

CHAPTER 1: FINANCIAL MANAGEMENT

1.1 Financial Results

1.1.1 The financial results of the Indian Railways for the year 2003-04, compared with the Budget Estimates (BE) and Revised Estimates (RE) 2003-04 and actuals of the previous year (2002-03), are shown below:

(Rupees in crore)

		Actuals 2002-03	Budget Estimates 2003-04	Revised Estimates 2003-04	Actuals 2003-04
1	Gross Traffic Receipts	41068.22	43495.00	42605.00	42904.94
2	(a) Miscellaneous Receipts	1673.25	1986.16	1915.41	2005.68
	(b) Miscellaneous Expenditure	885.49	1098.50	1045.50	949.92
	Net Miscellaneous Receipts	787.76	887.66	869.91	1055.76
3	Total Receipts (1 + 2)	41855.98	44382.66	43474.91	43960.70
4	Ordinary Working Expenses	29684.34	32460.00	30970.00	30636.57
5	Appropriation to				
	(a) Depreciation Reserve Fund	2401.41	2005.00	2267.00	2592.55
	(b) Pension Fund	5940.00	6385.00	6090.00	6253.09
6	Total Working Expenses (4 + 5)	38025.75	40850.00	39327.00	39482.21
7	Net Revenue (3 – 6)	3830.23	3532.66	4147.91	4478.49
8	Dividend Payable to General Revenues				
	(a) Provision for current year	2664.83	2932.66	2967.91	3087.08
	(b) Provision for Deferred Dividend of previous years	50.00	-	300.00	300.00
	Net Dividend Paid	2714.83	2932.66	3267.91	3387.08
9	Net surplus available for appropriation (7 – 8)	1115.40	600.00	880.00	1091.41
10	Surplus appropriated to				
	(a) Development Fund	550.00	600.00	730.00	730.00
	(b) Special Railway Safety Fund	565.40	-	150.00	361.41

From the above table it may be seen that:

- Gross Traffic Receipts registered a growth of 4.47 per cent (Rs.1836.72 crore) over 2002-03 while the total working expenses rose by 3.83 per cent (Rs.1456.46 crore).
- There was an underestimation of the current dividend liability by Rs.154.42 crore in the BE and the correction sought to be made at the supplementary grant stage (of Rs.35.25 crore) was also not sufficient to cover the actual liability of Rs.3087.08 crore.
- There was gross overestimation of the ordinary working expenses by Rs.1823.43 crore. A more realistic estimation would have enabled providing for higher appropriations to Depreciation Reserve Fund (DRF), Development Fund (DF), Special Railway Safety Fund (SRSF) and towards reducing deferred dividend liability at the BE stage itself. Instead the Railways provided Rs.262 crore, Rs.130 crore, Rs.150 crore and Rs.300 crore towards appropriation to DRF, DF, SRSF and

payment of deferred dividend liability, respectively at the fag end of the year. Rs.325.55 crore and Rs.211.41 crore over and above the RE provision was also possible to be appropriated to the DRF and SRSF because the working expenses were less than estimated.

1.2 Gross Traffic Receipts

The detailed break-up of the traffic receipts of Railways for the years 2003-04 along with the details of BE, RE and actuals of previous year's receipts is shown below:

(Rupees in crore)

Traffic Earnings	Actuals 2002-03	Budget Estimates 2003-04	Revised Estimates 2003-04	Actuals 2003-04
(1)	(2)	(3)	(4)	(5)
Passenger	12575.44	13620.00	13460.00	13298.33
Goods	26504.82	27815.00	27115.00	27617.96
Other Coaching	987.95	1020.00	930.00	922.28
Sundries including Suspense	1000.01	1040.00	1100.00	1066.37
Total	41068.22	43495.00	42605.00	42904.94

Results of the review of Railways performance are discussed in the succeeding paragraphs.

1.2.1 Passenger Earnings

The following changes were made through the budget proposals of 2003-04:

- There was no increase in the passenger fares during the year 2003-04. However, the fare structure for Rajdhani and Shatabdi Express trains were rationalised by linking the fares of Rajdhani and Shatabdi Express trains with the fare structure of Mail/ Express trains by fixing the fares 15 per cent higher than the fares of corresponding class of Superfast Mail/ Express trains on a uniform basis. As a result of this rationalisation the basic fares of different classes of Rajdhani and Shatabdi Express trains became lower for most of the pairs of stations.
- Ten per cent reduction in the basic fares of AC First and AC 2-tier of all Rajdhani Express trains during the non-peak period from 15th July to 15th September 2004 was announced with a view to give benefit to passengers and give competitive edge to rail travel.
- The fare structure for Jan Shatabdi Express trains which was fixed at ten per cent higher than the fares of Superfast/ Mail Express trains last year were reduced to five per cent over the fares of corresponding class of Superfast Mail/ Express trains and the catering services were also made optional on these trains.
- The existing rates for booking of Parcel and Luggage traffic which were levied under seven scales based on the types of the commodity were reduced to four scales and related to the type of train selected by the customer (viz. Rajdhani trains, notified Mail/ Express trains, other Mail/ Express, Shatabdi Express & Parcel Express trains and ordinary

passenger trains). The rationalised rates for parcel traffic under the new structure were lower than the existing rates.

The passenger earnings target was fixed at Rs.13620 crore in the BE. The target was, however, scaled down by Rs.160 crore in the RE to Rs.13460 crore. The actual passenger earnings were Rs.13298.33 crore. Passenger earnings, thus fell short of both the BE and RE projections by Rs.321.67 crore and Rs.161.67 crore respectively. The earnings, however, registered a growth of about 5.75 per cent as compared to earnings of 2002-03.

Earnings from passenger services on South Eastern, North Western, North Central, North Eastern, Central, Western, South Central, Southern and Eastern Railways fell short of BE by 27.79 per cent, 21.71 per cent, 20.32 per cent, 17.30 per cent, 15.01 per cent, 13.17 per cent, 7.75 per cent, 6.61 per cent and 0.38 per cent, respectively. All other Zonal Railways achieved the targets.

As may be seen from the Budget documents, the estimation of Coaching earnings by the Railways is done under two heads viz. (i) Passenger and (ii) Other Coaching. Class-wise breakup of passenger earnings is available separately for suburban and non-suburban passenger traffic. This manner of display does not enable assessment of the impact of the changes introduced in respect of the Rajdhani, Shatabdi and Jan Shatabdi Trains.

Under 'Other Coaching', earnings from Luggage and Parcel traffic are clubbed along with earnings from transport of Post Office mails, miscellaneous coaching receipts etc. Therefore the impact of rationalisation of parcel and luggage rates was also not susceptible of analysis and scrutiny. However, as no changes were made in the rates for other coaching services except parcel and luggage rates, it would appear that the shortfall in earnings under 'Other Coaching' of Rs.65.67 crore as compared to the actuals of 2002-03 and Rs.97.72 crore as compared to the BE for 2003-04 would be largely attributable to the rationalisation of luggage and parcel rates.

1.2.2 Goods Earnings

The following changes were made through the budget proposals of 2003-04:

- Existing 32 Classes for charging freight were brought down to 27. The highest rate of classification was reduced from Class-300 to Class-250 bringing the ratio between the freight rates for the highest and lowest Class to 2.8 from the existing 3.3.
- To make the freight rates competitive in commodities where Railways faced stiff competition the classification of certain commodities were reduced. Significant among them were POL products and Pig Iron where classification for trainload movement was reduced by three/ two stages. This reduction in stages was estimated to lower the freight rates by 5.3 per cent to 10.7 per cent.
- In order to capture short lead traffic the freight structure for all traffic booked upto 100 km was rationalised through a scheme of graded concessions. Under this scheme, 50 per cent freight concession was

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allowed for traffic booked upto 50 km, followed by 25 per cent concession from 51 km to 75 km and 10 per cent concession from 76 km to 90 km.

The actual performance against the projections in the budget were as follows:

- Earnings from goods traffic were estimated to yield Rs.27815 crore in the BE and Rs.27115 crore in the RE. The actual earnings of Rs.27617.96 crore were less than BE by Rs.197.04 crore but more than the RE by Rs.502.96 crore. These earnings were Rs.1113.14 crore (4.19 per cent) more than the earnings of 2002-03.
- The originating revenue earning goods traffic was projected at 540 million tonnes for 2003-04. This was increased to 550 million tonnes in RE. Railways actually lifted 557.39 million tonnes of revenue earning goods thereby exceeding the targets. This was 38.65 million tonnes (7.45 per cent) more than the loading of 2002-03.
- The target for volume of revenue earning goods traffic was projected at 367290 million net tonne kilometres (NTKMs), which was increased to 372720 million NTKMs in RE. The actuals during 2003-04 was 381241 million NTKMs, which was more than BE and the RE by 13951 million NTKMs and 8521 million NTKMs respectively. As compared to the performance of 2002-03, the NTKMs increased from 353194 million to 381241 million in 2003-04. The average lead (average distance over which a tonne was carried) thus improved from 681 kms to 684 kms in 2003-04.

The trend of Goods traffic carried by the Railways during the last five years in terms of NTKMs, goods earnings and the average rate per tonne kilometre during the last five years (1999-2000 to 2003-04) and the percentage of average annual growth in the years from 1999-2000 to 2003-04 over their respective previous years (1998-99 to 2002-03) in volume (NTKMs), goods earnings and the rate per tonne kilometre is shown in the following table:

Year	Net Tonne Kilometres (Million)	Earnings (Rupees in crore)	Rate per tonne per NTKM (in Paise) Col. (3)/(2)	Percentage of average annual growth over previous years		
				Volume	Earnings	Rate
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1999-2000	305201	22060.99	72.28	8.41	10.52	1.95
2000-01	312371	23305.10	74.61	2.35	5.64	3.22
2001-02	333228	24845.40	74.56	6.68	6.61	- 0.07
2002-03	353194	26504.82	75.04	5.99	6.68	0.64
2003-04	381241	27617.96	72.44	7.94	4.20	- 3.46

From the above it can be seen that the average rate per tonne per NTKM declined from 75.04 paise in 2002-03 to 72.44 paise in 2003-04 despite increase in originating tonnage and NTKMs.

Comparative position of various commodities carried in terms of tonnage/ NTKMs and earnings there from during 2002-03 and 2003-04 given in the following table would throw light on the reasons for the above mentioned decline.

Commodity	Year	Tonnage Originating (Millions)		Net Tonne Kilometres (Millions)		Earnings (Rupees in crore)		Average rate per NTKM (in paise)
		Budget	Actuals	Budget	Actuals	Budget	Actuals	Actuals
Coal	2002-03	232.50	235.85	137386	141724	11433.37	11480.79	81.01
	2003-04	242.00	251.75	140771	157256	11840.91	11646.43	74.06
POL.	2002-03	36.50	34.05	20258	19216	2903.42	2754.61	143.35
	2003-04	33.00	31.47	17827	17914	2436.00	2428.30	135.55
Cement	2002-03	46.50	46.25	26040	24819	2185.90	2038.13	82.12
	2003-04	48.00	49.25	25730	26349	2178.00	2185.18	82.93
Food grains	2002-03	32.00	45.60	38080	63912	1820.15	2929.06	45.83
	2003-04	47.50	44.32	67959	61930	3268.70	3192.13	51.54
Pig Iron & Finished Steel	2002-03	12.00	13.63	11760	13254	1215.26	1397.20	105.42
	2003-04	13.50	14.66	12824	14212	1294.00	1390.26	97.82
Fertilizers	2002-03	28.50	26.46	23938	22606	1280.20	1220.29	53.98
	2003-04	29.50	23.73	25283	20212	1386.55	1192.26	58.99
Raw Materials to Steel Plants	2002-03	39.50	40.99	13825	13370	1023.79	1020.16	76.30
	2003-04	43.00	43.65	15527	14194	1190.67	1139.38	80.27
Iron Ore for Export	2002-03	18.50	16.66	9805	8595	786.62	631.55	73.48
	2003-04	17.50	26.64	8979	13702	662.57	962.64	70.26
Other Goods	2002-03	64.00	59.25	53121	45698	3169.29	2759.66	60.39
	2003-04	66.00	71.92	52390	55472	3257.60	3266.57	58.89
Misc. Goods Earnings	2002-03	-	-	-	-	300.00	273.37	-
	2003-04	-	-	-	-	300.00	214.81	-
Total	2002-03	510.00	518.74	334213	353194	26118.00	26504.82	75.04
	2003-04	540.00	557.39	367290	381241	27815.00	27617.96	72.44

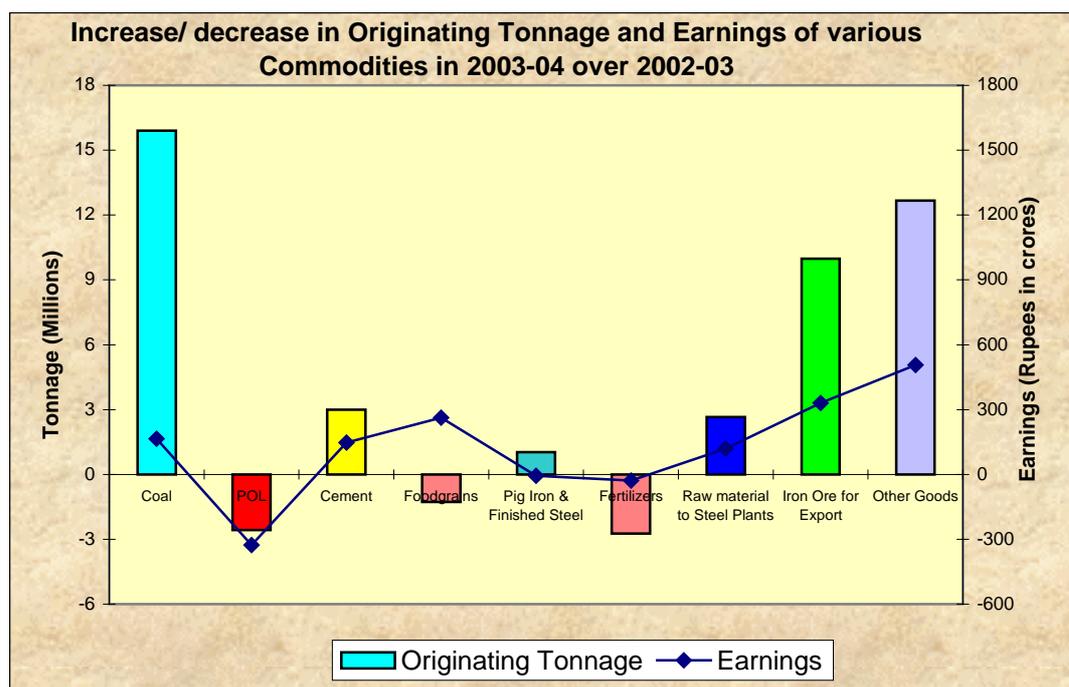
Above table revealed that:

- Despite increase in loading and NTKMs of Coal the average rate per tonne/ per NTKM in respect of Coal declined from 81.01 paise in 2002-03 to 74.06 paise in 2003-04. This fall of rate per NTKM in respect of Coal may be due to carriage of more Coal traffic under the graded concession scheme booked for a distance upto 90 kms.
- The lower targets for originating tonnage, NTKMs and BE for earnings as compared to the RE and actuals of the previous year fixed by the Ministry would imply a lack of conviction in their strategy of reducing the tariff for POL products to make it more competitive. The actuals of originating tonnage and earnings were lower than these lowered targets/ estimate by 4.64 per cent and 0.32 per cent. These were also lower than the actuals of previous year 2002-03 by 7.58 per cent, 6.78

per cent and 11.85 per cent, respectively. This clearly indicates that the strategy was not well conceived.

- In regard to transportation of 'Pig Iron and Finished Steel' the targets set were lower than the previous years actuals. While the targets have been achieved and has exceeded previous years actuals, the average rate per NTKM has come down from 105.42 paise to 97.82 paise.
- In Foodgrains, there was a decline of 1.28 million tonnes in loading and 1982 million NTKMs as compared to 2002-03. Strangely however, the earnings increased by Rs.263.07 crore despite the fall in loading and NTKMs and no change in freight rates.
- In Fertilizers, there was a drop of 2.73 million tonnes in loading, 2394 million NTKMs and Rs.28.03 crore in earnings in 2003-04 as compared to 2002-03. The actuals fell short of the BE targets by 5.77 million tones in loading, 5071 million NTKMs and Rs.194.29 crore in earnings. There has been a declining trend in loading and NTKMs in transportation of Fertilizers for the last five years reviewed by Audit. The reasons for this declining trend need to be analysed.

The increase/ decrease in originating tonnage and earnings of various commodities in 2003-04 over 2002-03 is shown in the following chart:



Earnings from goods services on North Western, South East Central, Central, East Central, Western, Southern and North Central Railways fell short of BE by 63.01 per cent, 29.87 per cent, 20.42 per cent, 16.79 per cent, 15.83 per cent, 5.51 per cent and 2.32 per cent, respectively. All other Zonal Railways achieved the budgeted targets.

1.3 Unrealised Earnings

1.3.1 The BE and RE 2003-04 projected clearance of Rs.50 crore from the unrealised earnings. Against these projections, the actual clearance (exclusive of Demands Recoverable) was Rs.71.05 crore, bringing the balance of unrealised earnings from Rs.2058.61 crore at the end of 2002-03 to Rs.1987.56 crore at the end of 2003-04.

1.3.2 About 84 per cent (Rs.1656.41 crore) of the unrealised earnings (Rs.1987.56 crore) was on account of outstanding freight. Northern Railway continued to have the maximum amount of unrealised freight (Rs.1508.15 crore), which is nearly 91 per cent of the total unrealised freight.

1.3.3 The total amount outstanding against the State Electricity Boards/ Power Houses, which stood at Rs.1633.42 crore at the end of 2003-04 formed a bulk of the unrealised earnings.

The outstanding dues against the main defaulting Power Houses/ State Electricity Boards was as under:

(Rupees in crore)				
Sl. No.	Name of State Electricity Board/ Power House	Outstanding dues as on 31 March 2003	Outstanding dues as on 31 March 2004	Increase (+)/ decrease (-) during the year
1.	Badarpur Thermal Power Station	966.63	866.40	(-) 100.23
2.	Punjab State Electricity Board	424.05	440.11	(+) 16.06
3.	Delhi Vidyut Board	179.88	183.76	(+) 3.88
4.	Rajasthan State Electricity Board	109.92	58.29	(-) 51.63
5.	Uttar Pradesh State Electricity Board	27.36	60.69	(+) 33.33
6.	National Thermal Power Corporation	20.45	8.82	(-) 11.63
7.	West Bengal State Electricity Board	8.11	1.12	(-) 6.99
8.	Damodar Valley Corporation	7.94	6.42	(-) 1.52
9.	Madhya Pradesh State Electricity Board	6.29	2.94	(-) 3.35
10.	Haryana State Electricity Board	1.13	1.75	(+) 0.62

Even though there is improvement in realisation of outstanding dues from some State Electricity Boards, the outstanding dues in respect of Uttar Pradesh State Electricity Board, Punjab State Electricity Board, Delhi Vidyut Board and Haryana State Electricity Board has further increased by Rs.33.33 crore, Rs.16.06 crore, Rs.3.88 crore and Rs.0.62 crore respectively. This suggests that the Railways failed to implement the scheme of prepayment of freight in respect of coal carried to these State Electricity Boards/ Power Houses. The Railways should devise a proper mechanism to arrest further accumulation of outstanding dues and also ensure that the dues against the Power Houses/ State Electricity Boards are liquidated.

1.3.4 Demands Recoverable

The Demands Recoverable, which represent outstandings in respect of (i) rent/ lease charges for letting out Railway land and buildings and (ii) interest and maintenance charges from siding owners, increased by Rs.8.27 crore (7.42 per cent), from Rs.111.46 crore at the end of March 2003 to Rs.119.73 crore at the end of March 2004.

1.4 Operating Ratio

The Operating Ratio represents the percentage of working expenses (including the expenses not yet paid) to traffic earnings (including the earnings not yet realised). The operating ratio, which was 92.34 per cent in 2002-03, improved to 92.13 per cent (by 0.21 per cent) in 2003-04 for the Railways as a whole.

Due to reorganisation of the Zonal Railways and formation of 7 new Zonal Railways the operating ratios of all the Zonal Railways have been affected. As such comparison of the operating ratios of the Zonal Railways with that of the previous years would not be appropriate.

Northeast Frontier Railway and Metro Railway Kolkata which have been unaffected by the reorganisation have shown significant improvement in the operating ratios over the previous year by 25.77 per cent and 11.81 per cent respectively.

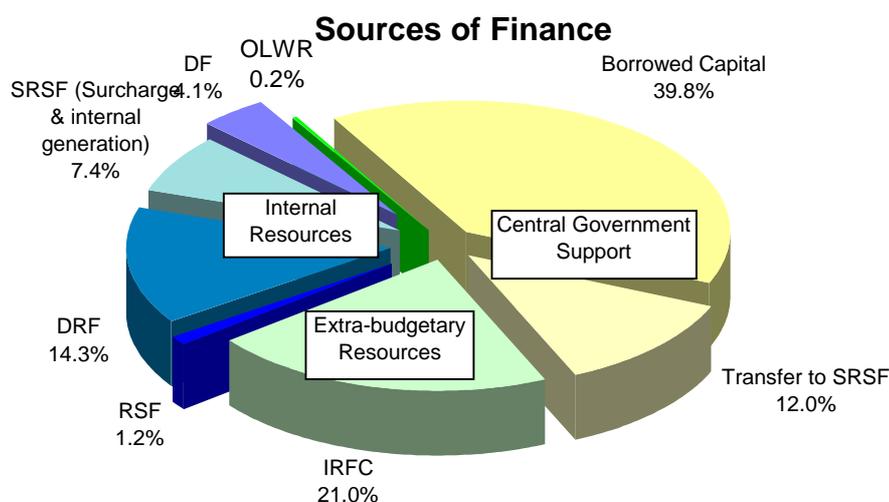
1.5 Plan Expenditure

1.5.1 Details of the plan expenditure met from Central Government support and internal resources during 2003-04 vis-à-vis 2002-03 were as follows:

(Rupees in crore)

Sl. No.	Sources of Finance	Actual Expenditure 2002-03	Budget Estimate 2003-04	Revised Estimate 2003-04	Actual Expenditure 2003-04
1	<u>Central Government Support</u>				
	(i) Budgetary Support				
	(a) Borrowed Capital from General Revenues	4263.74	4544.34	5344.34	5314.91
	(b) Transfer to Special Railway Safety Fund	1350.00	1600.00	1600.00	1600.00
	(ii) Contribution from Central Road Fund to Railway Safety Fund	164.08	433.00	433.00	166.12
	Total Central Government Support	5777.82	6577.34	7377.34	7081.03
2	<u>Internal Resources</u>				
	i) Depreciation Reserve Fund	1464.75	2000.00	2075.00	1905.03
	ii) Development Fund	483.86	600.00	675.00	554.30
	iii) Capital Fund	-	-	-	-
	iv) Special Railway Safety Fund #	1136.31	710.66	750.66	983.78
	v) Open Line Works – Revenue	28.32	30.00	40.00	33.24
	Total Internal Resources	3113.24	3340.66	3540.66	3476.35
	Grand Total of Plan Funds (1+2)	8891.06	9918.00	10918.00	10557.38
3	<u>External Resources</u>				
	(i) Indian Railway Finance Corporation	2516.97	2970.00	2970.00	2806.55
	(ii) BOT	-	30.00	30.00	-
	Total External Resources		3000.00	3000.00	2806.55
	GRAND TOTAL	11408.03	12918.00	13918.00	13363.93

Expenditure borne out of the SRSF financed by levy of safety surcharge and from Railways allocation to the fund from its own resources.



1.5.2 For the Annual Plan (2003-04) to be financed from Central Government support and through internal resources Railways provided Rs.9918 crore in the BE and enhanced it to Rs.10918 crore in the RE. Actual expenditure was however more than the BE by Rs.639.38 crore but fell short of RE by Rs.360.02 crore.

1.5.3 The budgetary support (borrowed Capital from General Revenues) provided by the Government was increased to Rs.5344.34 at the RE stage. The actual expenditure (Rs.5314.91 crore) was less than the RE (Rs.5344.34 crore) by Rs.29.43 crore but was more than the actuals of 2002-03 by Rs.1051.17 crore.

1.5.4 Against the expenditure of Rs.3113.24 crore incurred during 2002-03, Railways expended Rs.3476.35 crore (an increase of Rs.363.11 crore) from their own internal resources during 2003-04. This expenditure was more than the BE by Rs.135.69 crore but less than the RE by Rs.64.31 crore.

1.5.5 The distribution of Plan expenditure met from borrowed capital, internal resources and extra-budgetary resources during the years 2002-03 and 2003-04 under the main Plan Heads against the targets set for Tenth Plan are shown in the Table below:

(Rupees in crore)

Plan Heads	Total Tenth Plan 2002-03 to 2007-08 (Proposed)	Plan Expenditure during 2002-03 (Actuals)	Plan Expenditure during 2003-04 (Actuals)	Total Plan Expenditure in first two years of Tenth Plan	Percentage of Tenth Plan
New Lines (Construction)	2500.00	1314.57	1492.89	2807.46	112.30
Gauge Conversion	2500.00	811.52	1134.18	1945.70	77.83
Doubling	4000.00	577.94	532.18	1110.12	27.75
Rolling Stock	16175.00	3478.78	3783.98	7262.76	44.90
Track Renewals	7420.00	2495.93	2781.46	5277.39	71.12
Electrification Projects	1500.00	250.24	148.38	398.62	26.57
Signalling & Telecommunication	610.00	551.35	688.52	1239.87	203.26
Passenger Amenities	650.00	174.89	181.16	356.05	54.78
Others	25245.00	1752.81	2621.18	4373.99	17.33

Total	60600.00	11408.03	13363.93	24771.96	40.88
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1.5.6 While the total plan expenditure incurred was about 41 per cent of the Tenth Plan targets, there were heavy imbalances in the execution of works under various plan heads. The expenditure under 'New Lines (Construction)' and 'Signalling & Telecommunication' vastly exceeded the total targets set for the whole plan.

1.5.7 The Tenth Plan envisaged private/ public partnerships in execution of Railway projects. A step in this direction was launching of National Rail Vikas Yojana as a non-budgetary initiative. Fifty-six projects were identified to be executed through Rail Vikas Nigam Limited (RVNL) under this yojana. The budget document 2003-04 provided Rs.730 crores for 36 projects to be undertaken by the Zonal Railways as deposit works on behalf of RVNL against which Rs.514 crore were actually spent. It was also seen that during the year Ministry invested Rs.500 crore in RVNL. It would appear that the same Rs.500 crore have been ploughed back into the deposit works of RVNL and no extra-budgetary funds were received in the real sense.

In the absence of any major extra-budgetary finance forthcoming, the Railways initiative of private/ public participation has not yet yielded any tangible progress.

1.5.8 The major extra-budgetary source of investment remained the investments made by Indian Railway Finance Corporation (IRFC). Railways proposed an investment of Rs.2970 crore by IRFC and Rs.30 crore under BOT scheme during 2003-04 to partly finance the plan outlay. Due to their inability to produce or acquire rolling stock as planned; IRFC was required to invest only Rs.2806.55 crore.

1.5.9 The leasing charges paid on market borrowings from IRFC and on investments to firms/ companies under BOLT/BOT and OYW schemes during 2003-04 amounted to Rs.3339.73 crore. As against this the total extra-budgetary resources mobilised during 2003-04 were Rs.2806.55 crore. Hence the net inflow of funds from these resources was a negative figure of Rs.533.18 crore.

1.5.10 The accumulated Capital-at-charge for which dividend is payable to the General Revenues stood at Rs.45671.96 crore as on 31 March 2004 as against Rs.40709.26 crore on 1 April 2003. The accumulated assets created out of Capital Fund remained at Rs.10389.83 crore as on 31 March 2004.

1.6 Undischarged liabilities

1.6.1 The Railways are required to pay dividend at a fixed rate on the Capital advanced by the Government of India. The Railway Convention Committee (RCC) of Parliament determines the rate of dividend payable by the Railways to the General Revenues periodically. In accordance with the recommendation of the RCC:

- A moratorium is given on the payment of interest (dividend) on investments made on new lines out of borrowed capital during the period of construction and for five years after a line is opened to

traffic. The cumulative liability on this account is payable when the line shows surplus after meeting the current dividend. The liability is written off, if not paid within 20 years of opening of a line, to traffic.

- Any shortfall in the payment of current dividend, when the net revenue is not adequate to meet current dividend, is treated as deferred dividend liability.

1.6.2 The undischarged liabilities on these accounts stood at Rs.6643.66 crore as on 31 March 2004 as discussed below:

- The liability on payment of deferred dividend in respect of new lines, which was Rs.3433.87 crore as on 31 March 2003 further increased by Rs.736.49 crore. This increase was made up of Rs.754.75 crore accrued during the year reduced by payment of deferred dividend liability to the extent of Rs.18.26 crore. The outstanding deferred dividend liability stood at Rs.4170.36 crore on 31 March 2004.
- The deferred dividend liability of the Railways due to shortfall in the payment of current dividend of previous years stood at Rs.2773.30 crore as on 31 March 2003. During 2003-04, the Railways paid Rs.300 crore towards deferred dividend bringing the cumulative total on this account to Rs.2473.30 crore as on 31 March 2004.

1.7 Railway Funds

1.7.1 Pension Fund: The balances in the Pension Fund for the last five years are shown in the following table:

(Rupees in crore)				
Year	Opening Balance	Accretion during the year	Withdrawals during the year	Closing Balance
1999-2000	315.46*	3782.31	4021.63	76.14*
2000-01	88.12*	5045.92	5102.05	31.99*
2001-02	34.56*	5816.98	5384.36	467.18
2002-03	467.18	6192.10	5653.57	1005.71*
2003-04	1006.59	6445.54	6021.51	1430.62

* Differences between closing and opening balances are due to transfer from contributory Provident Fund Account on 1 April of each year.

Accretion includes interest on the balance in the fund.

Railway-wise analysis of the Pension Fund balances at the end of 2002-03 and 2003-04 revealed that the following Railways had adverse (debit) balances in the fund and the quantum of adverse balance continued to rise as shown below:

(Rupees in crore)				
Sl. No.	Name of Railway	Adverse Balance as on 31 March 2003	Adverse Balance as on 31 March 2004	Quantum of increase
1.	Eastern	2933.78	3605.94	672.16
2.	North Eastern	737.91	1501.18	763.27
3.	Southern	1375.12	1480.09	104.97
4.	Central	839.55	1223.14	383.59
5.	South Central	709.76	922.58	212.82
6.	Northern	43.83	251.69	207.86
7.	South Western	-	34.32	34.32

It implies that these Railways have not appropriated to the fund, the amount needed to meet their pensionary charges. These Railways have, thus, been able to depict an untrue / improved operating ratio over the years. The South Western Railway in the very first year of its constitution showed an adverse balance in the fund.

1.7.2 Depreciation Reserve Fund: For replacement and renewal of assets, the Railways maintain Depreciation Reserve Fund (DRF) financed by transfers from Revenue, in case of Zonal Railways and Metro Railway, Kolkata and by transfer from Workshop Manufacture Suspense in case of Production Units.

The balances in DRF for the last five years is shown in the following table:

(Rupees in crore)

Year	Opening Balance	Accretion during the year	Withdrawals during the year	Closing Balance
1999-2000	676.72	1795.23	2421.14	50.81
2000-01	50.81	2429.25	2402.02	78.04
2001-02	78.10	2124.49	1569.61	632.98
2002-03	632.90	2585.30	1464.75	1753.45
2003-04	1753.13	2842.83	1905.03	2690.93

Note: 1. Difference between closing balance of 2000-01, 2001-02 & 2002-03 and opening balance of 2001-02, 2002-03 & 2003-04 amounting to Rs.0.06 crore, Rs.0.08 crore and Rs.0.32 crore respectively is due to transfers made between DRF and Capital.

2. Accretion includes interest on the balance in the fund.

Appropriation to DRF from Revenue was projected at Rs.2005 crore in BE 2003-04, which was increased to Rs.2267 crore in the RE. Actual appropriation made to DRF was Rs.2592.55 crore.

There was a sharp decline in the expenditure from the fund in the year 2001-02 and 2002-03, which was commented upon, in the pertaining previous Audit Reports. The reduced spending from DRF continued in 2003-04 also. Against an expenditure of Rs.2000 crore budgeted, revised to Rs.2075 crore, from the fund, the actual expenditure was Rs.1905.03 crore – a shortfall of Rs.94.97 crore and Rs.169.97 crore respectively. Railways may have to analyse the reasons for shortfall in spending to take corrective action.

1.7.3 Development Fund: This fund is financed by appropriation from surplus and/ or loans from General Revenues to the extent required to meet expenditure on works relating to amenities for users of Railway transport, labour welfare works, safety works and unremunerative operating improvement works.

Appropriation from surplus to Development Fund (DF) was projected at Rs.600 crore in the BE and Rs.730 crore in the RE. Ministry appropriated Rs.730 crore as planned to this fund.

The balances in DF for the last five years is shown in the following table:

(Rupees in crore)				
Year	Opening Balance	Accretion during the year	Withdrawals during the year	Closing Balance
1999-2000	0.42	497.02	496.99	0.45
2000-01	0.45	744.98	518.11	227.32
2001-02	0.52	449.51	449.47	0.56
2002-03	0.62	553.85	483.86	70.61
2003-04	70.60	748.99	554.29	265.30

Note: Difference between closing balance of 2000-01 and opening balance of 2001-02 is due to transfer of Rs.226.84 crore to Railway Safety Fund and transfer of Rs.0.04 crore from Capital to DF. Difference between closing balance of 2001-02 and opening balance of 2002-03 is due to transfer of Rs.0.06 crore from Capital and DRF. Difference between closing balance of 2002-03 and opening balance of 2003-04 is due to rounding off. Accretion includes interest on the balance in the fund.

1.7.4 Capital Fund: This fund was created with effect from 1 April 1993 to finance the Capital works of the Railways. The balance amount of surplus left after appropriation to Development Fund is credited to this fund. Since the Railways have not been able to generate adequate surplus for appropriation to Capital Fund (CF), the operation of CF has ceased for the time being.

An amount of Rs.1.01 crore was credited to the fund as interest at 7 per cent per annum on the fund balance during the year 2003-04.

The balances in CF for the last five years is shown in the following table:

(Rupees in crore)				
Year	Opening Balance	Accretion during the year	Withdrawals during the year	Closing Balance
1999-2000	262.88	358.50	600.25	21.13
2000-01	21.55	282.23	282.38	21.40
2001-02	21.56	249.62	257.71	13.47
2002-03	13.47	0.94	0	14.41
2003-04	14.41	1.01	0	15.42

Note: Difference between closing balance of 1999-2000 & 2000-01 and opening balance of 2000-01 & 2001-02 amounting to Rs.0.42 crore and 0.16 crore respectively is due to transfer between Capital and Capital Fund. Accretion includes interest on the balance in the fund.

1.7.5 Railway Safety Fund: This fund was created with effect from 1 April 2001 to finance works relating to Road Safety works viz. (i) manning of un-manned level crossings and (ii) conversion of level crossings into road over/under bridges. The fund is to be funded from three sources viz. (i) contribution from Central Road Fund, (ii) Railway surplus left after payment of dividend and (iii) contribution made by the Ministry of Railways to the Railway Safety Works Fund (maintained by the Ministry of Finance) out of the Dividend payable to General Revenues. During the year 2003-04, the Ministry received an amount of Rs.433 crore from the Central Road Fund and Rs.2.74 crore out of dividend payable to General Revenues, being contribution payable to Railway Safety Works Fund.

The balance in Railway Safety Fund is shown in the following table:

(Rupees in crore)

Year	Opening Balance	Accretion during the year	Withdrawals during the year	Closing Balance
2001-02	226.84	305.47	140.28	392.03
2002-03	392.03	266.74	164.08	494.69
2003-04	494.69	435.74	166.12	764.31

Note: The opening balance of Rs.226.84 crore represents the transfer from DF on 1 April 2001.

The fund balance carries no interest. Non-incurrence of expenditure to the extent provided in the budget continued in 2003-04 also. During 2003-04, Railways could expend Rs.166.12 crore on road safety works against the budget and revised provisions of Rs.433 crore. Railways may have to pay special attention to this high priority area for which sufficient contribution is coming from Central Government and lying unutilised.

1.7.6 Special Railway Safety Fund: A new fund, namely Special Railway Safety Fund (SRSF) was set up in 2001-02, to wipe out the arrears of replacements/ renewals of vital safety equipment on Railways in fixed time schedule of 5 to 7 years. This fund was to be financed partly through Railway Revenues by levy of safety surcharge (Rs.5000 crore) and balance (Rs.12000 crore) through additional financial assistance (dividend free Capital) from General Revenues. During the year 2003-04 this fund received Rs.1600 crore by transfer from Capital and appropriation of Rs.992.98 crore (inclusive of Rs.631.57 crore of safety surcharge receipts) from Revenue. The outgo on account of plan expenditure chargeable to this fund amounted to Rs.2583.77 crore leaving a balance of Rs.61.63 crore in the fund on 31 March 2004.

The balance in SRSF is shown in the following table:

(Rupees in crore)

Year	Opening Balance	Accretion during the year	Withdrawals during the year	Closing Balance
2001-02	--	1455.10	1434.28	20.82
2002-03	20.82	2517.91	2486.31	52.42
2003-04	52.42	2592.98	2583.78	61.62

1.8 Comments on Appropriation Accounts

1.8.1 The Summary of Appropriation Accounts (Railways) for the sums expended during the year ended 31 March 2004, compared with the sums authorised in the Demands for Grants for expenditure of Central Government on Railways and passed under Articles 114 and 115 of the Constitution of India, is given in Appendix - 1. The position is briefly summed up as follows:

(Rupees in crore)

	Original Grant/ Appropriation	Supple- mentary	Total	Actual Expenditure	Saving (-)/ Excess (+)
I. Revenue					
Voted	52408.01	522.25	52930.26	51626.42	(-) 1303.84
Charged	31.65	11.53	43.18	48.59	(+) 5.41
Total	52439.66	533.78	52973.44	51675.01	(-) 1298.43
II. Capital	Assets Acquisition, Construction and Replacement (Expenditure met from Loan Capital, Depreciation Reserve Fund, Development Fund, Railway Safety Fund, Special Railway Safety Fund and Open Line Works –Revenue)				
Voted	23222.77	997.40	24220.17	24049.81	(-) 170.36
Charged	9.00	2.60	11.60	11.90	(+) 0.30
Total	23231.77	1000.00	24231.77	24061.71	(-) 170.06
Total Voted	75630.78	1519.65	77150.43	75676.23	(-) 1474.20
Total Charged	40.65	14.13	54.78	60.49	(+) 5.71
Grant Total	75671.43	1533.78	77205.21	75736.72	(-) 1468.49

The overall savings (unspent provisions) of Rs.1468.49 crore constituted 1.90 per cent of the total provision of Rs.77205.21 crore. The saving was the net result of savings in sixteen grants and six appropriations and excess in four grants and nine appropriations*.

1.8.2 Supplementary Grants

The Ministry of Railways had obtained two Supplementary Grants during the year i.e. in August 2003 and January 2004 for a total amount of Rs.1533.78 crore. In January 2004 an amount of Rs.497.40 crore was sought under Grant No. 16 for accelerating the progress of various ongoing works and for taking up certain 'Out of turn' works during 2003-04 which constitute 'New Service/New Instruments of Service'. The Supplementary Demands for Grants however, do not give details of the ongoing works for which the supplementary grant was sought.

1.8.3 Excess under Grants and Appropriations

There was an aggregate excess of Rs.1175.28 crore in four Grants (two Revenue and two Capital) and nine Appropriations (six Revenue and three Capital) which require regularisation by Parliament under Article 115(1)(b) of the Constitution of India. Details are given below:

(Rupees in thousand)

Sl. No.	Grant/ Appropriation No.	Supple- mentary Provision	Excess Expend- iture
1.	Appropriation No. 3 – General Superintendence and Services	523	1424
2.	Appropriation No. 7 – Repairs and Maintenance of Plant and Equipment	71	22
3.	Appropriation No. 8 – Operating Expenses – Rolling Stock and Equipment	1164	122

*

Railways operate 16 Grants (15 Revenue Grants and one Capital Grant). Capital Grant No. 16 has five segments; reappropriation of funds is not permissible between the five segments. As such the total number of Grants has been taken as twenty.

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(Rupees in thousand)

Sl. No.	Grant/ Appropriation No.	Supplementary Provision	Excess Expenditure
4.	Appropriation No. 9 – Operating Expenses – Traffic	1067	486
5.	Appropriation No. 10 – Operating Expenses – Fuel	--	76137
6.	Appropriation No. 11 – Staff Welfare and Amenities	575	1218
7.	Appropriation No. 16 – Assets, Acquisition, Construction and Replacement – Capital	--	16346
8.	Appropriation No. 16 – Assets, Acquisition, Construction and Replacement – Railway Funds	3926	7018
9.	Appropriation No. 16 – Assets, Acquisition, Construction and Replacement – OLWR	26	1
10.	Grant No. 14 – Appropriation to Funds	1870000	6816181
11.	Grant No. 15 – Dividend to General Revenues	3352500	716671
12.	Grant No. 16 – Assets, Acquisition, Construction and Replacement – Capital	8000012	2831069
13.	Grant No. 16 – Assets, Acquisition, Construction and Replacement – Special Railway Safety Fund	406415	1286137

- Expenditure under the Grants/ Appropriations mentioned above except Appropriations No. 10 and 16 (Capital) exceeded the sanctioned provisions even after obtaining supplementary provisions.
- In case of ‘Appropriation No. 10 – Operating Expenses – Fuel’ and plan head ‘Road Safety Works’ under Grant No. 16 - SRSF, expenditure was incurred without any sanctioned provision.
- Excess expenditure of more than Rs.100 crore was incurred under the following Minor Heads of Grants:

(Rupees in crore)

Minor / Plan Head	Original	Supplementary	Total Sanctioned Grant	Actual Expenditure	Excess
Grant 10 – Operating Expenses – Fuel					
Electric Traction	3947.31	--	3947.31	4159.26	211.95
Grant 12 – Miscellaneous Working Expenses					
Suspense	30.74	--	30.74	233.50	202.76
Grant 14 – Appropriation to Funds					
Appropriation to DRF	2005.00	187.00	2192.00	2592.55	400.55
Appropriation to SRSF	710.00	--	710.00	992.98	282.98
Appropriation to DF	600.00	--	600.00	730.00	130.00
Grant 15 – Dividend to General Revenues					
Dividend to General Revenues	2932.66	35.25	2967.91	3087.08	119.17
Grant 16 – Assets, acquisition, construction and replacement – Capital					
Gauge Conversion	700.39	165.00	865.39	1193.91	328.52
Stores Suspense	5755.54	--	5755.54	6387.36	631.82

1.8.4 Savings under Grants and Appropriations

There was an aggregate saving (unspent provisions) of Rs.2643.77 crore in sixteen grants and six appropriations. The savings ranged from Rs.0.23 crore (Grant No. 1) to Rs.481.81 crore (Grant No.13 – Provident Fund, Pension and

Other Retirement Benefits) indicating defective budgeting or shortfall in performance or both.

- In eight grants, the savings was more than Rs.100 crore, details of which are given below:

(Rupees in crore)

Sl. No.	Particulars	Amount
1.	Grant No.4 – Repairs and Maintenance of Permanent Way and Works	239.56
2.	Grant No.5 – Repairs and Maintenance of Motive Power	187.98
3.	Grant No.7– Repairs and Maintenance of Plant & Equipment	147.52
4.	Grant No.8 – Operating Expenses – Rolling Stock & Equipment	198.47
5.	Grant No.9 – Operating Expenses – Traffic	433.54
6.	Grant No.13 – Provident Fund, Pension and Other Retirement Benefits	481.81
7.	Grant No.16 – Railway Funds	308.51
8.	Grant No.16 – Railway Safety Fund	266.82

- Savings exceeding Rs.100 crore occurred under the following Minor Heads of Grants:

(Rupees in crores)

Plan Head	Original	Supple- mentary	Total Sanctioned Grant	Actual Expenditure	Saving (-)
Grant No. 4 – Repairs and Maintenance of Permanent Way & Works					
Maintenance of Permanent Way	2179.35	--	2179.35	2027.73	(-) 151.62
Grant No. 5 – Repairs and Maintenance of Motive Power					
Diesel Locomotives	1052.68	--	1052.68	935.34	(-) 117.34
Grant No. 9 – Operating Expenses – Traffic					
Other Misc. Expenses	3692.00	--	3692.00	3371.64	(-) 320.36
Grant No. 10 – Operating Expenses – Fuel					
Diesel Traction	4048.71	--	4048.71	3786.91	(-) 261.80
Grant No. 12 – Miscellaneous Working Expenses					
Security	958.84	--	958.84	775.53	(-) 183.31
Grant No. 13 – Provident Fund, Pension and Other Retirement Benefits					
Commutated Pension	856.32	--	856.32	654.54	(-) 201.78
Death-cum-Retirement Gratuity	961.56	--	961.56	717.64	(-) 243.92
Grant No. 14 – Appropriation to Funds					
Appropriation to Pension Fund	6395.00	--	6395.00	6263.09	(-) 131.91
Grant No. 16 – Assets, acquisition, construction and replacement – Capital					
Investment in Govt Commercial Undertakings	732.00	--	732.00	499.95	(-) 232.05
Manufacture Suspense	6339.50	--	6339.50	6178.62	(-) 160.88
Grant No. 16 – Assets, acquisition, construction and replacement – RSF					
Road Safety Works – Road over/under Bridges	313.00	*	313.00	84.94	(-) 228.06

* Represents Supplementary Grant of Rs.15 thousand only.

- In respect of the following grants/ appropriations, the supplementary provisions were wholly unutilised:

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(Rupees in crore)

Sl. No.	Grant/ Appropriation No.	Supplementary Provision	Saving
1.	Grant 16 – Railway Funds	146.76	308.51

- In respect of the following grants/ appropriations, the supplementary provisions were partially utilised:

(Rupees in crore)

Sl. No.	Grant/ Appropriation No.	Supplementary Provision	Saving
1.	Appropriation No. 12 – Miscellaneous Working Expenses	10.00	2.42
2.	Appropriation No. 16 – Special Railway Safety Fund	2.20	2.03

1.8.5 Surrender of Funds

Against the aggregate savings of Rs.2643.77 crore referred to in paragraph 1.8.4 above, the amount surrendered at the final modification stage was Rs.3061.03 crore. Some cases of injudicious surrenders are as under:

- In the following cases excess expenditure was incurred against the sanctioned grant. However due to inappropriate surrender of funds the amount of excess expenditure further increased.

(Rupees in crore)

Particulars	Sanctioned Grant (Original + Supplementary)	Amount Surrendered	Final Allotment	Actual Expenditure	Excess (after Surrender)
Grant No.16 – Capital	19176.61	373.81	18802.8	19459.72	656.92
Grant No.16 – SRSF	1190.00	1.30	1188.70	1318.61	129.91

- In the following cases though there were savings with respect to the sanctioned provision, the inappropriate surrender of funds lead to excess expenditure over the final allotment.

(Rupees in crore)

Particulars	Sanctioned Grant (Original + Supplementary)	Amount Surrendered	Final Allotment	Actual Expenditure	Excess (after Surrender)
Grant No. 1	68.11	1.22	66.89	67.88	0.99
Grant No. 6	3383.89	117.68	3266.21	3300.15	33.94
Grant No. 9	6949.66	551.69	6397.97	6516.12	118.15
Grant No. 10	7997.74	446.09	7551.65	7948.68	397.03
Grant No. 12	1649.38	127.34	1522.04	1582.84	60.80

1.8.6 Reappropriations

Reappropriation of funds between Plan Heads (Minor Heads) under Works Grant No. 16 was not according to the requirements in a number of cases indicating defective budgeting. These are detailed below:

- In the following cases, the sanctioned provisions were supplemented by reappropriation, but the actual expenditure was less than the sanctioned provisions. Thus the reappropriation made, proved entirely unnecessary.

(Rupees in crore)

Minor / Plan Head	Original	Supple- mentary	Reappro- piation	Final Allotment	Actual Expenditure	Savings
Grant No. 16 – Assets, acquisition, construction and replacement – Capital						
Misc. Advance	351.63	--	23.45	375.08	335.84	(-) 39.24
Other Specified Works	13.96	8.51	4.01	26.48	21.02	(-) 5.46
Appropriation No. 16 – Assets, acquisition, construction and replacement – Capital						
<i>Workshop including PUs</i>	0.17	--	0.05	0.22	0.14	(-) 0.08
Grant No. 16 – Assets, acquisition, construction and replacement – SRSF						
Other Specified Works	1.00	--	1.24	2.24	0.05	(-) 2.19
Appropriation No. 16 – Assets, acquisition, construction and replacement –SRSF						
<i>Track Renewal</i>	0.13	2.20	0.24	2.57	0.57	(-) 2.00
Grant No. 16 – Assets, acquisition, construction and replacement –Railway Funds						
Amenities for Staff	43.91	0.81	5.53	50.25	43.20	(-) 7.05
Grant No. 16 – Assets, acquisition, construction and replacement – OLWR						
Machinery & Plant	5.00	2.52	1.36	8.88	6.83	(-) 2.05

- Funds from the following Plan Heads were withdrawn, but finally the actual expenditure exceeded the provision left after reappropriation:

(Rupees in crore)

Minor / Plan Head	Original	Supple- mentary	Reappro- piation	Final Allotment	Actual Expenditure	Excess
Grant No. 16 – Assets, acquisition, construction and replacement – Capital						
Rolling Stock	304.96	11.39	(-) 43.67	272.68	283.44	10.76
Bridge Works	2.00	--	(-) 0.82	1.18	1.66	0.48
Manufacture Suspense	6339.50	--	(-) 376.28	5963.22	6178.62	215.40
Appropriation No. 16 – Assets, acquisition, construction and replacement – Capital						
<i>New Lines</i>	2.19	--	(-) 0.25	1.94	1.97	0.03
Appropriation No. 16 – Assets, acquisition, construction and replacement – Funds						
<i>Track Renewal</i>	0.05	0.25	(-) 0.18	0.12	0.30	0.18
Grant No. 16 – Assets, acquisition, construction and replacement – OLWR						
Amenities for Staff	1.00	0.26	(-) 0.20	1.06	1.17	0.11
Passenger Amenities	0.50	0.34	(-) 0.02	0.82	0.98	0.16
Grant No. 16 – Assets, acquisition, construction and replacement – SRSF						
Signalling & Telecom	469.84	8.00	(-) 7.09	470.75	495.04	24.29
Other Electrical Works	1.00	--	(-) 0.49	0.51	0.80	0.29

- In the following two cases there was no sanctioned provision but the funds were provided by reappropriation and expenditure incurred. This was against the codal provisions under paragraph 375 of Indian Railways Financial Code – Volume –I.

(Rupees in crore)

Minor/ Plan Head	Original	Reappro- piation	Final Allotment	Actual Expenditure	(-) Savings/ (+) Excess
Appropriation No.16–Assets, acquisition, construction and replacement – Capital					
<i>Electrification Projects</i>	--	0.17	0.17	0.15	(-) 0.02
<i>Manufacture Suspense</i>		0.04	0.04	0.04	--

1.8.7 Recoveries in reduction of expenditure

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The demands for grants/ appropriations are for the gross amount of expenditure, inclusive of recoveries arising from use of stores, etc. procured in the past or expenditure transferred to other Departments or Ministries. The excess and shortfall in recoveries also indicate defective budgeting. In Revenue section, against the estimated (revised) recoveries of Rs.6663.00 crore, actual recoveries were Rs.6797.63 crore. In Capital section, against estimated (revised) recoveries of Rs.16898.31 crore, actual recoveries were Rs.17113.57 crore. Thus, the actual recoveries were more than the estimated amount in Revenue and Capital.

APPENDIX - I

(Reference Paragraph No.1.8)

Grand Summary of Appropriation Accounts 2003-04

(In units of Rupees)

Number and name of the Grant/ Appropriation	Original Grant/ Appropriation	Supplementary	Final Grant/ Appropriation	Actual Expenditure	Excess (+)/ Savings (-)
1	Revenue – Railway Board				
	Voted	68,10,62,000	–	68,10,62,000	67,87,84,776 (-) 22,77,224
2	Revenue – Miscellaneous Expenditure (General)				
	Voted	234,25,38,000	–	234,25,38,000	208,68,77,805 (-) 25,56,60,195
3	Revenue – Working Expenses – General Superintendence and Services				
	Charged	--	5,23,000	5,23,000	19,47,035 (+) 14,24,035
	Voted	1708,40,00,000	--	1708,40,00,000	1642,57,02,447 (-) 65,82,97,553
4	Revenue – Working Expenses – Repairs and Maintenance of Permanent Way and Works				
	Charged	2,16,000	68,11,000	70,27,000	65,35,025 (-) 4,91,975
	Voted	3281,46,46,000	--	3281,46,46,000	3041,90,47,416 (-) 239,55,98,584
5	Revenue – Working Expenses – Repairs and Maintenance of Motive Power				
	Charged	--	1,18,000	1,18,000	51,759 (-) 66,241
	Voted	1803,33,15,000	--	1803,33,15,000	1615,35,15,110 (-) 187,97,99,890
6	Revenue - Working Expenses – Repairs and Maintenance of Carriages and Wagons				
	Charged	--	50,02,000	50,02,000	49,58,602 (-) 43,398
	Voted	3383,88,46,000	--	3383,88,46,000	3300,14,85,955 (-) 83,73,60,045
7	Revenue - Working Expenses – Repairs and Maintenance of Plant and Equipment				
	Charged	--	71,000	71,000	92,996 (+) 21,996
	Voted	1839,76,10,000	--	1839,76,10,000	1692,24,57,862 (-) 147,51,52,138
8	Revenue - Working Expenses – Operating Expenses – Rolling Stock and Equipment				
	Charged	--	11,64,000	11,64,000	12,86,059 (+) 1,22,059
	Voted	2897,11,83,000	--	2897,11,83,000	2698,64,39,977 (-) 198,47,43,023
9	Revenue - Working Expenses – Operating Expenses – Traffic				
	Charged	--	10,67,000	10,67,000	15,52,568 (+) 4,85,568
	Voted	6949,66,42,000	--	6949,66,42,000	6516,12,47,634 (-) 433,53,94,366
10	Revenue - Working Expenses – Operating Expenses - Fuel				
	Charged	--	--	--	7,61,37,047 (+) 7,61,37,047
	Voted	7997,74,46,000	--	7997,74,46,000	7948,68,21,412 (-) 49,06,24,588
11	Revenue - Working Expenses – Staff Welfare and Amenities				
	Charged	--	5,75,000	5,75,000	17,92,518 (+) 12,17,518
	Voted	1354,15,59,000	--	1354,15,59,000	1276,86,54,412 (-) 77,29,04,588

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(In units of Rupees)

Number and name of the Grant/ Appropriation	Original Grant/ Appropriation	Supplementary	Final Grant/ Appropriation	Actual Expenditure	Excess (+)/ Savings (-)	
12	Revenue - Working Expenses – Miscellaneous Working Expenses					
	<i>Charged</i>	30,88,90,000	9,99,61,000	40,88,51,000	38,46,07,760	(-) 2,42,43,240
	Voted	1649,37,74,000	--	1649,37,74,000	1582,84,26,237	(-) 66,53,47,763
13	Revenue - Working Expenses – Provident Fund, Pension and Other Retirement Benefits					
	<i>Charged</i>	74,64,000	--	74,64,000	69,52,649	(-) 5,11,351
	Voted	6550,58,45,000	--	6550,58,45,000	6068,77,41,435	(-) 481,81,03,565
14	Revenue - Appropriation to Funds – Depreciation Reserve Fund, Development Fund, Pension Fund, Capital Fund					
	Voted	9710,00,00,000	187,00,00,000	9897,00,00,000	10578,61,81,059	(+) 681,61,81,059
15	Dividend to General Revenues, Repayment of Loans taken from General Revenues and Amortisation of Over-Capitalisation					
	Voted	2980,16,00,000	335,25,00,000	3315,41,00,000	3387,07,71,479	(+) 71,66,71,479
16	Assets – Acquisition, Construction and Replacement - Open Line Works – Revenue					
	<i>Charged</i>	--	26,000	26,000	26,491	(+) 491
	Voted	30,00,00,000	9,99,74,000	39,99,74,000	33,24,11,152	(-) 6,75,62,848
	Assets – Acquisition, Construction and Replacement - Other Expenditure – Capital					
	<i>Charged</i>	8,00,00,000	--	8,00,00,000	9,63,45,841	(+) 1,63,45,841
	Voted	18376,60,78,000	800,00,12,000	19176,60,90,000	19459,71,59,383	(+) 283,10,69,383
	Assets – Acquisition, Construction and Replacement – Other Expenditure – Railway Safety Fund					
	<i>Charged</i>	--	--	--	--	--
	Voted	433,00,00,000	17,000	433,00,17,000	166,18,55,362	(-) 266,81,61,638
	Assets–Acquisition, Construction and Replacement–Other Expenditure–Special Railway Safety Fund					
	<i>Charged</i>	40,00,000	2,20,18,000	2,60,18,000	57,17,694	(-) 2,03,00,306
	Voted	1149,36,00,000	40,64,15,000	1190,00,15,000	1318,61,51,856	(+) 128,61,36,856
	Assets – Acquisition, Construction and Replacement - Other Expenditure – Railway Funds					
	<i>Charged</i>	60,00,000	39,26,000	99,26,000	1,69,44,381	(+) 70,18,381
	Voted	3233,80,00,000	146,76,43,000	3380,56,43,000	3072,05,34,739	(-) 308,51,08,261
	Grand Total					
	<i>Charged</i>	40,65,70,000	14,12,62,000	54,78,32,000	60,49,48,425	(+) 5,71,16,425
	Voted	75630,77,44,000	1519,65,61,000	77150,43,05,000	75676,22,67,508	(-) 1474,20,37,492
Grand Total						
Charged+Voted		75671,43,14,000	1533,78,23,000	77205,21,37,000	75736,72,15,933	(-) 1468,49,21,067

