

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 2011, 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 2011. 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 covers the various aspects of applicability of Fiscal Responsibility and Budget Management (FRBM) Act, 2003 to Railway Budget and issues relating to Transparency in Budgeting and Financial management of IR. It also includes audit comments on financial transactions impacting various aspects of Transparent Budgeting.