

## 1 Introduction

Under the provisions of Section 180 of The Greater Hyderabad Municipal Corporation Act, 1955 an Annual Administration Report and a Statement of Accounts of the Municipal Corporation, has to be placed before the Standing Committee.

Budget and accounting reforms initiatives have been implemented as a part of city development planning. These initiatives implemented with an objective of making system more transparent, accountable, measurable and informative to analyze the performance. Statements of Accounts are prepared under Accrual Basis of Accounting and the method of accounting is the Double Entry Accounting System.

### **Greater Hyderabad Formation**

Greater Hyderabad Municipal Corporation was constituted with a view to facilitating improved and high standard of civic services, providing better civic administrative mechanism.

The Greater Hyderabad Municipal Corporation was formed on 16 April 2007 by merging 12 Municipalities and 8 Gram Panchayats with the Municipal Corporation of Hyderabad. The municipalities are L. B. Nagar, Gaddi annaram, Uppal Kalan, Malkajgiri, Kapra, Alwal, Qutubullapur, Kukatpally, Serilingampalle, Rajendranagar, Ramachandrapuram and Patancheru. All these municipalities are in Rangareddy district. The panchayats are Shamshabad, Satamarai, Jallapalli, Mamdipalli, Mankhal, Almasguda, Sardanagar and Ravirala.

The Andhra Pradesh government has passed the GO 261 which is related to the creation of Greater Hyderabad on 16 April 2007. The Government has decided to divide the Greater Hyderabad Municipal Corporation into five zones (South, East, North, West and Central Zones), 18 circles and 150 wards.



## 2 Fund Statement of Accounts

As a part of reform process in budgeting and accounting function, fund wise financial statements have been prepared for easy understanding of performance of the Corporation beginning from the financial year 2006-07 and are consistently followed in the subsequent financial years

A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds in the Corporation have been divided as detailed below:

### **I) Municipal Fund**

Municipal Fund is used to account for essentially the same functions reported as *the Municipal Functions* in the Corporation Annual Administrative Report.

- a. **General Fund:** This is the Fund of the Corporation into which all incomes are credited and from which all monies for expenditures are released.
- b. **Hyderabad City Development (HCD) Fund:** The fund will be used to implement city development plan for sustained improvement of infrastructure in conformity with the Hyderabad City Development Strategy. The proceeds of the building permits & associated sanction fees collected by the Town Planning Department will flow into the Hyderabad City Development Fund.
- c. **Urban Community Development & Service (UCD) Fund:** This Fund is created by transferring
  - i. 20% of the Property Tax collected
  - ii. 30% of annual Per Capita Grants received from the Government
  - iii. SJSRY, NSDP, BSY, CMEY, Adarsh Basti Scheme Funds.
  - iv. This fund is used for slum development, redevelopment and poverty alleviation programmes.

## Statement Of Accounts

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- d. **Debt Service Fund:** This fund is created to repay long term loans and borrowings on maturity date by liquidating the Debt Service fund deposits/investment.

### II) Fiduciary Fund

Fiduciary funds are used to account for resources held for the benefit of parties outside the corporation. Fiduciary funds are not reflected in the Municipal Fund financial statement because the resources of those funds are not available to support the programs of the Corporation.

- **Salary Reserve Fund and Pension Fund:** This fund is created by transferring surplus fund from general fund and intended for payment of salary and pension in the event of fund crunch due to elections, unforeseen Contingencies viz., conduct of summary/special revision of electoral rolls/census, natural calamities and other factors effecting reduction in tax collection revenue and increase in expenditure which may lead to shortage of funds.

### 3 Performance Overview - Financial Highlights

The momentums of growth in all areas have been maintained in spite of diverting human resources for general election work and implementation of code of conduct to take up new developmental works. During the financial year 2014-15, corporation net Funds increased by Rs. 574.30 Crores.

#### Analysis of Fund Financial Statement

The summary financial activities carried out during the year shown below.

Rs. in Crores	
Particulars	Amount
<b>Revenues</b>	
Tax Revenues	1,077.97
Non-Tax Revenues	1,275.72

## Greater Hyderabad Municipal Corporation



Total	<b>2,353.69</b>
<b>Expenditure</b>	
Personnel Expenses	821.13
Operational Expenses	611.22
Other Expenses	60.69
Total	1,493.04
<b>Surplus of Income Over Expenditure (Before Depreciation)</b>	860.66
Depreciation	286.36
<b>Surplus of Income Over Expenditure (After Depreciation)</b>	574.30

### Tax Revenue

Property Tax is the main source in Tax Revenue. Every effort has been put in to realize the budgeted collections. Property Tax collections for the financial year 2014-15 have increased by 6.28 % compared to previous year collection.

#### Rs. in Crores

<b>As on 31<sup>st</sup> Mar,16</b>				
<b>Particulars</b>	<b>Arears</b>	<b>Current</b>	<b>Int. &amp; Adv Tax</b>	<b>Total</b>
Demand Raised (#)	1,581.91	1,104.26		2,686.17
Collection	224.59	736.91	116.48	1,077.98
Current Collection Ratio				66.73
Overall Collection Ratio				35.79

Income: PT realized collections pertaining to financial year 2014-15.

Penal Interest: Penal interest for delay in payment of Property tax treated as income upon collection.

### Non-Tax Revenue

Non-Tax Revenues decreased by Rs. 96.81 Crores comparative to previous

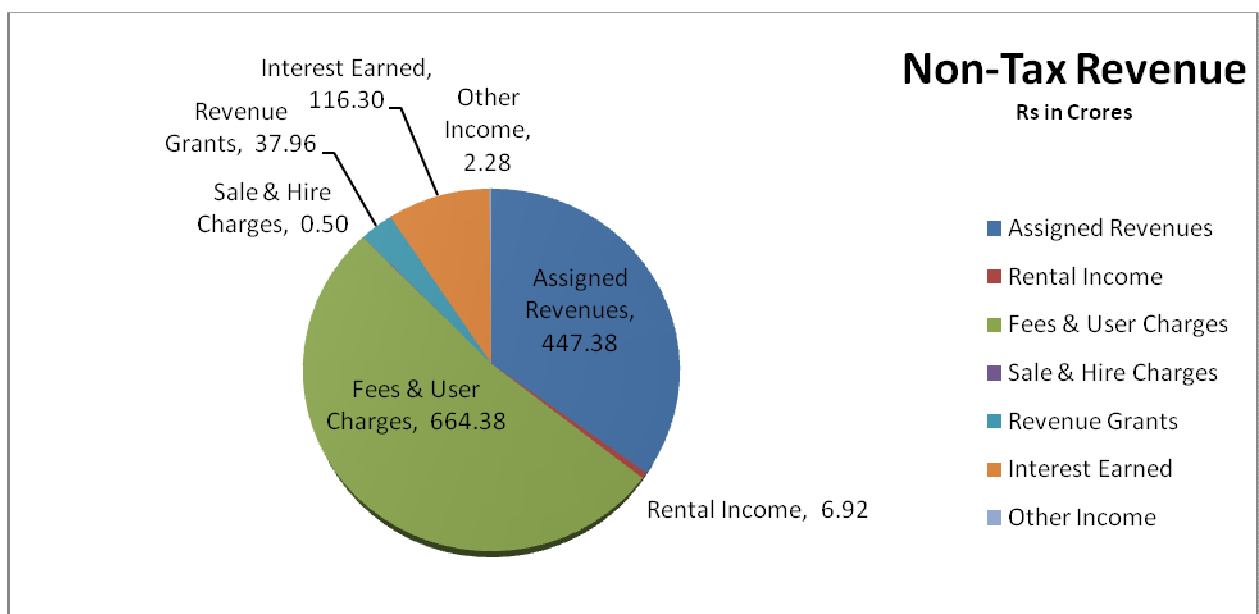
## Statement Of Accounts

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financial year. Though significant growth achieved in realizing Advertisement fees, Revenue Grants and Assigned Revenue collections over all non-tax revenue registered 8.22% growth. Building Permit fee and Layout Regulation fee are treated as Capital Receipts from the financial year 2014-15. BPS LRS Collections are not taken into account while calculating comparative %age of Non-tax revenue collection.

Rs in Crores			
Revenue	Budget	Actual Collection	
	2014-15	2013-14	2014-15
Assigned Revenues	728.00	417.59	447.38
Rental Income	24.61	8.45	6.92
Fees & User Charges	980.20	609.81	664.38
Sale & Hire Charges	6.04	1.33	0.50
Revenue Grants	22.25	24.50	37.96
Interest Earned	60.21	114.84	116.30
Other Income	7.57	2.04	2.28
<b>Total</b>	<b>1,828.86</b>	<b>1,178.56</b>	<b>1,275.37</b>

Chart showing the percentage composition of Non-Tax Revenues during the financial year 2014-15.





## Personnel Expenses

Salaries & Pension expenditure is the major revenue expenditure. Measures have been taken up to effective utilization of human resources of the Corporation. Total expenditure of Rs. 821.13 Crores incurred under this head as against the budgeted allocation of Rs. 810.58 Crores.

## Operational Expenses

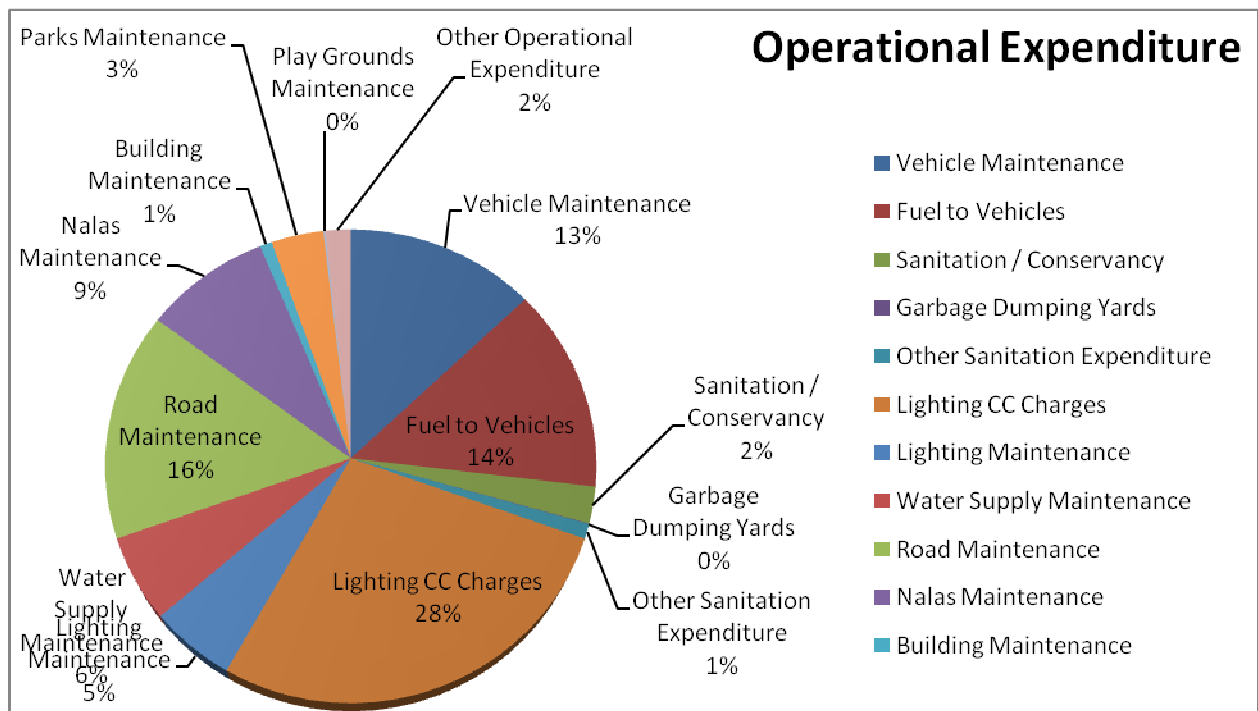
Effective management led to reduction in operational expenses comparative to previous year and budget. Following table shows the details of operational expenses for the financial year 2014-15.

**Amount Rs in Crores**

Subject	Expenditure Particulars	2014-15	
		Budgets	Actuals
Health & Sanitation	Vehicle Maintenance	116.57	79.09
	Fuel to Vehicles	71.43	85.38
	Sanitation / Conservancy	16.00	15.29
	Garbage Dumping Yards	5.00	0.20
	Other Sanitation Expenditure	8.76	6.21
Health & Sanitation Total		217.76	186.18
Street Lighting	CC Charges	160.00	169.39
	Maintenance	65.45	33.64
Street Lighting Total		225.45	203.03
City Infrastructure Maintenance	Water Supply Maintenance	74.28	35.86
	Road Maintenance	188.45	95.53
	Nalas Maintenance	69.17	52.61
	Building Maintenance	16.11	5.00
	Parks Maintenance	43.54	21.67
	Play Grounds Maintenance	7.86	0.77
City Infrastructure Maintenance Total		399.41	211.45
Other Operational Expenditure		55.21	10.55
<b>Total</b>		<b>897.84</b>	<b>611.22</b>

## Statement Of Accounts

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### Capital Expenditure – Major Initiatives

#### Road Infrastructure

- Based on a Comprehensive Transportation Study and on consultation with experts from transportation, a Strategic Road Development Program (SRDP) has been prepared which has various elements like Skyways, Major corridors, Major Roads & Grade separators spread across the city.
- A sum of Rs. 1, 583 crores is earmarked for these road development initiatives out of which Rs. 300 crores is exclusively factored in for SRDP.
- The city roads are constantly subjected to repairs and maintenance due to lack of proper storm water draining facility and thus an amount of Rs. 335 crores is allotted for storm water drains.

#### *Amount Rs in Crores*

Subject	Expenditure Particulars	2014-15	
		Budgets	Actuals
Road Infrastructure	Roads	877.30	828.01
	Strategic Road Development Plan (SRDP)	300.00	
	Bridges, Flyovers & Junction Improvement	70.85	45.36
	Strom Water Drains	335.50	125.18
<b>Road Infrastructure Total</b>		<b>1,583.65</b>	<b>998.56</b>



## Amenities & Services

- There has to be a provision for basic amenities & services to make it a livable city. Accordingly, Rs. 605 Crores is earmarked for in the budget towards these amenities.
- **RO plants** at 1500 locations (Rs. 20 Crores) and energy efficient **street lighting** (Rs. 70 crores) are considered to improve city's ambience.

**Amount Rs in Crores**

Subject	Expenditure Particulars	2014-15	
		Budgets	Actuals
Amenities & Services	Drinking Water and Sewerage	57.55	47.08
	RO Plants	20.00	0.34
	Solid Waste Management	72.50	72.10
	Slaughter Houses	0.60	20.23
	Street Lighting	69.50	16.33
	Buildings	118.10	39.14
	Vehicles	3.51	0.02
<b>Amenities &amp; Services Total</b>		<b>341.76</b>	<b>195.24</b>

## Slum Free Hyderabad

- In one of its kind of initiatives, 2 Bedroom houses are being constructed for Slum dwellers in the city with an allotment of Rs. 263 Crores in the 2014-15 budget.
- Apart from these, a sum of Rs. 10 Crores is budgeted for slum free Hyderabad

**Amount Rs in Crores**

Subject	Expenditure Particulars	2014-15	
		Budgets	Actuals
Slum Free Hyderabad	2 Bedroom Houses & Infrastructure	263.47	74.60
	Slum Free Hyderabad	10.00	1.82
<b>Slum Free Hyderabad Total</b>		<b>273.47</b>	<b>76.43</b>

## Public Convenience

**Amount Rs in Crores**

Subject	Expenditure Particulars	2014-15	
		Budgets	Actuals
Public Convenience	Play Grounds & Gyms	60.00	12.34
	Multi Purpose Halls	6.26	
	Modern Markets	12.00	8.00
	Grave Yards Development	25.00	0.18



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	Toilet Specially for Women	7.00	
	Bus Shelters	0.45	0.06
	Auto/Taxi Stands & Parking spaces	60.00	12.34
	Modernization of Dhobi Ghats	6.26	
<b>Public Convenience Total</b>		<b>110.71</b>	<b>20.58</b>

### Green Hyderabad

*Amount Rs in Crores*

Subject	Expenditure Particulars	2014-15	
		Budgets	Actuals
Green Hyderabad	Parks	58.63	55.39
	Lakes Rejuvenation, Protection & Beautification	70.00	2.21
	Others Capital Expenditure (Office Equipments, Furniture, etc)	273.67	9.40
<b>Green Hyderabad Total</b>		<b>128.63</b>	<b>57.60</b>
<b>Total Capital Expenditure</b>		<b>2,770.29</b>	<b>1,357.82</b>

### Financial Position of the Corporation

Steps have been initiated for growth of infrastructure backed by sustainable financial model. Focus has been placed for completion of various capital projects according to the time schedule and within the budgeted amounts.

Comparative summary financial statement for the financial year 2013-14 & 2014-15 is mentioned below: **Rs. in Crores**

Particulars	Financial Year		Increase	
	2014-15	2013-14	Amount	(%)
<b>Assets</b>				
Fixed Assets	5,377.16	4,305.70	1,071.45	24.88
Investments	2.13	2.13	-	-
Current Assets	2,401.70	1,948.94	452.77	23.23
<b>Total</b>	<b>7,780.99</b>	<b>6,256.77</b>	<b>1,524.22</b>	<b>24.36</b>
<b>Liabilities</b>				
Fund	5,133.38	3,992.93	1,140.45	28.56
Long Term Liabilities	1,510.11	1,267.52	242.58	19.14
Short Term Liabilities	-	-	-	-



Current Liabilities & Provisions	1,137.50	996.32	141.19	14.17
<b>Total</b>	<b>7,780.99</b>	<b>6,256.77</b>	<b>1,524.22</b>	<b>24.36</b>

## 4 Budget & Accounting Reforms

### Introduction

Several Budget & Accounting Reforms have been initiated keeping in view of change in scenario of local governance, need for self-sustained development, to meet the growing need of citizens and for greater accountability & transparency in the internal systems.

### Accounting Reforms:

Accounting reforms in Urban Local Bodies initiated for better Accountability, Transparency, Controls, Timeliness as well as to move from proprietary system with know how of limited personnel to Generic and standardised best practices systems. To enrich the benefits for improved book keeping practices, erstwhile Municipal Corporation of Hyderabad (MCH) initiated Accounting reforms in 2001. Business Process Re-engineering (BPR) was initiated as part of this reform and developed Accounting & Budgeting Manual to guide Financial Transactions Process, Codification, Internal Checks and Balances, Reconciliation, Standard Reports. Software application developed to support the suggested process flow and codification structure. Erstwhile MCH switched over to "Modified Accrual Based Double Entry Accounting System" in computerized environment from 1<sup>st</sup> Apr 2002. Erstwhile MCH felt the need for further improvements in the existing system by deploying integrated solution for greater reach across the organization and quality of the information. Oracle e-Business Suite (EBS) was chosen to implement across erstwhile MCH to capture the financial transaction from the inception as well as with the future plans of implementing HRMS, Payroll, Projects and Business Intelligence Modules. Erstwhile MCH smoothly switched over to Oracle EBS designed in line with National Municipal Accounting Manual from 1<sup>st</sup> Apr 06.

It is an integrated system from Budget to clearance in the bank statement as well as Demand to Realization in the bank System. The solution designed by Implementing General Ledger, Cash Management, Approval Management, Receivables, Payables and Purchase Modules.

After formation of Greater Hyderabad Municipal Corporation (GHMC) by amalgamating MCH and 12 surrounding Municipalities from 17<sup>th</sup> Apr 2007, the same solution has been extended to GHMC and successfully completed first year of transactions and financial statements were prepared up to 31<sup>st</sup> Mar 2008. Online system made available from 1<sup>st</sup> Apr 2008 onwards to all Zonal Offices to capture Budget Allotments, Receipts, Payments with a facility to centrally transactions monitoring.

### **Budgeting Reforms - Oracle Hyperion Planning (Budgeting System)**

Budgeting is a key component that needs to be implemented in GHMC in order to further streamline the financial management process. After formation of Greater Hyderabad Municipal Corporation, the number of locations, schemes, and the specific requirements of various circles have substantially increased. For preparation of the budget, it is necessary to get realistic budget requirements from various sections spread across the 5 zones and 18 circles. Active participation and accurate information from the sections is essential for preparing a realistic budget.

For the financial year 2008-09, formats to collect budget information were distributed to the circles. However, due to changes in the codification structure and budget preparation process, reliable information could not be collected from the circles. However, based on the actual expenditure, budget estimates were prepared in the Head Office without inputs / participation from the sections /departments. These kinds of efforts may result in unrealistic budget estimates and difficulty in exercising budgetary controls during the course of the financial year.



To prepare realistic budgets and monitor the performance of actual, involvement of officers at each level in the GHMC organizational hierarchy - drawing officer, circle, zone and head office is important. Since this involves a large number of officials in the hierarchy, there is a need for an efficient IT solution to handle these processes. This entails that the solution should provide the necessary controls, security and scalability. At the same time, the solution should be user friendly to ensure quick adaptation with minimal training to the officers.

Oracle Hyperion Planning Solution has been implemented in GHMC and budget for the financial year 2009-10 generated from the system. GHMC is the first ULB in India to implement a solution for assisting in preparation of Budget.

## **Credit Rating**

The GHMC is recognized as an important participant in financial markets. The maintenance of a high quality credit rating is essential to ensure that the Corporation ability to access the most cost-effective funds for capital purposes.

The corporations' credit rating helps to determine the ability to borrow funds. Credit rating agencies assess the Corporation financial position by comparing it with other corporations. A number of factors affect the credit rating, such as quality of management; strength of economy; level of reserves, debt levels, etc. If an corporations current debt levels and future trends appear to be high, this will have a negative impact on its credit rating. If debt levels are considered low, this will have a positive impact. The rating essentially indicates the Corporation ability to make payments on the debt now and in the future.

While the Corporation debt affects its rating, the rating affects the Corporation ability to borrow, as well as the cost of borrowing. A higher rating translates into a lower cost of borrowing, as well as a wider market for investors in Corporation debt. Below a

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certain rating, investors may have policies that don't allow them to purchase the Corporation's debt, in which case the Corporation would have to offer a higher interest rate to attract investors.

Erstwhile MCH was reviewed by CRICIL and CARE for obtaining Credit Rating to mobilize funds for infrastructure development in the year 2001. After review, MCH was awarded AAA (SO) rating which was highest among all ULBs in India then. The rating was further improved to AAA(+) (SO) from financial year 2005-06 onwards. This rate was given based on better financial management, establishment of appropriate accounting system and also better internal controls.

As part of JnNURM reforms, ICRA reviewed GHMC for awarding credit rating for organization. Several organization, projects, plans as well as financial information collected in the review process and interacted with departmental heads. They have taken 6 months to review the details of GHMC and series of meetings and exchange of information taken place. After thorough review GHMC was awarded AA(-) rating which is again the best among all the ULBs in India.

### General Provident Fund

GPF of the Corporation employees have been maintained in manual system. Total computerization of GPF function and presenting statement of accounts along with the corporation accounts will be done from the financial year 2006-07 onwards. GPF will be shown as one of the fiduciary fund of the Corporation from the financial year 2006-07. Strategy has been drawn for computerization and arriving balances of GPF subscribers.

Particulars	Nos
GPF Members as at 1 <sup>st</sup> Apr 2014	6979
New Members Joined During the Year	85
Accounts Closed during the year	425

# Greater Hyderabad Municipal Corporation



GPF Members as at 31 <sup>st</sup> Mar 2015	6639
<b>Particulars</b>	<b>Amount (Rs in Lakhs)</b>
Opening GPF Fund Balance	955.77
Add: Subscriptions Received During the year	1,916.09
Add: Loan Recoveries during the Year	175.04
Add: Interest Earned During the year	775.52
Less: Settlements	1,022.25
Less: Non-refundable Loans	
Less: Refundable Loans	110.54
Less: Interest for the year	729.61
Closing GPF Fund Balance	1,960.03
<b>Performance of GPF Fund</b>	
Interest Earned	775.52
(-) Interest Paid	729.61
Surplus/Deficit	45.91
Fund Investments	
Fixed Deposits	11,401.28
Bank Balance	786.75



**Greater Hyderabad Municipal Corporation**  
**Balance Sheet Of Greater Hyderabad Municipal Corporation As On 31st March 2015**

Rs in Lakhs

Code	Major Head of Account Particulars	Schedule No	Year	
			2014-15	2013-14
	<b>LIABILITIES</b>			
	<b>Reserve &amp; Surplus</b>			
310	Municipal (General) Fund	B-1	2,65,049.34	2,07,619.84
311	Earmarked Funds	B-2	15,743.54	15,743.54
312	Reserves	B-3	2,32,545.12	1,75,929.64
	<b>Total Reserves &amp; Surplus</b>		5,13,338.01	3,99,293.02
320	Grants, Contributions for specific purposes	B-4	1,44,025.29	1,19,767.06
	<b>Loans</b>			
330	Secured Loans	B-5	-	-
331	Unsecured Loans	B-6	6,985.24	6,985.24
	<b>Total Loans</b>		1,51,010.53	1,26,752.30
	<b>Current Liabilities and Provisions</b>			
340	Deposits Received	B-7	29,390.83	25,065.03
341	Deposit works	B-8	7.85	7.85
350	Other Liabilities (Sundry Creditors)	B-9	81,429.57	71,636.44
360	Provisions	B-10	2,922.18	2,922.18
	<b>Total Current Liabilities and Provisions</b>		1,13,750.44	99,631.51
	<b>TOTAL LIABILITIES</b>		<b>7,78,098.98</b>	<b>6,25,676.82</b>
	<b>ASSETS</b>			
	<b>Fixed Assets</b>			
410	Gross Block	B-11	6,98,404.11	6,05,755.11
411	Less: Accumulated Depreciation		2,40,587.95	2,11,951.64
	Net Block		4,57,816.16	3,93,803.47
412	Capital Work-in-Progress		79,899.64	36,767.01
	<b>Total Fixed Assets</b>		5,37,715.80	4,30,570.48
	<b>Investments</b>			
420	Investment – General Fund	B-12	212.50	212.50
421	Investments – Other Funds	B-13	-	-
	<b>Total Investments</b>		212.50	212.50
	<b>Current Assets, Loans and Advances</b>			
430	Stock in Hand (Inventories)	B-14	171.89	171.89
	Sundry Debtors (Receivables)			
431	Gross amount outstanding	B-15	26,164.81	20,017.73
432	Less: Accumulated provision against bad and doubtful Receivables		-	-
	Net amount outstanding		26,164.81	20,017.73
440	Prepaid Expenses	B-16	-	-
450	Cash and Bank Balances	B-17	1,81,615.05	1,54,735.15
460	Loans, advances and deposits	B-18	32,218.92	19,969.06
461	Less: Accumulated provision against Loans		-	-
	Net Amount outstanding		-	-
	<b>Total Current Assets, Loans &amp; Advances</b>		2,40,170.67	1,94,893.85
470	Other Assets	B-19	-	-
480	Miscellaneous Expenditure (to the extent not written off)	B-20	-	-
	<b>TOTAL ASSETS</b>		<b>7,78,098.98</b>	<b>6,25,676.82</b>

for and on behalf of the Greater Hyderabad  
Municipal Corporation

Place: Hyderabad  
Date : 31st Jul 2015

Additional Commissioner (Finance)  
**Addl. Commissioner (Fin)**  
Greater Hyderabad Municipal Corporation  
Hyderabad.

[Signature]

# Greater Hyderabad Municipal Corporation

**Income and Expenditure Statement for the period from 01st Apr 2014 to 31st Mar 2015**

*Rs in Lakhs*

Major Head of Account		Schedule No	Year	
Code	Particulars		2014-15	2013-14
1	2	3	4	5
	<b>Income</b>			
110	Tax Revenue	I-1	1,07,797.10	1,01,426.10
120	Assigned Revenues & Compensation	I-2	44,737.81	41,758.82
130	Rental Income from Municipal Properties	I-3	691.98	844.63
140	Fees & User Charges	I-4	66,437.51	60,980.82
150	Sale & Hire Charges	I-5	50.39	133.34
160	Revenue Grants, Contributions & Subsidies	I-6	3,796.31	2,449.66
170	Income from Investments	I-7	-	28.13
171	Interest Earned	I-8	11,630.47	11,456.34
180	Other Income	I-9	227.88	204.18
<b>A</b>	<b>Total – Income</b>		<b>2,35,369.44</b>	<b>2,19,282.00</b>
	<b>Expenditure</b>			
210	Establishment Expenses	I-10	82,112.80	71,505.68
220	Administrative Expenses	I-11	4,551.77	4,369.09
230	Operations & Maintenance	I-12	61,121.51	59,346.38
240	Interest & Finance Charges	I-13	1.95	1.78
250	Programme Expenses	I-14	1,515.60	1,474.23
260	Revenue Grants, Contributions & subsidies	I-15	-	-
270	Provisions & Write off	I-16	-	-
271	Miscellaneous Expenses	I-17	-	-
272	Depreciation		28,636.31	26,990.17
<b>B</b>	<b>Total – Expenditure</b>		<b>1,77,939.94</b>	<b>1,63,687.32</b>
<b>A-B</b>	<i>Gross surplus/ (deficit) of income over expenditure before Prior Period Items</i>		57,429.50	55,594.68
280	Add: Prior period Items (Net)	I-18	-	-
	<i>Gross surplus/ (deficit) of income over expenditure after Prior Period Items</i>		57,429.50	55,594.68
290	<b>Less: Transfer to Reserve Funds</b>			-
	<b>Net balance being surplus/ deficit carried over to Municipal Fund</b>		57,429.50	55,594.68

for and on behalf of the Greater Hyderabad Municipal Corporation

Place: Hyderabad

Date : 31st Jul 2015

  
**Additional Commissioner (Finance)**  
 Greater Hyderabad Municipal Corporation  
 Hyderabad.





**Greater Hyderabad Municipal Corporation**  
**Statement of Cash Flow of GHMC**

Rs. In Lakhs

Particulars	Year	
	2014-15	2013-14
<b>A. Cash flows from Operating Activities:</b>		
Gross surplus/ (deficit) over expenditure	57,429.50	55,594.68
<b>Add:</b>		
Depreciation	28,636.31	26,990.17
Interest & finance expenses	1.95	1.78
<b>Less:</b>		
Interest Earned	11,630.47	11,484.47
Adjusted income over expenditure before effecting changes in current assets and current liabilities and extra-ordinary items	74,437.29	71,102.16
<b>Changes in current assets and current liabilities</b>		
(Increase) / decrease in Sundry debtors	(6,147.08)	(3,815.01)
(Increase) / decrease in other current assets	(12,249.86)	(8,184.27)
(Decrease)/ increase in Deposits received	4,325.80	3,199.27
(Decrease)/ increase in other current liabilities	9,793.13	17,052.83
Net cash generated from/ (used in) operating activities (A)	70,159.29	79,354.98
<b>B. Cash flows from Investing Activities</b>		
(Purchase) of fixed assets & CWIP	(1,35,781.63)	(1,02,185.91)
(Increase) / Decrease in Special Funds/Grants	24,258.23	(9,629.53)
(Increase) / Decrease in Reserves & Capital Contributions	56,615.48	51,600.72
Net cash generated from/ (used in) investing activities (B)	(54,907.91)	(60,214.72)
<b>C. Cash flows from Financing Activities</b>		
<b>Add:</b>		
Interest Earned	11,630.47	11,484.47
<b>Less:</b>		
Finance expenses	1.95	1.78
Net cash generated from (used in) financing activities (C)	11,628.52	11,482.69
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	26,879.89	30,622.94
Cash and cash equivalents at beginning of period	1,54,735.15	1,24,112.21
<b>Cash and cash equivalents at end of period</b>	1,81,615.05	1,54,735.15

for and on behalf of the Greater Hyderabad Municipal Corporation

Place: Hyderabad

Date : 31st Jul 2015

Additional Commissioner (Finance)

*JDsan*  
**Addl. Commissioner (Fin)**  
Greater Hyderabad Municipal Corporation  
Hyderabad.

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## Schedule B-1: Municipal (General) Fund [Code No 310]

*Rs in Lakhs*

Major-Minor Head of Account		Financial Year 2014-15				
Code	Particulars	Opening	Additions	Total	Deductions	Closing
1	2	3	4	5 (3+4)	6	7 (5-6)
310-10	Municipal Fund	1,08,663.57	-	1,08,663.57	-	1,08,663.57
310-90	Excess of Income over Expenditure	98,956.26	57,429.50	1,56,385.77	-	1,56,385.77
<b>Total Municipal fund (310)</b>		2,07,619.84	57,429.50	2,65,049.34	-	2,65,049.34

**Schedule B-2: Earmarked Funds**  
**(Special Funds/Sinking Fund/Trust or Agency Fund) [Code No 311]**

*Rs in Lakhs*

Particulars	City Development Fund	Salary Reserve Fund	Pension Fund	General Provident Fund
Code No -->	31110-01	31170-01	31170-02	31170-03
<b>(a) Opening Balance as on 01.04.2014</b>	18.88	12,698.62	2,961.24	64.81
<b>(b) Additions to the Special Fund</b>	-	-	-	-
(i) Transfer from Municipal Fund				
(ii) Interest/Dividend earned on Special Fund Investments				
(iii) Profit on disposal of Special Fund Investments				
(iv) Appreciation in Value of Special Fund Investments				
(v) Other addition (Specify nature)				
<b>Total (b)</b>	-	-	-	-
<b>Total (a+b)</b>	18.88	12,698.62	2,961.24	64.81
<b>(c) Payments out of funds</b>				
<b>(i) Capital expenditure on</b>				
<b>Fixed Assets*</b>				
<b>Others</b>				
<b>Sub –total</b>	-	-	-	-
<b>(ii) Revenue Expenditure on</b>				
Salary, Wages and allowances etc.				
Rent				
Other administrative charges				
<b>Sub –total</b>	-	-	-	-
<b>(iii) Other:</b>				
Loss on disposal of Special Fund Investments				
Diminution in Value of Special Fund Investments				
Transferred to Municipal Fund	-	-	-	-
<b>Sub –total</b>	-	-	-	-
<b>Total of (i+ii+iii)</b>	-	-	-	-
<b>Net balance as on 31.03.2015 = (a+b)-(c)</b>	18.88	12,698.62	2,961.24	64.81
<b>Grand Total of Special Funds</b>	-	-	-	-

### Schedule B-3: Reserves [Code No 312]

*Rs in Lakhs*

Major-Minor Head of Account		Financial Year 2014-15				
Code	Particulars	Opening	Additions	Total	Deductions	Closing
1	2	3	4	5 (3+4)	6	7 (5-6)
312-10	Capital Contribution	1,65,714.26	56,615.48	2,22,329.74		2,22,329.74
312-11	Capital Reserve	10,215.38	-	10,215.38		10,215.38
312-20	Borrowing Redemption Reserve	-	-	-		-
312-30	Special Funds (Utilised)	-	-	-		-
312-40	Statutory Reserve	-	-	-		-
312-50	General Reserve	-	-	-		-
312-60	Revaluation Reserve	-	-	-		-
	<b>Total Reserve funds</b>	<b>1,75,929.64</b>	<b>56,615.48</b>	<b>2,32,545.12</b>	<b>-</b>	<b>2,32,545.12</b>

## Schedule B-4: Grants & Contributions for Specific Purposes [Code No 320]

*Rs in Lakhs*

Particulars	Grants & Contributions From		
	GoI	GoAP	Others
Code No.	320-10	320-20	320-80
<b>(a) Opening Balance as on 01.04.2014</b>	6,467.28	8,955.34	1,04,344.44
<b>(b) Additions to the Grants</b>			
(i) Grant received during the year *	1,992.63	77,209.02	1,672.06
(ii) Interest/Dividend earned on Grant Investments			
(iii) Profit on disposal of Grant Investments			
(iv) Appreciation in Value of Grant			
(v) Other addition (Specify nature)			
<b>Total (b)</b>	<b>1,992.63</b>	<b>77,209.02</b>	<b>1,672.06</b>
<b>Total (a+b)</b>	<b>8,459.91</b>	<b>86,164.37</b>	<b>1,06,016.50</b>
<b>(c) Payments out of funds</b>			
<b>(i) Capital expenditure on</b>			
Fixed Assets**	4,492.26	51,260.00	863.22
Others			
<b>Sub –total</b>	<b>4,492.26</b>	<b>51,260.00</b>	<b>863.22</b>
<b>(ii) Revenue Expenditure on</b>			
Salary, Wages and allowances etc.			
Rent			
Other administrative charges			
<b>Sub –total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(iii) Other:</b>			
Loss on disposal of Grant Investments			
Diminution in Value of Grant Investments			
Grants Refunded			
<b>Sub –total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (c) [i+ii+iii]</b>	<b>4,492.26</b>	<b>51,260.00</b>	<b>863.22</b>
<b>Net balance as on 31.03.2015 = (a+b)-(c)</b>	<b>3,967.65</b>	<b>34,904.37</b>	<b>1,05,153.28</b>
<b>Total Grants &amp; Contribution for Specific Purposes</b>	<b>-</b>	<b>-</b>	<b>1,44,025.29</b>

### Schedule B-5: Secured Loans [Code No 330]

*Rs in Lakhs*

Major-Minor Head of Account		Year	
Code	Particulars	2014-15	2013-14
1	2	3	4
330-10	Loans from Central Government	-	-
330-20	Loans from State government	-	-
330-30	Loans from Govt. bodies & Associations	-	-
330-40	Loans from international agencies	-	-
330-50	Loans from banks & other financial institutions	-	-
330-60	Other Term Loans	-	-
330-70	Bonds & debentures	-	-
330-80	Other Loans	-	-
	<b>Total Secured Loans</b>	<b>-</b>	<b>-</b>

### Schedule B-6: Unsecured Loans [Code No 331]

*Rs in Lakhs*

Major-Minor Head of Account		Year	
Code	Particulars	2014-15	2013-14
1	2	3	4
331-10	Loans from Central Government	3,109.44	3,109.44
331-20	Loans from State Government	-	-
331-30	Loans from Govt. Bodies & Associations	-	-
331-40	Loans from international agencies	-	-
331-50	Loans from banks & other financial institutions	3,763.50	3,763.50
331-60	Other Term Loans	112.30	112.30
331-70	Bonds & debentures	-	-
331-80	Other Loans	-	-
	<b>Total Un-Secured Loans</b>	<b>6,985.24</b>	<b>6,985.24</b>

### Schedule B-7: Deposits Received [Code No 340]

*Rs in Lakhs*

Major-Minor Head of Account		Year	
Code	Particulars	2014-15	2013-14
1	2	3	4
340-10	From Contractors	23,963.89	19,933.73
340-20	From Revenues	5,426.94	5,131.31
340-30	From staff	-	-
340-80	From Others	-	-
	<b>Total deposits received</b>	<b>29,390.83</b>	<b>25,065.03</b>

### Schedule B-8: Deposits Works [Code No 341]

*Rs in Lakhs*

Major-Minor Head of Account		Financial Year 2014-15				
Code	Particulars	Opening	Additions	Total	Deductions	Closing
1	2	3	4	5	6	7
341-10	Civil Works	0.18				0.18
341-20	Electrical works	-				-
341-80	Others	7.68	-			7.68
	<b>Total of deposit works</b>	<b>7.85</b>	<b>-</b>	<b>-</b>		<b>7.85</b>

### Schedule B-9: Other Liabilities (Sundry Creditors) [Code No 350]

*Rs in Lakhs*

Major-Minor Head of Account		Year	
Code	Particulars	2014-15	2013-14
1	2	3	4
350-10	Creditors	37,476.22	33,681.54
350-11	Employee Liabilities	1,417.41	2,938.42
350-12	Interest Accrued and Due	-	-
350-20	Recoveries Payable	16,834.15	14,690.71
350-30	Government Dues Payable	10,163.37	6,595.73
350-40	Refunds Payable	(1.69)	(1.69)
350-41	Advance Collection of Revenues	-	-
350-80	Others	15,540.12	13,731.74
350-90	Sale Proceeds	-	-
	<b>Total Other liabilities (Sundry Creditors)</b>	<b>81,429.57</b>	<b>71,636.44</b>

### Schedule B-10: Provisions [Code No. 360]

*Rs in Lakhs*

Major-Minor Head of Account		Year	
Code	Particulars	2014-15	2013-14
1	2	3	4
360-10	Provision for Expenses	-	-
360-20	Provision for Interest	-	-
360-30	Provision for Other Assets	2,786.10	2,786.10
360-40	Provisions for Doubtful receivables	136.08	136.08
	<b>Total Provisions</b>	<b>2,922.18</b>	<b>2,922.18</b>

**Schedule B-11: Fixed Assets [Code No. 410 & 411]**

*Rs in Lakhs*

Code No	Particulars	Gross Block For The Year 2014-15				Accumulated Depreciation For the Year 2014-15				Net Block	
		Opening Balance	During The Year		Closing Balance	Opening Balance	During The Year		Closing Balance	As On	
			Additions	Deductions			Additions	Deductions		31.03.2015	31.03.2014
1	2	3	4	5	6	7	8	9	10	11	12
410-10	Land	1,14,563.94	45,540.40	-	1,60,104.34	-			-	1,60,104.34	1,14,563.94
410-20	Buildings	88,045.39	5,392.36	-	93,437.75	19,725.80	3,685.60		23,411.39	70,026.36	68,319.60
	<b><u>Infrastructure Assets</u></b>										
410-30	Roads and Bridges	2,59,688.60	28,672.77	-	2,88,361.37	1,01,719.48	13,064.91		1,14,784.40	1,73,576.97	1,57,969.11
410-31	Sewerage and drainage	77,109.74	9,136.50	-	86,246.24	44,104.99	7,585.43		51,690.41	34,555.83	33,004.75
410-32	Water works	15,516.81	900.23	-	16,417.05	5,044.96	796.05		5,841.01	10,576.04	10,471.85
410-33	Public Lighting	34,648.42	1,693.09	-	36,341.51	27,577.11	2,191.10		29,768.21	6,573.30	7,071.31
	<b><u>Other assets</u></b>								-		
410-40	Plants & Machinery	4,469.05	33.36	-	4,502.41	3,593.02	227.35		3,820.37	682.04	876.03
410-50	Vehicles	6,949.98	1.70	-	6,951.68	6,207.20	186.12		6,393.32	558.36	742.78
410-60	Office & other equipment	3,661.88	1,084.41	-	4,746.29	3,174.75	785.77		3,960.52	785.77	487.12
410-70	Furniture, fixtures, fittings and electrical	1,047.11	194.17	-	1,241.28	785.31	113.99		899.30	341.98	261.80
410-80	Other fixed assets	54.19	-	-	54.19	19.01	-		19.01	35.18	35.18
	<b>Total</b>	6,05,755.11	92,649.00	-	6,98,404.11	2,11,951.64	28,636.31	-	2,40,587.95	4,57,816.16	3,93,803.47



### Schedule B-12: Investments - General Fund [Code 420]

*Rs in Lakhs*

Major-Minor Head of Account		With whom invested	Face value	2014-15	2013-14
Code	Particulars				
1	2	3	4	5	6
420-10	Central Government Securities			-	-
420-20	State Government Securities			-	-
420-30	Debentures and Bonds			-	-
420-40	Preference Shares			-	-
420-50	Equity Shares			212.50	212.50
420-60	Units of Mutual Funds			-	-
420-80	Other Investments			-	-
420-90	Accumulated Provision			-	-
	<b>Total of Investments General Fund</b>			<b>212.50</b>	<b>212.50</b>

### Schedule B-13: Investments - Other Funds [Code 421]

*Rs in Lakhs*

Code No.	Particulars	With whom invested	Face value (Rs.)	2014-15	2013-14
				Carrying Cost (Rs.)	Carrying Cost (Rs.)
1	2	3	4	5	6
421-10	Central Government Securities			-	-
421-20	State Government Securities			-	-
421-30	Debentures and Bonds			-	-
421-40	Preference Shares			-	-
421-50	Equity Shares			-	-
421-60	Units of Mutual Funds			-	-
421-80	Other Investments			-	-
421-90	Accumulated Provision			-	-
	<b>Total of Investments Other Funds</b>			<b>-</b>	<b>-</b>

### Schedule B-14: Stock in Hand (Inventories) [Code 430]

*Rs in Lakhs*

Major-Minor Head of Account		Year	
Code	Particulars	2014-15	2013-14
1	2	3	4
430-10	Stores	171.86	171.86
430-20	Loose Tools	-	-
430-80	Others	0.04	0.04
	<b>Total Stock in hand</b>	<b>171.89</b>	<b>171.89</b>

### Schedule B-15: Sundry Debtors (Receivables) [Code No 431]

*Rs in Lakhs*

Code No.	Particulars	Gross Amount (Rs.)	Provision for Outstanding revenues (Rs.)	2014-15 Net amount (Rs.)	2013-14 Net amount (Rs.)
1	2	3	4 (Code No 432)	5 (3 – 4)	6
431-10	<u>Receivables of Property Taxes</u>				
	Less than 5 years *	5,45,698.48	-	5,45,698.48	5,37,914.58
	More than 5 years*	-	-	-	-
	Sub – total	<b>5,45,698.48</b>	<b>-</b>	<b>5,45,698.48</b>	<b>5,37,914.58</b>
431-91	Less: State Government Cesses/Levies in Taxes – Control Accounts	-	-	-	-
	<b>Net Receivables of Property Taxes</b>	<b>5,45,698.48</b>	<b>-</b>	<b>5,45,698.48</b>	<b>5,37,914.58</b>
431-19	<u>Receivable of Other Taxes</u>				
	Less than 3 years*	-	-	-	-
	More than 3 years*	-	-	-	-
431-99	Sub- total	-	-	-	-
	Less: State Government Cesses/Levies in Taxes – Control Accounts	-	-	-	-
	<b>Net Receivables of Other Taxes</b>	-	-	-	-
431-20	<u>Receivables of Cess Income</u>				
	Less than 3 years*	3,435.80	-	3,435.80	3,435.80
	More than 3 years*	-	-	-	-
	<b>Sub- total</b>	<b>3,435.80</b>	<b>-</b>	<b>3,435.80</b>	<b>3,435.80</b>
431-30	<u>Receivables for Fees and User Charges</u>				
	Advt. Taxes & Trade License				
	Less than 3 years*	11,540.24	-	11,540.24	9,841.91
	More than 3 years*	-	-	-	-
	<b>Sub – total</b>	<b>11,540.24</b>	<b>-</b>	<b>11,540.24</b>	<b>9,841.91</b>
431-40	Receivables from Other Sources				
	Less than 3 years*	2,887.71	-	2,887.71	1,130.14
	More than 3 years*	-	-	-	-
	<b>Sub – total</b>	<b>2,887.71</b>	<b>-</b>	<b>2,887.71</b>	<b>1,130.14</b>
431-50	Receivables from Government	-	-	-	-
431-80	<u>Receivables Control</u> - Property Taxes, Advt. Taxes & Trade License	-5,37,397.42	0.00	-5,37,397.42	-5,32,304.70
	<b>Total of Sundry Debtors (Receivables)</b>	<b>26,164.81</b>	<b>-</b>	<b>26,164.81</b>	<b>20,017.73</b>

### Schedule B-16: Prepaid Expenses [Code No 440]

*Rs in Lakhs*

Major-Minor Head of Account		Year	
Code	Particulars	2014-15	2013-14
1	2		3
440-10	Establishment	-	-
440-20	Administration	-	-
440-30	Operations & Maintenance	-	-
	<b>Total Prepaid expenses</b>	-	-

### Schedule B-17 :Cash and Bank Balances [Code No 450]

*Rs in Lakhs*

Major-Minor Head of Account		Year	
Code	Particulars	2014-15	2013-14
1	2		3
450-10	Cash	4,141.85	2,538.84
	<b>Balance with Bank – Municipal Funds</b>		
450-21	Nationalised Banks	1,77,473.20	1,52,196.32
450-22	Other Scheduled Banks	-	-
450-23	Scheduled Co-operative Banks	-	-
450-24	Post Office	-	-
	<b>Sub-total</b>	1,77,473.20	1,52,196.32
	<b>Balance with Bank – _____ Special Funds</b>		
450-41	Nationalised Banks	-	-
450-42	Other Scheduled Banks	-	-
450-43	Scheduled Co-operative Banks	-	-
450-44	Post Office	-	-
	<b>Sub-total</b>	-	-
	<b>Balance with Bank – _____ Grant Funds</b>		
450-61	Nationalised Banks	-	-
450-62	Other Scheduled Banks	-	-
450-63	Scheduled Co-operative Banks	-	-
450-64	Post Office	-	-
	<b>Sub-total</b>	-	-
	<b>Total Cash and Bank balances</b>	<b>1,81,615.05</b>	<b>1,54,735.15</b>

### Schedule B-18: Loans, advances and deposits [Code 460]

*Rs in Lakhs*

Code No.	Particulars	Opening Balance as on 01.04.2014 (Rs.)	Paid during the current year (Rs.)	Recovered during the year (Rs.)	Balance as on 31.03.2015 (Rs.)
1	2	3	4	5	6
460-10	Loans and advances to employees	(22.41)	118.62	136.39	(40.18)
460-20	Employee Provident Fund Loans	(0.43)	0.32	0.32	(0.43)
460-30	Loans to Others	-	-	-	-
460-40	Advance to Suppliers and Contractors	16,063.42	12,133.42	1,302.84	26,894.00
460-50	Advance to Others	3,770.60	1,571.46	134.42	5,207.65
460-60	Deposit with External Agencies	157.89	0.09	0.09	157.89
460-80	Other Current Assets	-	-	-	-
	<b>Sub -Total</b>	<b>19,969.06</b>	<b>13,823.90</b>	<b>1,574.05</b>	<b>32,218.92</b>
	Less: Accumulated Provisions against Loans, Advances and Deposits (Schedule B-18 (a))				-
	<b>Total Loans, advances, and deposits</b>	<b>19,969.06</b>	<b>13,823.90</b>	<b>1,574.05</b>	<b>32,218.92</b>

### Schedule B-19: Other Assets [Code No 470]

*Rs in Lakhs*

Major-Minor Head of Account		Year	
Code	Particulars	2014-15	2013-14
1	2	3	4
470-10	Deposit Works	-	-
470-20	Other Asset Control Accounts	-	-
	<b>Total Other Assets</b>	<b>-</b>	<b>-</b>

### Schedule B-20: Miscellaneous Expenditure (to the extent not written off) [Code No 480]

*Rs in Lakhs*

Major-Minor Head of Account		Year	
Code	Particulars	2014-15	2013-14
1	2	3	4
480-10	Loan Issue Expenses Deferred	-	-
480-20	Discount on Issue of Loans	-	-
480-30	Others	-	-
	<b>Total Miscellaneous expenditure</b>	<b>-</b>	<b>-</b>

### Schedule I-1: Tax Revenue [Code No 110]

*Rs in Lakhs*

Major-Minor Head of Account			
Code	Particulars	2014-15	2013-14
1	2	3	4
110-01	Property tax	48,508.68	45,641.52
110-02	Water tax	-	-
110-03	Sewerage Tax	13,474.63	12,678.20
110-04	Conservancy Tax	32,339.12	30,427.68
110-05	Lighting Tax	13,474.63	12,678.20
110-06	Education tax	-	-
110-07	Vehicle Tax	-	-
110-08	Tax on Animals	0.03	0.50
110-11	Advertisement tax	-	-
110-12	Pilgrimage Tax	-	-
110-51	Octroi & Toll	-	-
110-52	Cess	-	-
110-80	Other taxes	-	-
	<b>Sub-total</b>	<b>1,07,797.10</b>	<b>1,01,426.10</b>
	Less		
110-90	Tax Remissions and Refund [Schedule I -1 (a)]	-	-
	<b>Sub-total</b>	<b>-</b>	<b>-</b>
	<b>Total tax revenue</b>	<b>1,07,797.10</b>	<b>1,01,426.10</b>

### Schedule I-2 : Assigned Revenues & Compensation [Code No 120]

*Rs in Lakhs*

Major-Minor Head of Account			
Code	Particulars	2014-15	2013-14
1	2	3	4
120-10	Taxes and Duties collected by others	44,209.48	41,648.82
120-20	Compensation in lieu of Taxes / duties	128.33	110.00
120-30	Compensations in lieu of Concessions	400.00	-
	<b>Total assigned revenues &amp; compensation</b>	<b>44,737.81</b>	<b>41,758.82</b>

### Schedule I-3: Rental income from Municipal Properties [Code No 130]

*Rs in Lakhs*

Major-Minor Head of Account			
Code	Particulars	2014-15	2013-14
1	2	3	4
130-10	Rent from Civic Amenities	691.98	844.63
130-20	Rent from Office Buildings	-	-
130-30	Rent from Guest Houses	-	-
130-40	Rent from lease of lands	-	-
130-80	Other rents	-	-
	<b>Sub-Total</b>	<b>691.98</b>	<b>844.63</b>
130-90	Less : Rent Remission and Refunds	-	-
	<b>Sub-total</b>	<b>-</b>	<b>-</b>
	<b>Total Rental Income from Municipal Properties</b>	<b>691.98</b>	<b>844.63</b>

**Schedule I-4 (b): Fees & User Charges – Income head-wise [Code 140]**

*Rs in Lakhs*

Major-Minor Head of Account			
Code	Particulars	2014-15	2013-14
1	2	3	4
140-10	Empanelment & Registration Charges	56.22	98.19
140-11	Licensing Fees	3,582.03	2,660.45
140-12	Fees for Grant of Permit	17,532.57	17,829.93
140-13	Fees for Certificate or Extract	215.71	394.67
140-14	Development Charges	30,944.76	29,698.20
140-15	Regularisation Fees	-	-
140-20	Penalties and Fines	127.20	116.12
140-40	Other Fees	3,254.54	2,684.55
140-50	User Charges	126.31	255.26
140-60	Entry Fees	163.74	202.72
140-70	Service / Administrative Charges	7,087.70	5,383.27
140-80	Other Charges	3,343.98	1,660.61
	<b>Sub-Total</b>	<b>66,434.77</b>	<b>60,983.95</b>
	Less:		
140-90	Fee Remission and Refunds	2.74	(3.13)
	<b>Sub-total</b>	<b>2.74</b>	<b>(3.13)</b>
	<b>Total income from Fees &amp; User Charges – Income head-wise</b>	<b>66,437.51</b>	<b>60,980.82</b>

**Schedule I-5 (b): Sale & Hire Charges – Income head-wise [Code No 150]**

*Rs in Lakhs*

Major-Minor Head of Account			
Code	Particulars	2014-15	2013-14
1	2	3	4
150-10	Sale of Products	3.50	34.30
150-11	Sale of Forms & Publications	46.77	90.39
150-12	Sale of stores & scrap	-	8.47
150-30	Sale of Others	0.11	0.18
150-40	Hire Charges for Vehicles	-	-
150-41	Hire Charges for Equipment	-	-
	<b>Total Income from Sale &amp; Hire charges – income head-wise</b>	<b>50.39</b>	<b>133.34</b>

**Schedule I-6: Revenue Grants, Contributions & Subsidies [Code No160]**

Major-Minor Head of Account		<i>Rs in Lakhs</i>	
Code	Particulars	2014-15	2013-14
1	2	3	4
160-10	Revenue Grant	1,596.37	832.28
160-20	Re-imbursement of expenses	2,199.94	1,617.38
160-30	Contribution towards schemes	-	-
	<b>Total Revenue Grants, Contributions &amp; Subsidies</b>	<b>3,796.31</b>	<b>2,449.66</b>

**Schedule I-7: Income from Investments – General Fund [Code No 170]**

Major-Minor Head of Account		Rs in Lakhs	
Code	Particulars	2014-15	2013-14
1	2	3	4
170-10	Interest on Investments	-	28.13
170-20	Dividend	-	-
170-30	Income from projects taken up on commercial basis	-	-
170-40	Profit in Sale of Investments	-	-
170-80	Others	-	-
	<b>Total Income from Investments</b>	<b>-</b>	<b>28.13</b>

**Schedule I-8: Interest Earned [Code No 171]**

Major-Minor Head of Account		Rs in Lakhs	
Code	Particulars	2014-15	2013-14
1	2	3	4
171-10	Interest from Bank Accounts	11,630.47	11,456.34
171-20	Interest on Loans and advances to Employees	-	-
171-30	Interest on loans to others	-	-
171-80	Other Interest	-	-
	<b>Total – Interest Earned</b>	<b>11,630.47</b>	<b>11,456.34</b>

**Schedule I-9: Otehr Income [Code No180]**

Major-Minor Head of Account		Rs in Lakhs	
Code	Particulars	2014-15	2013-14
1	2	3	4
180-10	Deposits Forfeited	-	-
180-11	Lapsed Deposits	-	-
180-20	Insurance Claim Recovery	-	-
180-30	Profit on Disposal of Fixed Assets	-	-
180-40	Recovery from Employees	-	-
180-50	Unclaimed Refund/ Liabilities Written Back	-	-
180-60	Excess Provisions written back	-	-
180-80	Miscellaneous Income	227.88	204.18
	<b>Total Other Income</b>	<b>227.88</b>	<b>204.18</b>

**Schedule I-10 (b): Establishment Expenses – Expenditure head-wise**

Major-Minor Head of Account		Rs in Lakhs	
Code	Particulars	2014-15	2013-14
1	2	3	4
210-10	Salaries, Wages and Bonus	66,280.41	57,344.41
210-20	Benefits and Allowances	520.93	402.19
210-30	Pension	11,246.96	9,046.85
210-40	Other Terminal & Retirement Benefits	4,064.50	4,712.22
	<b>Total establishment expenses – expense head wise</b>	<b>82,112.80</b>	<b>71,505.68</b>

**Schedule I-11 (b): Administrative Expenses – Expenditure head-wise**

Major-Minor Head of Account		Rs in Lakhs	
Code	Particulars	2014-15	2013-14
1	2	3	4
220-10	Rent, Rates and Taxes	-	108.63
220-11	Office maintenance	428.31	471.77
220-12	Communication Expenses	187.87	212.35
220-20	Books & Periodicals	8.33	10.15
220-21	Printing and Stationery	292.18	399.72
220-30	Travelling & Conveyance	1,009.07	779.10
220-40	Insurance	-	-
220-50	Audit Fees	-	-
220-51	Legal Expenses	102.98	252.02
220-52	Professional and other Fees	580.00	538.79
220-60	Advertisement and Publicity	1,453.10	949.90
220-61	Membership & subscriptions	0.26	10.76
220-80	Other Administrative Expenses	489.67	635.92
	<b>Total administrative expenses – expense head wise</b>	<b>4,551.77</b>	<b>4,369.09</b>

**Schedule I-12 (b): Operations & Maintenance – Expenditure head-wise**

Major-Minor Head of Account		Rs in Lakhs	
Code	Particulars	2014-15	2013-14
1	2	3	4
230-10	Power & Fuel	26,952.95	26,167.28
230-20	Bulk Purchases	3.40	0.53
230-30	Consumption of Stores	-	-
230-40	Hire Charges	4,732.15	4,808.30
230-50	Repairs & maintenance –Infrastructure Assets	16,965.12	12,110.33
230-51	Repairs & maintenance - Civic Amenities	2,487.06	1,862.07
230-52	Repairs & maintenance – Buildings	500.29	483.43
230-53	Repairs & maintenance – Vehicles	3,176.81	3,772.17
230-59	Repairs & maintenance – Others	426.64	273.46
230-80	Other operating & maintenance expenses	5,877.07	9,868.82
	<b>Total operations &amp; maintenance - expense head wise</b>	<b>61,121.51</b>	<b>59,346.38</b>



**Schedule I-13: Interest & Finance Charges [Code No 240]**

Major-Minor Head of Account		Rs in Lakhs	
Code	Particulars	2014-15	2013-14
1	2	3	4
240-10	Interest on Loans from Central Government	-	-
240-20	Interest on Loans from State Government	-	-
240-30	Interest on Loans from Government Bodies & Associations	-	-
240-40	Interest on Loans from International Agencies	-	-
240-50	Interest on Loans from Banks & Other Financial Institutions	-	-
240-60	Other Interest	-	-
240-70	Bank Charges	1.95	1.78
240-80	Other Finance Expenses	-	-
	<b>Total Interest &amp; Finance Charges</b>	<b>1.95</b>	<b>1.78</b>

**Schedule I-14: Programme Expenses [Code No 250]**

Major-Minor Head of Account		Rs in Lakhs	
Code	Particulars	2014-15	2013-14
1	2	3	4
250-10	Election Expenses	889.32	60.76
250-20	Own Programmes	594.04	758.50
250-30	Share in Programmes of others	32.24	654.96
	<b>Total Programme Expenses</b>	<b>1,515.60</b>	<b>1,474.23</b>

**Schedule I-15: Revenue Grants, Contributions & Subsidies [Code No 260]**

Major-Minor Head of Account		Rs in Lakhs	
Code	Particulars	2014-15	2013-14
1	2	3	4
260-10	Grants [give details]	-	-
260-20	Contributions [give details]	-	-
260-30	Subsidies [give details]	-	-
	<b>Total Revenue Grants, Contributions &amp; Subsidies</b>	<b>-</b>	<b>-</b>

**Schedule I-16: Provisions & Write off [Code No 270]**

Major-Minor Head of Account		Rs in Lakhs	
Code	Particulars	2014-15	2013-14
1	2	3	4
270-10	Provisions for Doubtful receivables	-	-
270-20	Provision for other Assets	-	-
270-30	Revenues written off	-	-
270-40	Assets written off	-	-
270-50	Miscellaneous Expense written off	-	-
	<b>Total Provisions &amp; Write off</b>	-	-

**Schedule I-17: Miscellaneous Expenses [Code No 271]**

Major-Minor Head of Account		Rs in Lakhs	
Code	Particulars	2014-15	2013-14
1	2	3	4
271-10	Loss on disposal of Assets	-	-
271-20	Loss on disposal of Investments	-	-
271-30	Decline in Value of Investments	-	-
271-80	Other Miscellaneous Expenses	-	-
	<b>Total Miscellaneous expenses</b>	-	-

**Schedule I-18: Prior Period Items (Net) [Code No 280]**

Major-Minor Head of Account		Rs in Lakhs	
Code	Particulars	2014-15	2013-14
1	2	3	4
	<b>Income</b>		
280-10	Taxes	-	-
280-20	Other – Revenues	-	-
280-30	Recovery of revenues written off	-	-
280-40	Other income	-	-
	<b>Sub – Total Income (a)</b>	-	-
	<b>Expenses</b>		
280-50	Refund of Taxes	-	-
280-60	Refund of Other – Revenues	-	-
280-80	Other Expenses	-	-
	<b>Sub – Total Income (b)</b>	-	-
	<b>Total Prior Period (Net) (a-b)</b>	-	-

## **Schedule – BI**

### **Significant Accounting Policies and Notes on Accounts**

#### **Significant Accounting Policies**

##### **1.1 Basis of Preparation of financial Statements**

The financial statements are prepared for the financial year 2014-15, as a going concern under historical cost convention under accrual basis of accounting. The method of accounting is the double entry system.

##### **1.2 Income Recognition**

###### ***i. Revenue***

- a. Property Taxes are accrued where demands are ascertainable and can be served upon the payee, on the due date as per statute. Advertisement taxes are accrued based on Demand or the contract.
- b. Revenue in respect of Trade License Fees is accrued in the year to which it pertains and when Demands are raised.
- c. Assigned revenues like Profession Tax, Entertainment Tax, Duty/ Surcharge on transfer of Immovable properties are accounted during the year only upon actual receipt.
- d. Such of the incomes that are in the nature of accruable incomes, but where the demand cannot be reasonably determined, accounting would continue to be on cash basis until systems are reasonably established to facilitate ascertainment of demand.
- e. Other Incomes, which are of an uncertain nature or for which the amount is not ascertainable or where demand is not raised in regular course of operations, is recognized on actual receipt

- f. Liability on Library Cess is recognized only on Property Tax collected. Library cess liability is not recognized for property taxes collected in advance and reckoned only when the advance is adjusted against the demand dues.
- g. Interests on Investments including Fixed Deposits are accrued.

***ii. Provision against receivables***

- h. Prudential norms are applied for recognition of income, based on age of receivable, type of payee and status on litigation, if any. Based the policy for provisioning, incomes that have been accrued and are doubtful of recovery would be provided for accordingly.

**1.3 Expenditure Recognition**

Expenditure is recorded on accrual basis, upon passing of bills by Pre-Audit. Since audit passing is considered as a pre-requisite for admission of liability.

**1.4 Fixed Assets**

- a. Fixed Assets are stated at historical cost less accumulated depreciation.
- b. Capital expenditure is first taken to Capital Work-in-progress Account and capitalized when the asset is commissioned or is ready for being put to use.
- c. Assets created out of any scheme sponsored by Central/ State Government or by multilateral or any other funding agencies are reckoned as assets of the Corporation, only if the corporation has the right of retention.

- d. Any capital expenditure incurred by the Corporation, either directly or by way of contribution, towards creation of assets whose ownership does not vest with the Corporation, is treated as Intangible asset and written off fully in the year in which it is incurred.

### 1.5 Depreciation

- a. Depreciation on Fixed Assets is provided to the extent of depreciable amount on **written down value method** (WDV) at the rates and in the manner prescribed as below over their useful life.
- b. The rates of depreciation on various kinds of assets are provided below.

<i>Asset Group</i>	<i>Assets Class</i>	<i>Estimated Life</i>	<i>Rate of Depreciation (%)</i>
Land	Freehold <ul style="list-style-type: none"> <li>• Vacant land</li> <li>• Parks</li> <li>• Burial Grounds</li> </ul>	NA	NA
Buildings	Class I <ul style="list-style-type: none"> <li>• Office Buildings</li> <li>• Public Conveniences</li> <li>• Hospitals</li> <li>• Dispensaries</li> <li>• Clinics, Welfare centers</li> <li>• Swimming Pools</li> <li>• Market places</li> <li>• Slaughter Houses</li> <li>• Community Halls</li> <li>• Staff quarters</li> </ul>	50	5
	Class II <ul style="list-style-type: none"> <li>• Compound walls</li> </ul>	15	18

<i>Asset Group</i>	<i>Assets Class</i>	<i>Estimated Life</i>	<i>Rate of Depreciation (%)</i>
Bridges & Flyovers	<ul style="list-style-type: none"> <li>Bridges</li> <li>Fly Overs</li> <li>Rail Over Bridge</li> </ul>	40	7
Subways & Causeways	<ul style="list-style-type: none"> <li>Rail under Bridge</li> <li>Subways</li> <li>Causeways</li> </ul>	15	18
Roads and Pavement	<ul style="list-style-type: none"> <li>Roads CC</li> <li>Pavements CC</li> </ul>	10	25
	Roads BT	6	40
	<ul style="list-style-type: none"> <li>Roads Asphalt and WBM</li> <li>Pavements Asphalt and WBM</li> </ul>	3	60
	Roads Concrete black tapped	50	5
	<ul style="list-style-type: none"> <li>Traffic Signals</li> <li>Signage</li> </ul>	10	25
Water Distribution	Pipe Lines	40	7
	<ul style="list-style-type: none"> <li>Tanks</li> <li>Fountains</li> </ul>	5	50
	<ul style="list-style-type: none"> <li>Deep Bore wells</li> <li>Ground Water Wells</li> </ul>	20	14
Sewage & Drainage	Sewerage Lines	30	10
	Storm Water Drains	15	18
	Channels	40	7
Street Lighting	<ul style="list-style-type: none"> <li>Mercury Vapor Lamps</li> <li>Sodium Vapor lamps</li> </ul>	10	25
	Tube Light Fittings	3	60
Plant & Machinery	Cables & Transformers	20	14
	<ul style="list-style-type: none"> <li>Play equipments</li> <li>Sports Equipments</li> <li>Conservancy equipment</li> <li>Hospital equipment</li> <li>Machinery Equipment</li> </ul>	10	25
Vehicles	<ul style="list-style-type: none"> <li>Heavy Vehicles</li> <li>Light Vehicles</li> <li>Earth Moving Vehicles</li> </ul>	10	25
	Other Vehicles <ul style="list-style-type: none"> <li>Bicycles</li> <li>Carts</li> </ul>	5	50

<i>Asset Group</i>	<i>Assets Class</i>	<i>Estimated Life</i>	<i>Rate of Depreciation (%)</i>
Office Equipments	<ul style="list-style-type: none"> <li>• Photostat machines</li> <li>• Fax machines</li> <li>• Telephone</li> <li>• Public Address systems</li> </ul>	10	25
	Computers	5	50
Furniture	<ul style="list-style-type: none"> <li>• Furniture</li> <li>• Fixture &amp; Fittings</li> </ul>	10	25

- c. Full year depreciation is provided for fixed assets capitalized in the first half of the year. For fixed assets capitalized in the second half of the financial year, depreciation is provided for half a year except for those capitalized in the month of March for which no depreciation is provided.
- d. Assets costing less than Rs.5000 are written off in the year of purchase.

## **1.6 Investments**

Investments are carried at cost. Any permanent fall in the carrying value of the investments are provided for.

## **1.7 Stores and Spares**

Stores and spares are valued at the cost based on weighted average method.

## **1.8 Grants**

- a. General Grants, which are of a revenue nature, shall be recognized as incomes on actual receipt.
- b. Capital grants are taken as liability and are taken to capital contribution upon utilization for the intended purposes, if the assets created out of the grants vests with the Corporation.

- c. Capital Grants received by the Corporation as a nodal agency or implementing agency for intended purpose and which does not result in creation of assets with ownership rights for the Corporation, are netted against the grant upon utilization. Only the unutilized portion of such grants, are carried over in the balance sheet as a liability.

## **1.9 Long Term Liability**

Long Term liability is made up of Borrowings directly taken by the Corporation as well as those given as part of schemes sponsored by Central/ State Government or by multilateral or any other funding agencies. Liability under direct borrowing is accounted for on the basis of actual receipt of funds. However, the liability attached to scheme funds has been reckoned upon receipt as unutilized grants till completion of project and taken as loans only upon completion of project.

## **1.10 Employees Benefits**

- a. Separate Fund is maintained for liability under the General Provident Fund scheme of the Corporation. Liability towards this fund is reckoned based on deductions from salary upon passing of salary bills. Any shortfall or deficit arising from the operations of the fund has not been reckoned, as the same is not ascertained so far.
- b. Leave encashment, pension (including commuted pension) and gratuity, are reckoned only upon passing of bills for payment.
- c. The Corporation has resolved to keep adequate reserves to meet employee commitments for salary and pension under any unforeseen contingencies. The salary reserve fund is to the order of one year's salary of Municipal Employees. Till development of



scientific pension plan, adhoc amounts are being transferred to pension reserve fund depending on revenue surplus position so as to constitute the Corpus Fund at that time.

## Notes to the Accounts

### 1. **Implementation of Oracle Financial Modules Under Accrual Based Accounting System:**

Oracle Financials - Enterprise Resource Planning (ERP) application is an end to end integrated software solution. The Application Suit provides ***integrated*** solutions for entire spectrum of activities of an organization. As a part of municipal reform process the software is being implemented in Greater Hyderabad Municipal Corporation (GHMC) for the first time in an Urban Local Body in India.

The Oracle E-Business Suite applications automates and streamlines all financial business processes, for enterprise-wide daily business intelligence that provides opportunity to make more informed decisions, improve operations, and reduce costs.

GHMC has implemented Oracle Financial Modules (Accounts Receivables, Purchasing, Accounts Payables, Approval Management, Cash Management and General Ledger) and it is implemented in line with the Andhra Pradesh Municipal Accounts Manuals. The ERP solution has been customized to meet the GHMC needs and AP Municipal Accounts Manual Guidelines.

Oracle Financial officially launched on 20<sup>th</sup> April 06 and targeted to cover all the DDO locations.

The financial statements for the year 2014-15 have been prepared from the Oracle Financials modules.

## 2. Accounting for Property Taxes.

- a. Current year demand has been accounted based on database maintained at the HO for Property Taxes.
- b. Collections based on cheques and cash received towards Property Taxes are accounted first as Property Tax Receivable-Current. Then based on details provided by the IT systems, segregation is made between Current, Arrears, Library Cess, and Interest etc.

## 3. Grants received as nodal agency

- a. During the year, the Corporation towards creation of assets has received Grants amounting to **Rs. 80,873.72** lakhs. As the ownership does not rest with the corporation, the expenditure incurred out of these funds have been reduced from the grant receipts and not carried over in the Balance Sheet. Scheme wise Amount received and expenditure incurred during the year 2014-15 are:

Rs in Lakhs

Sl No	Grants , Contribution for specific purposes	Opening Balance	Received During the year	Utilized/ Exp. Incurred	Balance
1	JnNURM-GoI	6,467.28	1,992.63	4,492.26	3,967.65
2	H-TRIMS	3,974.28	-	3,974.28	-
3	MRTS Project	-	1,860.31	1,860.31	-
4	Hyderabad Metro Rail Project	1,886.97	41,473.86	26,508.57	16,852.25
5	Rajiv Awas Yojana (RAY) Grant	36.15	179.17	182.46	32.87
6	JnNURM - GoTS	2,617.61	599.30	1,629.85	1,587.06
7	JnNURM - Beneficiary Contribution	-	1,147.53	1,147.53	-
8	XIIIth Finance Commission	-	14,422.26	14,422.26	-
9	Modernisation of Abattoirs	-	4.85	4.85	-
10	Modernisation of Fish Markets/Complexes	440.33	-	-	440.33
11	COP Project	-	5.50	5.50	-
12	METROPOLIS	-	1,016.25	1,016.25	-

<b>13</b>	TELANGANA HARITHAHARAM	-	1,500.00	-	1,500.00
<b>14</b>	Scheduled Castes Sub-Plan (SCSP)	-	9,300.00	-	9,300.00
<b>15</b>	Tribal Sub Plan (TSP)	-	5,700.00	508.14	5,191.86
<b>16</b>	MP/MLA Local Area Development	-	100.88	100.88	-
<b>17</b>	Deposit Works Receipts	-	762.34	762.34	-
<b>18</b>	Bulding Penalization Scheme	50,170.17	41.96	-	50,212.13
<b>19</b>	Layout Regularization Scheme	54,174.27	766.88	-	54,941.15
<b>Total</b>		<b>1,19,767.06</b>	<b>80,873.72</b>	<b>56,615.48</b>	<b>1,44,025.29</b>

#### 4. Fixed Deposits

Fixed Deposits held by MCH as on 31.03.2015 towards various purposes are as follows: (Rs in Lakhs)

<b>Sl No</b>	<b>Name of the Fund</b>	<b>Amount</b>
1	Salary Reserve Fund (SRF)	15000.00
2	Pension Reserve Fund (PRF)	2500.00
3	Other Scheme Balances (SB-O)	111401.11
<b>Total</b>		<b>1,28,901.11</b>

#### 5. Contingent liability

21.1 No estimate of the liability for unsettled claims has been made during this year. Steps will be taken to ascertain and quantify such disputed liabilities in the future financial statements.

#### 6. Cash Flow Statement

The following definitions have been used for the preparation of the Statement of Cash Flows:

**Cash:** Coins, notes, demand deposits and fixed deposits.

**Operating Activities:** Transactions and other events that are not investing or financial activities.