

**PROCEEDING FOR SPECIAL BOARD MEETING OF AHMEDNAGAR
CANTONMENT BOARD HELD ON 26/07/2022 AT 1630 HOURS IN THE
OFFICE OF THE CANTONMENT BOARD, AHMEDNAGAR**

PRESENT MEMBERS

Sr. No.	Name of Members	Designation
01.	Brig. Russell D'Souza, Comdt. MIC & S	President Cantonment Board (PCB)
02.	Shri. Vikrant More, Chief Executive Officer (CEO)	Member Secretary
03.	Shri. Vasant C. Rathod	Nominated Member

**SR.
NO. SUBJECT**

01. COLLECTION OF VEHICLE ENTRY TAX (VET).

REF : CBR No. 05 dated 07-07-2022.

To consider the letter received from Principal Director, Defence Estates Southern Command, Pune bearing No. 12332/XV/DE dated 14/06/2022 and Directorate General, Defence Estates, Delhi Cantt, Delhi letter No. 53/50/Gen/VET and VEF/C/DE/2022 dated 14/06/2022 towards forwarding proposal with clear recommendations for abolition of Vehicle Entry Tax (VET) implemented by Cantonment Board Ahmednagar.

The matter was discussed in previous Board meeting and Board vide CBR No. 05 dated 07-07-2022 resolved to place detailed study/analysis of loss of revenue due to discontinuation of Vehicle Entry Tax in next Board meeting. Accordingly the detailed analysis report is given as under:

Year	VET Contract Value for year	Average Contract Value of last three year	Projected loss of Revenue
2021-22	Rs.1,31,68,105/-	Rs. 3,37,74,368/-	Rs. 3,37,74,368/-
2020-21	Rs.4,63,55,000/-		
2019-20	Rs.4,18,00,000/-		

All the relevant paper and letters are placed on the table.

Board to consider and resolve appropriately.

RESOLUTION

Board noted the letters issued by the Principal Director, Defence Estates Southern Command, Pune bearing No. 12332/XV/DE dated 14/06/2022 and Directorate General, Defence Estates, Delhi Cantt, Delhi letter No. 53/50/Gen/VET and VEF/C/DE/2022 dated 14/06/2022.

The Chief Executive Officer, Member Secretary briefed that, as per provision of section 66 of the Cantonments Act, 2006 Ahmednagar Cantonment Board is empowered for collection of the VET at entry points sanctioned vide SRO. RB/VET/2001 Part III Sec. 4 dated 14th September 2001 published on 29th September 2001. The VET is collected by leasing out rights as per provision of Section 92 of Cantonments Act, 2006. VET is imposed by the Cantonment Board Ahmednagar under provision of section 66 of the Cantonments Act, 2006 with prior sanction of Central Government.

After detailed discussion, Board is of the opinion that the VET is the major source of income. On abolition/discontinuation of VET, there will be scarcity / paucity of fund with Cantonment Board Ahmednagar. The Cantonment Board Ahmednagar will not be in position to fulfill the obligations / duties and function delegated to Board as per Cantonments Act, 2006 after loss of this revenue source.

The matter was discussed and deliberated in detail with possibilities and effects of abolition of VET. Following points have prominently come out during discussions by the Board:

- (a) Traffic on Cantonment Board roads persist leading to wear and tear of road including furniture need to be constantly maintained / repaired / upgraded. Without the same there are greater chances of accidents resulting in loss of life and damage to property which need to be avoided.
- (b) PCB expressed views that after abolition of VET, traffic passing through Cantonment is likely to increase.
- (c) VET is the only major source of revenue of the Board among its local sources and due to ongoing excision process the recovery of property tax is low. Revenue generated from VET is utilized to provide municipal services to the residents of Cantonment area.
- (d) Cantonment Board Ahmednagar is highly deficit Board and is heavily dependent on grant – in –aid from the Central Government. Presently Board is having statutory / committed liabilities amounting to Rs.16,00,00,000/- approx with respect to Salary of employees, pension, ACP benefits, 7th pay arrears of employees and pensioners, Retirement benefits, outsourced employees agency payment, water bills etc.

However the Nominated Member Shri. Vasant C. Rathod, conveyed that VET should be discontinued immediately.

In the light of the above discussion, Board resolved not to recommend discontinuation of VET and also resolved to request the competent authority to re-consider the matter sympathetically considering financial interest of the Board.

SD/-XXX
Chief Executive Officer
Member Secretary
(VIKRANT MORE)

SD/-XXX
President
Ahmednagar Cantonment Board
(BRIG. RUSSELL D'SOUZA)

Date : 26/07/2022