**ITEM NO. 03 (D-04)**

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

Enhancement of powers of the Chairperson, NDMC to enter into contracts on behalf of the Council – reg.

1. **Name of the department/departments concerned**

Finance Department.

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

(i) The Council vide its Resolution No. 09(D-6) of ordinary meeting dated 31.12.2008 resolved to recommend the increase of the limit under section 143(c) of NDMC Act 1994 from ` 50 lakh to ` 200 lakh and to consider further increase upto `400 lakh, as and when the need is felt.

(ii) At present, the powers of Chairperson, NDMC conveyed by Ministry of Home Affairs, GOI vide letter NO. F.No. 14011/51/2007 –Delhi II dated 25.5.09 in exercise of powers conferred by Clause (c) of Section 143 of NDMC Act, 1994 in the matter of entering into a contract are upto ` 1Crore.

(iii) The Council vide Item No. 10(D-01) dated 17.6.2009 noted this for information and further resolved that the proposals to seek A/A/&E/S of the Chairman to the expenditure exceeding `50 lakh and upto `1 Crore will be submitted on file in the same format in which agenda is submitted for Council’s approval.

(iv) As the Council now is also maintaining the Govt. colony parks, developing the internal roads in all Government colonies which were earlier maintained by CPWD and besides other factors there became substantial increase in volume of works of Civil, Horticulture and Electrical Departments and further also looking into the fact that the Government of NCT of Delhi vide order no. PA/DSF/Misc./2010-11/DSIV/2505-2515 dated 02.06.2011 has revised the delegated powers for sanction of capital works, In this context

a reference was made to Ministry of Home Affairs, Govt. of India on 6th September, 2011, requesting the Central Government to increase, u/s 143 (c), for enhancement of powers of Chairperson, NDMC in the matter of entering into contract from `1 crore (approved in 2009) to Rs2 crore, as also resolved by the Council vide Reso. No. 9(D-06) dated 31.12.2008.

(v) The above facts and circumstances including the correspondence made with MOH in this regard were placed before the Council for consideration and further directions in this matter. The Council vide Resolution NO. 07(D-02) dated 30.10.2012 noted the information and further reiterated its decision taken vide Resolution No. 9(D-06) dated 31.12.2008, recommending enhancement of powers of Chairperson, NDMC to enter into contract on behalf of Council upto `400lac as and when the need is felt.

(vi) Accordingly, Ministry of Home Affairs was approached apprising the resolution of Council in terms of section 143 (c) of NDMC Act 1994 vide Letter No. 4215/PA/Dir(GA) dated 17.12.12 to enhance the powers of Chairperson to enter into contract on behalf of the Council in terms of Council’s Resolution dated 30.10.12. **(Annexure-I) (See page 12)**

(vii) The Ministry of Home Affairs, GOI vide F.No. 14011/51/2007-Delhi-II dated 30th January 2013 has now informed that in supersession of this ministry’s letter of even number dated 25th May 2009, the Central Government have, in exercise of powers conferred by Clause(c) of section 143 of the New Delhi Municipal Council Act, 1994, decided to enhance the financial powers of the Chairperson, New Delhi Municipal Council in the matter of entering into a contract on behalf of the Council to *`2(Two)crore* subject to the condition that he/she shall in the exercise of this enhanced power ensure that the relevant codal formalities are strictly adhered to and mechanism of seeking advice of the Financial Unit of the Council is put in Place. **(Annexure -II) (See page 13)**

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

The decision of the Central Government enhancing financial powers of Chairperson, NDMC from `1(one)core to ` 2(two) crore as stated in para above may be noted to the Council for information

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 diary no. & date**

Not required, FD having initiating the proposal.

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

Not required

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

Nil.

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

Resolution No.09 (D-06) dated 31.12.2008. **(Annexure-III) (See pages 14 - 16)**

Resolution No.10 (D-01) dated 17.06.2009. **(Annexure-IV) (See pages 17 - 19)**

Resolution No. 07(D-02) dated 30.12.2012. **(Annexure –V) (See pages 20 - 23)**

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

If we refer to Councils Resolution in the present agenda, copies of all the resolution will have to be enclosed.

The enhanced powers are as per provision of Section 143(c) of the Act. Deptts will have to intimate the Council all the contracts above one lakh to 2crore as per 143(d) of the Act

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

The referred Council Resolutions have been enclosed as Annexure –III, IV, and V.

The department will intimate the Council all contracts above one Lakh to 2 Crore as per 143(d) has been taken in recommendation.

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

Not applicable

1. **Recommendation.**

The following may be noted by the Council for information.

* 1. The decision of the Central Government for enhancing the financial powers of Chairperson NDMC from ` 1crore to Rs 2(Two) crore, in the matter of entering into a contract on behalf of Council, subject to the condition that he/she shall in the exercise of this enhanced power ensure that the relevant codal formalities are strictly adhered to and mechanism of seeking advice of the Financial Unit of the Council is put in place, as conveyed by The Ministry of Home Affairs, GOI vide F.No. 14011/51/2007-Delhi-II dated 30th January 2013.
  2. The proposal to seek A/A&E/S of the Chairperson to the expenditure exceeding ` 50Lakh and upto `2 Crore will be submitted in the file in the same format in which agenda is submitted for Council’s approval, as per the existing practice.

(iii) The enhanced powers are as per provision of Section 143(c) of the Act. Deptts will have to intimate the Council all the contracts above ` one lakh to ` 2crore as per 143(d) of the Act.

1. **Draft Resolution**

Information noted.

**COUNCIL’S DECISION**

Information noted.