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Hyderabad Metropolitan Development Authority hikes development charges

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HYDERABAD: The government on Thursday enhanced the development charges imposed on builders for construction of buildings in the extended areas of Hyderabad Metropolitan Development Authority (HMDA) by 50 per cent.

The municipal administration and urban development (MA&UD) department issued a GO increasing the development charges. [HMDA](#) has been collecting only 25 per cent of the actual development charges from builders since February 2009 to encourage building activity in the extended area and also in view of slowdown in the [real estate](#) activity. That was done mainly on the request of builders and also on the recommendation of the metropolitan authority.

The builders will now have to pay 75 per cent of the actual development charges. The GO stated that several development activities have come up in the extended area of the authority, covering about 620 villages and municipalities of surrounding districts like Bhongir and Sangareddy.

While there is need to encourage development, at the same time the HMDA's financial position is precarious and the development charges are the only source of regular revenue for the authority.

"The HMDA will collect 75 per cent of the development charges in the erstwhile Huda and Hyderabad Airport Development Authority ([Hada](#)) jurisdiction as per the GO 439 issued in June, 2007," the GO said.

