
DMRC eyeing 25pct revenue increase

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Delhi Metro Rail Corporation is expecting its revenues from traffic operations to increase by 25% this financial year due to the increase in average daily passengers after the inauguration of various new routes, including the Yamuna Bank to Noida Sector 32 stretch which will be commissioned tomorrow.

DMRC expects to earn INR 390 crore from passenger earnings in 2009-10 as against the INR 305 crore it had collected last year.

A senior official said that “Average daily ridership on Delhi Metro is on a rise. The Noida section itself will add around 53,000 passengers per day over time. As route length is being extended, revenues from passengers operations are also increasing.”

By 2011, earnings from traffic operations are projected to increase by over 200% to INR 1026 crore, compared to the revenues in 2008-09. However, in the period, operational costs are also set to rise to INR 987 crore from the present INR 213 crore.

The official added that “The economic rate of return for the metro project is high, but financial rate of return for the corporation will remain low. With the commissioning of the new route and consequent increase in passengers earnings, however, we are hopeful we will recover the cost of developing Phase-I of Delhi Metro by 2011.”

The total amount invested for developing the 13.1 kilometer stretch between Yamuna Bank and Noida City Centre is INR 827 crore. Of this, INR 566 crore has been provided by the UP government, INR 93 crore by DMRC and the remaining INR 168 crore has been borne by the central government

DMRC has an outstanding loan of INR 11,000 crore with Japan International Cooperation Agency. Its debt repayment commitments will be in the range of INR 500 crore to INR 600 crore per annum once Phase-II sections become operational. Another INR 700 crore has to be set aside per annum for depreciation. Which means it won't make net profit in the immediate future.

(Sourced from Business Standards)

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