | -6.31 | 29.83 | 472.74 | | | | | |
| 5 | **WCR** | 292.09 | 120.00 | 324.02 | -172.09 | 204.02 | 118.55 | 1244.12 | 991.00 | 1271.29 | -253.12 | 280.29 |
| 6 | **NER** | 293.63 | 270.39 | 272.11 | -23.24 | 1.72 | 7.39 | | | | | |
| 6 | **ECR** | 376.97 | 149.22 | 432.00 | -227.75 | 282.78 | 124.16 | | | | | |
| 6 | **NWR** | 316.35 | 165.00 | 259.93 | -151.35 | 94.93 | 62.72 | | | | | |
| 6 | **SWR** | 242.44 | 190.00 | 230.67 | -52.44 | 40.67 | 77.56 | 1229.39 | 774.62 | 1194.71 | -454.77 | 420.09 |
| 7 | **SCR** | 349.95 | 315.00 | 318.45 | -34.95 | 3.45 | 9.87 | | | | | |
| 7 | **ECR** | 356.24 | 219.60 | 305.50 | -136.64 | 85.90 | 62.87 | | | | | |
| 7 | **NCR** | 240.20 | 150.00 | 293.00 | -90.20 | 143.00 | 158.54 | | | | | |
| 7 | **WCR** | 197.70 | 86.86 | 215.21 | -110.84 | 128.35 | 115.80 | 1144.09 | 771.45 | 1132.16 | -372.64 | 360.71 |
| 8 | **NFR** | 213.97 | 211.75 | 216.91 | -2.22 | 5.16 | 232.43 | | | | | |
| 8 | **ECR** | 433.43 | 290.00 | 441.67 | -143.43 | 151.67 | 105.74 | | | | | |
| 8 | **NCR** | 244.61 | 226.00 | 316.33 | -18.61 | 90.33 | 485.38 | | | | | |
| 8 | **SECR** | 221.39 | 220.00 | 271.38 | -1.39 | 51.38 | 3696.40 | | | | | |
| 8 | **WCR** | 243.41 | 153.52 | 291.97 | -89.89 | 138.45 | 154.02 | 1356.81 | 1101.27 | 1538.26 | -255.54 | 436.99 |
| 9 | **NFR** | 423.82 | 370.00 | 399.23 | -53.82 | 29.23 | 54.31 | | | | | |
| 9 | **ECR** | 1059.81 | 484.45 | 1065.50 | -575.36 | 581.05 | 100.99 | | | | | |
| 9 | **NCR** | 723.21 | 570.76 | 914.28 | -152.45 | 343.52 | 225.33 | 2206.84 | 1425.21 | 2379.01 | -781.63 | 953.80 |
| 10 | **ER** | 763.16 | 727.17 | 728.67 | -35.99 | 1.50 | 4.17 | | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **10** | **NR** | 1399.00 | 1383.00 | 1444.36 | -16.00 | 61.36 | 383.50 | | | | | |
| **10** | **NER** | 485.18 | 454.97 | 467.00 | -30.21 | 12.03 | 39.83 | | | | | |
| **10** | **NFR** | 537.56 | 510.00 | 521.61 | -27.56 | 11.61 | 42.13 | | | | | |
| **10** | **SR** | 951.73 | 932.30 | 935.32 | -19.43 | 3.02 | 15.54 | | | | | |
| **10** | **SCR** | 1547.82 | 1480.00 | 1508.03 | -67.82 | 28.03 | 41.33 | | | | | |
| **10** | **SER** | 701.31 | 680.00 | 689.33 | -21.31 | 9.33 | 43.78 | | | | | |
| **10** | **SWR** | 569.17 | 529.26 | 634.43 | -39.91 | 105.17 | 263.53 | | | | | |
| **10** | **WCR** | 1090.28 | 621.78 | 997.95 | -468.50 | 376.17 | 80.29 | 8045.21 | 7318.48 | 7926.70 | -726.73 | 608.22 |
| **12** | **NFR** | 175.24 | 135.59 | 154.61 | -39.65 | 19.02 | 47.97 | | | | | |
| **12** | **SR** | 207.89 | 195.50 | 213.03 | -12.39 | 17.53 | 141.49 | | | | | |
| **12** | **SCR** | 193.23 | 170.00 | 173.74 | -23.23 | 3.74 | 16.10 | | | | | |
| **12** | **SER** | 237.63 | 209.13 | 211.11 | -28.50 | 1.98 | 6.95 | | | | | |
| **12** | **ECR** | 288.69 | 65.36 | 213.91 | -223.33 | 148.55 | 66.52 | | | | | |
| **12** | **NCR** | 132.74 | 65.00 | 204.40 | -67.74 | 139.40 | 205.79 | | | | | |
| **12** | **SWR** | 65.28 | 51.00 | 74.78 | -14.28 | 23.78 | 166.53 | 1300.70 | 891.58 | 1245.58 | -409.12 | 354.00 |
| **13** | **NCR** | 16.18 | 13.31 | 23.40 | -2.87 | 10.09 | 351.34 | 16.18 | 13.31 | 23.40 | -2.87 | 10.09 |
| | | 19094.62 | 15189.68 | 19199.39 | -3904.94 | 4009.71 | | | | | | |
| | | 69798.25 | 57957.61 | 67455.39 | -11840.64 | 9497.78 | | 4009.7 | | | | |
| **Summary** | | | | | | | | Savings(-)/Excess(+) | | | | |
| | 2009-10 | 19094.62 | 15189.68 | 19199.39 | -3904.94 | 4009.71 | | 102.68 | | | | |
| | 2010-11 | 32176.86 | 25909.23 | 31084.09 | -6267.63 | 5174.86 | | 82.56 | | | | |
| | 2011-12 | 18526.77 | 16858.69 | 17171.91 | -1668.08 | 313.22 | | 18.78 | | | | |
| | Total | 69798.25 | 57957.61 | 67455.39 | -11840.64 | 9497.78 | | 80.21 | | | | |

## Appendix 3.4-Cases where Railway Board allotted more amount than the Railway's requirement but the actual expenditure exceeded the amount fixed by the Railway Board-Reference Para 3.3.3.1

| | | | | | | | | | | in crore of ₹ | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Grant No** | Railway | Requirement Made as BE | Amount allotted by Railway Board as FG | Actual Expenditure incurred | Variation between col 3and 4 | Variation between col 4 and 5 | Percentage | Summary | | | | |
| **1** | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | | | |
| | | | | | | **2011-12** | | | | | | |
| **6** | SWR | 265.42 | 271.13 | 271.78 | 5.71 | 0.65 | 11.38 | 265.42 | 271.13 | 271.78 | 5.71 | 0.65 |
| **7** | SER | 268.40 | 270.43 | 274.74 | 2.03 | 4.31 | 212.32 | | | | | 268.4 |
| **8** | CR | 673.99 | 693.73 | 695.79 | 19.74 | 2.06 | 10.44 | | | | | |
| **8** | SER | 435.72 | 438.31 | 443.62 | 2.59 | 5.31 | 205.02 | | | | | |
| **8** | WR | 524.53 | 556.32 | 568.44 | 31.79 | 12.12 | 38.13 | | | | | |
| **8** | SWR | 185.72 | 189.14 | 192.29 | 3.42 | 3.15 | 92.11 | | | | | |
| **9** | ER | 784.24 | 797.81 | 811.95 | 13.57 | 14.14 | 104.20 | | | | | |
| **9** | NR | 1618.20 | 1675.70 | 1859.30 | 57.50 | 183.60 | 319.30 | | | | | 2402.44 |
| **10** | NER | 596.12 | 619.00 | 668.25 | 22.88 | 49.25 | 215.25 | | | | | |
| **10** | SR | 1056.80 | 1146.80 | 1170.32 | 90.00 | 23.52 | 26.13 | | | | | |
| **10** | SCR | 1903.04 | 1994.78 | 2008.74 | 91.74 | 13.96 | 15.22 | | | | | |
| **10** | SER | 724.06 | 835.41 | 846.25 | 111.35 | 10.84 | 9.74 | | | | | |
| **10** | WR | 1788.09 | 1881.48 | 1918.76 | 93.39 | 37.28 | 39.92 | | | | | |
| **10** | NWR | 764.98 | 771.97 | 783.35 | 6.99 | 11.38 | 162.80 | | | | | |
| **10** | SECR | 590.99 | 646.00 | 659.25 | 55.01 | 13.25 | 24.09 | | | | | |
| **10** | MR | 18.10 | 22.59 | 24.72 | 4.49 | 2.13 | 47.44 | 7442.18 | 7918.03 | 8079.64 | 475.85 | 161.61 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 12 | ECoR | 106.81 | 112.59 | 112.71 | 5.78 | 0.12 | 2.08 | | | | | |
| 12 | NCR | 189.68 | 193.42 | 217.41 | 3.74 | 23.99 | 641.44 | | | | | |
| 13 | MR | 0.99 | 1.15 | 1.21 | 0.16 | 0.06 | 37.50 | | | | | |
| | | 12495.88 | 13117.76 | 13528.88 | 621.88 | 411.12 | | | | | | |
| 2010-11 | | | | | | | | | | | | |
| 3 | CR | 345.54 | 355.00 | 357.23 | 9.46 | 2.23 | 23.57 | | | | | |
| 3 | NR | 398.31 | 443.13 | 453.71 | 44.82 | 10.58 | 23.60 | | | | | |
| 3 | MR | 12.31 | 12.87 | 12.94 | 0.56 | 0.07 | 12.50 | | | | | |
| 4 | NFR | 504.96 | 510.00 | 513.27 | 5.04 | 3.27 | 64.88 | | | | | |
| 8 | CR | 570.85 | 598.00 | 622.86 | 27.15 | 24.86 | 91.57 | | | | | |
| 8 | SER | 361.17 | 385.00 | 413.88 | 23.83 | 28.88 | 121.19 | | | | | |
| 9 | NR | 1414.68 | 1562.82 | 1582.26 | 148.14 | 19.44 | 13.12 | 1414.68 | 1562.82 | 1582.26 | 148.14 | 19.44 |
| 10 | CR | 1439.90 | 1607.00 | 1618.91 | 167.10 | 11.91 | 7.13 | | | | | |
| 10 | ER | 765.06 | 826.00 | 862.56 | 60.94 | 36.56 | 59.99 | | | | | |
| 10 | NR | 1399.00 | 1689.23 | 1750.24 | 290.23 | 61.01 | 21.02 | | | | | |
| 10 | NER | 469.19 | 479.00 | 519.75 | 9.81 | 40.75 | 415.39 | | | | | |
| 10 | NFR | 530.82 | 600.82 | 634.56 | 70.00 | 33.74 | 48.20 | | | | | |
| 10 | SR | 931.43 | 1007.83 | 1025.45 | 76.40 | 17.62 | 23.06 | | | | | |
| 10 | SCR | 1648.07 | 1698.61 | 1747.89 | 50.54 | 49.28 | 97.51 | | | | | |
| 10 | SER | 694.48 | 743.47 | 759.26 | 48.99 | 15.79 | 32.23 | | | | | |
| 10 | MR | 15.50 | 18.00 | 18.13 | 2.50 | 0.13 | 5.20 | 7893.45 | 8669.96 | 8936.75 | 776.51 | 266.79 |
| 11 | CR | 319.37 | 323.00 | 326.97 | 3.63 | 3.97 | 109.37 | | | | | |
| 11 | NR | 372.12 | 406.57 | 417.68 | 34.45 | 11.11 | 32.27 | | | | | |
| 11 | NER | 135.87 | 150.02 | 154.23 | 14.15 | 4.21 | 29.73 | | | | | |
| 11 | SER | 232.29 | 241.70 | 252.64 | 9.41 | 10.94 | 116.26 | | | | | |
| 12 | NR | 494.48 | 565.84 | 739.26 | 71.36 | 173.42 | 243.00 | 494.48 | 565.84 | 739.26 | 71.36 | 173.42 |
| 13 | NR | 25.07 | 39.41 | 39.55 | 14.34 | 0.14 | 0.98 | | | | | 25.07 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 13080.47 | 14263.33 | 14823.23 | 1182.86 | 559.90 | | | | | | |
| **2009-10** | | | | | | | | | | | | |
| **3** | CR | 351.83 | 372.00 | 372.87 | 20.17 | 0.87 | 4.31 | | | | | |
| **3** | NR | 398.31 | 465.98 | 474.57 | 67.67 | 8.59 | 12.70 | | | | | |
| **3** | SR | 348.79 | 400.00 | 400.77 | 51.21 | 0.77 | 1.50 | | | | | |
| **3** | SER | 344.18 | 358.71 | 362.69 | 14.53 | 3.98 | 27.39 | | | | | |
| **4** | NR | 821.38 | 840.00 | 847.87 | 18.62 | 7.87 | 42.27 | | | | | |
| **4** | NER | 268.08 | 272.00 | 291.35 | 3.92 | 19.35 | 493.62 | | | | | |
| **4** | NFR | 426.27 | 494.00 | 499.13 | 67.73 | 5.13 | 7.57 | | | | | |
| **4** | SER | 404.00 | 410.00 | 420.40 | 6.00 | 10.40 | 173.33 | | | | | |
| **4** | WR | 585.95 | 620.00 | 632.47 | 34.05 | 12.47 | 36.62 | | | | | |
| **5** | ER | 282.76 | 291.00 | 297.69 | 8.24 | 6.69 | 81.19 | | | | | |
| **5** | NR | 368.42 | 370.00 | 375.88 | 1.58 | 5.88 | 372.15 | | | | | |
| **5** | SCR | 309.79 | 315.00 | 319.43 | 5.21 | 4.43 | 85.03 | | | | | |
| **5** | SER | 224.60 | 239.00 | 243.59 | 14.40 | 4.59 | 31.88 | | | | | |
| **5** | NCR | 137.05 | 152.28 | 168.32 | 15.23 | 16.04 | 105.32 | | | | | |
| **6** | NFR | 305.21 | 350.00 | 358.79 | 44.79 | 8.79 | 19.62 | | | | | |
| **6** | SR | 615.26 | 665.00 | 690.44 | 49.74 | 25.44 | 51.15 | | | | | |
| **6** | SER | 620.52 | 655.00 | 666.97 | 34.48 | 11.97 | 34.72 | | | | | 1540.99 |
| **7** | NR | 475.28 | 520.00 | 539.30 | 44.72 | 19.30 | 43.16 | | | | | |
| **7** | SER | 237.92 | 252.84 | 259.91 | 14.92 | 7.07 | 47.39 | | | | | |
| **8** | CR | 450.25 | 575.00 | 593.69 | 124.75 | 18.69 | 14.98 | | | | | |
| **8** | NER | 179.27 | 183.00 | 183.91 | 3.73 | 0.91 | 24.40 | | | | | |
| **8** | SER | 313.61 | 380.00 | 393.89 | 66.39 | 13.89 | 20.92 | | | | | |
| **8** | MR | 27.13 | 31.98 | 32.12 | 4.85 | 0.14 | 2.89 | | | | | |
| **9** | NR | 1414.68 | 1525.80 | 1566.98 | 111.12 | 41.18 | 37.06 | | | | | |
| **9** | SR | 759.51 | 822.00 | 838.68 | 62.49 | 16.68 | 26.69 | | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **9** | SCR | 841.75 | 900.00 | 916.76 | 58.25 | 16.76 | 28.77 | | | | | |
| **9** | SER | 211.42 | 355.00 | 368.19 | 143.58 | 13.19 | 9.19 | | | | | |
| **10** | CR | 1355.54 | 1372.70 | 1387.78 | 17.16 | 15.08 | 87.89 | | | | | |
| **10** | WR | 1364.14 | 1410.58 | 1430.05 | 46.44 | 19.47 | 41.93 | | | | | |
| **10** | MR | 11.00 | 14.00 | 14.03 | 3.00 | 0.03 | 1.00 | 2730.68 | 2797.28 | 2831.86 | 66.60 | 34.58 |
| **11** | ER | 256.45 | 271.00 | 273.72 | 14.55 | 2.72 | 18.69 | | | | | |
| **11** | NR | 373.97 | 374.00 | 378.62 | 0.03 | 4.62 | 15400.00 | | | | | |
| **11** | NER | 136.95 | 140.00 | 151.10 | 3.05 | 11.10 | 363.93 | | | | | |
| **11** | SR | 262.48 | 273.00 | 274.43 | 10.52 | 1.43 | 13.59 | | | | | |
| **11** | SER | 231.95 | 254.00 | 259.62 | 22.05 | 5.62 | 25.49 | | | | | |
| **11** | WR | 267.06 | 290.00 | 293.03 | 22.94 | 3.03 | 13.21 | | | | | |
| **11** | NCR | 106.39 | 116.00 | 120.81 | 9.61 | 4.81 | 50.05 | | | | | |
| **11** | WCR | 101.41 | 101.64 | 144.71 | 0.23 | 43.07 | 18783.56 | | | | | |
| **12** | CR | 183.06 | 200.00 | 211.07 | 16.94 | 11.07 | 65.35 | | | | | |
| **12** | WCR | 63.83 | 72.64 | 79.63 | 8.81 | 6.99 | 79.33 | | | | | 246.89 |
| **13** | NR | 25.02 | 28.44 | 33.22 | 3.42 | 4.78 | 139.93 | | | | | |
| **13** | SR | 13.16 | 22.25 | 23.18 | 9.09 | 0.93 | 10.23 | | | | | |
| **13** | ECoR | 9.08 | 11.63 | 11.75 | 2.55 | 0.12 | 4.71 | | | | | |
| **13** | SECR | 7.26 | 8.25 | 15.42 | 0.99 | 7.17 | 723.41 | 54.52 | 70.57 | 83.57 | 16.05 | 13.00 |
| | | 16491.97 | 17775.7105 | 18218.83 | 1283.7405 | 443.1195 | | | | | | |
| | | 42068.32 | 45156.7997 | 46570.94 | 3088.4797 | 1414.1403 | | | | | | |
| **Summary** | | | | | | | | Savings(-)/Excess(+) | | | | |
| | 2009-10 | 16491.97 | 17775.7105 | 18218.83 | 1283.7405 | 443.1195 | | 34.517841 | | | | |
| | 2010-11 | 13080.47 | 14263.3292 | 14823.23 | 1182.8592 | 559.9008 | | 47.334526 | | | | |
| | 2011-12 | 12495.88 | 13117.76 | 13528.88 | 621.88 | 411.12 | | 66.109217 | | | | |
| | Total | 42068.32 | 45156.7997 | 46570.94 | 3088.4797 | 1414.1403 | | 45.787586 | | | | |

## Appendix-3.5-Cases where Railway's requirement reduced by Railway Board but actual expenditure was below the amount fixed by the Railway Board-Reference Para 3.3.3.2

| | | | | | | | | | | | | in crore of ₹ |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Grant No** | Railway | Requirement Made as BE | Amount allotted by Railway Board as FG | Actual Expenditure incurred | Variation between col 3and 4 | Variation between col 4 and 5 | Percentage | Summary | | | | |
| **1** | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | | | |
| **2011-12** | | | | | | | | | | | | |
| **3** | **CR** | 406.33 | 379.21 | 371.50 | -27.12 | -7.71 | 28.43 | | | | | |
| **3** | **ER** | 537.22 | 465.82 | 465.62 | -71.40 | -0.20 | 0.28 | | | | | |
| **3** | **NER** | 278.42 | 254.49 | 250.72 | -23.93 | -3.77 | 15.75 | | | | | |
| **3** | **NFR** | 288.23 | 267.65 | 263.22 | -20.58 | -4.43 | 21.53 | | | | | |
| **3** | **SR** | 440.64 | 411.10 | 400.24 | -29.54 | -10.86 | 36.76 | | | | | |
| **3** | **SCR** | 379.73 | 354.08 | 340.00 | -25.65 | -14.08 | 54.89 | | | | | |
| **3** | **SER** | 408.90 | 388.79 | 383.46 | -20.11 | -5.33 | 26.50 | | | | | |
| **3** | **WR** | 438.99 | 385.58 | 384.21 | -53.41 | -1.37 | 2.57 | | | | | |
| **3** | **ECR** | 268.74 | 259.44 | 252.58 | -9.30 | -6.86 | 73.76 | | | | | |
| **3** | **ECoR** | 144.84 | 140.70 | 135.56 | -4.14 | -5.14 | 124.15 | | | | | |
| **3** | **NCR** | 226.34 | 215.23 | 202.98 | -11.11 | -12.25 | 110.26 | | | | | |
| **3** | **NWR** | 246.15 | 223.18 | 222.64 | -22.97 | -0.54 | 2.35 | | | | | |
| **3** | **SECR** | 165.85 | 142.00 | 139.92 | -23.85 | -2.08 | 8.72 | | | | | |
| **3** | **SWR** | 145.51 | 137.98 | 130.78 | -7.53 | -7.20 | 95.62 | | | | | |
| **3** | **WCR** | 180.78 | 175.62 | 171.47 | -5.16 | -4.15 | 80.43 | | | | | |
| **3** | **MR** | 14.77 | 14.73 | 13.72 | -0.04 | -1.01 | 2525.00 | 4571.44 | 4215.60 | 4128.62 | - | -86.98 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | 355.84 | |
| 4 | **ER** | 470.11 | 417.38 | 406.48 | -52.73 | -10.90 | 20.67 | | | | | |
| 4 | **SR** | 606.40 | 493.51 | 479.74 | -112.89 | -13.77 | 12.20 | | | | | |
| 4 | **SCR** | 965.41 | 803.66 | 791.47 | -161.75 | -12.19 | 7.54 | | | | | |
| 4 | **SER** | 464.95 | 439.97 | 434.68 | -24.98 | -5.29 | 21.18 | | | | | |
| 4 | **WR** | 754.48 | 692.06 | 684.80 | -62.42 | -7.26 | 11.63 | | | | | |
| 4 | **ECR** | 507.56 | 460.00 | 420.69 | -47.56 | -39.31 | 82.65 | | | | | |
| 4 | **NWR** | 400.97 | 367.41 | 355.55 | -33.56 | -11.86 | 35.34 | | | | | |
| 4 | **SECR** | 282.93 | 248.67 | 246.78 | -34.26 | -1.89 | 5.52 | | | | | |
| 4 | **SWR** | 246.70 | 221.51 | 208.03 | -25.19 | -13.48 | 53.51 | | | | | |
| 4 | **WCR** | 487.08 | 412.19 | 390.17 | -74.89 | -22.02 | 29.40 | | | | | |
| 4 | **MR** | 25.00 | 22.53 | 21.05 | -2.47 | -1.48 | 59.92 | 5211.59 | 4578.89 | 4439.44 | -632.70 | -139.45 |
| 5 | **NER** | 122.97 | 118.68 | 85.97 | -4.29 | -32.71 | 762.47 | | | | | |
| 5 | **NFR** | 139.44 | 138.67 | 128.99 | -0.77 | -9.68 | 1257.14 | | | | | |
| 5 | **SR** | 278.16 | 243.40 | 234.23 | -34.76 | -9.17 | 26.38 | | | | | |
| 5 | **SCR** | 407.84 | 341.51 | 304.68 | -66.33 | -36.83 | 55.53 | | | | | |
| 5 | **SER** | 259.09 | 243.56 | 234.94 | -15.53 | -8.62 | 55.51 | | | | | |
| 5 | **WR** | 298.07 | 247.43 | 235.33 | -50.64 | -12.10 | 23.89 | | | | | |
| 5 | **ECoR** | 154.36 | 136.06 | 134.76 | -18.30 | -1.30 | 7.10 | | | | | |
| 5 | **NCR** | 216.52 | 163.81 | 158.03 | -52.71 | -5.78 | 10.97 | | | | | |
| 5 | **NWR** | 119.81 | 106.30 | 105.64 | -13.51 | -0.66 | 4.89 | | | | | |
| 5 | **SECR** | 106.78 | 98.11 | 93.49 | -8.67 | -4.62 | 53.29 | | | | | |
| 6 | **NR** | 1254.74 | 1083.08 | 1043.47 | -171.66 | -39.61 | 23.07 | | | | | |
| 6 | **NFR** | 423.87 | 401.20 | 388.74 | -22.67 | -12.46 | 54.96 | | | | | |
| 6 | **SR** | 777.42 | 671.90 | 626.26 | -105.52 | -45.64 | 43.25 | | | | | |
| 6 | **SCR** | 660.67 | 558.35 | 549.40 | -102.32 | -8.95 | 8.75 | | | | | |
| 6 | **WR** | 1012.35 | 806.97 | 768.19 | -205.38 | -38.78 | 18.88 | | | | | |

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|---|---|---|---|---|---|---|---|---|---|---|---|
| 6 | **MR** | 34.32 | 28.02 | 27.34 | -6.30 | -0.68 | 10.79 | | | | |
| 7 | **CR** | 455.34 | 393.10 | 391.58 | -62.24 | -1.52 | 2.44 | | | | |
| 7 | **ER** | 403.42 | 387.88 | 380.23 | -15.54 | -7.65 | 49.23 | | | | |
| 7 | **NR** | 592.41 | 506.67 | 498.56 | -85.74 | -8.11 | 9.46 | | | | |
| 7 | **NER** | 198.19 | 167.85 | 163.80 | -30.34 | -4.05 | 13.35 | | | | |
| 7 | **SR** | 362.85 | 328.75 | 301.34 | -34.10 | -27.41 | 80.38 | | | | |
| 7 | **SCR** | 393.32 | 366.16 | 340.47 | -27.16 | -25.69 | 94.59 | | | | |
| 7 | **WR** | 481.95 | 411.14 | 403.78 | -70.81 | -7.36 | 10.39 | | | | |
| 7 | **ECR** | 381.26 | 374.98 | 329.07 | -6.28 | -45.91 | 731.05 | | | | |
| 7 | **ECoR** | 194.82 | 180.42 | 170.99 | -14.40 | -9.43 | 65.49 | | | | |
| 7 | **NCR** | 337.79 | 284.14 | 280.35 | -53.65 | -3.79 | 7.06 | | | | |
| 7 | **SECR** | 160.14 | 138.00 | 135.06 | -22.14 | -2.94 | 13.28 | | | | |
| 7 | **WCR** | 258.12 | 244.34 | 232.06 | -13.78 | -12.28 | 89.11 | | | | |
| 7 | **MR** | 40.85 | 36.86 | 34.30 | -3.99 | -2.56 | 64.16 | | | | 4260.46 |
| 8 | **NFR** | 270.67 | 226.43 | 222.47 | -44.24 | -3.96 | 8.95 | | | | |
| 8 | **SR** | 493.96 | 444.55 | 443.93 | -49.41 | -0.62 | 1.25 | | | | |
| 8 | **SCR** | 460.72 | 455.78 | 448.99 | -4.94 | -6.79 | 137.45 | | | | |
| 8 | **ECR** | 559.96 | 501.94 | 486.90 | -58.02 | -15.04 | 25.92 | | | | |
| 8 | **NCR** | 403.58 | 374.74 | 363.37 | -28.84 | -11.37 | 39.42 | | | | |
| 8 | **MR** | 42.32 | 41.25 | 41.11 | -1.07 | -0.14 | 13.08 | 2231.21 | 2044.69 | 2006.77 | -186.52 | -37.92 |
| 9 | **NFR** | 444.21 | 423.63 | 397.71 | -20.58 | -25.92 | 125.95 | | | | |
| 9 | **SR** | 947.92 | 773.84 | 773.47 | -174.08 | -0.37 | 0.21 | | | | |
| 9 | **ECR** | 1231.11 | 1072.64 | 1031.39 | -158.47 | -41.25 | 26.03 | | | | |
| 9 | **SECR** | 1045.61 | 844.36 | 820.99 | -201.25 | -23.37 | 11.61 | | | | |
| 9 | **MR** | 31.00 | 25.85 | 25.69 | -5.15 | -0.16 | 3.11 | | | | |
| 10 | **ER** | 1022.17 | 923.12 | 888.10 | -99.05 | -35.02 | 35.36 | | | | |
| 10 | **NCR** | 1309.06 | 1263.95 | 1193.62 | -45.11 | -70.33 | 155.91 | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 10 | **WCR** | 1225.67 | 1144.08 | 1104.47 | -81.59 | -39.61 | 48.55 | | | | | |
| 11 | **CR** | 376.20 | 341.00 | 339.33 | -35.20 | -1.67 | 4.74 | | | | | |
| 11 | **ER** | 338.31 | 303.44 | 301.41 | -34.87 | -2.03 | 5.82 | | | | | |
| 11 | **NR** | 522.13 | 482.35 | 481.95 | -39.78 | -0.40 | 1.01 | | | | | |
| 11 | **NER** | 189.40 | 174.05 | 172.09 | -15.35 | -1.96 | 12.77 | | | | | |
| 11 | **SR** | 372.44 | 345.94 | 322.69 | -26.50 | -23.25 | 87.74 | | | | | |
| 11 | **SCR** | 412.58 | 366.88 | 339.64 | -45.70 | -27.24 | 59.61 | | | | | |
| 11 | **SER** | 271.51 | 264.56 | 263.58 | -6.95 | -0.98 | 14.10 | | | | | |
| 11 | **WR** | 366.09 | 339.05 | 333.41 | -27.04 | -5.64 | 20.86 | | | | | |
| 11 | **ECR** | 177.06 | 167.00 | 162.24 | -10.06 | -4.76 | 47.32 | | | | | |
| 11 | **ECoR** | 149.13 | 145.54 | 141.44 | -3.59 | -4.10 | 114.21 | | | | | |
| 11 | **NCR** | 171.23 | 146.08 | 142.88 | -25.15 | -3.20 | 12.72 | | | | | |
| 11 | **NWR** | 158.32 | 154.56 | 151.84 | -3.76 | -2.72 | 72.34 | 3504.40 | 3230.45 | 3152.50 | -273.95 | -77.95 |
| 12 | **ER** | 406.35 | 372.44 | 357.81 | -33.91 | -14.63 | 43.14 | | | | | |
| 12 | **NER** | 191.15 | 180.31 | 144.63 | -10.84 | -35.68 | 329.15 | | | | | |
| 12 | **NFR** | 212.39 | 200.99 | 186.01 | -11.40 | -14.98 | 131.40 | | | | | |
| 12 | **SCR** | 262.46 | 234.42 | 183.38 | -28.04 | -51.04 | 182.03 | | | | | |
| 12 | **SER** | 241.81 | 233.57 | 221.65 | -8.24 | -11.92 | 144.66 | | | | | |
| 12 | **ECR** | 270.07 | 249.01 | 228.40 | -21.06 | -20.61 | 97.86 | | | | | |
| 12 | **NWR** | 121.73 | 99.75 | 92.11 | -21.98 | -7.64 | 34.76 | | | | | |
| 12 | **SECR** | 75.93 | 74.00 | 52.32 | -1.93 | -21.68 | 1123.32 | | | | | |
| 12 | **SWR** | 93.80 | 86.00 | 61.48 | -7.80 | -24.52 | 314.36 | | | | | |
| 12 | **MR** | 16.17 | 10.52 | 10.07 | -5.65 | -0.45 | 7.96 | | | | | |
| 13 | **ER** | 40.43 | 38.32 | 37.99 | -2.11 | -0.33 | 15.64 | | | | | |
| 13 | **NER** | 6.59 | 5.34 | 3.72 | -1.25 | -1.62 | 129.60 | | | | | |
| 13 | **NCR** | 30.89 | 23.03 | 16.33 | -7.86 | -6.70 | 85.24 | | | | | |
| | | 35272.03 | 31556.14 | 30339.72 | -3715.89 | -1216.42 | | | | | | |

| 2010-11 | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 3 | NER | 235.31 | 233.00 | 230.31 | -2.31 | -2.69 | 116.45 | | | | | |
| 3 | NFR | 247.75 | 236.00 | 233.54 | -11.75 | -2.46 | 20.94 | | | | | |
| 3 | SR | 403.62 | 378.00 | 377.92 | -25.62 | -0.08 | 0.31 | | | | | |
| 3 | SWR | 126.11 | 123.21 | 121.33 | -2.90 | -1.88 | 64.98 | 1012.79 | 970.21 | 963.10 | -42.58 | -7.11 |
| 4 | SR | 534.69 | 491.76 | 487.62 | -42.93 | -4.14 | 9.64 | | | | | |
| 4 | ECR | 443.01 | 397.00 | 391.51 | -46.01 | -5.49 | 11.93 | | | | | |
| 4 | MR | 22.12 | 21.77 | 21.53 | -0.35 | -0.24 | 70.03 | 999.82 | 910.53 | 900.66 | -89.29 | -9.87 |
| 5 | CR | 294.62 | 292.00 | 289.83 | -2.62 | -2.17 | 82.82 | | | | | |
| 5 | NER | 103.22 | 100.50 | 100.34 | -2.72 | -0.16 | 5.88 | | | | | |
| 5 | SECR | 120.28 | 96.00 | 80.77 | -24.28 | -15.23 | 62.73 | 518.12 | 488.50 | 470.94 | -29.62 | -17.56 |
| 6 | CR | 740.29 | 714.00 | 713.86 | -26.29 | -0.14 | 0.53 | | | | | |
| 6 | SER | 645.78 | 624.91 | 608.81 | -20.87 | -16.10 | 77.14 | | | | | |
| 6 | MR | 29.65 | 24.83 | 24.61 | -4.83 | -0.22 | 4.46 | 1415.72 | 1363.74 | 1347.28 | -51.99 | -16.46 |
| 7 | MR | 33.76 | 31.23 | 30.57 | -2.53 | -0.66 | 26.29 | 33.76 | 31.23 | 30.57 | -2.53 | -0.66 |
| 8 | ER | 515.25 | 512.14 | 507.53 | -3.11 | -4.61 | 148.23 | | | | | |
| 8 | SR | 444.62 | 419.83 | 406.14 | -24.79 | -13.69 | 55.22 | | | | | |
| 8 | SCR | 408.99 | 400.00 | 389.47 | -8.99 | -10.53 | 117.13 | 1368.86 | 1331.97 | 1303.14 | -36.89 | -28.83 |
| 9 | ER | 676.15 | 632.08 | 608.37 | -44.07 | -23.71 | 53.79 | | | | | |
| 9 | NFR | 456.79 | 391.68 | 381.67 | -65.11 | -10.01 | 15.37 | | | | | |
| 9 | SR | 878.53 | 842.39 | 828.59 | -36.14 | -13.80 | 38.19 | 2011.47 | 1866.15 | 1818.63 | -145.32 | -47.52 |
| 10 | ECR | 1239.00 | 1120.00 | 1035.50 | -119.00 | -84.50 | 71.01 | 1239.00 | 1120.00 | 1035.50 | -119.00 | -84.50 |
| 11 | SCR | 371.92 | 363.80 | 341.77 | -8.12 | -22.03 | 271.31 | | | | | |
| 11 | MR | 7.98 | 6.54 | 6.45 | -1.44 | -0.09 | 6.37 | 379.90 | 370.34 | 348.22 | -9.56 | -22.12 |
| 12 | SER | 236.97 | 227.67 | 224.51 | -9.30 | -3.16 | 33.98 | | | | | |
| 12 | MR | 10.75 | 10.16 | 8.99 | -0.59 | -1.17 | 197.05 | 247.72 | 237.83 | 233.50 | -9.89 | -4.33 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 13 | **ER** | 40.68 | 32.86 | 30.05 | -7.82 | -2.81 | 35.98 | | | | | |
| 13 | **NER** | 8.39 | 5.34 | 2.69 | -3.05 | -2.65 | 86.89 | | | | | |
| 13 | **NCR** | 23.57 | 16.49 | 13.56 | -7.08 | -2.93 | 41.37 | | | | | |
| 13 | **MR** | 0.72 | 0.72 | 0.57 | 0.00 | -0.15 | 0.00 | 73.36 | 55.41 | 46.87 | -17.95 | -8.54 |
| | | 9300.52 | 8745.91 | 8498.41 | -554.61 | -247.50 | | | | | | |
| **2009-10** | | | | | | | | | | | | |
| 3 | **ER** | 494.16 | 487.00 | 468.68 | -7.16 | -18.32 | 255.87 | | | | | |
| 3 | **SCR** | 346.12 | 341.44 | 338.80 | -4.68 | -2.64 | 56.25 | 840.28 | 828.44 | 807.48 | -11.84 | -20.96 |
| 4 | **ER** | 413.66 | 405.86 | 402.82 | -7.80 | -3.04 | 38.97 | 413.66 | 405.86 | 402.82 | -7.80 | -3.04 |
| 6 | **ER** | 1020.92 | 975.00 | 964.84 | -45.92 | -10.16 | 22.13 | | | | | |
| 6 | **NR** | 972.47 | 930.00 | 926.69 | -42.47 | -3.31 | 7.79 | | | | | |
| 6 | **SCR** | 586.76 | 525.00 | 514.14 | -61.76 | -10.86 | 17.58 | 2580.15 | 2430.00 | 2405.67 | - 150.15 | -24.33 |
| 7 | **MR** | 31.63 | 31.34 | 31.26 | -0.29 | -0.08 | 27.59 | 31.63 | 31.34 | 31.26 | -0.29 | -0.08 |
| 8 | **SCR** | 388.57 | 380.00 | 375.65 | -8.57 | -4.35 | 50.76 | 388.57 | 380.00 | 375.65 | -8.57 | -4.35 |
| 11 | **ECR** | 148.68 | 147.94 | 142.18 | -0.74 | -5.76 | 772.60 | | | | | |
| 11 | **ECoR** | 167.48 | 142.00 | 112.80 | -25.48 | -29.20 | 114.60 | | | | | |
| 11 | **NWR** | 141.00 | 134.75 | 130.67 | -6.25 | -4.08 | 65.34 | | | | | |
| 11 | **MR** | 5.70 | 4.78 | 4.70 | -0.92 | -0.08 | 8.70 | 462.86 | 429.47 | 390.35 | -33.39 | -39.12 |
| 12 | **ER** | 312.06 | 300.00 | 279.20 | -12.06 | -20.80 | 172.47 | | | | | |
| 12 | **NER** | 166.17 | 151.02 | 119.19 | -15.15 | -31.83 | 210.01 | 478.23 | 451.02 | 398.39 | -27.21 | -52.63 |
| 13 | **NER** | 11.50 | 7.62 | 3.84 | -3.88 | -3.78 | 97.42 | 11.50 | 7.62 | 3.84 | -3.88 | -3.78 |
| | | 5206.88 | 4963.738 | 4815.46 | -243.142 | -148.278 | | | | | | |
| | | 49779.43 | 45265.7908 | 43653.59 | -4513.6392 | -1612.2008 | | | | | | |
| **Summary** | | | | | | | | Savings(-)/Excess(+) | | | | |
| | 2009-10 | 5206.88 | 4963.738 | 4815.46 | -243.142 | -148.278 | | 60.9841163 | | | | |

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2010-11 | 9300.52 | 8745.9128 | 8498.41 | -554.6072 | -247.5028 | | 44.6266835 | | | | | |
| | 2011-12 | 35272.03 | 31556.14 | 30339.72 | -3715.89 | -1216.42 | | 32.73563 | | | | | |
| | Total | 49779.43 | 45265.7908 | 43653.59 | -4513.6392 | -1612.2008 | | 35.7184243 | | | | | |

## Appendix 3.6-Statement of Traffic Earnings reported by the Zones and target of earnings set by the Railway Board- Reference Para No 3.3.3.3

**Budget Estimate and Actuals** **(₹ in crore)**

| Railway | Particulars | Amount of the earnings targeted by Railway Board | | | Actual Earnings shown by the Traffic accounts Office during the year | | | Reasons for shortfall, if any | | | Variation Between Actual and target fixed by Railway Board | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2009-10 | 2010-11 | 2011-12 | 2009-10 | 2010-11 | 2011-12 | 2009-10 | 2010-11 | 2011-12 | 2009-10 | 2010-11 | 2011-12 |
| | | | | | Gross | Gross | Gross | Gross | Gross | Gross | | | |
| **Central** | Budget Estimate for the year | 6972.63 | 7433.02 | 8555.18 | 6909.08 | 7466.44 | 8330.62 | Surplus of ₹ 1.96 crore (-0.03%) | Shortfall in earning over the target below 1% | Surplus of ₹ 39.86 crore (0.48%) | 1.96 | -67.79 | 39.86 |
| | Revised Estimate for the year | 6907.12 | 7534.23 | 8290.76 | | | | | | | | | |
| **Eastern** | Budget Estimate for the year | 3422.85 | 3718.2 | 4288.62 | 3514.85 | 3839.96 | 4169.32 | | | | 54.84 | 5.67 | 13.35 |
| | Revised Estimate for the year | 3460.01 | 3834.29 | 4155.97 | | | | | | | | | |
| **East Cenral** | Budget Estimate for the year | 5250.76 | 5599.02 | 6075.36 | 5133.9 | 5449.71 | 6219.1 | No Reason | No Reason | No Reason | -98.81 | 7.28 | 23.66 |
| | Revised Estimate for the year | 5232.71 | 5442.43 | 6195.44 | | | | | | | | | |
| **East Coast** | Budget Estimate for the year | 569.34 | 631.89 | 746.51 | 582.18 | 648.4 | 747.43 | No shortfall | No shortfall | No shortfall | 0.34 | 0.4 | 0.92 |
| | Revised Estimate for the year | 581.84 | 648 | 746.51 | | | | | | | | | |

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Northern | Budget Estimate for the year | 8222 | 9322 | 11326 | 8812 | 9776 | 10498 | | | | -470 | -100 | 128 |
| | Revised Estimate for the year | 8692 | 9876 | 10370 | | | | | | | | | |
| North Central | Budget Estimate for the year | | | | | | | | | | 15.64 | -278.7 | -185.61 |
| | Revised Estimate for the year | 7536.33 | 8244.45 | 9218.94 | 7551.97 | 7965.75 | 9033.33 | | | | | | |
| North Eastern | Budget Estimate for the year | 1796.95 | 1630.67 | 1825.4 | 1664.77 | 1682.93 | 1919.28 | Minor | No Shortfall | No Shortfall | 153.38 | 45.55 | 2.87 |
| | Revised Estimate for the year | 1511.39 | 1637.38 | 1916.41 | | | | | | | | | |
| North East Frontier | Budget Estimate for the year | 2468.5 | 2580.21 | 2816.96 | 2439.29 | 2609.8 | 2866.44 | 1. Cancellation of trains due to Bandh, law and order condition etc. 2. Less transportation of POL due to temporary shutdown of NRL plants due to changes in POL quality from Euro-II to Euro-IV. 3. Less supply of coal from Meghalaya due to strike by truck owners association etc..4. Decrease of average lead of food grains, bamboo and container traffic etc. No Shortfall in 2010-11 and 2011-12. | | | -16.48 | 40.66 | 90.04 |
| | Revised Estimate for the year | 2455.77 | 2569.14 | 2776.4 | | | | | | | | | |
| North Western | Budget Estimate for the year | Record not Available | 3158.79 | 3753.31 | 3001.57 | 3379.51 | 3972.08 | Targets were on higher side by Railway board | | | 0 | 220.72 | 218.77 |
| | Revised | | | | | | | | | | | | |

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Estimate for the year | | | | | | | | | | | | |
| **Southern** | Budget Estimate for the year | 5190.74 | 5301.89 | 5489.50 | 4456.9 | 4790.28 | 5608.08 | | | | -459.64 | -59.57 | -6.71 |
| | Revised Estimate for the year | 4916.54 | 4849.85 | 5614.79 | | | | | | | | | |
| **South Central** | Budget Estimate for the year | 8657.93 | 9233.35 | 9693.77 | 8392.51 | 8531.9 | 9440.15 | -265.42 | -701.45 | -253.62 | -225.54 | -172.87 | 28.43 |
| | Revised Estimate for the year | 8618.05 | 8704.77 | 9411.72 | | | | -225.54 | -172.87 | 28.43 | | | |
| **South Eastern** | Budget Estimate for the year | 7330.3 | 7893.47 | 8529.92 | 7214.8 | 7752.35 | 7859.01 | 115.5 | 141.12 | 670.91 | -172.48 | 30.39 | -441.43 |
| | Revised Estimate for the year | 7387.28 | 7721.96 | 8300.44 | | | | 172.48 | -30.39 | 441.43 | | | |
| **South East Central** | Budget Estimate for the year | 5783.44 | 5878.84 | 6683.18 | 5379.62 | 5804.24 | 6550.73 | NA | NA | NA | -126.66 | -230.54 | -83.53 |
| | Revised Estimate for the year | 5506.28 | 6034.78 | 6634.26 | | | | | | | | | |
| **South Western** | Budget Estimate for the year | 3293.16 | 3163.41 | 3278.51 | 2879.85 | 2866.6 | 2974.69 | | | | -69.31 | -68.74 | 72.05 |
| | Revised Estimate for the year | 2949.16 | 2935.34 | 2902.64 | | | | | | | | | |
| **Western** | Budget Estimate | 7794.28 | 8394.25 | 8766.40 | 7381.84 | 7816.59 | 8913.69 | | | | -437.55 | -6.91 | 47.55 |

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | for the year | | | | | | | | | | | | |
| | Revised Estimate for the year | 7819.39 | 7823.50 | 8866.14 | | | | | | | | | |
| **West Central** | Budget Estimate for the year | 5189.3 | 5730.32 | 6018 | 5468.51 | 5796.52 | 6684.21 | NA | NA | NA | 119.84 | 32.23 | 304.61 |
| | Revised Estimate for the year | 5348.67 | 5764.29 | 6379.6 | | | | | | | | | |
| **Metro Calcutta** | Budget Estimate for the year | 86 | 93.88 | 105.08 | 88.71 | 103.15 | 107.14 | | | | 1.30 | 5.37 | -1.56 |
| | Revised Estimate for the year | 87.41 | 97.78 | 108.7 | | | | | | | | | |
| | | | | | 80872.4 | 86280.1 | 95893.3 | | | | -1785.97 | -534.73 | 198.06 |

## Appendix 3.7 -Statement Showing the works carried out without proper Financial Viability-Reference Para 3.3.4.1

| Railway | Plan Heads | | | | Works Sanctioned | | Rate of Return | |
|---|---|---|---|---|---|---|---|---|
| | New Line(1100) | Gauge Conversion (1400) | Doubling (1500) | Total | without PWP | through Material Modification | No of Works | Range of ROR in percentage |
| **Eastern** | 12 | 5 | 56 | 73 | 55 | 34 | 29 | (-) 4 to (-28) |
| | | | | | | | 4 | 1 to 12 |
| | | | | | | | 6 | above 14 |
| | | | | | | | 34 | sanctioned thru MM |
| **Southern** | 6 | 2 | 6 | 14 | 10 | 2 | 4 | (-) 3 to (-)6 |
| | | | | | | | 7 | 2 to 9 |
| | | | | | | | 3 | above 14 |
| **North East Frontier** | 12 | 4 | 4 | 20 | 18 | 2 | 14 | (-) 5 to (-) 228 |
| | | | | | | | 2 | 4 to 5 |
| | | | | | | | 2 | above 14 |
| | | | | | | | 2 | Not available |
| **Northern** | 6 | 0 | 13 | 19 | 16 | 2 | 2 | (-) 2 to (-) 12 |
| | | | | | | | 5 | Not available |
| | | | | | | | 12 | above 14 |
| **Central** | 1 | 0 | 4 | 5 | 1 | 0 | 1 | (-) 3 |
| | | | | | | | 2 | Not available |
| | | | | | | | 2 | above 14 |
| **Total** | 37 | 11 | 83 | 131 | 100 | 40 | 50 | Negative |
| | | | | | | | 13 | less than 14 |
| | | | | | | | 25 | Above 14 |
| | | | | | | | 43 | Not available |
| | | | | | | | 131 | Total |

## Appendix-3.7-Statement Showing the Utilisation of Funds during 2009-10-Reference-Para 3.3.4.1

**in Crore of ₹**

| Railway | No of Works | Plan Head | Original Grant | Supplementary Grant | Total Grant | Actual expenditure | Excess | Savings | % of Excess | %of Savings |
|---|---|---|---|---|---|---|---|---|---|---|
| **Eastern** | 2.0 | 1100.0 | 2.0 | 0.0 | 2.0 | 0.8 | | 1.2 | 0.0 | 59.5 |
| | 1.0 | 1400.0 | 60.0 | 0.0 | 60.0 | 18.4 | | 41.6 | | 69.4 |
| | 8.0 | 1500.0 | 88.0 | | 88.0 | 53.7 | 13.0 | 47.4 | 46.6 | 79.0 |
| **Southern** | 3.0 | 1100.0 | 49.0 | 0.0 | 49.0 | 0.6 | 0.0 | 48.4 | | 98.9 |
| | 2.0 | 1400.0 | 16.0 | 0.0 | 16.0 | 36.4 | 21.4 | 1.0 | 133.9 | 100.0 |
| | 2.0 | 1500.0 | 25.0 | 0.0 | 25.0 | 6.8 | 0.0 | 18.3 | | 73.0 |
| **North East Frontier** | 7.0 | 1100.0 | 56.0 | 76.0 | 132.0 | 92.9 | 0.0 | -39.1 | | 29.6 |
| | 1.0 | 1400.0 | 40.0 | 20.0 | 60.0 | 101.0 | 41.0 | 0.0 | 68.4 | 0.0 |
| | 2.0 | 1500.0 | 43.0 | 40.0 | 83.0 | 66.7 | 0.0 | 16.3 | 0.0 | 19.6 |
| **Northern** | 3.0 | 1100.0 | 40.6 | 0.0 | 40.6 | 33.5 | 0.0 | 7.0 | 0.0 | 17.3 |
| | 0.0 | 1400.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | 3.0 | 1500.0 | 49.0 | 0.0 | 49.0 | 75.9 | 26.9 | 0.0 | 54.9 | 0.0 |
| **Central** | 1.0 | 1100.0 | 15.0 | 0.0 | 15.0 | 2.2 | 0.0 | 12.8 | 0.0 | 85.3 |
| | 0.0 | 1400.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | 1.0 | 1500.0 | 50.0 | 0.0 | 50.0 | 39.5 | 0.0 | 10.5 | | 21.1 |
| | | | | | 669.5 | 528.2 | 102.4 | 165.5 | | |

### 2010-11

| Railway | No of Works | Plan Head | Original Grant | Supplementary Grant | Total Grant | Actual expenditure | Excess | Savings | % of Excess | %of Savings |
|---|---|---|---|---|---|---|---|---|---|---|
| **Eastern** | 4.0 | 1100.0 | 42.0 | -37.0 | 5.0 | 2.4 | | -2.6 | 0.0 | 52.6 |
| | 1.0 | 1400.0 | 40.0 | 60.0 | 100.0 | 103.0 | 3.0 | | 3.0 | 0.0 |
| | 22.0 | 1500.0 | 521.9 | -50.5 | 471.4 | 253.4 | 105.8 | 53.9 | | 11.4 |
| **Southern** | 5.0 | 1100.0 | 75.0 | 0.0 | 75.0 | 3.6 | 0.0 | 71.4 | 0.0 | 95.2 |
| | 2.0 | 1400.0 | 67.0 | 0.0 | 67.0 | 108.2 | 47.7 | 6.5 | 79.5 | 93.3 |
| | 3.0 | 1500.0 | 34.0 | 0.0 | 34.0 | 12.8 | 0.0 | 21.2 | 0.0 | 62.2 |
| **North East Frontier** | 11.0 | 1100.0 | 164.5 | 168.1 | 332.6 | 212.8 | 0.0 | 119.8 | 0.0 | 36.0 |
| | 1.0 | 1400.0 | 90.0 | 59.0 | 149.0 | 236.2 | 87.2 | 0.0 | 58.5 | 0.0 |
| | 2.0 | 1500.0 | 4.9 | 15.0 | 19.9 | 33.1 | 13.2 | 0.0 | 66.1 | 0.0 |
| **Northern** | 3.0 | 1100.0 | 24.2 | 0.0 | 24.2 | 93.2 | 69.0 | 0.0 | 284.6 | 0.0 |
| | 0.0 | 1400.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | 8.0 | 1500.0 | 71.0 | 0.0 | 71.0 | 52.1 | 0.0 | 18.9 | 0.0 | 26.7 |
| **Central** | 1.0 | 1100.0 | 40.0 | 0.0 | 40.0 | 8.9 | 0.0 | 31.1 | 0.0 | 77.8 |
| | 0.0 | 1400.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | 2.0 | 1500.0 | 49.0 | 0.0 | 49.0 | 37.7 | 0.0 | 11.3 | | 23.0 |
| | | | | | 1438.19 | 1157.22 | 325.79 | 331.5 | | |

## Appendix 3.7-Statement Showing the Utilisation of Funds during 2011-12-Reference Para 3.3.4.1

(in Crore of ₹)

| Railway | No of Works | Plan Head | Original Grant | Supplementary Grant | Total Grant | Actual expenditure | Excess | Savings | % of Excess | % of Savings |
|---|---|---|---|---|---|---|---|---|---|---|
| Eastern | 12 | 1100 | 241 | -39 | 202 | 8.09 | 0 | 193.91 | 0 | 96.00 |
| | 5 | 1400 | 176.5 | 0 | 176.5 | 60.78 | 0 | 115.72 | 0 | 65.56 |
| | 56 | 1500 | 1065 | 0 | 1065 | 378.76 | 34.4 | -686.24 | 31.27 | 75.46 |
| Southern | 6 | 1100 | 46.32 | 0 | 46.32 | 0.9 | | 45.42 | 0 | 98.06 |
| | 2 | 1400 | 0 | 0 | 0 | 98.84 | 98.84 | 0 | 100 | 0 |
| | 6 | 1500 | 0 | 0 | 0 | 11.03 | 11.03 | 0 | 100 | 0 |
| North East Frontier | 12 | 1100 | 737.6 | -18 | 719.6 | 239.37 | 0 | 480.23 | | 66.74 |
| | 4 | 1400 | 373 | 0 | 373 | 407.55 | 34.55 | 0 | 9.26 | 0.00 |
| | 4 | 1500 | 30.54 | 0 | 30.54 | 43.14 | 12.6 | 0 | 41.26 | 0.00 |
| Northern | 6 | 1100 | 75.21 | 0 | 75.21 | 20.54 | 0 | 54.67 | 0 | 72.69 |
| | 0 | 1400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 13 | 1500 | 191.06 | 0 | 191.06 | 116.12 | 0 | 74.94 | 0.0 | 39.22 |
| Central | 1 | 1100 | 40 | 0 | 40 | 0 | 0 | 40 | 0 | 100.00 |
| | 0 | 1400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| | 4 | 1500 | 35.5 | 0 | 35.5 | 42.93 | 11.43 | 4 | 32.2 | 100.00 |
| | | | | 2011-12 | 2954.73 | 1428.05 | 202.85 | 322.65 | | |
| | | | | 2010-11 | 1438.19 | 1157.22 | 325.79 | 331.5 | | |
| | | | | 2009-10 | 669.53 | 528.24 | 102.36 | 165.45 | | |
| | | | | | 5062.45 | 3113.51 | 631 | 819.6 | | |

## Appendix 3.8-Status of Pension Fund-Reference Para 3.3.4.2

(in Crore of ₹

| | Year | OG | Supp | Residual | Total Grant or Appropriation | Actual Expenditure | FG-BG | ACT-FG | % of Increase over and above the additional funds |
|---|---|---|---|---|---|---|---|---|---|
| **2009-10** | | | | | | | | | |
| **Whole Railway** | | 14265.29 | 1133.52 | 0 | 15398.81 | 16911.2 | 1133.52 | 1512.39 | 133.42 |
| **100** | Superannuation or Retiring Pension | 7609.76 | 159.81 | 524.22 | 8293.79 | 9204.66 | 684.03 | 910.87 | 133.16 |
| **200** | Commuted Pension | 1280.72 | 228.69 | -11.09 | 1498.32 | 1676.18 | 217.6 | 177.86 | 81.74 |
| **400** | Family Pension | 2656.64 | 74.26 | -369.36 | 2361.54 | 2597.74 | -295.1 | 236.2 | -80.04 |
| **500** | DCRG | 1492.35 | 398.76 | 53.54 | 1944.65 | 2079.32 | 452.3 | 134.67 | 29.77 |
| **2010-11** | | | | | | | | | |
| **Whole Railway** | | 14417.5 | 531.24 | 0 | 14948.74 | 16352.71 | 531.24 | 1403.97 | 264.28 |
| **100** | Superannuation or Retiring Pension | 7634.21 | 378.45 | 0.14 | 8012.8 | 8901.7 | 378.59 | 888.9 | 234.8 |
| **200** | Commuted Pension | 1567 | 1.38 | -130.24 | 1438.14 | 1489.69 | -128.86 | 51.55 | -40.0 |
| **400** | Family Pension | 1904.96 | 79.56 | 263.52 | 2248.04 | 2550.13 | 343.08 | 302.09 | 88.1 |
| **500** | DCRG | 1954.09 | 35.81 | -84.61 | 1905.29 | 1990.85 | -48.8 | 85.56 | -175.3 |
| **2011-12** | | | | | | | | | |
| **Whole Railway** | | 16479.74 | 1077.61 | 0 | 17557.35 | 18326.97 | 1077.61 | 769.62 | 71.41 |
| **100** | Superannuation or Retiring Pension | 8934.41 | 736.59 | -411.99 | 9259.01 | 9767.1 | 324.6 | 508.09 | 156.53 |
| **200** | Commuted Pension | 1623.53 | 64.17 | -148.1 | 1539.6 | 1536.06 | -83.93 | -3.54 | 4.22 |
| **400** | Family Pension | 2380.77 | 182.81 | 408.48 | 2972.06 | 3130.25 | 591.29 | 158.19 | 26.75 |
| **500** | DCRG | 2014.8 | 69.9 | 88.96 | 2173.66 | 2282.15 | 158.86 | 108.49 | 68.29 |
| | Superannuation or Retiring Pension | | | | | | | | |
| | Year | OG | Supp | Residual | Actual | | | | |
| | 2009-10 | 7609.76 | 159.81 | 524.22 | 9204.66 | | | | |
| | 2010-11 | 7634.21 | 378.45 | 0.14 | 8901.7 | | | | |
| | 2011-12 | 8934.41 | 736.59 | -411.99 | 9767.1 | | | | |