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**CONFIDENTIAL**  
**CABINET MATTER**

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI  
GENERAL ADMINISTRATION DEPARTMENT  
(CO-ORDINATION BRANCH)  
DELHI SECRETARIAT, I.P. ESTATE, NEW DELHI

No.F.3/3/2016/GAD/CN/dsgadiii/ 5087-5095

Dated: 24-10-2016

**TABLED ITEM**

**CABINET DECISION NO.2438 DATED 22.10.2016**

**Subject:** Proposal to supply free water up to 20 KL per month to each household having domestic metered water connections in NDMC area.

**Decision:** The Council of Ministers considered the note of Pr. Secretary (UD). After deliberations, the Cabinet approved the proposals as mentioned at sl. no. (i) to (vii) of the para bearing heading "Proposal", with the modification that the scheme will be implemented in NDMC area in the same manner and from the same date as in rest of Delhi i.e. with effect from 1.3.2015.

-Sd/-

(K. K. Sharma)  
Secretary to the Cabinet

Dated: 24-10-2016

No.F.3/3/2016/GAD/CN/dsgadiii/ 5087-5095

1. Secretary to Lt. Governor, Govt. of NCT of Delhi.
2. Addl. Secretary to the Chief Minister, Govt. of NCT of Delhi.
3. Secretary to Dy. Chief Minister, Govt. of NCT of Delhi.
4. Secretary to Minister, Labour, Govt. of NCT of Delhi.
5. Secretary to Minister, Health, Govt. of NCT of Delhi.
6. Secretary to Minister, Tourism, Govt. of NCT of Delhi.
7. Secretary to Minister, Food and Supply, Govt. of NCT of Delhi.
8. Pr. Secretary (UD), Govt. of NCT of Delhi, with request to upload ATR on CDMS.
9. OSD to Chief Secretary, Govt. of NCT of Delhi.
10. Hindi Officer, Language Department, Govt. of NCT of Delhi for translation.
11. Guard file.

*[Signature]*

(P. C. Jain)  
Spl. Secretary (GAD)

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**GOVERNMENT OF NATIONAL CAPITAL OF TERRITORY OF DELHI  
DEPARTMENT OF URBAN DEVELOPMENT  
9<sup>TH</sup> LEVEL C-WING, DELHI SACHIVALAYA, I.P. ESTATE, NEW DELHI**

**Dated:**

Minister-in-Charge

: Shri Satyendar Jain  
Hon'ble Minister of Urban  
Development

Secretary-in-charge

: Shri Janak Digal  
Principal Secretary Urban  
Development Department

**NOTE FOR COUNCIL OF MINISTERS**

**Sub: Proposal to supply free water up to 20 KL per month to each household having domestic metered water connections in NDMC area.**

**Background:**

1. The Council of Ministers considered a proposal of Delhi Water Board to provide up to 20 KL water per month to domestic consumers of Delhi Water Board having functional water meter vide **Cabinet Decision No. 2130 dated 25.02.2015**. The scheme has following characteristics.

- (i) The domestic consumer of Delhi Jal Board consuming water up to 20 KL per month will be exempted from payment of water bill including all components namely, water charges, sewerage maintenance charge, service charge, meter rent (wherever applicable) and cess w.e.f. 01.03.2015.
- (ii) The benefit of free water upto 20 KL per month will be available only to those consumers who have functional water meters.
- (iii) Domestic consumers consuming more than 20 KL per month will be billed as per applicable tariff for their entire consumption.
- (iv) To ensure that operations of DJB do not suffer, and to compensate DJB, Rs. 62.5 Crore would be released by Delhi Government for each quarter of 2015-16, one month before the beginning of the quarter-total for 2015-16 being Rs. 250 Crore.
- (v) For the month of March, 2015, an amount of Rs. 20.83 Crore would be released before 28<sup>th</sup> February, 2015.
- (vi) For the first quarter of 2015-16, first payment of about Rs. 62.5 Crore will be released in favour of DJB by Delhi Government before 01.04.2015.
- (vii) This money will be kept in a separate bank account to be maintained by DJB and suitable mechanism will be worked out for reconciliation of account between the Delhi Government and DJB.

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(viii) The consumers is provided rebate directly in the bill itself on the pattern of the earlier scheme and DJB appropriates the money from the account as mentioned in (vii) above.

2. The Delhi Legislative Assembly Elections were held on 7<sup>th</sup> of February, 2015 and the new Government was formed on 14.02.2015. The ruling party in its election manifesto i.e. 'Delhi Dialogue' - White paper on Water, had promised to provide free water supply to the extent of 20 KL per month. Accordingly, above decision to provide free water was taken by Council of Ministers with certain terms and conditions. But, under above scheme the consumers falling under NDMC & Delhi Cantonment Board areas and other Government Colonies could not be considered because these area are getting bulk supply of water through DWB and consumer of these areas are not direct consumer of DWB.

3. The Delhi Jal Board was constituted through an Act titled as "Delhi Water Board Act 1998" passed by the Delhi Legislative Assembly dated 2<sup>nd</sup> April, 1998. The Section 55 of the Delhi Water Board Act-1998, has following provisions:

"(1) The Board shall for the purpose of the services rendered by it under the Act levy fees, charges, including development charges, rentals and collect deposits and may recover interest on amounts payable to it, at such rates as may be specified by regulations.

(2) The fee, charges, rentals and deposits referred to in Sub-section (1) shall be so fixed as overall to ensure the recovery of all costs of operation, maintenance, repayment of debt and a return of not less than three per cent on net fixed assets.

Provided that development charges in respect of any building or part thereof or of any group of cluster of buildings shall not be less than the actual expenditure incurred."

Further, Section '73' of the Act provides that the Government may at any time issue directions in relation to the management of the Board and the Board shall comply with such directions:

Provided that the Government shall obtain and consider the opinion of the Board before issuing any such directions:

Provided further that the Government shall make due provision for any financial liability to the Board arising directly in consequence, of any such directions:

Provided also that all directions issued to the Board by the Government shall be reported to the Legislative Assembly of the National Capital Territory of Delhi at the end of each year.

Due to above provisions under Delhi Water Board Act-1998, after implementation of above scheme, Government's considered to compensate DWB on account of free

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water supply to consumers. For this purpose DWB to maintain a separate bank account reconciled the figure.

4. The secretary, NDMC has informed that in NDMC meeting chaired by Hon'ble Chief Minister, Delhi on 25.03.2015, it was decided to implement Delhi Government above scheme in Toto in NDMC area also subject to condition that GNCTD shall compensate NDMC for the revenue loss to be incurred by NDMC in implementing the scheme.

The NDMC has provided following information regarding their consumers.

1. Total domestic metered connections – 9,000
2. Revenue loss worked out if up to 20 KL Water per month is given free – 2.60 Crore per annum.

5. A proposal was moved to extend the above facility to all domestic consumer of Delhi i.e. citizens living in NDMC area, DCB area or area under Government colonies. Hon'ble Dy. Chief Minister, Delhi approved the proposal and directed *"That the benefit of free water supply should be available to all eligible citizens of Delhi."*

But as per approved scheme the above facility was provided to only those consumers of Delhi Water Board who have functional water meter. The consumers under NDMC area having water meters can also be extended this facility on same terms and conditions.

Fixed monthly charges are taken from consumers residing in Government colonies and no water meter has been provided. The status of DCB is not available.

As per para 37 of Delhi Water Board Act- 1998 *"The New Delhi Municipal Council and the Delhi Cantonment Board, Military Engineering Services shall pay the actual cost of water supplied to them at the rate calculated in the manner given herein"*

**Comments of Delhi Water Board – No Changes required.**

**Comments of NDMC –** NDMC has 9000 domestic metered connections having consumption upto 20 KL water per month. The revenue from supply of water at present tariff to the 9000 domestic connections works out to Rs. 2.60 crore per annum. NDMC has sought release of Rs. 2.60 Crore per annum.

**Comments of Planning Department –**

**Comments of Finance Department –** Enclosed as Annexure '1'

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**Comments of Law Department -**

**Proposal - The following proposal is submitted for consideration by the Council of Ministers**

- (i) The domestic consumers of NDMC area having water meters and consuming water up to 20 KL per month will be exempted from payment of water bill including all components namely, water charges, sewerage maintenance charge, service charge, meter rent (wherever applicable) and cess w.e.f. from the date of issue of notification.
- (ii) The benefit of free water upto 20 KL per month will be available only to those consumers who have functional water meters.
- (iii) Domestic consumers consuming more than 20 KL per month will be billed as per applicable tariff for their entire consumption.
- (iv) To ensure that operations of NDMC do not suffer, and to compensate NDMC, Rs. 2.60 Crore per year would be released by Delhi Government to NDMC.
- (v) The above amount will be released quarterly.
- (vi) This money will be kept in a separate bank account to be maintained by NDMC and suitable mechanism will be worked out for reconciliation of account between the Delhi Government and NDMC.
- (vii) The consumers will be provided the rebate directly in the bill itself and NDMC will appropriate the money from the account as mentioned in (vi) above.

This Cabinet Note has the prior approval of the Minister of Urban Development.

  
(Jai Singh)  
Pr. Secretary (UD)

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**GOVERNMENT OF NCT OF DELHI  
FINANCE DEPARTMENT**

Ref: File No.16(651)/UD/W/2016 (CD No.021402319).

With regard to the draft Cabinet Note of UD Department regarding extension of the benefit of 'free water supply up to 20 KL to each household having domestic metered water connections in NDMC area', the views of FD are as follows:-

No.	Proposal of UD Department	FD's views
(i)	The domestic consumers of NDMC area consuming water up to 20 KL per month will be exempted from payment of water bill including all components namely, water charges, sewerage maintenance charge, service charge, meter rent (wherever applicable) and cess w.e.f. the date of issue of notification.	FD agrees to the proposal because the same benefit is already available to those who have functional water meters in MCD areas.
(ii)	The benefit of free water up to 20 KL per month will be available only to those consumers who have functional meters.	FD has no objection.
(iii)	Domestic consumers consuming more than 20 KL per month will be billed as per applicable tariff for their entire consumption.	FD has no objection.
(iv)	To ensure that operations of NDMC do not suffer and to compensate NDMC, Rs.2.60 crore (Rupees two crore and sixty lakh only) per year would be released by Delhi Government to NDMC.	FD agrees to the same subject to availability of funds during CFY. In case funds are not available for the purpose, the department should initiate necessary steps to make adequate provision in the budget with the approval of the competent authority.
(v)	The above amount will be released quarterly.	FD has no objection, provided the department should take steps to reconcile the accounts before releasing the same.
(vi)	This money will be kept in a separate bank account to be maintained by NDMC and suitable mechanism will be worked out for reconciliation of account between the Delhi Government and NDMC.	FD has no objection.
(vii)	The consumers will be provided the rebate directly in the bill itself and NDMC will appropriate the money from the account as mentioned in (vi) above.	FD has no objection.

This issues with the approval of Hon'ble Dy. CM / FM.

(Rakesh Bali),  
Spl. Secretary (Finance).

Pr. Secretary (UD), UD Department, GNCTD, 9<sup>th</sup> Level 'C' Wing, Delhi Secretariat, Delhi.

U.O.No.F.2/126/2016-AC/737

Dated: 20.10.2016.

*urgent*  
*4-22/10/16*  
*SS (UD) II*  
*AD(4)*