

## TABLE OF CONTENTS

	Paragraph	Pages
Preface		vii
Abbreviation		ix
Overview		xiii
<b>Chapter 1 –Introduction</b>		
<b>Particulars</b>		
Audit Report outline	1.1	1
Chapter outline	1.2	1
Audited Entity	1.3	2
Integrated Financial Advice and Control	1.4	5
Audit Planning	1.5	5
Reporting	1.6	5
Response of the Ministry/Department to Provisional Paragraphs	1.7	6
Audit objections issued, settled and outstanding	1.8	6
Recoveries at the instance of Audit	1.9	6
Remedial Actions	1.10	7
Paragraphs on which Action Taken Note received/pending	1.11	8
<b>Chapter 2 – Traffic – Commercial and Operations</b>		
<b>Up-gradation of passenger amenities at stations including modernization of stations in Indian Railways</b>	<b>2.1</b>	<b>12-44</b>
Introduction	2.1.1	12
Audit objectives	2.1.2	12
Audit criteria	2.1.3	13
Scope and Audit methodology	2.1.4	13
Sample size	2.1.5	13
Earlier Audit coverage	2.1.6	14
Audit findings	2.1.7	15
Conclusion	2.1.8	43

Recommendations	2.1.9	44
Idling of productive assets (Coaches) worth `736.60 crore and consequent loss of earning capacity of `80.61 crore	2.2	45
Irregular award of contract	2.3	48
Introduction of Double Decker Trains without feasibility study resulted in idling of rolling stock valuing `38.24 crore and revenue loss of `37.74 crore due to continued poor patronage	2.4	50
Non-utilization of new BCFC wagons	2.5	53
Loss of freight due to failure to explore alternate CC+8 route	2.6	55
Delay/Non-realization of shared earning of Palace on Wheels and non-levy of applicable interest on delayed payment	2.7	57
Non-realization of Railway dues towards cost of Railway Protection Special Force staff deployed for election duty	2.8	58
Avoidable expenditure due to haulage of empty DEMU rakes	2.9	60
Short realization of siding charges	2.10	63
Under-utilization of overhead electrical (OHE) assets and avoidable recurring expenditure on maintenance of diesel traction over electric traction	2.11	64
Excessive detention to wagons at Terminal Goods station	2.12	67
Irregular extension of trainload class rate resulting in undercharges of freight	2.13	68
<b>Chapter 3 – Electrical – Signaling and Telecommunication units</b>		
<b>Working of Signal Production Units in Indian Railways</b>	<b>3.1</b>	<b>72-115</b>
Introduction	3.1.1	72
Background	3.1.2	72
Organizational structure	3.1.3	73
Audit objectives	3.1.4	76
Audit criteria, methodology and scope	3.1.5	76
Sample size	3.1.6	76

Audit findings	3.1.7	77
Capability to meet day-to-day requirement	3.1.8	95
Performance of workshops	3.1.9	100
Conclusion	3.1.10	114
Recommendations	3.1.11	115
Unproductive expenditure due to improper planning in signaling works	3.2	116
<b>Chapter 4 – Mechanical – Zonal Hqrs/Workshops/ Production Units</b>		
<b>Manpower Management in Mechanical Workshops</b>	<b>4.1</b>	<b>121-146</b>
Introduction	4.1.1	121
Organizational structure	4.1.2	121
Audit objectives	4.1.3	122
Audit criteria	4.1.4	123
Audit scope, methodology and sample size	4.1.5	123
Audit findings	4.1.6	123
Conclusion	4.1.7	145
Recommendations	4.1.8	146
Loss of Engine earning capacity due to non-commissioning of New Diesel Locomotives	4.2	147
Improper planning and poor co-ordination led to wasteful expenditure on procurement of EMU Bogies	4.3	148
Unproductive investment in manufacture of High Capacity bogies	4.4	149
Infructuous expenditure on establishment of Electric Loco Factory	4.5	151
Non-recovery of excise duty from the purchasers of scrap	4.6	153
<b>Chapter 5 – Engineering – Open Line and Construction</b>		
<b>Elimination of Unmanned Level Crossings in Indian Railways</b>	<b>5.1</b>	<b>157-181</b>
Introduction	5.1.1	157
Background	5.1.2	157
Audit objectives	5.1.3	158
Audit criteria	5.1.4	158
Scope of Audit and methodology	5.1.5	159

Sample size	5.1.6	159
Audit findings	5.1.7	159
Conclusion	5.1.8	179
Recommendations	5.1.9	180
<b>Procurement and Utilization of Stone Ballast in Indian Railways</b>	<b>5.2</b>	<b>182-203</b>
Introduction	5.2.1	182
Organizational structure	5.2.2	183
Audit objectives	5.2.3	184
Audit criteria	5.2.4	184
Audit scope, methodology and sample size	5.2.5	184
Issues examined and Audit findings	5.2.6	185
Conclusion	5.2.7	203
Recommendations	5.2.8	203
Injudicious decision in construction of Diesel Multiple Unit (DMU) Factory at Haldia	5.3	204
Non-realisation of land licence fee amounting to ` 11.20 crore from plot holders of Adra Division	5.4	206
Avoidable delay in commissioning of IOCL siding facility at Bangrod resulting in loss of revenue ` 65 crore	5.5	207
Execution of traffic facility works without proper justification	5.6	209
Blocking up of capital with State Government towards compensation of land	5.7	211
Avoidable payment of Value Added Tax in procurement of Sleepers	5.8	213
Short realization of maintenance charges due to non-revaluation of cost of Defence siding	5.9	215
Delay in opening of Hanumangarh-Sri Ganganagar section	5.10	216
Loss of revenue due to delay in construction of new bridge as replacement of a distressed bridge	5.11	218
Irregular expenditure of ` 6.55 crore on Road Over Bridge over a line leased to Bharuch-Dahej Railway Company Limited (BDRCL)	5.12	220

Loss due to creation of idle asset	5.13	222
Short accountal of Signalling Relays resulting in loss of ` 20.68 lakh	5.14	224
<b>Chapter 6 – Disaster Management in Indian Railways</b>		
Introduction	6.1	227
Organizational structure	6.2	227
Audit objectives	6.3	228
Scope of Audit and methodology	6.4	229
Sample size	6.5	229
Sources of Audit criteria	6.6	230
Acknowledgement	6.7	230
Preparedness to face disasters	6.8	230
Post-Disaster response	6.9	243
Capacity building to face disasters	6.10	247
Conclusion	6.11	258
Recommendations	6.12	259
<b><i>Annexure I to III</i></b>		<b>260-262</b>