**ITEM NO. 09 (O-04)**

1. **Name of the subject / project**

Report of the Standing Committee on Audit in NDMC.

1. **Name of the Department / Departments concerned**

Office of the Chief Auditor

1. **Brief history of the subject / project**

Section 59 of the New Delhi Municipal Council Act 1994 envisages that

i) As soon as may be after the commencement of each year, the Chief Auditor shall deliver to the Council a report of the entire accounts of the Council for the previous year.

ii) The power of the Chief Auditor with regard to the disapproval of, and the procedure with regard to the settlement of objections to expenditure from the revenues of the Council shall be such as may be prescribed by the Chairperson in consultation with Chief Auditor, and with the approval of the Council.

The Council in its meeting held on 8 February 2005, decided to evolve a suitable mechanism for expeditious settlement of outstanding paragraphs of AARs by appointing a Committee with appropriate representation.

In pursuance of above decision, a Standing Committee on Audit in NDMC was constituted under section 9 of the NDMC Act, 1994 vide Council Resolution No. 9(0-2) dated 27 May 2005 to consider the Annual Audit Reports of the Chief Auditor. The Committee in its first meeting decided that a consolidated report containing recommendations of the Committee will be presented to the Council annually by the Chief Auditor. Therefore, the Report **(See pages 73 - 90)** for the year 2010-11, duly adopted by the Committee in its meeting held on 14th December, 2012 **(minutes enclosed, see pages 71 - 72 )** is being presented in this Council meeting.

1. **Detailed proposal on the subject / project,**

The Standing Committee on Audit in NDMC in its meetings during the year 2010 – 2011 took up oral evidence of Education Department. It also considered follow up actions by Property Tax Department, Civil Engineering Department, Estate Department, Electricity Department, Commercial Department, Information Technology Department, Personnel Department, Security Department, General Administration Department and Horticulture Department.

The Committee recommended settlement of 30 outstanding paragraphs of the above mentioned Departments i.e. Education (1 para), Property Tax (2 paras), Civil Engineering (13 paras + 5 sub paras), Estate (4 paras + 1 sub para), Electricity (2 paras + 7 sub paras), Commercial (2 paras), Information Technology (1 para), Personnel (1 para), Security (1 para), General Administration (1 para) & Horticulture (2 paras) pertaining to Annual Audit Reports for the years ended March 1997 to March 2008.

The Committee also recommended to merge 40 paras of old Annual Audit Reports against certain revenue earning Departments such as Estate (6 paras + 1 sub paras), Commercial (4 paras + 1 sub para), Property Tax (15 paras + 1 sub paras) and Enforcement (15 paras) with the latest Annual Audit Report where the updated position of arrears of outstanding dues have been incorporated. The Report **(See pages 73 - 90)** of the Committee is placed before the Council.

1. **Financial implications of the proposed project / subject**

NIL

1. **Implementation schedule with timelines for each stage including internal processing**

Not applicable

1. **Comments of the Finance Department on the subject with dairy no. & date**

Not applicable as the Draft Agenda Item relates to presentation of Report of the Standing Committee on Audit in NDMC .

1. **Comments of the Department on comments of Finance Department**

Not applicable

1. **Legal implication of the subject / project**

NIL

1. **Details of previous Council Resolutions, existing law of Parliament and Assembly on the subject**

The details of previous Council Resolutions on the subject are as under:

* 1. Item No.8 Dated 10.02 1999
  2. Item No. 8 (0-4) Dated 08.02.2005
  3. Item No. 11 (0-8) Dated 03.03.2005
  4. Item No. 9 (0-8) Dated 27.05.2005
  5. Item No. 4 (0-5) Dated 15.12.2005
  6. Item No. 7 (0-2) Dated 20.06.2007
  7. Item No. 09 (0-3) Dated 18.06.2008
  8. Item No. 08 (0-01) dated 21.08.2009

1. **Comments of the Law Department on the subject / project**

Not applicable

1. **Comments of the Department on the comments of Law Department**

Not applicable

1. **Certification by the Department that all Central Vigilance Commission (CVC) guidelines have been followed while processing the case.**

Not applicable

1. **Recommendation**

The Report of the Standing Committee on Audit in NDMC may be presented to the Council **(See pages 73 – 90)**

1. **Draft Resolution**

Information noted. The Council directed the concerned Departments that the compliance of recommendations of the Standing Committee on Audit in NDMC may be reported to the Chief Auditor for further examination by the Standing Committee on Audit in NDMC.

**COUNCIL’S DECISION**

Information noted. The Council also directed that Action Taken Reports on recommendations of the Standing Committee on Audit in may be put up before the Council along with next report.