

27 APR 2012

CONFIDENTIAL
CABINET MATTER

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
GENERAL ADMINISTRATION DEPARTMENT
DELHI SECRETARIAT, I.P. ESTATE, NEW DELHI-02

No.F.3/2/2011-GAD/CN- 1599-1610

Dated: 27/04/12

CABINET DECISION NO. 1882 DATED: 23.04.2012
TABLED ITEM

Sub: Setting up of three Municipal Corporations, Issues - Regarding.

Decision: The Cabinet went through the draft Draft Budget Estimates of the three Municipal Corporations for the Financial Year 2012-13. The Cabinet noted that the Corporations were not exercising due prudence in expenditure control. The Cabinet was concerned to note that the Corporation had accumulated Rs. 600 crores as outstanding contractors' liabilities. It also noted that the increase in revenue was not commensurate with the increase in expenditure. The Cabinet directed that the Pr. Secretary (UD) should write to the Municipal Commissioner advising them to exercise financial prudence, rationalize taxes and improve collection efficiencies. Pr. Secretary (UD) was also directed to advise the Corporation to ensure that committed liabilities created under Non-Plan for the next Financial Year should, under no circumstances, exceed 10% of the current Financial Year's Budget Estimates under the respective heads. The Cabinet also noted that the pace and extent of expenditure on the Plan Budget side did not match with the budgetary allocations released by the Government of NCT of Delhi, which resulted in under utilization of Plan funds.

However, keeping in view the Government's commitment to promote democratic decentralization and strengthening of local bodies, the Cabinet agreed to extend its in principle support by granting Rs. 1831 crores as a loan, as a one time measure only, to the Corporations. This will be in addition to the budgetary allocation of Rs. 1724 crores (Non Plan) and Rs. 1771 crores (Plan) made in the Government of NCT of Delhi Budget for 2012-13. This will enable the Corporations to bridge their budget deficits.

Sd/-
(P.K. TRIPATHI)
SECRETARY TO THE CABINET

Contd...2/-

Supdt. G.B.
P.S.

MS.
26/4/12

1. Pr. Secretary to Lt. Governor, Delhi.
2. Pr. Secretary to the Chief Minister, Delhi.
3. Secretary to Minister of Health, Govt. of NCT of Delhi.
4. Secretary to Minister of Education, Govt. of NCT of Delhi
5. Secretary to Minister of Food & Supplies, Govt. of NCT of Delhi.
6. Secretary to Minister of PWD, Govt. of NCT of Delhi.
7. Secretary to Minister of Social Welfare, Govt. of NCT of Delhi
8. Secretary to Minister of Industries, Govt. of NCT of Delhi.
- ✓ 9. Pr. Secretary (UD), Govt. of NCT of Delhi: with the request to upload ATR on CDMS.
10. OSD to Chief Secretary, Govt. of NCT of Delhi, Delhi.
11. Hindi Officer, Language Department: for translation.
12. Guard file.



(B.V.SELVARAJ)
JOINT SECRETARY TO THE CABINET

26/4/12