

Finance and Investment Plan

8.1 Financial performance

This chapter details the municipal finances of the municipal corporation and other following entities involved in the provision of services and outline the receipts and expenditure over the last five years.

Municipal Corporation of Hyderabad

Municipalities

Hyderabad Metropolitan Water Supply & Sewerage Board

Hyderabad Urban Development Authority

8.1.1 Municipal Corporation of Hyderabad

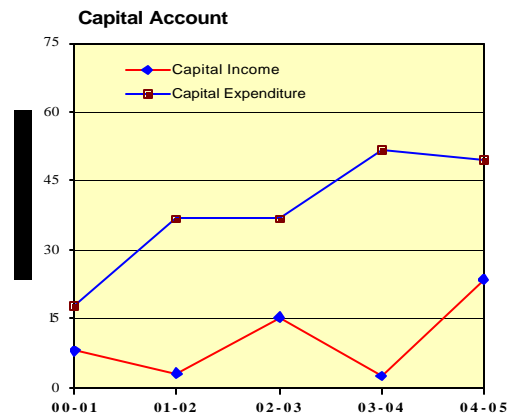
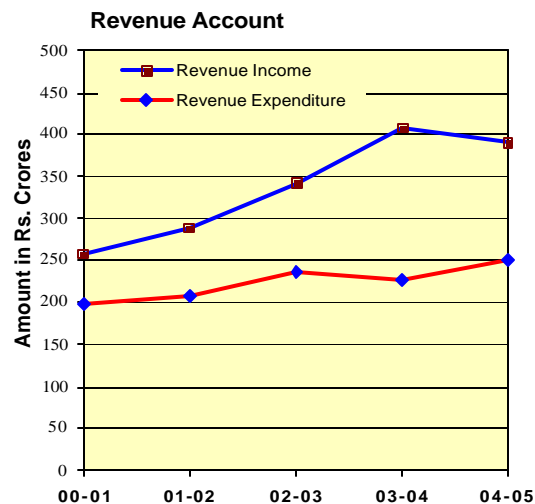
Municipal finances of MCH have been reviewed for the last five years, commencing from the financial year 2000-01. For the purpose of analysis, the items of account have been categorized under the following major heads:

Revenue Account: All recurring items of income and expenditure are included under this head. These include taxes, charges, salaries, maintenance expenditure, etc.

Capital Account: Income and expenditure items under this account are primarily non-recurring in nature. Income items include loans, contributions by GoAP, other agencies and capital grants under various State and Central Government programmes. Expenditure items include expenses booked under developmental works and purchase of capital assets.

Financial status

Revenue income of Municipal Corporation of Hyderabad has grown to a level of INR 390 crores in the financial year 2004-05 from INR 257 crores in financial year 2000-01, the revenue income had registered an annual growth of 11.44 percent whereas the revenue expenditure increased at an average annual rate of 7 percent. Thus indicating a surplus position, during this period, MCH consistently maintained a revenue surplus. Capital income of MCH comprises of loans, grants and contribution in the form of sale proceeds of assets and contribution. A major share of capital income is in the form of grants. As observed in **Table 8.1.1 (Ref. Annexure 1 p4)**, the capital account has witnessed a deficit-implying utilization of revenue surpluses to fund capital works. It is observed that capital expenditure



has been inconsistent during the review period. During financial year 2002-03, capital expenditure had risen to INR 210 crores from INR 67 crores in the financial year 2000-01. This rise was primarily attributed to higher allocation for road works, and other capital expenditure as part of Hyderabad City improvement programme.

Further review of the revenue and capital accounts indicates that during financial year 2002-03, the capital deficit was greater than the revenue surplus available. This resulted in a net deficit indicating that the accumulated surpluses from previous years had been utilised.

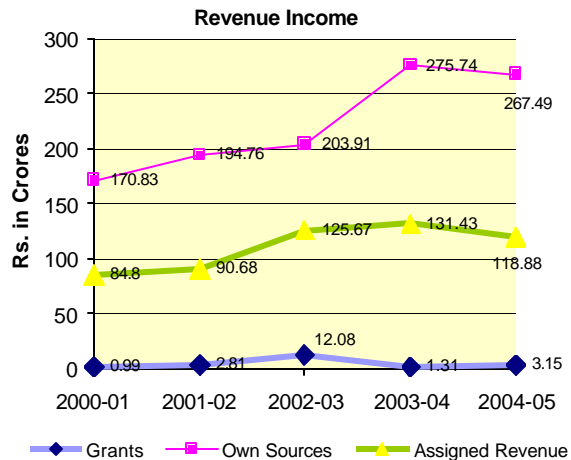
The following sections provide an in depth review of the revenue and capital account, primarily aimed at assessing the municipal fiscal status and providing a base for determining the financial capacity of MCH to sustain additional capital investment.

Revenue account

The revenue account comprises of two components, revenue income and revenue expenditure. Revenue income comprises of internal resources in the form of tax and non-tax items. External resources are in the form of shared taxes/transfers and revenue grants from the State Government. Revenue expenditure comprises of expenditure incurred on salaries, operation & maintenance expenditure and debt servicing.

Revenue income

The revenue sources of MCH can be broadly categorized under three categories viz., own sources, assigned revenues and grants. The source-wise income generated during the review period is presented in **Table 8.1.2** (Ref. Annexure 1 p4). The base and basis of each income source has been further elaborated in the following section.



Own Sources

Own-source income includes income from resource mobilization activities of MCH in the form of taxes, user fees, fee for building permission, trade licenses, etc. Own revenue sources are further classified as tax and non-tax sources that are generated by various sections of the MCH and are presented in **Table 8.1.3** (Ref. Annexure 1 p4)

Tax Sources

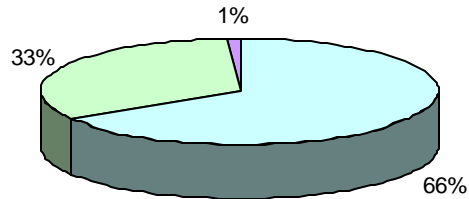
The sections contributing tax income include General Taxation, General Administration, Communication and Engineering, Education, Town Planning, Public Health and Estate Department. The General Taxation section is the largest revenue generating section and collects among other taxes, property tax and advertisement tax. Other sections collect charges and fees, as per the rules, towards services rendered by MCH.

Non-Tax Sources

Non-tax sources include all non-tax revenues such as fees and charges levied as per the Municipal Act. Such revenue sources include income from special services, etc. The major sections/departments contributing non-tax income include General Administration, Income from Town Planning Section, Dangerous & Offensive Trade Licence Fee, Births and Death Certificate and Income from Remunerative Enterprises. The essential features of this head of revenue income are listed below:

Income from own sources accounts for about 66 percent of revenue income, and has increased at an average rate of 12.74 percent per annum. Major items of own-source income, contributing towards revenue income, include property tax (41%), town planning (14%) and public health and sanitation (2%). Own sources of income maintained a consistent growth over the assessment period, except during financial year 2004-05. Income through own-source heads that contribute substantially towards revenue income include:

Sources of Revenue Income (Average 2000-2005)



□ Own Source □ Assigned Revenue □ Grants

General Administration: Income from general administration is in the form of magisterial fines, warrant & distraint fees, lapsed deposits and other sundry income. It also includes income from interest on investments and realization of past fixed deposits. These items together account for about 1 percent of revenue income.

Property Tax: Income through property tax is based on the Annual Rental Value (ARV) of property and is the single largest and most elastic source of revenue, contribution about 39% of the corporation's income. In case of vacant land the tax is levied at rate of 2 percent of the capital value. The property tax rate in MCH ranges from 17 to 30 percent of the ARV.

The analysis indicates that at aggregate level the average property tax demand per property works out to Rs. 2469 per annum. As per DCB statement there were about 3,33,300 property tax assessments in MCH during the financial year 1994-95, which increased to 5,15,110 indicating (2004-05) an annual growth of 4.45 percent. The collection performance of current demand of Property Tax has been good at over 75 percent during the last 5 years.

Advertisement Fee: The contribution through advertisement fee up to 1994/95 was less one percent of the total municipal revenue, which gradually increased and by 2004-05 it had been increased to about 2.62 percent in total income by contributing over Rs. 10.22 crores.

Town Planning: The income from the town planning section, excluding building regularization fees, accounts for about 13 percent of revenue income. Due to the implementation of the Building Regularization Scheme (BRS) for all unauthorized constructions, MCH realised INR 6.58 crores during financial year 2000-01. This was a major initiative undertaken by MCH to increase revenue.

Public Health: The Public Health section of MCH generates income by way of dangerous and offensive (D&O) trade license fees, and birth & death certificates. Income under this head contributes over two percent to revenue income.

Remunerative Enterprises: The income generated through remunerative assets on average is about 1.50 percent of revenue income. This head contributes very meager amount when compared to the same in other cities, which contributed from 6-20%.

Assigned Revenues

Assigned revenues include revenues transferred to MCH by the State Government (GoAP) under specific acts. Transfers are in the form of MCH share of taxes levied and collected by GoAP from establishments/operations within the municipal limits. Surcharge on transfer of immovable properties, entertainment tax, and professional taxes are items on which these revenues are realised by MCH. Transfers affected by GoAP during the last five years are presented in **Table 8.1.4**.

Table 8.1.4: Assigned Revenue Income

Items	2000-01	2001-02	2002-03	2003-04	2004-05
	Rs. In Crores				
Entertainment Tax	14.61	12.15	15.12	16.07	15.38
Professional Tax	24.05	28.39	42.53	35.08	10.00
Surcharge on Stamp Duty	46.14	50.15	68.02	80.27	93.50
Total	84.80	90.68	125.67	131.43	118.88
Share in RI (%)	32.98	31.46	36.78	32.17	30.52
Annual gr. rate (%)	-	6.94	38.58	4.59	-9.55

Income through assigned revenues contributes 33 percent of revenue income and has increased at an average rate of 8 percent per annum. It is observed from the above table that the inflow from this account head have been inconsistent due to delays in transfers and deductions at source towards to any outstanding. Professional tax is a fixed transfer amount per annum and other transfers are as per actual realization.

Income through assigned revenue heads that contribute substantially towards revenue income include:

Entertainment Tax: The Commercial tax (CT) Department collects entertainment tax from all cinema halls functioning within MCH limits. The CT Department transfers 90 percent of the total tax collection to MCH, and retains 10 percent towards management charges. Entertainment tax accounts for around 4.5 percent of total revenue income and has grown at an average rate of 1.92 percent per annum.

Professional Tax: Professional tax is also collected by the Commercial Tax Department. GoAP had fixed an amount of Rs. 35.24 lakhs in 1990-91 being the compensation on account of the State taking over the levy and collection of profession tax, which was based on the realization made during preceding three financial years. Profession Tax accounts for about 8.56 percent of municipal income and has negative growth at an average rate of over 4.23 per cent during the last five years.

Stamp Duty: Surcharge on stamp duty is a major assigned revenue source, accounting for 20 percent of revenue income. It is levied in the form of a surcharge on stamp duty applicable on all properties registered or transferred within MCH limits. The Registration Department has been collecting this tax since 1986 and 95 percent of the collections were transferred to MCH. The proceeds from this source have registered an average annual growth of about 16 percent; the growth, however, has been inconsistent over the last five years.

Revenue Grants and Contribution

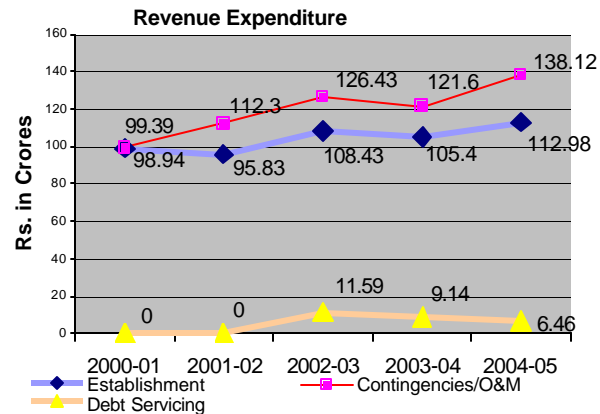
The Corporation receives revenue grants and compensations from the State Government under various heads. The regular revenue grants are listed in **Table 8.1.5**, of which some items are fixed and are transferred on a quarterly basis. Other grant heads are for specific purposes; hence ad hoc in nature.

Table 8.1.5: Revenue Grants

Items	2000-01	2001-02	2002-03	2003-04	2004-05
	Rs.in lakhs				
Compensation in Lieu M.V Tax etc	53.61	53.61	57.21	45.00	60.00
Per Capita Grant	0.00	60.76	0.00	0.00	139.77
Road Maintenance Grant	0.00	68.58	1036.52	0.00	0.00
Compensation in Lieu of Octroi	41.92	41.92	44.64	37.50	50.00
Compensation due to cont. to tax Payers	55.65	55.65	69.51	48.75	65.00
Other Grants	0.00	0.00	0.00	0.00	0.00
Total	98.57	280.52	1207.88	131.25	314.77
Share in RI (%)	0.38	0.97	3.54	0.32	0.81
Annual gr. rate (%)	-	184.59	330.59	-89.13	139.82

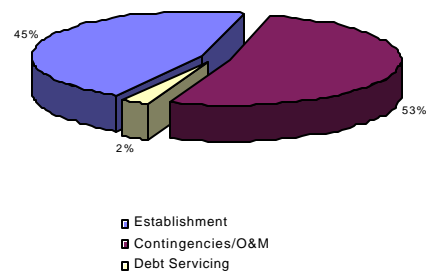
Revenue expenditure

Revenue expenditure of MCH has been analysed based on expenditure heads broadly classified under the following departments/sections of MCH - General Administration, Street Lighting, Revenue, Education, Public Health/Preventive Medicine, Pension Contribution, Public Health/Conservancy, Communication/Engineering Remunerative Enterprises, and Town Planning & Urban Community Development (UCD). Revenue expenditure is further classified under establishment and contingencies (O&M). Besides the above items of expenditure and debt servicing constitute a substantial proportion of revenue expenditure. Application of funds by each sector is presented in **Table 8.1.6**. (Ref. Annexure 1 p5)



Establishment expenditure alone accounts for 45 percent of revenue expenditure. In comparison with revenue income, over 31 percent is utilized for payment of salaries and pensions. Debt servicing accounts for a major share of about 2 percent of the revenue expenditure. For the assessment period, revenue expenditure grew at an average rate of 7 percent, while the corresponding growth in revenue income was 11 percent. Further, while expenditure on establishment increased at annual average rate of 3.60 per cent, expenditure on O&M grew at an average rate of 8.83 percent per annum. Analysis of heads under revenue expenditure has been carried out with regard to establishment, operation & maintenance, and debt servicing. The following sections detail the same.

Items of Revenue Expenditure (Average of 2000-2005)



Establishment Expenditure

Establishment expenditure of all sections accounts for over 45 per cent of total revenue expenditure (include debt servicing). The salary bill alone of MCH, during financial year 2004-05, was INR 113 crores. Details of establishment expenditure have been indicated in **Table 8.1.7** (Ref. Annexure1 p5).

Key features of expenditure incurred under this account head are detailed herein:

Expenditure on establishment, incurred by the Conservancy Section accounts for over 35 per cent of total establishment expenditure. Being a core service driven by a huge workforce/manpower, the high expenditure cost is expected. The next major establishment expenditure incurring sections are public health and engineering. Establishment expenditure has increased annually at an average rate of 3.60 percent.

Operation and Maintenance Expenditure

Operation and maintenance expenditure of all section together accounts for 52 percent of revenue expenditure. The total O&M expenditure during financial year 2004-05 was INR 138 crores **Table 8.1.8** (Ref. Annexure1 p6). O&M expenditure registered an average growth of 8.83 percent during the assessment period, with a maximum of 54 percent during financial year 2001-02. The increase in O&M expenditure is attributed to high allocations towards road maintenance.

Debt Servicing

A review of the loan statement of MCH reveals that as on 31st March 2004 MCH was zero debt Corporation, recently during the current financial year 2001/02 MCH has gone for Municipal bonds to a tune of Rs. 82.50 crores.

Capital Income

Capital income comprises loans, grants and own contributions. The detailed components of capital income are enumerated in **Table 8.1.9**. (Ref. Annexure1 p6). An analysis of this account indicates that 48 percent of capital income is in the form grants and 19 percent by way of bonds, debentures and unsecured loans. Own contribution accounts 33 percent of total expenditure, which includes transfer of revenue account surplus and sale of properties. It also reveals that during the review period capital income was inconsistent due to irregular flow of scheme specific grants.

Capital Expenditure

Capital expenditure **Table 8.1.10** (Ref. Annexure1 p7) has been directed towards roads, special works and other grant works for improvement of slums. The overall status of the capital account indicates a net deficit. Which is positive sign that revenue surplus have been transferred to capital account

Analysis of capital income and capital expenditure indicates regular transfer of funds from the revenue account to the capital account. This transfer, towards capital investments, constitutes 38 percent of capital expenditure.

Table 8.1.11: Key Financial Indicators

Items	2000-01	2001-02	2002-03	2003-04	2004-05
Operating Ratio	0.77	0.72	0.72	0.58	0.66
Capital Utilization Ratio	2.84	1.15	2.11	4.95	8.12
Share of Establishment Cost	50	46	44	45	44
% Revenue Spent on Establishment	39	33	32	26	29
Debt Servicing % of Income	-	-	3.39	2.24	1.66

Key Issues and Conclusions

The following issues emerge from the above analyses carried out on the municipal finances of MCH

Revenue account status

The revenue account of MCH shows a healthy surplus every year, with an operating ratio below unity throughout the review period. MCH accounts are currently under a cash system and in order to derive the true operating ratio a critical assessment of outstanding receivables and payments needs to be carried out.

Revenue income

MCH has generated over 66 percent of revenue income through its own sources, which is a commendable feat. Dependency on grants is only to the extent of 1 percent. The balance 33 percent is by way of assignments or transfers from GoAP, which is an indirect form of own-source revenues. However, realization of these amounts is dependent on timely transfers from GoAP.

Though property tax is the single largest own-source revenue income, in comparison with other major cities, there is scope for improvement by expanding the base by way of covering unassessed properties. It is also observed that the current average property tax demand per property is about INR 2,716, indicating very low rentals values when compared to Chennai at INR 3,400 and persons per assessment is also very high at 8 persons per assessment.

The collection performance of property tax has shown an improvement in last three years about 72 percent.

Revenue expenditure

It is observed that about 45 percent of revenue income is spent on salaries, which is well above the average when compared to other local bodies-the range being 30-40 percent of revenue income.

Capital account status

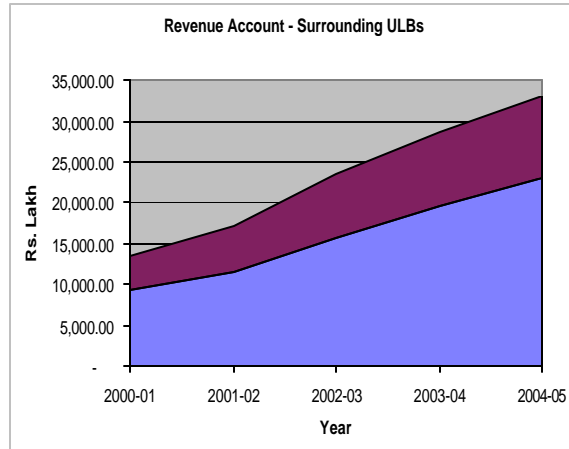
While the capital account has consistently indicated a deficit, indicating revenue surplus has been utilized to fund the capital works.

8.1.2 Surrounding Municipalities

HMA comprises of 10 municipalities in addition to the Municipal Corporation of Hyderabad. The finances of these municipalities are assessed to understand their financial status at the aggregate level. The combined financial status of the surrounding municipalities is presented in **Table 8.1.12** (Ref. Annexure 1 p7).

Surrounding ULBs Revenue Account

The total Revenue income of all surrounding ULBs has grown to Rs. 22,987.71 Lakh in the financial year 2004-05 from Rs. 9,310.81 Lakh in financial year 2000-01, at a high average annual growth of 25.54 percent. Revenue expenditure increased at an average annual rate of 24.80 percent from Rs. 4,204.9 Lakh to Rs. 10,007.94 Lakh during the assessment period. The revenue account maintains surplus during the entire assessment period.



Surrounding ULBs Capital Account

Capital income comprises of loans, grants and contribution in the form of initial deposit for water supply connections and sale proceeds of assets. The capital account has witnessed deficit during the entire assessment period, implying revenue surplus is being used for asset creation.

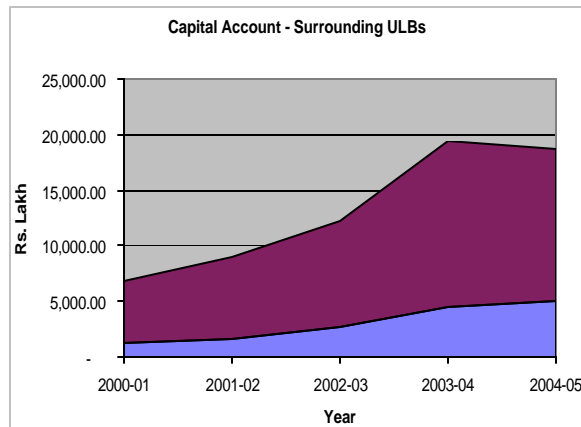


Table 8.1.13: Source Wise Revenue Income

Items	2000-01	2001-02	2002-03	2003-04	2004-05
	Rs. In lakhs				
Own Sources	5334.93	5741.66	8069.77	9721.52	13131.29
Assigned Revenue	3276.47	4297.25	5156.04	7653.44	7711.10
Grants	453.70	1320.62	2164.56	2021.21	1682.09
Total	9065.10	11359.53	15390.37	19396.17	22524.48

Own Sources

Own-source income includes income from resource mobilization activities of surrounding ULBs in the form of taxes, user fees, fee for building permission, trade licenses, etc. Own revenue sources are further classified as tax and non-tax sources that are generated by various sections of the surrounding ULBs and are presented in **Table 8.1.14** (Ref. Annexure 1 p7)

Tax Sources: The sections contributing tax income include General Taxation, General Administration, Communication and Engineering, Education, Town Planning, Public Health and Estate Department. The General Taxation section is the largest revenue generating section and collects among other taxes, property tax and advertisement tax. Other sections collect charges and fees, as per the rules, towards services rendered by surrounding ULBs.

Non-Tax Sources: Non-tax sources include all non-tax revenues such as fees and charges levied as per the Municipal Act. Such revenue sources include income from special services, etc. The major sections/departments contributing non-tax income include General Administration, Income from Town Planning Section, Dangerous & Offensive Trade License Fee, Births and Death Certificate and Income from Remunerative Enterprises.

The essential features of this head of revenue income are listed below:

Income from own sources accounts for about 61 percent of revenue income, and has increased at an average rate of 24.72 percent per annum. Major items of ownsource income, contributing towards revenue income, include property tax (43.4%), town planning (16.8%) and public health and sanitation (0.7%). Own sources of income maintained a consistent growth over the assessment period, except during FINANCIAL YEAR 2004-05. Income through own-source heads that contribute substantially towards revenue income include:

General administration, account for about 1.2 percent of revenue income.

Property tax, contributes about 43% of the surrounding ULBs income.

Town Planning income accounts for about 13 percent of revenue income. Due to the implementation of the Building Regularization Scheme (BRS) for all unauthorized constructions, surrounding ULBs realised INR 1961.15 lakh during FINANCIAL YEAR 2004-05. This was a major initiative undertaken by surrounding ULBs to increase revenue.

Public Health contributes over two percent to revenue income.

Remunerative Enterprises contribute 0.6 percent of revenue income.

Assigned Revenues

Assigned revenues include revenues transferred to surrounding ULBs by the State Government (GoAP) under specific acts. Transfers affected by GoAP during the last five years are presented in **Table 8.1.15** (Ref. Annexure1 p8).

Income through assigned revenues contributes 36 percent of revenue income and has increased at an average rate of 7 percent per annum. It is observed from the above table that the inflow from this account head have been inconsistent due to delays in transfers and deductions at source towards to any outstanding. Professional tax is a fixed transfer amount per annum and other transfers are as per actual realization.

Income through assigned revenue heads that contribute substantially towards revenue income include:

Entertainment Tax accounts for around 2.9 percent of total revenue income.

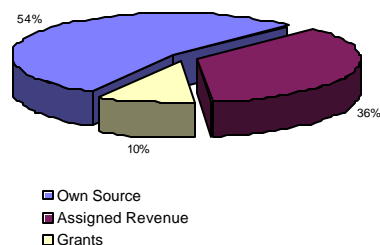
Professional Tax: accounts for about 1 percent of municipal income

Stamp Duty accounts for 20 percent of revenue income.

Revenue Grants and Contribution

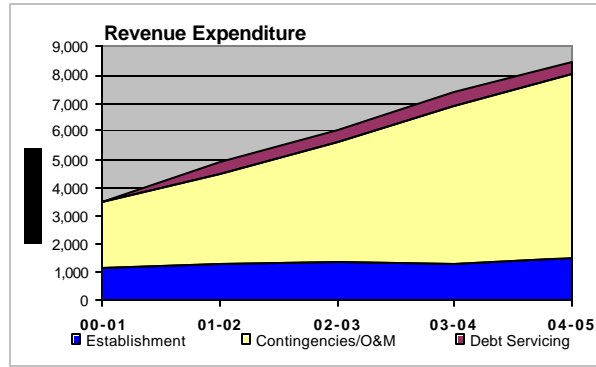
The surrounding ULBs receive revenue grants and compensations from the State Government under various heads. The regular revenue grants are listed in **Table 8.1.16** (Ref. Annexure1 p8), of which some items are fixed and are transferred on a quarterly basis. Other grant heads are for specific purposes; hence ad hoc in nature.

**Sources of Revenue Income
(Average of 2000-2005)**

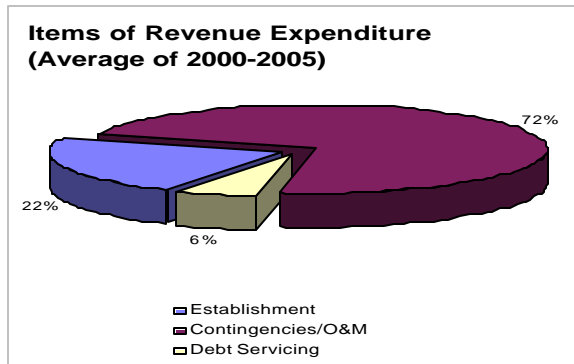


Revenue expenditure

Revenue expenditure of surrounding ULBs has been analysed based on expenditure heads broadly classified under the following departments/sections of ULBs - General Administration, Street Lighting, Revenue, Education, Public Health/Preventive Medicine, Pension Contribution, Public Health/Conservancy, Communication/Engineering Remunerative Enterprises, and Town Planning & Urban Community Development (UCD).



Revenue expenditure is further classified under establishment and contingencies (O&M). Besides the above items of expenditure and debt servicing constitute a substantial proportion of revenue expenditure. Application of funds by each sector is presented in **Table 8.1.17** (Ref. Annexure 1 p8). Establishment expenditure alone accounts for 22 percent of revenue expenditure. Debt servicing accounts for a major share of about 6 percent of the revenue expenditure



Establishment Expenditure

Establishment expenditure of all sections accounts for over 22 per cent of total revenue expenditure (excluding debt servicing). Details of establishment expenditure have been indicated in **Table 8.1.18** (Ref. Annexure 1 p9). Key features of expenditure incurred under this account head are detailed herein:

Expenditure on establishment, incurred by the Conservancy Section accounts for over 56 per cent of total establishment expenditure. Being a core service driven by a huge workforce/manpower, the high expenditure cost is expected. The next major establishment expenditure incurring sections are public health and engineering.

Operation and Maintenance Expenditure

Operation and maintenance expenditure of all section together accounts for 72 percent of revenue expenditure. The total O&M expenditure during financial year 2004-05 was INR 6571.48 lakh.

Table 8.1.19: Section wise O & M Expenditure

Items	2000-01	2001-02	2002-03	2003-04	2004-05
	Rs. Lakh				
General Taxation	0.00	89.08	16.26	33.54	18.47
General Admin.	254.59	200.19	512.97	449.63	516.18
HW Mayors Office	3.93	116.24	8.83	9.46	14.03
Comm. -Engg.	335.89	710.03	834.25	982.18	1356.37
Street Lighting	240.22	361.58	873.62	1205.80	1345.80

Water Supply	157.20	374.90	459.08	537.91	871.17
Town Planning	44.71	56.41	46.92	93.75	31.38
Drains and Culverts	4.86	127.49	3.72	4.40	4.17
Public Health	591.65	592.02	1118.98	1174.92	1528.12
Buildings	5.92	25.76	41.82	226.96	45.26
Estate Section	0.00	0.00	0.00	0.00	4.39
Sports Section	0.00	0.00	0.00	0.00	0.00
UCD Pilot Project	0.00	0.00	0.00	0.00	0.00
Others	843.21	822.35	1222.39	1453.47	1233.19
Pension	0.00	1.00	4.29	17.92	0.00
Total	2482.18	3477.05	5143.13	6189.94	6968.53
Share in RE (%)	204.33	132.88	137.47	233.34	228.27
Annual gr. rate (%)	0.00	73.26	-26.42	60.75	21.38

O&M expenditure registered an average growth of 30 percent during the assessment period, with a maximum of 36.71 percent during FINANCIAL YEAR 2001-02. The increase in O&M expenditure is attributed to high allocations towards road maintenance.

Capital Account

Capital Income

Capital income comprises loans, grants and own contributions. The detailed components of capital income are enumerated in **Table 8.1.20**. (Ref. Annexure1 p9).

Capital Expenditure

Capital expenditure **Table 8.1.21**. (Ref. Annexure1 p9) has been directed towards roads, special works and other grant works for improvement of infrastructure services of all ULBs. Analysis of capital income and capital expenditure indicates regular transfer of funds from the revenue account to the capital account.

8.1.3 Hyderabad Metropolitan Water Supply & Sewerage Board

This section details the financial performance of Hyderabad Metro Water Supply & Sewerage Board (HMWSSB) during the last five years. The Board has generated a surplus continuously from 2002-03 onwards due to the implementation of Krishna Water Supply and other measures such as increasing the number of connections and enhancing the collection efficiency. A brief summary of the income and expenditure account of HMWSSB from financial year 1999-00 to 2004-2005 is given in **Table 8.1.22**. (Ref. Annexure1 p10).

During the last five years there has been substantial increase in the Operation and Maintenance costs such as cost of power, fuel, chemicals, implementation of salary revision, periodical dearness allowance increases, etc. However with the increase in the tariff from June 2002, the revenues have been improved which can be seen in the increase of water and sewerage cess from Rs. 111 crores in 2000-01 to Rs. 193 crores in 2004-05.

Income

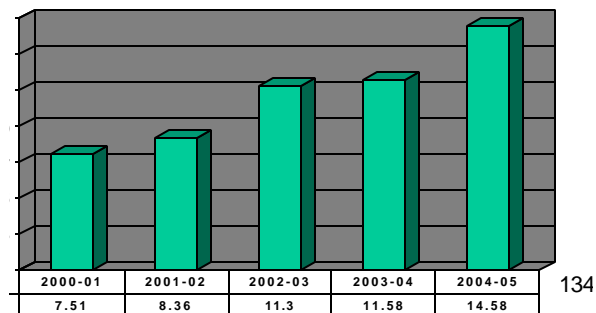
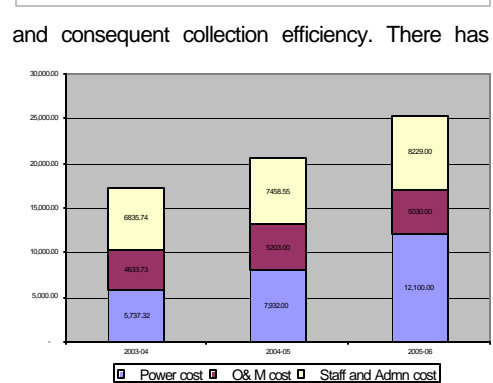
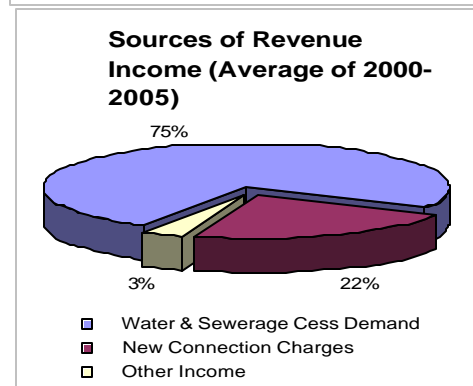
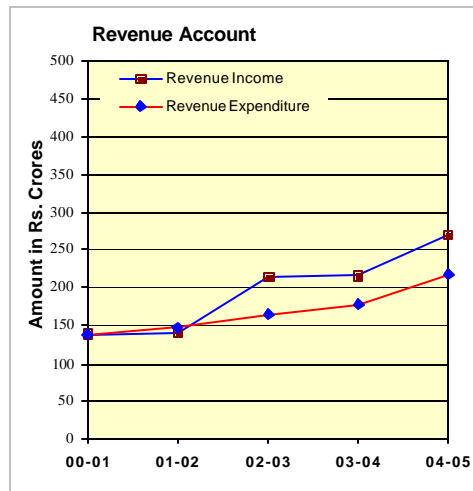
Revenue income has increased substantially from Rs. 13869 Lakhs to Rs.27177 Lakhs, an increase of more than 95%. The major sources of income include water & sewerage cess and new connection charges which together almost contribute to 97% of the total income. The income of HMWSSB and its growth is presented in **Table 8.1.23** (Ref. Annexure1 p10).

The increase in the revenue income is due to improved efficiencies in generation of bills, distribution and consequent collection efficiency. There has been substantial increase in new connection charges by 95% and 57% in the years 2002-03 and 2004-05 due to provision and streamlining of new connections. The income also includes sewerage cess collected by HMWSSB as per the provisions of the Act where the sewerage system of the Board exists.

Expenditure

The expenditure **Table 8.1.24** (Ref. Annexure1 p11) of the Board increased from Rs. 13804 Lakhs in 2000-01 to Rs. 21762 lakhs in 2004-05, an increase of 58%. The major expenditure items are power, establishment and maintenance of the system. Power contributes to 37% of the total expenditure followed by establishment expenditure and maintenance of the system. A substantial increase in power costs is due to pumping of water as part of Krishna Water Supply Project:phase 1.

The interest expenditure also increased from Rs. 28 Lakhs 2000-01 to Rs. 2017 Lakhs in 2004-05. The increase is mainly



due to the implementation of Krishna Water Supply Project Phase 1, for which the Board borrowed substantial amount.

Connections & Collection Efficiency

The total number of connections including the bulk water supply connections is more than 5 Lakhs. Of the total, 77% constitute domestic connections. The water supply connections total to less than a lakh constituting 20% of the total. The remaining 3% is distributed between commercial, industrial and others. The numbers of connections are presented in **Table 8.1.25**

Table 8.1.25: Connection Details

Category	Connections	%
Domestic	387,532.00	77.38
Slums	98,696.00	19.71
Commercial	13,451.00	2.69
Industrial	936.00	0.19
Others	194.00	0.04
Total	500,809.00	100.00

The collection efficiencies of the Board have increased substantially during 2000-01 to 2004-05. The monthly average collection has increased from Rs. 761 Lakhs in 2000-01 to Rs. 1468 Lakhs in 2004-05. The current collection efficiencies are well above 85%, the maximum during 2004-05 at 96%. The demand, collection and balance is presented in **Table 8.1.26**

Table 8.1.26: Demand Collection and Balance Statement

Particulars	2003-04	2004-05	2005-06
	Rs.in Lakhs		
Demand	15,749.79	19,017.91	20,654.68
Collection	13,909.83	18,305.63	17,610.88
Balance	1,839.97	712.28	3,043.80
Collection Efficiency (%)	88.31	96.25	85.26

Outstanding Loans

The outstanding loans as on 31st March 2005 is of the order of Rs. 51355 Lakhs and is mainly due to the implementation of Krishna Water Supply Project. The Board has restructured the loan portfolio by swapping the high cost debt with low cost options. Accordingly, the debt commitment of the Board is of the order of Rs. 294 Lakhs per month.

Summary

The Board generated a surplus of Rs. 693 lakhs during 2004-05 after meeting its debt servicing requirements

The revenue income has grown by 95% during the last five years

Revenue expenditure also increased by 58% during the last five years

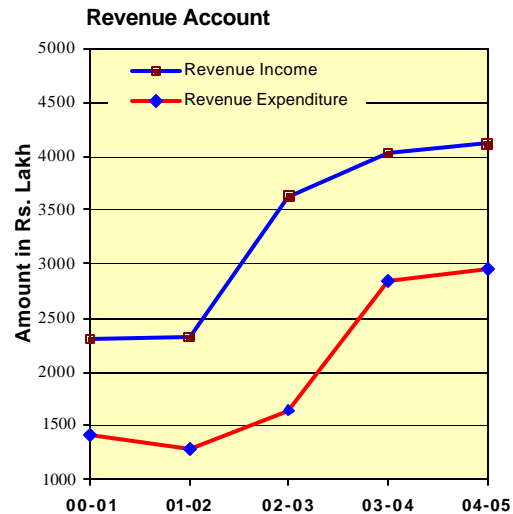
Substantial increase in power costs due to pumping of water as part of Krishna Water Supply Project

Current collection efficiency at more than 85%

8.1.4 Hyderabad Urban Development Authority

This section details the financial performance of Hyderabad Urban Development Authority (HUDA) during the last five years. The HUDA generates its revenue through development charges and other levies. In addition, capital income to HUDA is through government grants and sale of lands under its possession. A brief summary of the income and expenditure account of HUDA from financial year 2000-01 to 2004-2005 is given in **Table 8.1.27** (Ref. Annexure1 p11).

During the last five years there has been substantial increase in the Development charges, rents, and income from the recreational items etc. However, with the decrease in the interest & miscellaneous receipts from Rs. 1014 lakh in 2002-03 to Rs. 393 lakh in 2004-05.



Income

Revenue income has increased substantially from Rs. 2,301 Lakhs to Rs.4116 Lakhs from 2000 to 2005, an increase of more than 79%. The major sources of income include development charges, which almost contribute to 85% of the total income. The income of HUDA and its growth is presented in **Table 8.1.28** (Ref. Annexure1 p11).

The increase in the revenue income is due to huge contribution from development charges of 53 % and follows interest & other miscellaneous, receipts rents contributes around 21% and 12% respectively.

Expenditure

The expenditure **Table 8.1.29** (Ref. Annexure1 p12) of the HUDA increased from Rs. 1416 Lakhs in 2000-01 to Rs. 2952 lakhs in 2004-05, an increase of 108%. The major expenditure items are salaries, contingencies and repairs & Maintenance. The salaries contribute around 41% in revenue expenditure and contingencies, repairs & maintenance contributes 28 %, 18 % respectively. The expenditure is reducing towards recreation items from Rs.281 lakh in 2003-04 to Rs. 200 lakh in 2004-05.

Capital Account

Capital Income

Capital income comprises loans, grants and own contributions. The detailed components of capital income and expenditure are enumerated in **Table 8.1.30** (Ref. Annexure1 p12). An analysis of this account indicates that 69 percent of capital income is in the form government grants and 31 percent by way of sale of land and housing.

Capital Expenditure

Capital expenditure has been directed towards roads, special works and other grant works for improvement of roads, recreation, and flyovers etc.

8.2 Investment Sustenance

8.2.1 MCH & Surrounding ULBs

Total City Development Plan outlay is estimated at Rs.20,017 Crores for a period of 7 years under JNNURM. These funds shall be deployed for creation of Urban infrastructure in and around Hyderabad city.

The funding needs are projected to be met from Government of India to the extent of Rs.7,692.08 Crores, AP State Government Rs.2,533.76 Crores and executing institutions Rs.9,790.78 Crores staggered over 7 years. The year wise details of projected inflow for execution of JNNURM works is provided in **Table 8.2.1**.

Allocation to the tune of Rs.15,441.62 crores are made for Urban infrastructure such as water supply, sewerage, storm water drains, traffic & transportation and urban renewal. The details of fund allocation over 7 years from funding & executing institutions are provided in **Table 8.2.2**.

One of the thrust areas in JNNURM is upliftment of the urban poor by providing security of tenure at affordable prices, improved housing, water supply, sanitation and ensuring delivery through convergence of already existing universal services of the government for education, health and social security. Care has been taken to provide housing to the urban poor nearer to their place of occupation. For this purpose an outlay of Rs.4,575 crores has provided for the basic service to the urban poor. The details of sources of funds are provided in **Table 8.2.3**.

To reap the benefit of expertise of ULBs and parastatals in various category of project works are allotted for execution to Municipal Corporation of Hyderabad, Hyderabad Metro Water Works and Sewerage Board, Hyderabad Urban Development Authority, AP State Housing Corporation and AP State Road Transport Corporation. The details of sector allocation are provided in **Table 8.2.4**.

The detailed Financial Operational Plan has been prepared for each executing institution separately.

Executing Institution	Table Reference
MCH & Surrounding ULBs	Table 8.2.5
HMWS & SB	Table 8.2.6
HUDA	Table 8.2.7
APSHC	Table 8.2.8
APSRTC	Table 8.2.9

While preparing the Financial Operating Plan allocations were made for existing and planned borrowings. The estimated debt servicing for the first year only for 3 months & Cost of Debt is 9% P.A.

O & M Charges at 5% P.A for the assets created up to previous financial year considered. Suppliers/contractors normally provide warranty or maintain the assets during the initial year.

Table 8.2.1: Source of Funds for Execution of Project Works (Rupees in Crores)

Institutions	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Source of Funding								
Government of India	564.19	1,296.19	1,337.49	1,348.14	1,117.17	1,096.07	932.83	7,692.08
AP State Government	143.14	448.07	452.51	455.36	371.69	362.99	300.00	2,533.76
Total – A	707.33	1,744.26	1,790.00	1,803.50	1,488.86	1,459.06	1,232.83	10,225.84
Implementing Institutions								
MCH & Surrounding Municipalities	231.75	680.60	754.45	689.90	397.80	383.10	378.23	3,515.80
HMWSB	252.68	588.60	517.80	601.30	605.55	591.05	380.80	3,537.78
HUDA	2.50	228.15	242.65	241.65	246.65	246.65	246.75	1,455.00
AP State Housing Corporation	191.00	167.50	167.50	167.50	167.50	167.50	171.50	1,200.00
APSRTC	-	17.00	22.00	14.55	9.55	9.55	9.55	82.20
Total – B	677.93	1,681.85	1,704.40	1,714.90	1,427.05	1,397.85	1,186.83	9,790.78
Grand Total (A+B)	1,385.26	3,426.11	3,494.40	3,518.40	2,915.91	2,856.91	2,419.66	20,016.62

Table 8.2.2: Urban Infrastructure & Governance Sub-mission (Rupees in Crores)

Institutions	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Urban Infrastructure & Governance								
Government of India (35%)	299.69	972.69	955.99	959.14	795.17	775.57	646.33	5,404.58
AP State Government (15%)	128.44	416.87	409.71	411.06	340.79	332.39	277.00	2,316.26
Sub-Total – A	428.13	1,389.56	1,365.70	1,370.20	1,135.96	1,107.96	923.33	7,720.84
Implementing Institutions (50%)								
MCH & Surrounding Municipalities	172.95	571.80	642.05	573.50	337.00	325.50	327.03	2,949.80
HMWSB	252.68	572.60	459.00	540.50	542.75	526.25	340.00	3,233.78
HUDA	2.50	228.15	242.65	241.65	246.65	246.65	246.75	1,455.00
APSRTC	-	17.00	22.00	14.55	9.55	9.55	9.55	82.20
Sub-Total – B	428.13	1,389.55	1,365.70	1,370.20	1,135.95	1,107.95	923.33	7,720.78
Total (A+B)	856.26	2,779.11	2,731.40	2,740.40	2,271.91	2,215.91	1,846.66	15,441.62

Table 8.2.3: Urban Basic Services for the Poor sub-mission (Rupees in Crores)

Institutions	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Urban Basic Services for the Poor								
Government of India (50%)	264.50	323.50	381.50	389.00	322.00	320.50	286.50	2,287.50
AP State Government (10%)	14.70	31.20	42.80	44.30	30.90	30.60	23.00	217.50
Total – A	279.20	354.70	424.30	433.30	352.90	351.10	309.50	2,505.00
Implementing Institutions (40%)								
MCH & Surrounding Municipalities	58.80	108.80	112.40	116.40	60.80	57.60	51.20	566.00
HMWSB	-	16.00	58.80	60.80	62.80	64.80	40.80	304.00
AP State Housing Corporation *	191.00	167.50	167.50	167.50	167.50	167.50	171.50	1,200.00
Total – B	249.80	292.30	338.70	344.70	291.10	289.90	263.50	2,070.00
Grand Total (A+B)	529.00	647.00	763.00	778.00	644.00	641.00	573.00	4,575.00

* For housing to the poor, 50% component from GOI, 40% borrowing by the APSHC and 10% from the beneficiaries.

Table 8.2.4: Statement Showing Sector Wise JNURM Project Cost Allocation (Rupees in Crores)

Institutions	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Water Supply								
Government of India (35%)	175.30	339.05	249.90	249.90	243.78	242.73	116.90	1,617.56
AP State Government (15%)	75.13	145.31	107.10	107.10	104.48	104.03	50.10	693.25
Sub-Total – A	250.43	484.36	357.00	357.00	348.26	346.76	167.00	2,310.81
Implementing Institutions (50%)								
HMWSB	250.43	484.35	357.00	357.00	348.25	346.75	167.00	2,310.78
Sub-Total – B	250.43	484.35	357.00	357.00	348.25	346.75	167.00	2,310.78
Total (A+B)	500.85	968.70	714.00	714.00	696.50	693.50	334.00	4,621.55
Sewerage								
Government of India (35%)	0.70	57.40	62.65	119.70	127.40	116.90	112.35	597.10
AP State Government (15%)	0.30	24.60	26.85	51.30	54.60	50.10	48.15	255.90
Sub-Total – A	1.00	82.00	89.50	171.00	182.00	167.00	160.50	853.00
Implementing Institutions (50%)								
HMWSB	1.00	82.00	89.50	171.00	182.00	167.00	160.50	853.00
Sub-Total – B	1.00	82.00	89.50	171.00	182.00	167.00	160.50	853.00
Total (A+B)	2.00	164.00	179.00	342.00	364.00	334.00	321.00	1,706.00
Strom Water Drains								
Government of India (35%)	16.10	73.50	108.50	129.50	129.15	131.95	133.70	722.40
AP State Government (15%)	6.90	31.50	46.50	55.50	55.35	56.55	57.30	309.60
Sub-Total – A	23.00	105.00	155.00	185.00	184.50	188.50	191.00	1,032.00
Implementing Institutions (50%)								
MCH & Surrounding Municipalities	19.25	84.75	116.50	147.50	147.00	151.00	153.50	819.50
HMWSB	1.25	6.25	12.50	12.50	12.50	12.50	12.50	70.00
HUDA	2.50	14.00	26.00	25.00	25.00	25.00	25.00	142.50
Sub-Total – B	23.00	105.00	155.00	185.00	184.50	188.50	191.00	1,032.00
Total (A+B)	46.00	210.00	310.00	370.00	369.00	377.00	382.00	2,064.00
Solid Waste Management								
Government of India (35%)	5.25	102.90	135.80	107.80	3.15	3.15	3.15	361.20
AP State Government (15%)	2.25	44.10	58.20	46.20	1.35	1.35	1.35	154.80
Sub-Total – A	7.50	147.00	194.00	154.00	4.50	4.50	4.50	516.00
Implementing Institutions (50%)								
MCH & Surrounding Municipalities	7.50	147.00	194.00	154.00	4.50	4.50	4.50	516.00
Sub-Total – B	7.50	147.00	194.00	154.00	4.50	4.50	4.50	516.00
Total (A+B)	15.00	294.00	388.00	308.00	9.00	9.00	9.00	1,032.00
Traffic and Transportation								
Government of India (35%)	77.35	374.85	374.15	327.25	266.70	255.85	255.15	1,931.30
AP State Government (15%)	33.15	160.65	160.35	140.25	114.30	109.65	109.35	827.70

Institutions	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Sub-Total – A	110.50	535.50	534.50	467.50	381.00	365.50	364.50	2,759.00
Implementing Institutions (50%)								
MCH & Surrounding Municipalities	110.50	304.35	295.85	236.30	149.80	134.30	133.20	1,364.30
HUDA	-	214.15	216.65	216.65	221.65	221.65	221.75	1,312.50
APSRTC	-	17.00	22.00	14.55	9.55	9.55	9.55	82.20
Sub-Total – B	110.50	535.50	534.50	467.50	381.00	365.50	364.50	2,759.00
Total (A+B)	221.00	1,071.00	1,069.00	935.00	762.00	731.00	729.00	5,518.00
Urban Basic Services for the Poor								
Government of India (50%)	264.50	323.50	381.50	389.00	322.00	320.50	286.50	2,287.50
AP State Government (10%)	14.70	31.20	42.80	44.30	30.90	30.60	23.00	217.50
Sub-Total – A	279.20	354.70	424.30	433.30	352.90	351.10	309.50	2,505.00
Implementing Institutions (40%)								
MCH & Surrounding Municipalities	58.80	108.80	112.40	116.40	60.80	57.60	51.20	566.00
HMWSB	-	16.00	58.80	60.80	62.80	64.80	40.80	304.00
AP State Housing Corporation	191.00	167.50	167.50	167.50	167.50	167.50	171.50	1,200.00
Sub-Total – B	249.80	292.30	338.70	344.70	291.10	289.90	263.50	2,070.00
Total (A+B)	529.00	647.00	763.00	778.00	644.00	641.00	573.00	4,575.00
Urban Renewal								
Government of India (35%)	24.99	24.99	24.99	24.99	24.99	24.99	25.08	175.02
AP State Government (15%)	10.71	10.71	10.71	10.71	10.71	10.71	10.75	75.01
Sub-Total – A	35.70	35.70	35.70	35.70	35.70	35.70	35.83	250.03
Implementing Institutions (50%)								
MCH & Surrounding Municipalities	35.70	35.70	35.70	35.70	35.70	35.70	35.83	250.00
Sub-Total – B	35.70	35.70	35.70	35.70	35.70	35.70	35.83	250.00
Total (A+B)	71.39	71.39	71.39	71.39	71.39	71.39	71.66	500.00

Table 8.2.5: Financial Operational Plan of MCH and Surrounding Municipalities

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Rs. Crores								
Base Case ("do nothing")								
A – MCH								
Revenue Income	555.74	615.92	672.44	739.88	816.42	906.25	1,013.48	5,320.13
Revenue Expenditure	356.17	383.41	440.95	517.38	608.81	718.38	849.92	3,875.02
A – Surplus/Deficit	199.57	232.51	231.49	222.50	207.61	187.86	163.56	1,445.10
B - Surrounding ULBs								
Revenue Income	246.38	271.00	298.75	330.06	365.42	405.40	450.63	2,367.64
Revenue Expenditure	105.52	128.29	156.14	190.20	231.93	283.07	345.79	1,440.94
B – Surplus/Deficit	140.85	142.70	142.61	139.85	133.50	122.33	104.83	926.67
WITH REFORMS scenario								
I – MCH								
Revenue Income	555.74	615.92	688.52	774.06	870.92	983.51	1,116.23	5,604.90
Revenue Expenditure	356.17	383.41	440.95	517.38	608.81	718.38	849.92	3,875.02
A – Surplus/Deficit	199.57	232.51	247.57	256.67	262.11	265.13	266.31	1,729.87
II – Surrounding ULBs								
Revenue Income	246.38	276.09	309.57	347.32	389.89	437.94	492.19	2,499.38
Revenue Expenditure	105.52	128.29	156.14	190.20	231.93	283.07	345.79	1,440.94
B – Surplus/Deficit	140.85	147.80	153.44	157.11	157.97	154.87	146.39	1,058.43
C - Total Revenue Income	802.12	892.01	998.09	1121.38	1,260.81	1421.45	1,608.42	8,104.28
D – Bifurcation of Revenue Expenditure								
Debt Service ***	8.86	34.19	54.71	68.84	78.90	89.98	100.95	436.42
O & M Expenses ****	-	24.64	95.42	173.68	245.58	286.88	326.63	1,152.83
Revenue Expenditure – Others	452.83	452.87	446.96	465.06	516.26	624.60	768.13	3,752.30
E- Total Revenue Expenditure	461.69	511.70	597.09	707.58	840.74	1001.45	1,195.71	5,315.96
F - Total Surplus	340.43	380.31	401.00	413.80	420.07	420.00	412.71	2,788.32
G – Source for Additional Expenditure (JNNURM)								
Central Government Share	194.56	536.26	589.93	546.95	311.90	299.85	292.92	2,772.36
State Government Share	66.58	198.74	220.71	201.15	116.30	112.05	110.91	1,026.44
JNNURM Funds from Govt	261.15	735.00	810.65	748.10	428.20	411.90	403.83	3,798.80
Own Contribution (ULBs) #	170.22	190.16	200.50	206.90	210.04	210.00	206.36	1,394.18
Public Private Participation	-	250.00	300.00	300.00	50.00	50.00	50.00	1,000.00
Borrowings	61.53	240.44	253.95	183.00	137.76	123.10	121.87	1,121.62
Total MCH & Surrounding ULBs Funds	231.75	680.60	754.45	689.90	397.80	383.10	378.23	3,515.80
Total Assets	492.89	1,415.59	1565.09	1437.99	825.99	794.99	782.06	7,314.60
Net Status	170.22	190.16	200.50	206.90	210.04	210.00	206.36	1,394.18

** Debt Servicing for the first year only for 3 months & Cost of Debt is 9% P.A. Existing 8.5% HCD Bonds Rs.82.50 crores shall be paid from 2007 March onwards in 3 installments. Sufficient sinking fund has already been provided for redemption of the bonds.

Sinking Fund for repayment of Debt shall be made from the Net Surplus funds.

**** Average O & M Charges are 5% P.A for the assets created. Assets created upto previous financial year considered for O & M Charges.

It is assumed that MCH would plough in 50% of its revenue surplus to the JNNURM project activities

Table 8.2.6: Financial Operational Plan of Hyderabad Metro Water Supply & Sewerage Board

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
	Rs. Crores							
Base Case ("do nothing")								
A- HMWSSB								
Revenue Income	295.81	317.88	329.75	342.22	355.30	369.04	383.47	2,393.47
Revenue Expenditure	305.43	323.05	332.78	343.30	354.65	366.88	380.06	2,406.15
Surplus/Deficit	(9.62)	(5.17)	(3.03)	(1.08)	0.66	2.16	3.41	(12.67)
Own Contribution	505.35	1185.20	1065.00	1233.00	1242.50	1214.50	783.00	7,228.55
Additional O&M due to CIP	0.36	58.93	162.62	211.47	254.46	337.74	471.90	1,497.48
#Net Status	(515.33)	(1249.30)	(1230.65)	(1445.55)	(1496.30)	(1550.08)	(1251.49)	(8,738.70)
B-WITH REFORMS scenario								
Revenue Income	295.81	507.63	650.48	709.28	773.96	902.10	1048.16	4,887.42
Increase in revenues dueto:								
i) Improved Metering		1.80	2.00	2.50	2.90	3.20	3.40	15.80
ii) reduction in UFW		4.48	5.88	6.47	7.11	7.83	8.61	40.38
Revenue Expenditure	306.70	377.24	491.86	552.08	607.39	704.50	853.61	3,893.38
LESS: savings(power audit)		6.45	7.22	7.54	7.87	8.69	9.54	47.31
Net Revenue Expenditure	306.70	370.79	484.64	544.54	599.52	695.81	844.07	3,846.07
C - Surplus/Deficit	(10.89)	143.12	173.92	173.71	184.45	217.32	216.10	1,097.73
D-Bifurcation of Revenue Expenditure								
Debt Service ***	40.72	47.38	69.75	112.54	152.17	180.81	194.83	798.20
O & M Expenses ****	232.98	283.92	344.96	362.07	377.43	445.07	510.05	2,556.48
Revenue Expenditure – Others	33.00	39.50	69.93	69.93	69.93	69.93	139.18	491.40
E-Total Revenue Expenditure	306.34	311.87	322.02	333.07	345.07	358.07	372.16	2,348.60
Additional Expenditure (JNNURM)	0.36	58.93	162.62	211.47	254.46	337.74	471.90	1,497.48
Own Contribution	(10.89)	143.12	173.92	173.71	184.45	217.32	216.10	1,097.73
Borrowings	51.25	102.25	507.30	594.30	479.80	420.80	218.30	2,374.00
Private sector participation		230.00			120.00	100.00	150.00	600.00
#Net Status	75.39	172.38	149.25	175.25	176.80	172.50	110.75	1,032.32

G – Source for Additional Expenditure (JNNURM)		Rs in Crores						
Central Government Share	176.88	420.82	394.80	454.35	458.43	449.38	289.00	2,643.66
State Government Share	75.80	175.78	152.40	177.35	178.53	174.08	112.20	1,046.14
JNNURM Funds from Govt	252.68	596.60	547.20	631.70	636.96	623.46	401.20	3,689.80
Public Private Participation		230.00			120.00	100.00	150.00	600.00
Borrowings	52.68	113.60	517.80	601.30	485.55	426.05	221.78	2,418.76
Own Contributions *	200.00	245.00				65.00	9.02	519.02
Total Funds	252.68	588.60	517.80	601.30	605.55	591.05	380.80	3,537.78
Total Assets	505.36	1,185.20	1,065.00	1,233.00	1,242.51	1,214.51	782.00	7,227.58
#Net Status	(10.89)	143.12	173.92	173.71	184.45	217.32	216.10	1127.73

Figures in parenthesis indicate negative values

Interest on borrowings is considered @8.5% p.a.

Revenue includes tariff revisions@60%for 2006-07 and @10% every year thereafter.

Additional quantity of 90mgd of water is considered from Oct'2006 after implementation of KDWSP-Phase II.

Additional quantity of 90mgd of water is considered from Oct'2010 after implementation of KDWSP-Phase III/Godavari- Phase I.

Additional revenues would be generated after installation of meters

Similarly additional revenues would be generated after reduction of UFW

Normal increases are provided for staff costs& power costs @ 7%pa towards staff cost & @5% p.a. for power costs.

Own Contributions made from the reserve funds. *

Table 8.2.7: Financial Operational Plan of Hyderabad Urban Development Authority

G – Source for Additional Expenditure (JNNURM)		Rs in Crores						
WITH REFORMS scenario	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Central Government Share	1.75	159.70	169.85	169.15	172.65	172.65	172.72	1,018.47
State Government Share	0.75	68.45	72.80	72.50	74.00	74.00	74.03	436.53
JNNURM Funds from Govt	2.50	228.15	242.65	241.65	246.65	246.65	246.75	1,455.00
Own Contribution from Capital Receipts *	1.25	112.83	121.33	121.33	123.33	123.33	123.33	726.73
Public Private Participation **	0.50	45.32	48.52	48.52	49.32	49.32	49.42	290.92
Own Contribution from Revenue Surplus ***	0.75	70.00	72.80	71.80	74.00	74.00	74.00	437.35
Total Funds	2.50	228.15	242.65	241.65	246.65	246.65	246.75	1,455.00
Total Assets	5.00	456.30	485.30	483.30	493.30	493.30	493.50	2,910.00

* Estimated to meet 50% of HUDA share of project cost from the income derived from development charges and sale of land.

** Estimated to meet 20% of HUDA share of project cost from Public Private Partnership for the Traffic & Transportation.

*** Estimated to meet 30% of HUDA share of project cost from internal revenue surpluses

Revenue Surplus is considering after additional O & M Expenditure @5%

Table 8.2.8: Financial Operational Plan of Andhra Pradesh State Housing Corporation (APSHC)

G – Source for Additional Expenditure (JNNURM)		Rs in Crores						
WITH REFORMS scenario	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Central Government Share	191.00	167.50	167.50	167.50	167.50	167.50	171.50	1,200.00
State Government Share	-	-	-	-	-	-	-	-
JNNURM Funds from Govt	191.00	167.50	167.50	167.50	167.50	167.50	171.50	1,200.00
Beneficiary Contribution	38.20	33.50	33.50	33.50	33.50	33.50	34.30	240.00
Borrowings	152.80	134.00	134.00	134.00	134.00	134.00	137.20	960.00
Total Funds	191.00	167.50	167.50	167.50	167.50	167.50	171.50	1,200.00
Total Assets	382.00	335.00	335.00	335.00	335.00	335.00	343.00	2,400.00

Revenue Surplus shall be considered after Debit Service Expenditure @ 9% on borrowings projected for execution of JNNURM Project Works. No O & M expenditure contemplated as the assets created shall be maintained by the beneficiaries.

Table 8.2.9: Financial Operational Plan of Andhra Pradesh State Road Transport Corporation (APSRTC)

G – Source for Additional Expenditure (JNNURM) Rs in Crores								
WITH REFORMS scenario – APSRTC	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Central Government Share		11.90	15.40	10.19	6.69	6.69	6.69	57.56
State Government Share		5.10	6.60	4.37	2.87	2.87	2.87	24.68
JNNURM Funds from Govt		17.00	22.00	14.56	9.56	9.56	9.56	82.24
Own Contribution from Revenue Surplus		22.00	14.55	9.55	9.55	9.55	82.20	17.00
Total Funds		17.00	22.00	14.55	9.55	9.55	9.55	82.20
Total Assets		34.00	44.00	29.11	19.11	19.11	19.11	164.44

Revenue Surplus is considered after additional O & M Expenditure @5% and no additional borrowings projected for execution of JNNURM Project Works.