

What is Total
Budget
Allocation?

Where do
funds come
from?

Where do
allotted funds
go ?

Budget Allocation
Education
Health
Water & Sanitation
SWM

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Key Highlights

BMC Budget Discussion 2022-23



City Budgets in General

- ❖ City budgets dictate our lives more than any other budget yet do not receive this kind of attention or participation from the city or the media.
- ❖ A careful reading of the civic budget will help you understand where you are on the priority list of the people who govern your city, as a citizen, as a society, as a locality, then as a community. So, the budget is as much a financial instrument as it is a political instrument.
- ❖ The BMC budget is not only a political statement & financial account but it sets accountability of the government towards me and therefore citizen has every right to know what the government is doing, what it has achieved, and how it is going to improve their life in the next year's budget.

State of Public Health



- ❖ INR 7,000 crores i.e 15% of the total budget estimate has been allocated for health. Unlike many other ULBs, the BMC is actively involved in running medical institutions and providing public health facilities which is otherwise a state function. However, this budgetary support for health is derived from the corporate property tax of the citizens of Mumbai. In many ways, the BMC's health budget expenditure is borne by the city of behalf of the state.

State of Public Transport

- ❖ Mumbai is one of the few cities that has its own transport service and the BMC budget has allocates 800 crores for BEST Undertaking. Since, Public Transport is a essential means to livelihood for a large section of the city's population, it needs more support and upgradation for greater citizen welfare.

Local Area Development Fund.



- ❖ There are 227 ward corporators and five corporators who are nominated in BMC. Every year each corporator gets around 1.5 crores as a local area development fund. This is estimated around 350 crores per year. However, often these funds are utilized for distributing jute bags or umbrellas as part of political campaigns and are recorded as a revenue expenditure.

Unplanned Expenditure

- ❖ In the 2-3 years, there is a rising concern regarding unplanned expenditure in the city. These projects have no mention in the budget, yet expenditure is incurred on them. For instance, BMC is constructing INR 165 Crores cycle track, which costs 40 crores per kilometer, linking Bandra fort to Mahim fort. This raises several questions about fiscal discipline when unplanned projects are

Citizen Participation & Ward Committees



- ❖ The significance of participatory budgeting follows accountability and transparency as it puts citizens thought into their money. Citizens should be able to influence the city budget to include their priorities through a systematic process.
- ❖ The single biggest missing link in Mumbai is the absence of ward committees. Mumbai should set an example and lead the country in making these 24 ward committees fully functional. The ward committee should have representation from all walks of life and all socio-economic group.

Water & Sanitation



- ❖ One thing about Mumbai city's budget, which is unique is that we have a quarter budget called the G budget - for water supply and sanitation services. This is a completely ring-fenced budget, meaning whatever revenues are earned on water supply and sewerage, they have to be spent on water supplies and sewerage alone.

Constituting Mumbai Parking Authority

- ❖ A parking policy and a professional parking authority can help regulate the road space and give equitable access to everyone, whether they have a private vehicle or not. This is essential for solving the parking problems in Mumbai

Octroi Compensation & Octroi Nakkas

- ❖ Octroi was abolished after the GST bill was passed in 2017. 45% of BMC's revenues are dependent upon compensation given in lieu of this abolishment and it is devolved from the state government. Such a high dependence of any local body on a state government or a central company, it's not a good sign.
- ❖ The abolition of octroi has taken away the revenue that the corporation gets, but it has left BMC with 200 acres of land, which use to be octroi nakkas which are located at the prime junctions of the city in, Mulund, Dahisar & Mankurd. There are six,seven octroi nakkas which are more than 200 acres. So far in the last five years, nobody has given it a given real deep thought on how it can be used for the city.