

**I. Explanatory note on the Revised Estimates for 2010-11 and the Budget Estimates for 2011-12**

Table showing the of summary Accounts for the year 2009-10, Budget Estimates for the year 2010-11, Revised Estimates for 2010-11 and Budget Estimates for 2011-12 are as follows.

( ` in Crore)

Sl No	Classification	Accounts for 2009-10		Budget Estimates for 2010-11		Revised Estimates for 2010-11		Budget Estimates for 2011-12	
		Recpt	Expd	Recpt	Expd	Recpt	Expd	Recpt	Expd
1	Capital	53.87	689.25	2,537.16	3,485.35	175.94	486.97	1,879.06	4,234.71
2	Revenue	238.10	114.76	81.07	80.88	148.56	86.67	96.90	96.26
3	Loans & Advances	8.10	23.03	747.22	25.53	32.15	45.77	1,692.31	22.95
4	Deposits	113.50	83.23	284.63	51.88	57.00	76.00	1,405.75	713.73
	<b>Total</b>	<b>413.57</b>	<b>910.27</b>	<b>3,650.08</b>	<b>3,643.64</b>	<b>413.65</b>	<b>695.41</b>	<b>5,074.02</b>	<b>5,067.65</b>

**II. REVISED BUDGET ESTIMATES OF RECEIPTS FOR 2010-11**

The Revised Budget Estimates of Receipts in comparison with that of the Budget Estimates for the year 2010 – 11 indicates that there has been a drastic decline in the realisation of revenue receipts. The abstract of the same is reflected below.

( ` in crore)

<b>Budget Estimates</b>	<b>3,650.08</b>
<b>Revised Estimates</b>	<b>413.65</b>
<b>Short fall in Receipts</b>	<b>3,236.43</b>
<b>Percentage of Progress</b>	<b>11.33%</b>

### **Major reasons for short fall in revenue receipts for 2010 - 11**

1. As against the major revenue resources of ₹. 3,650.08 Crore expected for the year 2010-11, the actual revenue realised is ₹.413.65 Crore. Therefore the financial progress achieved is only 11.33%.

### **The significant reasons for the shortfall of revenue are as follows.**

- a. An amount of ₹.736.98 Crore was estimated to be received from the allotment of sites from Nadaprabhu Kempe Gowda Layout and ₹.664.16 Crore from Dr.Shivaram Karnth totalling to ₹.1401.14 Crore. Since the above layouts were not formed during the financial year 2010-11, the BDA could not realise the expected revenue.
- b. The revenue of ₹.1,100.00 Crore out of sale of Auction of sites and leasing of CA sites, were not on the expected line during 2010-11. The actual revenue realised is only ₹.150.00 Crore. As a consequence of this, there is a shortfall of revenue to tune of ₹.950.00 crore.
- c. An amount of ₹.28.28 Crore was estimated to be received under JNNURM Scheme from KUIDFC for Megacity Project like Magadi Road and Chord under pass, Iblur and Agara Junction under JNNURM Scheme. But ₹.4.22 Crore has so far been received from KUIDFC being the State share. However the claims to the tune of ₹.24.06 Crore have already been submitted to KUIDFC. But the reimbursement amount is likely to be received the during 2011-12.

- d. In the budget estimates of 2010-11 it was proposed to borrow a loan of ₹.500.00 Crore for payment of land compensation for the land acquired for the purpose of construction of Peripheral Ring Road. However, loan could not be availed for want of completion of land acquisition proceedings and award of compensation. It was also contemplated to avail the loan of ₹.245.27 Crore for undertaking Bangalore Infrastructure Development Works in the BBMP area. Out of this amount only ₹.30.07 Crore of loan is availed. However, the whole amount could not be availed as there has been a delay in tendering process and awarding of contracts.
- e. It was expected that a sum of ₹.282.48 Crore towards collection of Initial deposits, registration fee, FSD and other miscellaneous receipts from the newly formed Nada Prabhu Kempegowda and Dr. Shivarama Karanth layouts. Out of which only ₹.55.00 Crore of FSD amount has been collected. Thus there is a shortage of revenue receipt amounting to ₹.227.48 Crore. However, I.D & Registration fee were not collected since the allotment could not take place during the year.
- f. The revenue realised for the year 2010-11 is only provisional as the actual revenue receipts have been taken up to the end of December 2010 and for the remaining 3 months i.e., from January to March 2011 as provisional.
- g. Therefore, the total revenue realised would be ₹.413.65 Crore. Thus there is a revenue deficit during 2010-11 to the tune of ₹.3,236.43 Crore.

### **III. REVISED BUDGET ESTIMATES OF EXPENDITURE FOR 2010-11**

The Revised Estimates of Expenditure in comparison with that of the Budget Estimates for the year 2010-11 indicates that there has been a major savings in the expenditure. The abstract of the same is shown below.

(` in crore)

<b>Budget Estimates</b>	<b>3,643.64</b>
<b>Revised Estimates</b>	<b>695.41</b>
<b>Savings</b>	<b>2,948.23</b>
<b>Percentage of Progress</b>	<b>19.08%</b>

#### **Major reasons for savings are as follows:**

- a. As against the estimated expenditure of `3,643.64 Core, the Revised expenditure is `.695.41 Crore which accounts for 19.08%. There is a huge difference of `.281.76 Crore between the income (`.413.65 Crore) and expenditure (`.695.41 Crore) during 2010-11. This deficit will have to be made good out of pre-closure of fixed deposits of BDA kept in various Banks.
- b. Non-formation of new layouts namely Nada Prabhu Kempe Gowda & Dr.Shivaram Karntha layout etc.,the expenditure could not be incurred towards land acquisition and civil works amounting to `.855.78 Crore.

- c. The provision of ₹.1,328.55 Crore was made during 2010-11 for Bangalore Infrastructure Development Works which includes 9 Grade separators, Construction of Multi-Storied vehicle parking centres, Improvement of 10 important traffic routes in various parts of Bangalore, Rejuvenation and Development of tanks etc., & BBMP Works as per G.O.dated 30.08-2008. However expenditure to the tune of ₹.258.21 Crore has only been incurred. Hence, there is a savings of ₹.1,070.34 Crore.
- d. For the Restoration & Development of Lakes, a provision of ₹.114.25 Crore was made. However an amount of Rs. ₹.43.25 Crore only has been spent. Hence there is a savings of ₹.71.00 Crore.
- e. To undertake various works in older layouts of BDA, a budget provision of ₹.620.30 Crore was made. Since all works could not be carried out, the expenditure incurred is ₹.119.50 Crore, resulting in savings of ₹.500.80 Crore.
- f. It was estimated that expenditure of ₹.500.00 Crore would be incurred towards payment of land compensation for Acquisition of land for PRR. But the process of Land Acquisition and award compensation was not completed, hence the provision remained unutilised.

## **BUDGET ESTIMATES FOR 2011-12**

The Estimated Receipts and Expenditure for 2011 – 12 projected are at ₹.5,074.02 Crore and ₹.5,067.65 Crore respectively. The overall surplus is estimated at ₹.6.37 Crore.

**Budget Estimates of Revenue Receipts :- ₹. 5,074.02 Crore.**

**Major Revenue Resources are as follows.**

1. About ₹.1,090.40 Crore is expected to be realised out of sale of sites from Nadaprabhu Kempe Gowda Layout & ₹.363.40 Crore from Dr.Shivarama Karanth layout.
2. Out of sale of Auction sites, leasing of C.A.Sites and sale of sites in other older layouts, an amount of ₹.362.45 Crore of revenue is anticipated.
3. Contribution from GOI (35%) and GOK (15%) under JNNURM scheme for Megacity works (Under pass at the junction of Magadi road & chord road, Grade separator at Agra & Iblur Junction) totalling to ₹.24.06 Crore is likely to be received.
4. Based on the resolution passed by the BDA, a proposal has been submitted to Government to borrow a loan of ₹. 1500.00 crore for payment of land compensation to the land acquired for the purpose of

construction of Peripheral Ring Road. Further, the loan of amount of ₹.174.73 Crore has already been availed from the KUIDFC for construction of 9 Grade separator. Out of which the loan amount of ₹.30.07 Crore has been utilised and balance of ₹.144.66 Crore will be utilised during 2011-12. It is further proposed to avail the loan amounting to ₹.43.25 Crore for Construction of two level grade separators near Nayandahalli from KUIDFC. It is under process.

5. About ₹.110.46 Crore is expected to be realised out of sale of EWS Houses (₹.31.68 Crore) & Miscellaneous receipts (₹.78.78 Crore).
6. BDA contemplates to levy betterment tax on development schemes under sections from 20 to 27 of BDA Act, 1976. Accordingly a provision of ₹.25.00 Crore is made.
7. Collection of ID, Reg fee, FSD & Cesses is expected to be made to the tune of ₹. 1,405.75 Crore during 2011-12.

**Budget Estimates of Expenditure :- ₹. 5,067.65 Crore.**

**Major Expenditure are as follows.**

1. New Layout namely Nada Prabhu Kempe Gowda, Dr.Shivarama karantha and Arkavathi layout are proposed to be formed. For payment of compensation and for execution of Civil works including in the older BDA layouts a budget provision of ₹.1,758.41 Crore is made.
2. For meeting the expenditure of balance BBMP works executed by the BDA, a provision ₹.25.00 Crore is made.
3. For payment of compensation to the land acquired for the purpose of construction of PRR and for the execution of Civil works etc., the amount expected to be incurred is ₹.831.00 Crore.
4. It has been recommended by the Karnataka Legislative Assembly SC/ST welfare committee to earmark 22.75% of the BDA's income, including backlog, for SC/ST welfare schemes. Accordingly, 22.75% income derived by the BDA for the period from 2006-07 to 2011-12 works out to ₹.418.78 Crore. Out of which ₹.408.78 Crore budget provision is made to undertake Construction of Housing Projects, Hostel and Training Centre etc., Apart from this, the budget provision of ₹ 10.00 Crore is also made for construction of Training centre for SC / ST Candidates for importing training to appear for All India civil service examinations like IAS, IPS & IFS etc & other higher educational courses.

5. A provision of ₹.258.09 Crore is made to incur the expenditure towards ongoing works like under pass at the Inter junction of Magadi road & Chord road, Grade separator at Agra & Iblur Junction, under JNNURM scheme, Construction of 9 grade separator along ORR, Improvement to ORR, National Military Memorial etc.,
6. A provision of ₹.154.36 Crore is made in the budget estimates towards construction of Houses for EWS.
7. A provision of ₹.14.05 Crore is made in the budget estimates towards Restoration & Development of 13 Lakes.
8. **New Works-**
  - a. For construction 2 level grade separator with improvements to the junction at intersection of ORR Bangalore-Mysore road near Nayandahalli, Providing infrastructure for BRTS along ORR, Development of 8 road works in BBMP area etc., a provision of ₹.369.82 Crore is made.
  - b. For plantation of one crore seedlings in the green belt area, formation of 12 parks & recreation centres within Bangalore city, Construction of 4 elevated roads in city area, development of properties in BDA layout & Construction of road over drains a sum of ₹.210.00 Crore is provided.
  - c. For rejuvenation and development of 29 lakes, Construction of Sculpture Park would be taken up with an estimated cost of ₹.33.00 Crore

- d.** BDA contemplates to re-develop 4 markets at Jayanagar, Malleshwaram, Seshadripuram & K.R.Puram jointly with BBMP at an estimated cost of ₹.409.04 Crore. In this regard 1/3<sup>rd</sup> provision of ₹.136.35 Crore is made.
9. For undertaking maintenance works in various BDA complexes and older layouts of BDA, an amount of ₹.15.96 Crore is earmarked in the Budget Estimates.
10. Provision for repayment of principle (₹.21.41 Crore) and interest (₹.7.97 Crore) amount to KUIDFC, HUDCO and Guarantee Commission payable to Government (₹.2.00 Crore) is made in the budget estimates.
11. Towards payment of salary and allowances and to meet other contingent expenditure, a provision of ₹.66.14 Crore is made.
12. For refund of Reg Fee, FSD and cesses etc amounting to ₹.713.73 Crore is provided in the budget estimates.
13. Towards construction of Office Building and Shopping Complex a provision of ₹.19.80 Crore is made in the Budget estimates.

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