

Performance of the departmental enterprises of the Central Government

Railways

2.42 Indian Railways in 2005-06 achieved a record incremental freight loading of 65.3 million tonnes (MT) as against the incremental loading of 44.7 MT achieved in 2004-05. Consequently, freight revenues reflect an additional realization of Rs. 5,509 crore, registering a growth of 17.9 per cent over 2004-05. The overall traffic revenues for 2005-06 at Rs. 54,405 crore registered a growth of 15.7 per cent over 2004-05. These revenues have come about with no increase in passenger fares and only a minor adjustment in freight classification. The gross traffic receipts of the Railways for 2005-06 was Rs. 54,491 crore, showing a growth of 15.0 per cent over Rs. 47,370 crore in 2004-05.

2.43 The total working expenses including appropriations to Depreciation Reserve and Pension Funds at Rs. 45,574 crore reflect an increase of 6.6 per cent over the previous year. Taking into account the net variation of the miscellaneous receipts and miscellaneous expenditure, Railways' net revenue in 2005-06 works out to Rs. 8,006 crore, which is Rs. 2,732 crore more than that of 2004-05. Out of the net revenue earned, Railways fully discharged the dividend liability of Rs. 3,005 crore for 2005-06. Besides, Railways also paid Rs. 663 crore towards outstanding deferred dividend liability of Rs. 1,990 crore. The overall effect of the all round improvement is visible in the Operating Ratio of Railways which has improved to 83.7 per cent as against 91.0 per cent in 2004-05. The net revenue as a proportion of capital-at-charge and investment from capital fund has also improved from 8.7 per cent in 2004-05 to 12.2 per cent in 2005-06.

2.44 The plan expenditure in 2005-06 amounted to Rs 18,320 crore. This included Rs 3213 crore financed by market borrowings of Indian Railway Finance Corporation (IRFC) and Rs 518 crore as the borrowings of Rail Vikas Nigam Limited (RVNL). Apart from some important projects, which are in progress under a cost-sharing basis with the State Governments and strengthening of

golden quadrilateral under National Rail Vikas Yojana, Railways have drawn up a comprehensive modernization plan to modernize, upgrade and augment rail services to the nation.

Posts

2.45 In 2005-06, the gross receipts of the Department of Posts were Rs. 5,023 crore. With gross and net working expenses of Rs. 6,429 crore and Rs. 6,233 crore, there was a deficit of Rs. 1,210 crore. Gross receipts are budgeted to go up to Rs 4,999 crore. With gross and net working expenses estimated at Rs. 6,534 crore and Rs. 6,378 crore, respectively, the deficit is projected to be Rs. 1,379 crore in 2006-07 (BE).

2.46 In a bid to reduce the deficit, the Department of Posts has, over the last few years, made efforts at increased revenue generation. However the activities performed by Department of Posts have a predominantly "social welfare" nature, where profit generation is not the prime motive. With a view to cutting down the deficit, various measures such as retail post, direct post, and business post, have been initiated. The Department of Posts has also emerged as a single point of interface between the Government of India and the general masses through initiatives such as acceptance of passport forms and filing of income tax returns, and even socially relevant initiatives such as pulse polio campaign and NREGP payments.

Broadcasting

2.47 Prasar Bharati, a public service broadcaster, has taken a number of steps to increase its commercial revenue. Some of the important steps include production and sale of recorded media (CD/VCDs) by All India Radio (AIR) and Doordarshan, emphasis on hiring out technical facilities, in-house marketing and production of programmes for other departments, and establishment of a resource center for AIR. Total expenditure of Prasar Bharati in 2005-06 was Rs. 1,996 crore. Total receipts at Rs. 1,220 crore in 2005-06 were 47 per cent higher than Rs. 831 crore in 2004-05. A resource gap continues to exist and Rs 1,389.76 crore has been allocated in 2006-07 (BE) to cover the resource gap of Prasar Bharati.