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K.S. WAHI
Member Secretary

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FOURTH DELHI FINANCE COMMISSION
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D.O. No. F1(24)/4th DFC/2011/387
Dated: 26th August 2011

Dear Shri Spolia

1. Letter No. DFC/2737 dated 13.09.2009
2. F1 7(24) /4th DFC/2010-11/162 dated 4TH APRIL 2011

The Commission in its meeting held on 17.08.2011 had undertaken a review of the progress so far achieved in getting replies from the officers and the departments of the Government of the NCT of Delhi to whom letters were sent by the Commission. On the basis of review undertaken in the commission it was noticed that the Finance Department is yet to respond to marginally noted references

I have been directed by the Commission to request you to kindly look into the matter and expedite replies to these references. Further that while replying to pending references you may also please clarify the position in regard to the matters listed as follows: -

1. The date on which the "Consolidated Fund of the Government of National Capital Territory of Delhi" was commenced. Kindly arrange to supply a copy of the rules made by the Lt. Governor of Delhi under section 46 of Government of National Capital Territory of Delhi Act, 1991 for regulating withdrawal of money from the Consolidated Fund of National Capital Territory of Delhi

2. Details of revenue received by the Government of India in the National Capital Territory of Delhi which by virtue of the provisions contained in Section 46 of the Government of National Capital Territory of Delhi Act, 1991 are required to be credited to the Consolidated Fund of the National Capital Territory of Delhi.

3. The year-wise details of funds received by the Government of the National Capital Territory of Delhi from the Central Government under Article 270 of the constitution, clearly indicating the amount meant for supplementing the resources of the municipalities, as per the provisions contained in clause(c) of Article 280 of the Constitution.

4. Since implementation of the provisions contained in clause (r) of section 11 of the New Delhi Municipal council Act, 1994 and clause (r) of section 42 of the Delhi Municipal Corporation Act, 1957 is subject to the grants as may be determined by the Central Government from time-to-time, kindly indicate the year-wise determinations made by the central government including the funds if any, provided to the Government of the National Capital Territory of Delhi or released directly to the municipalities on that account.

5. The Education Department has formally informed us that the Urban Development Department of the Government of the NCT of Delhi is periodically releasing grants-in-aid to the municipalities in the NCT of Delhi for providing the primary education in the NCT of Delhi. However it has so far not explained details of amounts released to the municipalities or the principles that govern such releases or whether these releases are in addition to the determinations made by the central government or in substitution thereof. In either case the commission requires a copy of the government order regulating releases of grants-in-aid to municipalities for this activity.

6. The year-wise releases of amounts by the Government of the National Capital Territory of Delhi to the municipalities in the NCT of Delhi by way of their share in net proceeds of taxes, duties, tolls and cesses recommended by the First, second and third Finance Commissions.

7. The year wise release of grant-in-aid to the municipalities under the recommendations of First, second and third Finance Commissions together with a note explaining the institutional mechanism placed in position for ensuring attainment of the purpose for which the grants-in-aid were disbursed to any of the municipalities.

8. Details of taxes assigned to municipalities in the NCT of Delhi including a note on reasons for not crediting taxes collected under section 113 of the Delhi Municipal Corporation Act, 1957 and section 60 of the New Delhi Municipal Council Act, 1994 in to the "Consolidated Fund of the Government of National Capital Territory of Delhi" despite the provisions contained in section 46 of the Government of National Capital Territory of Delhi Act, 1991

9. A note giving reasons for not crediting the cess receipts under the Building and other Construction Workers Welfare Cess Act, 1996 and the 'Labour Welfare Tax' under the Bombay Labour Welfare Fund Tax Act, 1953 as extended to the union territory of the NCT of Delhi into the "Consolidated Fund of the Government of National Capital Territory of Delhi"

With Regards

Yours sincerely

Sd/-

(K.S.Wahi)

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