

# **Manual 1**

## **Particulars of organization, functions and duties**

### **[Section 4(1)(b)(i)]**

#### **Background for establishment of Finance Department in NDMC**

Prior to 1970, financial proposals used to be referred to Ministry of Finance, Govt. of India for their advice/concurrences. Subsequently, owing to increase in volume of work, for administrative convenience and smooth functioning NDMC created its own Finance Department and a post of Financial Advisor, along with supporting staff was created.

Internal Audit Branch, which is part of the Finance Department, is in existence since long. It used to work under direct control of Chief Accounts Officer, subsequently re-designated as Director (Accounts). Internal Audit Branch now functions under the supervision of Director (Finance) with over all control of F.A.

#### **(1) Aims and objectives of the Finance Department:**

The role of the Finance Department is to ensure prudent financial management in NDMC. It is ensured that revenue as due from all quarters is realized and accounted for properly. Finance Department ensures that a system of financial management and control as prescribed by Govt. of India/ NDMC Act is followed. This involves formulating realistic budget every year. Budgetary control over expenditure is exercised through adherence to standards of financial propriety. Canons of financial propriety guide every officer incurring or authorizing expenditure from the NDMC treasury. Sanctioning authorities make all possible efforts to obtain value for money.

For achieving this, Finance Department is assisted by three main sections i.e. Finance, Budget and Internal Audit. All the three organs of Finance Department function under supervision of Director (Finance) with overall control of Financial Advisor.

#### **1. Finance Department**

The main functions of Finance Department are:

1. Scrutinizing financial proposals referred to Finance Department by the heads of various departments of NDMC exceeding their delegated powers, having regard to the General Financial Rules, provisions of NDMC Act, Fundamental & Supplementary Rules & instructions issued from time to time by the Council;
2. Ensuring that Public funds are spent on activities, which are obligatory/discretionary as defined in Section 11 & 12 of NDMC Act;
3. Enforcing financial discipline so as to have value for the money expended & addition to the reserves of NDMC;
4. Improving accounting system with a view to reflect a true & fair picture of the assets & liabilities of the Council;

## **2. Budget Section**

The main functions of the budget section are:

1. Compilation of budget estimates of receipt & payment for the current year and ensuing year on the basis of proposals made by different functional departments/branches of the Council in terms of Section 55 of New Delhi Municipal Council Act, 1994.
2. Submission of Budget proposals to the Council on or before 15<sup>th</sup> day of January every year in terms of NDMC Budget Regulation 2010.
3. Processing the cases for reappropriation of funds after Scrutiny.
4. Sending MPR to Delhi Govt. showing details of MLA works being executed in two legislative assembly in NDMC area.
5. Monitoring of works/ schemes announced in budget speech.
6. Sending MPR to Delhi Govt. on account of utilization of Plan fund allocated by GNCTD to NDMC.

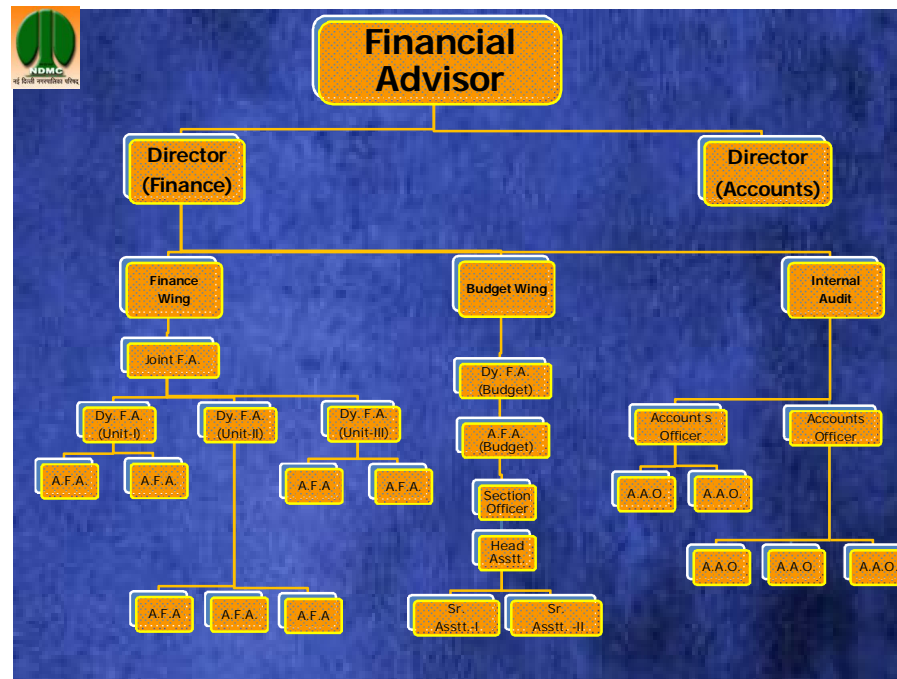
## **3. Internal Audit Branch:** The functions are as follows:

1. Internal Audit Branch identifies financial and operational risks of various functions & activities of various units of Council.
2. Units are audited in order to minimize the risks that may militate against the achievement of Council; objectives and to strengthen internal control system .
3. Report are lapses in compliance with rules and regulations, financial improprieties, faulty procedures, uneconomic inefficient and ineffective operations.
4. Follow up of reports issued.
5. Pre-audit of specified categories of financial sanctions.

## **4. Delegation of powers in Finance Department:**

Revised vide Office order No. D-72/Fin./2013 dated 09.05.2013 (available on NDMC website under Finance Department)

#### (4) Organization Charts



**(5) Allocation of business**

<b>Dy. Financial Advisor (Unit-I)</b>		<b>Dy. Financial Advisor (Unit-II)</b>				<b>Dy. Financial Advisor (Unit-III)</b>	
Department:	Department:	Department:	Department:	Department:	Department:	Department:	Department:
Health	Education	Water Supply Division	Road I, II & IV		Road-III & V	Electricity - CE (E-II)	Tax
Enforcement	General Branch	Drainage Division	Establishment matters		Building Maintenance Horticulture	Security	Personnel Branch
Welfare	Project, Vigilance Branch	Sewerage Division			Transport	Fire & Compost	Estate Department
Public Relation	Law	Construction Division			Architect		Electricity - CE (E-I)
Accounts Branch	MCA & Commercial						Information & Technology
Canteen							
<b>Assisted by AFA</b>	<b>Assisted by AFA</b>	<b>Assisted by AFA</b>	<b>Assisted by AFA</b>		<b>Assisted by AFA</b>	<b>Assisted by AFA</b>	<b>Assisted by AFA</b>

**Budget Branch**

<b>Director Finance</b>	<b>Joint Financial Advisor</b>	<b>Dy. F.A. (Budget)</b>
1. 1. Overall supervision of Finance, Budget and internal audit section	1. 1. Budget	Assisted AFA in preparation of Budget for Plan and non-plan schemes.
2. 2. Works as nodal officer from NDMC to District Development Committee of Govt. of NCT of Delhi.		
3. 3. Works as treasurer of Navyug School, Society and Samaj Kalyan Samiti		
4. 4. Work as Zonal Officer to one of the ndmc Zones.		
5. 5. Any other work as assigned by FA and Chairperson from time to time		

**(6) Duties to be performed to achieve the mission**

**Jt. Financial Advisor**

All the cases pertaining to Dy. FA-I, II and III with financial implication of more than Rs.50.00 lacs are routed through him. Besides, all cases of creation of posts, extension of temporary post, write off, fixation of advertisement charges, sanction of permanent advance, imprest, grant of conveyance allowance, revenue cases, interpretation of rules, acceptance and rejection of tenders with financial implication of Rs.50.00 lacs, extension of time, additional, extra and substituted items, cases of approval in principle processed by the Finance Units I, II and III are routed through him.

**Dy. Financial Advisor/**

- a) a) Supervision work of concerned Unit of Finance Department, which deals with scrutiny of proposals received from various departments.
- b) b) Examination of cases, put up by AFA with reference to rules, orders and departmental instructions issued from time to time on the subject referred to Finance for financial concurrence/advice and then submission of these to Director (Finance)/FA with recommendations in the matters beyond the delegated powers.
- c) c) To scrutinize proposals for delegation of financial powers to various officers of NDMC.
- d) d) According financial concurrence in the cases within powers delegated to Dy. Financial Advisor.
- e) e) Recording endorsement on the department's file as per approval on internal notes.
- f) f) Submission of monthly progress report to Director (Finance)/Financial Advisor with the help of AFA.
- g) g) Association in the meeting of tender evaluation committee/Negotiations Sub Committee whenever nominated as representative of Finance Department.

**AFA**

- a) a) Scrutiny of new projects
- b) b) Scrutiny of estimates
- c) c) Scrutiny of tenders
- d) d) Proposals relating to deviations resorted to during execution of work
- e) e) Prolongation of contract-extension of time, arbitration cases etc.
- f) f) Procurement case- Estimate, Tender, Negotiation, Acceptance & rejection of tender
- g) g) Proposals relating to creation, abolition, extension regularization of posts.
- h) h) General issues- condemnation of stores, auction, participation in various meetings.

For the scrutiny of proposals the entries are made by Diarist once it is received in Finance. Thereafter the proposal goes to AFA who scrutinizes the proposal based on the check-list as available. Thereafter the proposal is put up to Dy. FA, Director (Finance) and FA depending on delegation of powers.

### ***Guidelines for preparation of Preliminary Estimate (PE)***

#### **1) PRELIMINARY ESTIMATE:**

- i) Has the project report prepared and got approved from the competent authority? If so, has a copy thereof been added to the estimate file?
- ii) Is there specific budget provision for the proposed scheme? If so, state name of scheme, item No. of Budget book along with amount of budget provision. If no funds exists, has specific approval of the competent authority obtained for going ahead with the scheme, if yes, has copy of orders thereof been added to the scheme.
- iii) Is the preliminary estimate prepared in accordance with the standard scales of plinth area prescribed by the Govt. *vide* the Ministry of Urban Development O.M.No. 17020(1)/77-W 2, dated 30/3/1981 read with O.M.No. 17010/2/86-WO, dated 25/8/1987? If yes, has specific certificate to that effect been recorded? In case, higher plinth area over the prescribed one is claimed on any account, have reasons thereof been detailed and approval of competent authority obtained?
- iv) Is the estimate prepared in accordance with the requirement of the User Department keeping in view the norms approved by the Govt. for such works?
- v) Whether title of the land on which project is to come up is clear? Whether site is available for starting work?
- vi) Whether approval of Delhi Urban Arts Commission, wherever applicable or any other authority, if required, obtained? If so, has a copy thereof been added?
- vii) Whether the scheme processed against MLA Funds is in accordance with the guidelines issued by the Urban Development Department, Govt. of NCT of Delhi from time to time? Has a specific certificate to the effect that the guidelines issued by Govt. of NCT for execution of work against MLA Funds have been consulted and the proposed work is fully covered within these guidelines been recorded by the Executive Engineer & counter-signed by HOD concerned?
- viii) Has adequacy/availability of funds for the proposed estimate having regard to spill over liability of last year been ensured & certified?
- ix) Whether in cases where project report is not required and replacement/strengthening of existing work is needed, a certificate to the effect that existing work has served laid down & useful life been recorded? Whether survey report thereof wherever applicable in terms of GFR has been added?
- x) Whether in cases of revised estimate due justification for expenditure in excess of permissible limits of administrative approval & expenditure sanction has been given? Whether prior approval of the authority, which accorded A/A & E/S for the work for committing liability in excess of laid down limit, has been obtained? If not, detailed reasons thereof;

- xi) Whether in cases where additions/alterations in residential accommodation at the request of the allottees is proposed, provisions of OM dated 25.10.2004 stipulating 10%, 20%, 100% as the case may be, charge from the allottees, have been adhered to? Whether specific certificate to this effect has been given by the Engineer in Charge, endorsed by HOD concerned?

- xii) Whether in cases of resurfacing of roads/lane/service roads/colony roads, a certificate to the effect that adequate drainage system exist as per instructions issued vide CVO vide No. U.O.No.2560/Vig/Imp/TO(C-II)/2003 dated 8.9.2003 has been recorded?
- xiii) Whether in cases of resurfacing of lane/service roads/colony roads, inspection report of committee of officers in terms of Circular issued by Secretary vide No.F25(I)(CMC)00/2003/D-545 dated 02.07.2003 is made available?

## **2. TENDER CASES:**

- i) Is administrative approval and expenditure sanction accorded by the competent authority? If so, has a copy thereof/relevant file been added?
- ii) Is site available?
- iii) Has publicity of tenders been done as per procedure laid down in the CPWD Manual and orders issued in this regard from time to time?
- iv) Whether comparative statement duly signed by the Accountant recording requisite certificates on the body of the statement & the Executive Engineer has been added?
- v) Whether justification in terms of orders issued from to time has been prepared & got checked from Planning? Whether trend of rates of similar works being executed in other divisions of NDMC or in other sister organizations like MCD, PWD, DDA etc has been obtained and added to the tender file?
- vi) Is the tendered amount within the permissible limit of administrative approval & expenditure sanction obtained for the work/supply? If no, whether revised approval has been obtained?
- vii) Whether specific recommendations from HOD concerned have been given while forwarding the case to the Finance Department for concurrence?

## **3) EXTENSION OF TIME CASES:**

- i) Whether all hindrances both on the part of the department and on the part of the agency concerned have been recorded in the hindrances register?



- ii) Whether the hindrance register is complete in all respects including closure of the said register under dated signatures of the Engineer in charge?
- iii) Whether work file, agreement & all relevant record has been made available?
- iv) Has the department taken a balanced view while recommending extension of time in terms of Provisions of CPWD Manual.

**4) DEVIATIONS IN THE SHAPE OF EXTRA/ ADDITIONAL/ SUBSTITUTED ITEMS:**

- i) Most of the deviations are proposed on the recommendations of Architect Department. Whether the recommendations of Architect Department have been examined by the Civil Department? If so, whether the reasons for not stipulating these deviations at the time of NIT/agreement have been brought on record?
- ii) Whether specific certificate to the effect that proposed deviations will not bestow any undue benefit to the contractor has been recorded?
- iii) Will the proposed deviations lead to unnecessary dispute in the shape of litigation/arbitration later on?
- iv) Whether proposed deviations will result in execution of high rates items & deletion of low rates items?

**5) SERVICE MATTERS:**

Council has adopted FR, SR & other service related matters for application to NDMC employees. Service matters may be referred to the Finance Department only where interpretation of rules/orders is required, and in such cases also the same may be detailed out with specific recommendations in the light of rules/orders in question.

**Delegation of powers in Finance Department to concur the proposals**

In supersession of the existing delegation of powers conferred through Resolution No.40 of the 5<sup>th</sup> November 1985 and in exercise of executive powers under Section 18(b) of the NDMC Act 1994, the Chairman NDMC is pleased to delegate the following powers to the officers of the Finance Department:-

S. No.	<u>Item for concurrence</u>	Dy. Financial Advisor	Director (Finance)
1.	Estimate for original work	Upto 5 lakhs	Above Rs 5 lakhs and upto 9 lakhs
2.	Reimbursement of medical charges in relaxation of	Full powers	---

	CSMA rules		
3.	Deputation or foreign service on standard terms and conditions	Full powers except cases of Group A & B	Full powers for Group A & B
4.	Proposal for the purchase of conveyance like cycle, scooter, motor car in accordance with rules	Full Powers	---
5.	House Building Advance in accordance with the rules	Full Powers	---
6.	Ex-Gratia of DLIS	Full Powers	---
7.	Release of quarterly grant to aided schools	Full Powers	---
8.	Miscellaneous & contingent expenditure of non-recurring nature	Upto Rs2,500 in each case	Upto Rs.10,000 in each case
9.	Installation of telephone at residence/re-imburement of telephone charges in accordance with guidelines already approved by Chairman/ Council	Full Powers	---
10.	Printing & binding charges	Upto Rs.10,000 in each case	Above 10,000 & upto Rs.50,000 in each case
11.	Local purchase of petty stationery	Upto Rs.10,000 in each case	Above 10,000 & upto Rs.50,000 in each case
12.	Purchase, upkeep & repair to all office equipment	Upto Rs.10,000 in each case	Above 10,000 & upto Rs.50,000 in each case
13.	Purchase of official publications	Upto Rs.10,000 in each case	Above 10,000 & upto Rs.50,000 in each case
14.	Purchase & repair of furniture	Upto Rs.50,000 in each case	Full powers

The above delegation will be subject to the following conditions.

1. All cases of creation of posts, extension of temporary posts, conversion or upgradation of posts, re-appropriation of funds, write off, fixation of advertisement charges, sanction of permanent advance or imprest, grant of conveyance allowances, investment or surplus funds, revenue cases, interpretation of rules, acceptance and rejection of tenders, extension of time, additional, extra and substituted items, cases of approval in principle, will be put upto Financial Advisor.
2. Cases where information for processing is not received in the first instance will be returned with the signature of Dy. FA without being referred to Financial Advisor.
3. Departmental officers can refer cases direct to Dy. FA, Director (Finance) up to the limit of powers delegated to the latter without routing these through the Head of Department.
4. Dy. FA, Director (Finance) will be free to put up to Financial Adviser any cases where they require the Financial Adviser's guidance irrespective of delegation.

Budget Branch ensures that the budget estimates and revised estimates are prepared in time. Also ensures that the budget provision is made available to the department whenever asked for.

**(7) Details of services rendered**

The services related to financial advice are rendered to spending department and internal audit of different departments is carried out for the benefit of these departments.

**(8) Citizens interaction**

Finance Department is primarily concerned internal financial advice to NDMC executive departments. Finance Department does not have direct interaction with the citizens. However, it provides information as asked for by the executive departments for providing to citizens or for the managerial information etc.

**(9) Postal address of the main office, attached/subordinate office/ field units etc.**

Director Finance  
Room No. 1317, 13<sup>th</sup> Floor,  
New Delhi Municipal Council,  
Palika Kendra, Sansad Marg,  
New Delhi – 110 001  
Ph. 23365244  
E-mail address: [adlfa@ndmcmail.gov.in](mailto:adlfa@ndmcmail.gov.in)  
(There is no attached/subordinate office/ field units of the Finance Department)

**(10) Map of office location :** Given in NDMC website.

**(11) Working hours both for office and public**

For office 9 a.m. to 5.30 p.m. with lunch break from 1 p.m. to 1.30 p.m.  
As no public interaction is involved in Finance hence no working hours for public in Finance

**(12) Public interaction, if any**

Finance Department has no direct interface with the citizens as such.

**(13) Grievance redress mechanism**

Time from 3 pm to 4 pm has been earmarked by FA and Director (Finance) for hearing of grievances.

## Internal Audit

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1. **Organisational Chart:** - Annexed at 'A'.
2. **Allocation of Business:** -

<b>Audit Officer</b>		<b>Audit Officer</b>	
To supervise audit of the expenditure incurring units i.e. audit of all the divisions of Civil Engineering Department, Electricity Engineering Department and Horticulture Department, Architect Department, Education Department besides rendering advice in the service matter and making a test check of the pay fixation checked by the Assistant Accounts Officer. Annual Audit programme is also chalked out by him.		To supervise audit of the revenue earning units i.e. audit of Estate, House Tax, Advertisement Tax, Enforcement, Commercial Departments, Indoor Stadia, Working Girls Hostel, Barat Ghars, Swimming Pools etc. besides rendering advice in the service matter and making a test check of the pay fixation checked by the Assistant Accounts Officer. Replies to the audit objections are also scrutinized in order to facilitate settlement of these objections.	
<b>Asstt. Audit Officer</b>	<b>Asstt. Audit Officer</b>	<b>Asstt. Audit Officer</b>	<b>Jr. Audit Officer</b>
Conducting test audit of various departments as per the approved audit programme, preparation of audit reports for submitting to the Sr. Audit Officer	Conducting test audit of various departments as per the approved audit programme, preparation of audit reports for submitting to the Sr. Audit Officer	Checking of pay fixation and leave accounts of all retiring/ deceased employees. Examination of other referred cases relating to service matters	All works relating to Head Quarter. Chalk out annual audit programme, sending audit reports to the auditee departments, examining audit replies furnished by departments, issue of reminders for furnishing replies of audit paras, verification of service who have rendered service of 25 years or who

			are going to retire on superannuation within 5 years. Preparation and submitting fortnightly and monthly progress reports
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3. **Duties to be performed to achieve the mission:** -

- (a) (a) Study of accounting procedure
- (b) (b) Watch over the implementation of prescribed procedures and the orders issued from time to time.
- (c) Scrutiny and check of payments and accounting work of various units where accounts are maintained.
- (d) (d) Investigation of important arrears in accounting and other connected records.
- (e) (e) Periodical review of all accounts records.
- (f) (f) Pursuance/settlement of objection taken in test audit.
- (g) (g) To examine and report and points on irregularities brought to its notice by the finance department.

4. **Details of services rendered** : - In addition to audit of revenue earning and expenditure incurring units, pay fixation and leave account are also checked for the retiring/deceased employees.

5. **Citizens interaction:-** Not required.

6. **Postal Address of the main office, attached/subordinate office/field units etc;** - Internal Audit Branch, New Delhi Municipal Council, Room No. 5015, Palika Kendra, New Delhi.

7. **Map of Office Location**

8. **Working hours both for office and public :-** 9.00 A.M. to 5.30 P.M.

9. **Public Interaction, if any:-** No.

10. **Grievance redress mechanism** :- Internal Audit do not entertain any request directly. In case any advice in service matter is sought by the administration in order to redress grievance of the employee, it is rendered.