

Govt starves GHMC of money earned from tax: Forum for Good Governance

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Hyderabad: At the time when GHMC is going for bonds to raise funds, the state government has come under sharp criticism for not allotting enough funds to the civic body. Experts alleged that the civic body is deprived of income from its taxes.

Retired IFS official, Padmanabha Reddy, of Forum for Good Governance told TOI, "We filed RTI regarding budget allocations and taxes of GHMC. Hyderabad has 25% of state population and generating about 60% of state's income. The share of GHMC in Motor Vehicle Tax, Professional tax, etc. collected by the state government is not being passed on to the civic body GHMC, which was in the sur-

Bonds to be listed on BSE today

Hyderabad: The ₹200 crore bond raised by the GHMC will be listed on the Bombay Stock Exchange Ltd. on Thursday. The bonds have been secured at an interest rate of 8.9 per cent. The listing ceremony will be conducted at the GHMC head office, at around 8:30am, and will have Municipal Administration & Urban Development minister, K T Rama Rao, in attendance, officials said.

According to the norms, the money has to be used only for the purpose for which it has been raised. Hence, the GHMC will have to channelised the funds only into developing the SRDP, and cannot use it to pay salaries or other civic works. "The money will be used exclusively for SRDP, which aims to scale up Hyderabad's roads with a view to minimize travel time and increase journey speed," reiterated GHMC commissioner, B Janardhan Reddy. TNN

plus budget just three years back has now gone back to a deficit budget. Taxes paid by Hyderabad residents are used for other purposes by the government. Currently, GHMC is running after lending agencies to seek loans for plan works. If the govern-

ment releases the funds due to GHMC as provided in article 243 - X of Constitution, there won't be any need for taking loans."

During the year 2015-16, non-plan releases from the government to GHMC are just 50% of budget provision.

As against ₹80.90 crore of budget estimates only ₹40.48 crore were released. In the year 2016-17 as against the budget provision of ₹68.42 crore, no amount was released. "GHMC Commissioner had requested the government for release of funds in January 2017. But in April, the government refused to state that financial year is closed," said Padmanabha Reddy.

For year 2017-18, as against budget provision of ₹62.21 crore, only ₹9.33 crore were released (as on 15-11-2017). "For plan works as against the budget estimate of ₹816.91 crores, no amount was released. Rough estimate put it that out ₹1.50 lakh crores of annual state budgets, GHMC should get anything up to ₹10,000 crore," added Reddy.