



**Annual Audit Report of the
Chief Auditor
for the year ended March 2012**





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New Delhi Municipal Council

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PREFACE

This Annual Audit Report for the year ended 31 March 2012 has been prepared for submission to the Council in terms of sub-section 17 of Section 59 of the NDMC Act, 1994 which envisages that the Chief Auditor shall deliver to the Council a report on the entire accounts of the Council for the previous year.

The Report contains comments on the Annual Accounts, Performance Audit on 'Working of Commercial Department' and 'Manpower Management in NDMC' and the transactions /cases for the year 2011-12 which came to notice in the course of test audit during the year 2011-12 as well as those which had come to notice in earlier years but could not be dealt with in previous reports; matters relating to the period subsequent to 2011-12 have also been included, wherever necessary.

Audit wishes to acknowledge the cooperation received from various departments at each stage of audit process.

OVERVIEW

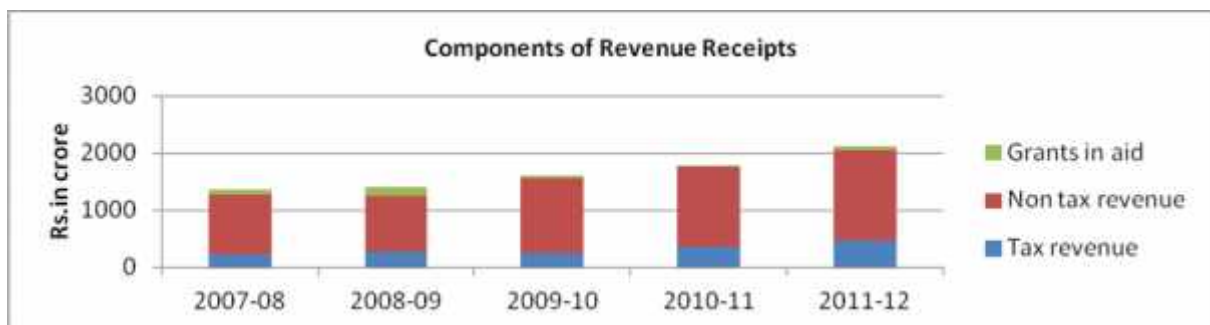
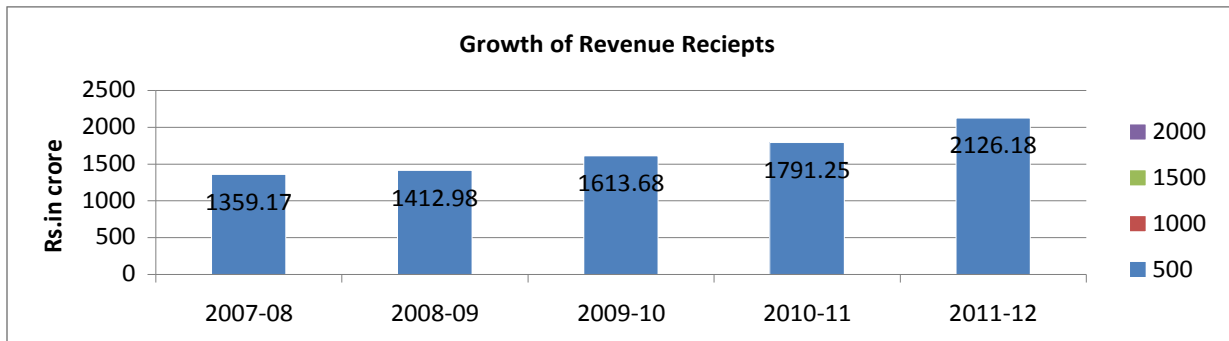
This Report includes one chapter on the state of finances of the New Delhi Municipal Council for the year 2011-12, two chapter containing review titled **‘Working of Commercial Department’** and another **‘Manpower Management in NDMC’** and seven chapters containing 15 paragraphs dealing with results of audit of transactions of various departments of the Council and recoveries aggregating to `6.23 crore made at the instance of Audit.

FINANCE AND ACCOUNTS DEPARTMENT

Financial Results

The financial position of the Council is reflected largely through the New Delhi Municipal Fund, maintained by the Council under Section 44 of the NDMC Act, 1994. All receipts and expenditure are booked under this Fund. During the year 2011-12, there was a surplus of ` 274.19 crore and the closing balance as on 31 March 2012 was `77.06 crore.

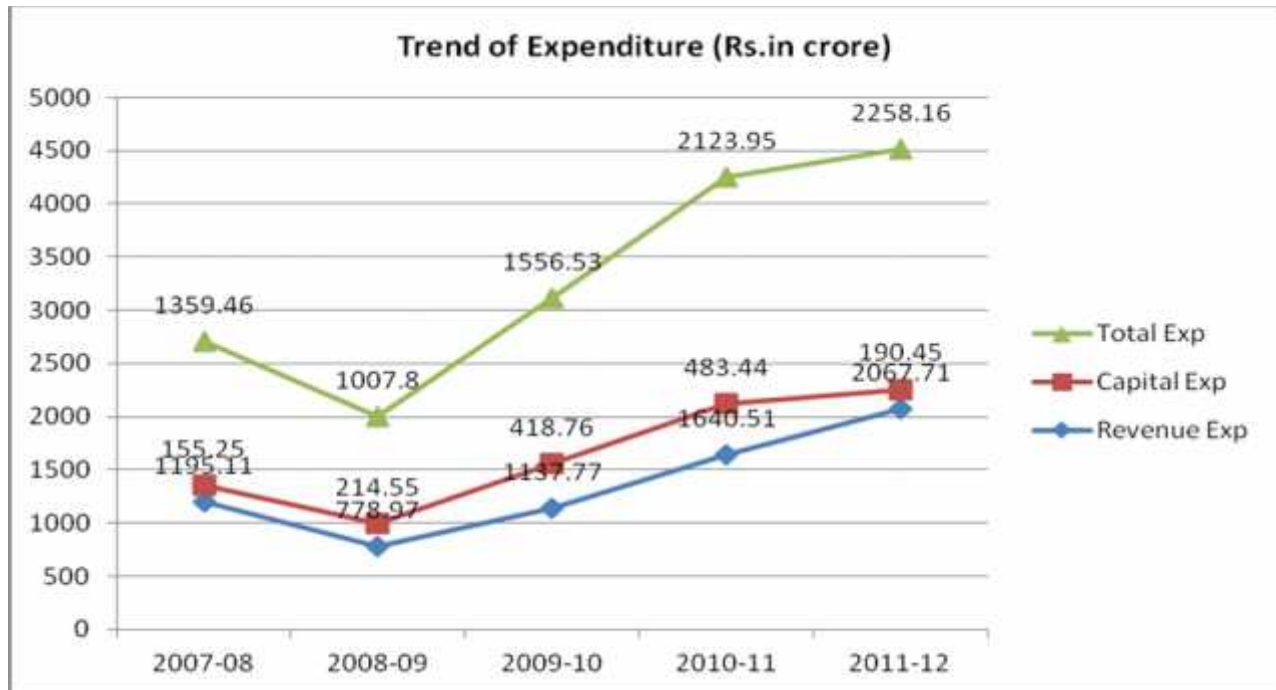
The following graphs indicate the growth of revenue receipts and its various components:



Major sources of non-tax revenue were receipts on account of sale of energy (38.65 per cent), interest on investment (24.20 per cent) and rent/licence fee and receipts from other commercial activities (16.62 per cent). Receipts on account of sale of energy had been fluctuating between 35.88 and 57.19 per cent in terms of share of total non-tax revenue over the last five years. The increase of non-tax

revenue over the last year was mainly due to increase mainly in interest on investments, sale of energy and sale of water.

Expenditure of the Council increased to `2258.16 crore in 2011-12 from `2123.95 crore in 2010-11, i.e. an increase of 6.31 per cent over the previous year as depicted in the following graph:



- (i) Total expenditure increased from ` 1359.46 crore in 2007-08 to ` 2258.16 crore in 2011-12. Expenditure incurred during 2011-12 increased by 6.31 *per cent* over the previous year.
- (ii) Capital expenditure in respect of works relating to NDMC decreased from ` 483.44 crore in 2010-11 to ` 190.45 crore in 2011-12 i.e. a decrease by 60.61 *per cent* in comparison to the previous year. Likewise, revenue expenditure during 2011-12 also increased by 26.04 *per cent* over the previous year.

Major audit observations on the accounts of the Council are:

- (a) Actual revenue expenditure during the year 2011-12 was `2067.71 crore against revised estimate of `1844.96 crore. The expenditure for 2011-12 had thus exceeded by ` 222.75 crore over revised estimates. Expenditure under 9 heads of account was incurred in excess of revised estimates. The excess expenditure ranged between 0.7 and 1484.44 *per cent* of revised estimates. Expenditure under 3 head of account was incurred without any budget provision.
- (b) The outstanding balance under ‘Loans, Advances and Deposits’ in the beginning of the financial year 2011-12 was `59.17crore. During the year, recovery/ adjustment of `7.81 crore was made leaving an outstanding balance of `66.98 crore at the close of the year.
- (c) As per Schedule, the Gross Block of Fixed Assets (other than those valued at `1 each) has been shown ` 265.53 core and the accumulated depreciation upto 31.03.2012 as `45.25 crore as against the total depreciation booked in the Annual Accounts for the years 2004-05 to

2011-12 works out to `49.57 crore resulting in undercharge of depreciation by `4.32 crore in the Income and Expenditure Account. The Net Block of fixed assets and the Municipal (General) Fund have also been over stated to the same extent.

- (d) There was a difference of `65.28 crore in the cash balance as per accounts and cash balance as per cash book.
- (e) Provision for Bad and Doubtful Debts had been made at unusually high level of `1071.41 crore (49.51 *per cent*) without any supporting details and appropriate disclosures. Notes on Accounts acknowledge that Doubtful Debts had been worked out on ad-hoc basis without any year-wise break up of receivables.
- (f) Accumulated depreciation had been under-charged by `4.32 crore resulting in overstatement of assets and understatement of depreciation reserve fund by an equal amount.
- (g) Ten different schedules pertaining to assets/liabilities had not been prepared in accordance with the NMAM. Financial Ratios had also not been incorporated/ calculated as prescribed in the NMAM in 14 cases.

(Chapter 1)

Working of Commercial Department in NDMC

- ❖ NDMC could not achieve the targets in the year 2007-08, 2008-09 and 2010-11 , the DERC, while fixing the tariff, allowed AT&C losses only upto the limit prescribed by it. Consequently the Council suffered a revenue loss of ` 51.94 crore.
- ❖ Due to non preparation of segment wise accounts, the NDMC suffered a loss of `105.72 crore during 2007-08 to 2010-11 which could have been recovered by way of increase in the electricity tariff.
- ❖ Despite several directives issued by the DERC, NDMC had not taken approval for capital expenditure schemes undertaken in the Multi Year Tariff (MYT) period (FY 2008-11). Due to non-availability of these details, the actual loss of depreciation in the coming years could not be worked out by Audit.
- ❖ DERC in its respective orders has stated that NDMC had not complied with any of the directives issued by the DERC on O&M expenses and hence approved the expenditure to the extent it had already approved in MYT orders 2008-11. The expenditure of ` 134.27 Crore on account of O&M Expenses was not allowed by DERC on account of not achieving the targets in the first three years (2007-08 to 2009-10) in the respective True-up. However, in the year 2010-11, NDMC could retain its expenses upto the limit fixed by DERC.
- ❖ During the year 2011-12 surplus power valuing `76.83 crore was sold at uncompetitive rates (UI).
- ❖ As per the agreement with the Power Generalizing Companies, discrepancy in the bills, if any, has to be pointed out within 60 days of receipt of bills. As no detailed checking of the bills was done, no discrepancy could be pointed out.
- ❖ An amount of `42.59 crore, out of the total arrears of `56.27 crore, was outstanding for more than three years. Further, the department did not conduct any survey to find out whether the consumers have re-connected the connections unauthorizedly.

- ❖ Total outstanding amount as on 31 March 2013 receivable from Delhi Based Distribution companies was `42.36 crore.
- ❖ Arrears of water charges are yet to be recovered.
- ❖ Short Assessment of the energy consumption amounting to `4.70 lakh was also noticed in 13 out of these 18 cases. There existed no practice of filing the cases in designated court.
- ❖ Due to non-assessment, as per formula, in 8 cases, the department short levied misuse charges by ` 84.36 lakh.
- ❖ Department failed to implement the disconnection orders issued against the consumers efficiently. Out of 11393 disconnection orders issued since 2009-10, payments were received in 1987 cases and disconnection orders were implemented in 384 cases only leaving a balance of 9022 cases (79%) where connections were not disconnected.
- ❖ During the period 2007-08 to 2011-12, as many as 15545 no. of connections (10547-electricity and 4998-water) were disconnected. In a test check of 120 cases, the department requested the Executive Engineer (Comm.) only in five cases that too after a period of 3 to 11 years of disconnection to get the site inspected to ascertain as to how the consumer is managing without any electricity/water supply in the premises.

(Chapter 2)

Man Power Management in New Delhi Municipal Council

- ❖ The departments did not review their existing vacancies on regular basis due to improper/non maintenance of rosters, non-finalization/amendment of Recruitment Rules (RRs) of different cadres and failed to fill the vacant posts by direct recruitment through such agencies as authorized under Section 42 of the NDMC Act 1994, i.e., DSSSB/ UPSC.
- ❖ In absence of normative limits, the Department filled 5 and 21 posts of Helper on compassionate grounds in 2009-10 and 2010-11 respectively. This constituted 10 and 46 per cent of vacancies for these two years.
- ❖ In view of Common Wealth Games 2010, a substantial number of posts were created in different cadres without conducting work study through an external agency or reviewing the existing method of recruitment.
- ❖ RRs in respect of various cadres had not been framed.
- ❖ Despite availability of sufficient number of eligible candidates, the concerned departments did not take timely action to fill the vacant post for considerable period.
- ❖ The second post of Director (Horticulture) was being operated without obtaining Council's approval.
- ❖ Establishment was unable to fill 167 vacant posts of Junior Clerk even if the entire working strength of Clerical Assistant was considered eligible for promotion.
- ❖ The Department could not fill the vacant posts of peon as the working strength of feeder cadre of helper was much smaller than the vacancies in the promotional cadre.

Annual Audit Report of NDMC of 2012

- ❖ Due to delay in conducting the Trade test, the Department could not fill the posts of Chowdhary (Horticulture) from December 2008 to April 2011 although 313 eligible candidates were available in the feeder cadre.
- ❖ The Department, instead of filling vacancies through timely promotions, engaged 18 TGTs on contract in August 2009, 22 TGTs in July 2010 and 22 TGTs in January 2011 incurring avoidable expenditure of approximately `56.45 lakh on the salaries of contractual TGTs.
- ❖ No standardized procedure/norms had been prescribed for engagement of manpower in various departments.
- ❖ The Department had a sanctioned strength of 1633 Safai Karamcharis (SKs). Not only the sanctioned strength of regular SKs remained unchanged before and after outsourcing the work of garbage disposal but also the number of daily wager SKs increased from 505 in 2005-06 to 602 to 1022 during the subsequent years upto 2011-12.
- ❖ The Security Department had engaged and deployed Guards on daily wages even in such buildings where the services had been outsourced.
- ❖ The Department had engaged 302 Malis on daily wage from 8 April 2009 to 2 June 2009 without obtaining any approval from competent authorities and made payments to the tune of `11.34 lakh.
- ❖ At the time of moving proposals for fresh sanctions of daily wage Assistant Fire Guards (AFGs) between 2006 and 2011, the position of existing AFGs, strength in position was not placed before the competent authority which resulted in excess engagement of AFGs than the sanctioned strength.
- ❖ The Department did not obtain school wise number of existing Chowkidars/Security Guards from Education Department so as to impart training in fire fighting to them. Even though three Chowkidars were already available in the school for performing watch and ward duties, the Department engaged 7 more AFGs on casual basis from November 2007 to February 2011 without examining the overall requirement of Chowkidars/Security Guards.
- ❖ The Fire Department engaged and paid daily wage AFGs as per sanctions obtained for various buildings. However, the Department had deployed lesser number of daily wagers in these buildings and the payment of `11.45 lakh was not supported by attendance documents.
- ❖ The post fixation of Assistant Teachers for the academic sessions 2009-10 and 2010-11 required to be completed by **December 2008 and December 2009** respectively was belatedly done by Education Department in February 2010.
- ❖ The Department had engaged ineligible Assistant Teachers (Urdu) on contract who did not fulfill the upper age limit criteria of RRs. The Department engaged six ineligible candidates as Section Officers (Hort.) on contract who did not possess two years experience as per RRs.
- ❖ In violation of the guidelines for contractual engagement of staff, Education Department engaged teaching and non-teaching staff on contract basis, based on direct applications submitted by them.
- ❖ The departments extended contractual services without executing fresh agreements.
- ❖ NDMC had surplus DEOs (Gr.A) ranging from 8 to 26 during 2007-11, 18 to 52 more DEOs (Gr.A) were engaged on contract basis during the same period. Consequently, the NDMC incurred an avoidable expenditure of `17.69 lakh on these engagements.

- ❖ The Department had paid `16.80 lakh and `12.68 lakh respectively to security agencies for periods not supported by attendance.
- ❖ The Department accepted attendance of security personnel performing duties in double and triple shifts without any break. This was in violation of the contract agreement and thus defeated the very purpose of payment of relieving charges @ 16.75 per cent.
- ❖ The Department made payments to the tune of `4.55 crore for the period November 2009-July 2012 without obtaining individual details of account numbers with regard to EPF, ESI contributions from the security contractors.
- ❖ The Department had no mechanism or record to show fulfillment of the conditions by the security agencies.
- ❖ The Department did not obtain any acquaintance rolls from the agencies before releasing payments of monthly bills of security agencies.

(Chapter 3)

ACCOUNTS DEPARTMENT

Non-crediting of ` 19.46 lakh by SBI into NDMC Account

Irregular reconciliation of Bank Accounts resulting in non-crediting of ` 19.46 lakh by State Bank of India in the Account of NDMC.

(Chapter 4 : Para 4.1)

CIVIL ENGINEERING DEPARTMENT

Non-adjustment of Miscellaneous Advances of ` 6.25 lakh

The Department did not adjust Miscellaneous Advances of `6.25 lakh paid to various organizations long back.

(Chapter 5 : Para 5.1)

Loss of Revenue of ` 93.61 lakh due to allotment of land at lower rates

Renting out of land to a contractor at the rate lower than the prevailing circle rate resulted in loss of revenue of ` 93.61 lakh to NDMC.

(Chapter 5 : Para 5.2)

Injudicious re-tendering resulting in loss of ` 2.35 lakh

Injudicious re-tendering resulting in loss of ` 2.35 lakh to the Council.

(Chapter 5: Para 5.3)

ESTATE DEPARTMENT

Non-recovery of licence fee amounting ` 721.77 crore

Inadequate action on the part of the Department resulting in accumulation of arrears of licence fee amounting ` 721.77 crore.

(Chapter 6 : Para 6.1)

Inaction/inadequate action for recovery of outstanding licence fee amounting `12.24 crore from licensees of Janapath Market

The huge accumulation of licence fees amounting of `12.24 crore in respect of all the 29 shops in Janapath Market is indicative of inaction/inadequate action on the part of the Department.

(Chapter 6 : Para 6.2)

Non-realization of revised licence fee/ground rent of ` 2.06 crore from Petrol Pumps located in Connaught Place

The Department failed to realize revised licence fee/ground rent of ` 2.06 crore from Nine Petrol Pumps located in Connaught Place.

(Chapter 6 : Para 6.3)

Loss of Revenue of ` 5.74 crore due to non-allotment of vacant commercial premises

The delay in re-allotment of these commercial properties resulted in loss of licence fees to the tune of ` 5.74 crore to the NDMC.

(Chapter 6 : Para 6.4)

Non-adherence to the L&DO guidelines and non-recovery of misuse charges of ` 2.55 crore

Failure of the Department to adhere to the laid down guidelines of L&DO for recovery of misuse/damage charges on unauthorized construction/misuse by the lessee resulted into accumulation of arrears.

(Chapter 6 : Para 6.5)

ENFORCEMENT DEPARTMENT

Irregular payment of ` 35.82 lakh for hiring of raid vans and cranes beyond hours specified in the agreement

The NDMC paid an amount of `35.82 lakh to the Contractor for utilizing the vehicles for extra hours/days.

(Chapter 7 : Para 7.1)

Non-recovery of arrears of licence fee of ` 3.27 crore from defaulting licensees

Non-recovery of arrears of licence fee of ` 3.27 crore from defaulters have increased chances of becoming bad debts.

(Chapter 7 : Para 7.2)

HOUSE TAX DEPARTMENT

Improper maintenance of Tax receivable accounts resulting in ineffective recovery mechanism

Despite the vast statutory powers for recovery of the tax from the defaulters, a huge sum of ` 727 crore was outstanding as arrears of house tax as on 31 March 2012 which is indicative of inadequacy of recovery action by the Department.

(Chapter 8 : Para 8.1)

MEDICAL SERVICES

Acceptance of Medicines valuing ` 14.08 lakh where more than 1/6th of Shelf life expired

Acceptance of Medicines valuing ` 14.08 lakh where more than 1/6th of shelf life expired at the time of delivery.

(Chapter 9 : Para 9.1)

Payment of Service tax on the exempted services

Payment of service tax on exempted services to the contractor resulted in unnecessary financial burden of ` 9.40 lakh to the Council.

(Chapter 9 : Para 9.2)

Recoveries at the instance of Audit

On being pointed out in audit (January 2011) the various departments of NDMC made recoveries aggregating to ` 6.23 crore.

(Chapter 10)

CHAPTER - 1

PART-I

ANNUAL ACCOUNTS OF NDMC

1.1 Introduction

This chapter depicts the financial position of the New Delhi Municipal Council, based on an analysis of the information contained in the Accounts of the Council for the year 2011-12. The analysis is based on the trends of receipts and expenditure and financial management of the Council.

1.2 Financial position of the Council

The accounts of the Council are prepared as per Section 58 of the NDMC Act, 1994. With effect from the year 2004-05, the NDMC vide Council Resolution No.3(xii) dated 24.04.2002, decided to switch over to Accrual Based Double Entry System of Accounting. As such the accounts for the year 2011-12 were prepared on double entry system of accounting using a software **e-finance** developed for NDMC. The format for preparation of the Accounts is as prescribed in the National Municipal Accounts Manual (NMAM).

The financial position of the Council is reflected largely through the New Delhi Municipal Fund, maintained by the Council under Section 44 of the NDMC Act, 1994. All receipts and expenditure are booked under this Fund. During the year 2011-12, there was a surplus of ` 274.19 crore and the closing balance as on 31 March 2012 was ` 77.06 crore.

1.3 Sources and application of funds

The main sources of funds include the revenue receipts of the Council. These are applied largely on revenue and capital expenditure. The actual revenue receipts increased from ` 1791.25 crore in 2010-11 to ` 2126.18 crore in 2011-12 registering an increase of 18.70 per cent.

The revenue expenditure increased from ` 1640.51 crore in 2010-11 to ` 2067.71 crore in 2011-12. The capital expenditure in respect of works relating to NDMC decreased from ` 483.44 crore in 2010-11 to ` 190.45 crore in 2011-12, excluding deposit works.

1.4 New Delhi Municipal Fund

In terms of Section 44 of the NDMC Act 1994, a Fund known as 'The New Delhi Municipal Fund' is being maintained by the Council. The money received by the Council or on behalf of the Council from any source forms a part of the Fund. Expenditure on or behalf of the Council is

incurred out of this Fund as per provisions of the Act. The total receipts and expenditure under this Fund for the year 2011-12 as per e-finance application were as under:

Table 1.1: New Delhi Municipal Fund (` in crore)

Year	2011-12	2010-11
Opening Balance as on 1 April	68.49	201.98
Add Receipts during the year	2328.63	2127.99
<i>Total</i>	2397.12	2329.97
Less Expenditure during the year	2320.24	2261.48
Net surplus (+)/deficit(-) during the year	8.57	-133.49
Closing Balance as on 31 March	77.06	68.49

It would be seen from the above table that there was a surplus of ` 8.57 crore during 2011-12. The closing balance of the Fund increased from ` 68.49 crore of the year 2010-11 to `77.06 crore at the end of 2011-12. The receipts of ` 2328.63 crore *inter-alia* included tax revenue of ` 473.51 crore, non-tax revenue of ` 1652.67 crore, etc. The expenditure of ` 2320.24 crore *inter-alia* included establishment expenses of ` 761.37 crore, administrative expenses of ` 65.86 crore, operations & maintenance expenditure of ` 875.59 crore, etc.

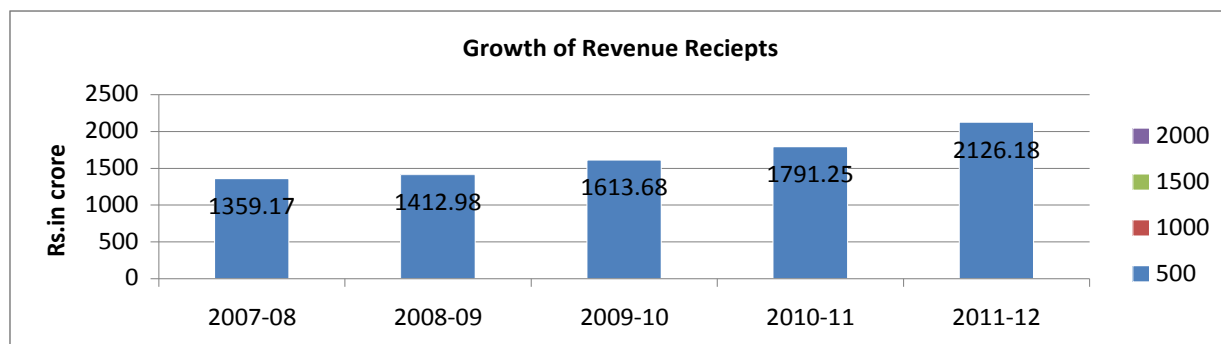
1.5 Revenue Receipts

1.5.1 Growth of revenue receipts

The revenue receipts of the Council consist mainly of tax and non-tax revenue, besides grants-in-aid from Government of NCT of Delhi. Trend of revenue receipts, including grants-in-aid received during the last five years, was as under:

Table 1.2 : Growth of revenue receipts (` in crore)

Year	Actual revenue receipts	Percentage increase (+)/ Decrease(-) over previous year
2011-12	2126.18	18.70
2010-11	1791.25	11.00
2009-10	1613.68	14.20
2008-09	1412.98	3.96
2007-08	1359.17	20.82



The increase of 18.70 *per cent* in revenue receipts of 2011-12 over the previous year was due to increase in tax revenue(31.75 *per cent*) and grants in aid received (167.85 *per cent*) of the Council.

1.5.2 Components of Revenue Receipts

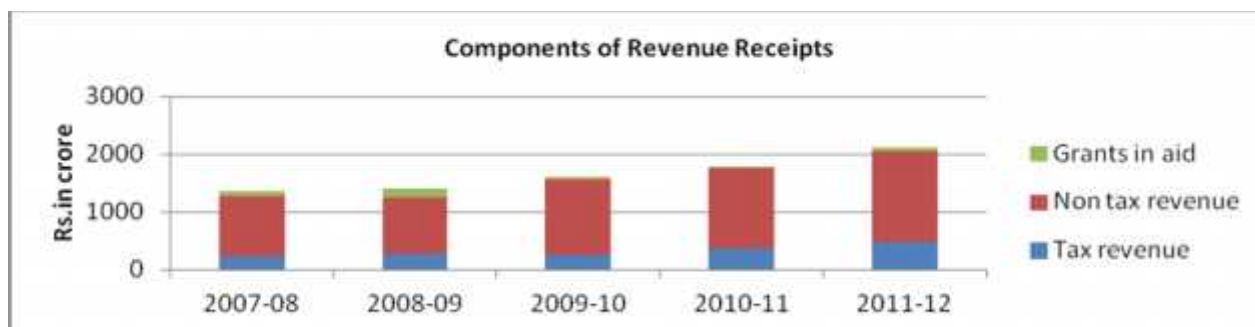
Revenue Receipts under its different components during the last 5 years are as under:

Table 1.3: Components of revenue receipts (` in crore)

Components	2011-12	2010-11	2009-10	2008-09	2007-08
Tax revenue	473.51 (22.27)	359.40 (20.06)	255.68 (15.85)	263.46 (18.65)	223.10 (16.41)
Non-tax revenue	1588.01 (74.69)	1407.71 (78.59)	1314.69 (81.47)	995.51 (70.45)	1055.52 (77.66)
Grants-in-aid from Government of Delhi / Central Government	64.66 (3.04)	24.14 (1.35)	43.31 (2.68)	154.01 (10.90)	80.55 (5.93)
Total	2126.18 (100.00)	1791.25 (100.00)	1613.68 (100.00)	1412.98 (100.00)	1359.17 (100.00)

Note : Figures given in brackets indicate percentage with respect to total receipts

Graphical presentation of components of revenue receipts



Non-tax revenue continued to be the major component of revenue receipts. Total non-tax revenue decreased from 78.59 *per cent* in 2010-11 to 74.68 *per cent* in 2011-12. Grants-in-aid from Government of NCT of Delhi/Central Government decreased from 5.93 *per cent* in 2007-08 to 3.04 *per cent* in 2011-12. Share of tax-revenue increased from 16.41 *per cent* in 2007-08 to 22.27 *per cent* in 2011-12.

1.6 Tax revenue

1.6.1. Trend of tax revenue

The tax revenue of the Council consists of house tax, duty on transfer of property, advertisement tax etc. The trend of tax revenue during the years 2007-08 to 2011-12 was as under:

Table 1.4: Growth of tax revenue (` in crore)

Year	Actual tax revenue	Percentage increase(+)/ decrease(-) over the previous year	Percentage of total revenue receipts
2011-12	473.51	31.75	22.27
2010-11	359.40	40.57	20.06
2009-10	255.68	(-) 2.95	15.85
2008-09	263.46	18.09	18.65
2007-08	223.10	13.55	16.41

The tax revenue, which had shown rising trend, except during 2009-10, increased by 31.75 *per cent* in 2011-12 in comparison with the previous year. The receipts under tax revenue had increased from ` 223.10 crore in 2007-08 to `473.51 crore in 2011-12.

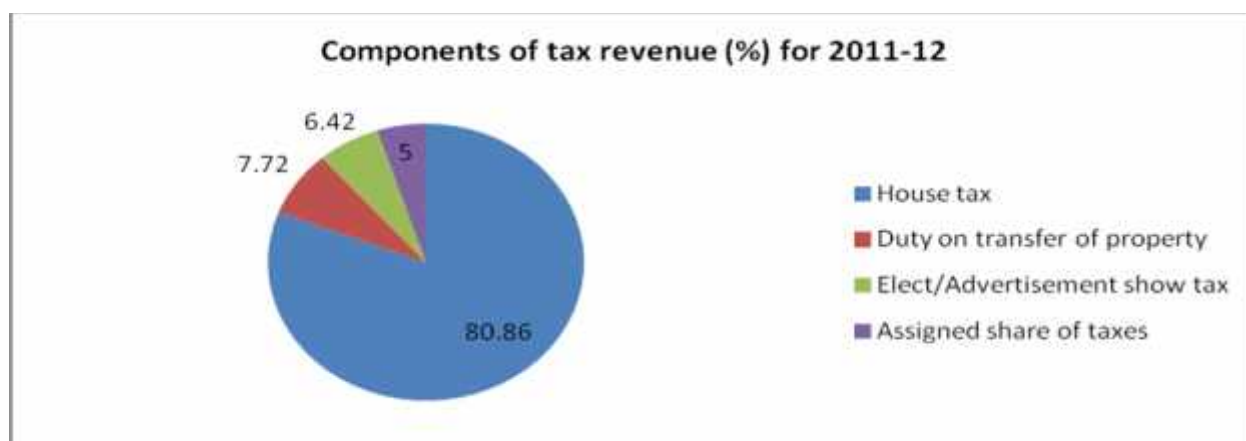
1.6.2 Components of tax revenue

The growth pattern of components of tax revenue over the last five years was as detailed below:

Table 1.5: Components of tax revenue (` in crore)

Components	2011-12	2010-11	2009-10	2008-09	2007-08
House Tax	382.88 (80.86)	300.78 (83.69)	207.92 (81.32)	210.79 (80.00)	188.48 (84.48)
Duty on transfer of property	36.56 (7.72)	24.20 (6.73)	19.77 (7.73)	37.80 (14.35)	13.69 (6.14)
Elect./Advertisement/show tax	30.41 (6.42)	25.39 (7.06)	11.96 (4.68)	0.02 (0.01)	0.11 (0.05)
Assigned share of taxes	23.66 (5.00)	9.03 (2.51)	16.03 (6.27)	14.85 (5.64)	20.82 (9.33)
Total	473.51 (100.00)	359.40 (100.00)	255.68 (100.00)	263.46 (100.00)	223.10 (100.00)

Note: Figures given in brackets indicate percentages with respect to total receipts



House tax continued to be the major contributor to the tax revenue. Its share decreased from 84.48 to 80.86 *per cent* of total tax revenue during 2007-08 to 2011-12. The receipts under 'duty on transfer of property' increased from ` 13.69 crore in 2007-08 to ` 36.56 crore in 2011-12. The receipts on account of assigned share of taxes has also increased during 2011-12 as compared to the previous year.

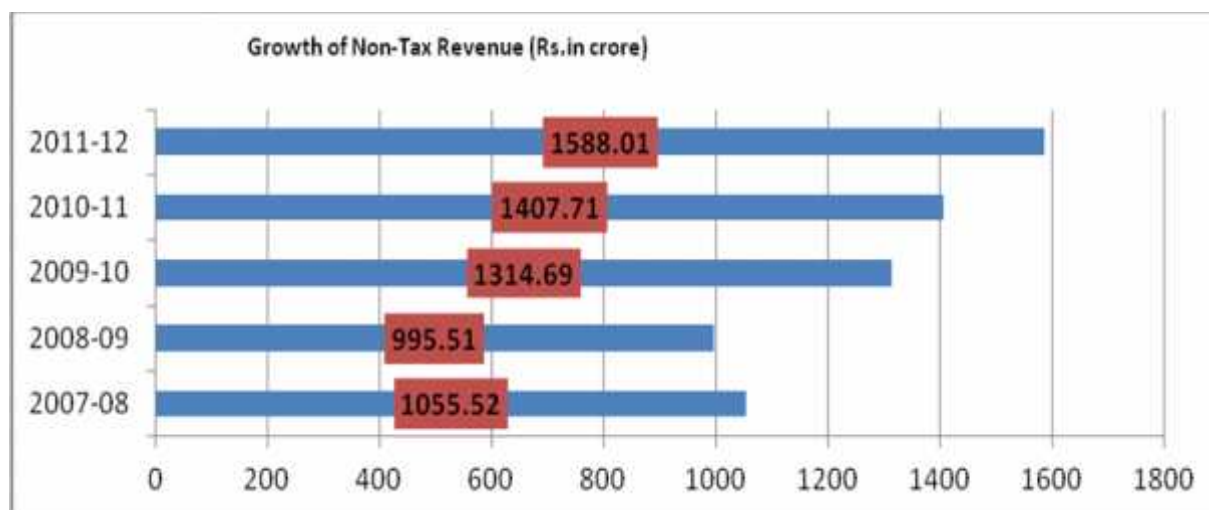
1.7 Non-tax revenue

1.7.1 Growth of non-tax revenue

Non-tax revenue of the Council consists of sale of energy/water, rent/licence fee, interest on investments and other miscellaneous receipts. The growth of non-tax revenue during 2007-08 to 2011-12 was as under:

Table 1.6: Growth of non-tax revenue (` in crore)

Year	Actual non-tax revenue	Percentage increase(+)/decrease (-) over the previous year	Percentage of total revenue receipts
2011-12	1588.01	12.81	74.69
2010-11	1407.71	7.08	78.59
2009-10	1314.69	32.06	81.47
2008-09	995.51	(-) 5.69	70.45
2007-08	1055.52	19.44	77.66



Non-tax revenue constituted 74.69 per cent of the total revenue receipts of the Council during 2011-12. Its share decreased from 78.59 per cent in 2010-11 to 74.69 per cent in 2011-12. The percentage of increase/decrease of non-tax revenue has been fluctuating between 81.47 per cent and 70.45 per cent over the last five years. In absolute terms, non-tax revenue increased from ` 1407.71 crore in 2010-11 to ` 1588.01 crore in 2011-12, registering 12.81 per cent increase as compared to the previous year.

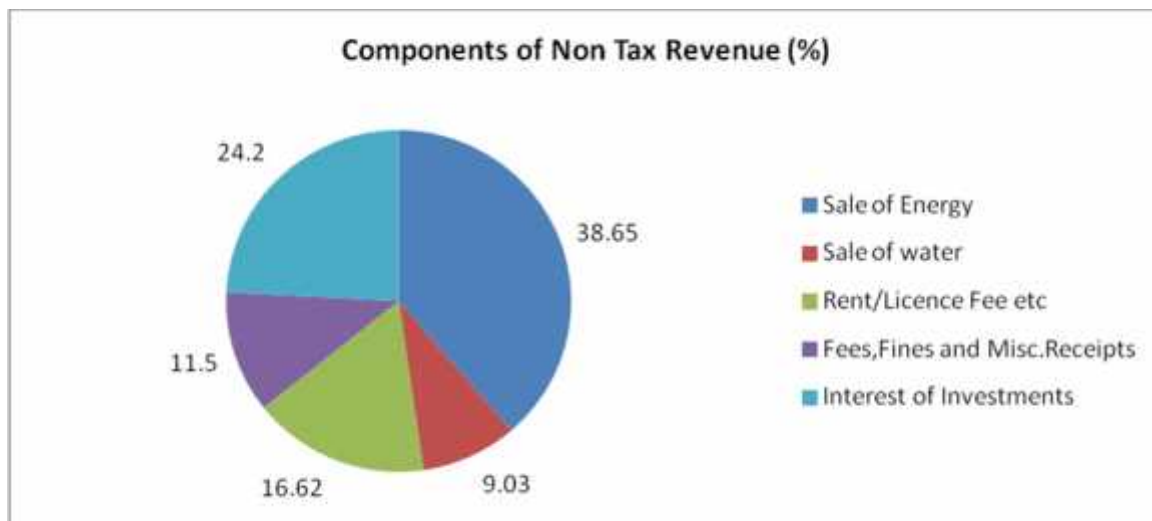
Composition of non-tax revenue

Growth pattern of various components of non-tax revenue over the last five years was as detailed below:

Table 1.7: Components of non-tax revenue (` in crore)

Components	2011-12	2010-11	2009-10	2008-09	2007-08
Sale of energy	613.64 (38.65)	505.08 (35.88)	535.84 (40.76)	569.28 (57.19)	563.24 (53.36)
Sale of water	143.51 (9.03)	78.10 (5.55)	49.23 (3.74)	22.50 (2.26)	21.36 (2.02)
Rent/licence fee and receipts from commercial activities	263.98 (16.62)	254.78 (18.10)	253.85 (19.31)	264.51 (26.57)	135.57 (12.84)
Fees, fines and misc. receipts	182.66 (11.50)	203.2 (14.43)	101.26 (7.70)	52.75 (5.30)	25.90 (2.46)
Interest on investment	384.22 (24.20)	366.55 (26.04)	374.51 (28.49)	86.47 (8.68)	309.45 (29.32)
Total	1588.01 (100.00)	1407.71 (100.00)	1314.69 (100.00)	995.51 (100.00)	1055.52 (100.00)

Note : Figures given in brackets indicate percentage with respect to total receipts



Major sources of non-tax revenue were receipts on account of sale of energy (38.65 *per cent*), interest on investment (24.20 *per cent*) and rent/licence fee and receipts from other commercial activities (16.62 *per cent*). Receipts on account of sale of energy had been fluctuating between 35.88 and 57.19 *per cent* in terms of share of total non-tax revenue over the last five years. The increase of non-tax revenue over the last year was mainly due to increase in interest on investments, sale of energy and sale of water.

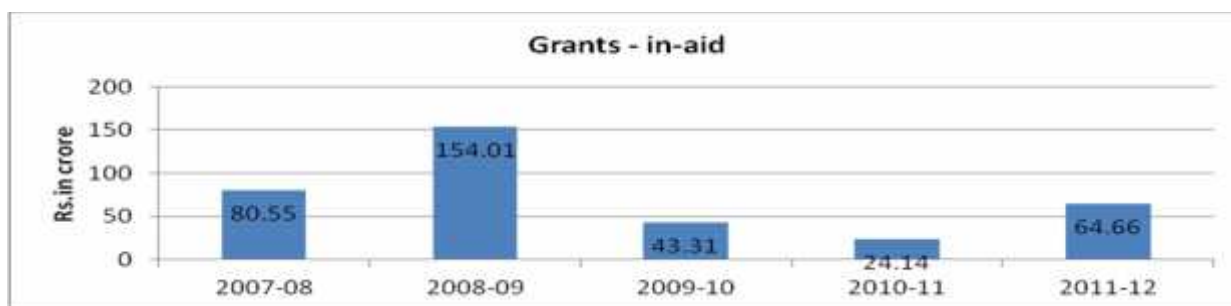
1.8 Grants-in-aid

1.8.1 Assistance from Government of NCT of Delhi

The Council receives assistance from the Government of NCT of Delhi in the form of grants-in-aid. Trend of assistance received during the last five years was as under:

Table 1.8 : Grants-in-aid (` in crore)

Year	Grants-in-aid	Percentage of total receipts
2011-12	64.66	3.04
2010-11	24.14	1.35
2009-10	43.31	2.68
2008-09	154.01	10.90
2007-08	80.55	5.93



1.9 Arrears of revenue receipts

Arrears of house-tax were shown as ` 702.35 crore as of March 2012 in the accounts but year-wise breakup of the arrears was not indicated. This was pointed out in earlier Audit Reports also but corrective steps were yet to be taken by the Department. For better monitoring of recovery of arrears, year-wise details of arrears are required to be maintained so that effective steps could be taken for their recovery.

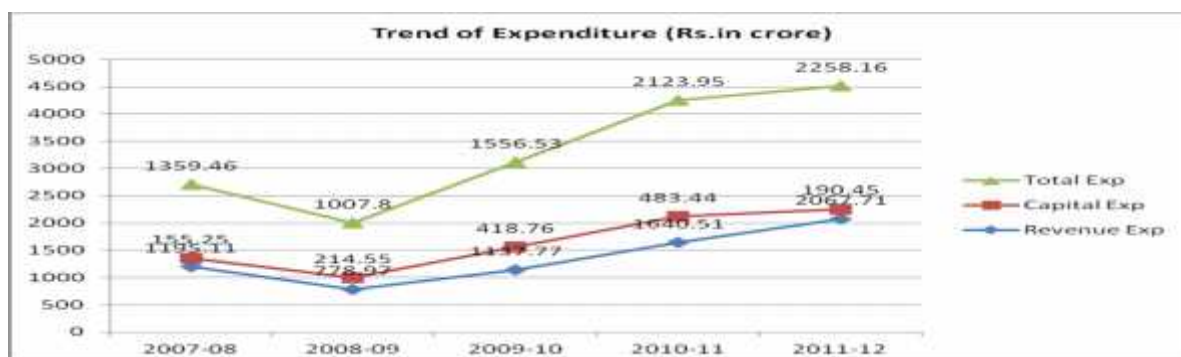
1.10 Expenditure

Trend of expenditure

In this report, total expenditure denotes all expenditure both revenue and capital and disbursement of loans to NDMC employees. The Council spent a total of ` 2258.16 crore in 2011-12. The trend of expenditure during 2007-08 to 2011-12 was as shown below:

Table 1.9: Trend of expenditure (` in crore)

Year	Revenue expenditure	Capital expenditure		Repayment of loans to Delhi Govt./external assistance	Payment of loans to NDMC employees	Total
		NDMC works	Deposit works			
2011-12	2067.71	190.45	0	0	0	2258.16
2010-11	1640.51	483.44	0	0	0	2123.95
2009-10	1137.77	418.76	Nil	Nil	Nil	1556.53
2008-09	778.97	214.55	14.26	Nil	0.02	1007.80
2007-08	1195.11	155.25	8.46	0.20	0.44	1359.46



- (i) Total expenditure increased from ` 1359.46 crore in 2007-08 to ` 2258.16 crore in 2011-12. Expenditure incurred during 2011-12 increased by 6.31 per cent over the previous year.

- (ii) Capital expenditure in respect of works relating to NDMC decreased from ` 483.44 crore in 2010-11 to ` 190.45 crore in 2011-12 i.e. a decrease by 60.61 *per cent* in comparison to the previous year. Likewise, revenue expenditure during 2011-12 also increased by 26.04 *per cent* over the previous year.

1.11 Financial assistance to Non-Government Organizations

Council provides grants-in-aid to NGOs/ schools, etc. The quantum of grants-in-aid provided by NDMC to different institutions during the last six years was as under:

Table 1.10: Grants-in-aid by the Council (` in lakh)

	Name of body	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
1	Navyug School Society	2596.29	2500.14	2102.35	1598.08	709.68	1010.84
2	R.M. Arya Girls Primary School, No II	43.49	24.70	24.24	33.78	14.39	23.51
3	Nirmal Primary School, Kota House	84.53	53.03	55.06	29.27	35.97	25.88
4	R.M. Girls Primary School, No. I	94.10	51.3	60.38	11.66	27.54	40.34
5	Khalsa Boys Primary School	Nil	46.52	Nil	Nil	0.34	Nil
6	Social and Cultural Organization/NGOs	12.37	Nil	16.00	13.80	9.03	5.50
7	Samaj Kalyan Samiti	249.58	200.17	168.01	176.25	98.27	100.43
8	Palika Service Officers Institute	Nil	Nil	Nil	Nil	Nil	17.71
	Total	3080.36	2875.86	2426.04	1862.84	895.22	1224.21

The grants-in-aid provided by the Council increased from ` 2875.86 lakh in 2010-11 to ` 3080.36 lakh in 2011-12.

1.12 Surplus & Reserve Funds

NDMC has various segment funds. These funds are accretions of surplus revenues within the NDMC fund as segments. The position of these funds during 2011-12 was as under:

Table 1.11: Surplus and Reserve Funds (` in Crore)

Sl. No.	Description	Opening Balance	Additions during the year	Total	Expenditure during the year	Closing Balance
1	Electricity Fund					
	(i) Regulatory Reserve Fund	5.00	0.00	5.00	0.00	5.00
	(ii) DRF	278.55	11.08	289.63	11.16	278.47
	Total Electricity Fund	283.55	11.08	294.63	11.16	283.47
2	Water supply & Sewerage Fund					
	(i)DRF	235.37	0.14	235.51	0.14	235.37
3	Estate Fund					
	(i) Comm. Building Fund	328.96	22.10	351.06	22.14	328.92
	(ii) Trans. Market Fund	40.24	19.15	59.39	0.86	58.53
	(iii) DRF	341.14	8.83	349.97	8.83	341.14
	(iv) Public Art Fund	5.00	0.00	5.00	0.00	5.00
	Total Estate Fund	715.34	50.08	765.42	31.83	733.59
4	Employee Fund					
	(i) Pension Fund	1139.13	13.99	1153.12	150.00	1003.12
	(ii) Staff Welfare Fund	9.29	0.27	9.56	4.0	5.56
	Total Employee Fund	1148.42	0.27	1162.68	154.00	1008.68
5	General Fund					
	(i) Cash in Hand	68.49				77.09
	(ii) Investment General Fund	1352.82				3494.24
	Total General Fund	1421.30				3571.31
	NDMC Fund (1+2+3+4+5)	3803.97				5832.44

The budget presents three sets of figures (a) actuals for the preceding year, (b) revised estimates for the current year, and (c) budget estimates for the ensuing financial year. This section discusses the variations in different components of the finances of the Council with reference to the budgetary projections.

1.13 Analysis of budgetary projections

1.13.1 Actual collection of revenue vis-à-vis revised estimates

The actual collection of revenue receipts against revised estimates during the last five years was as under:

Table 1.12 Actual collection of revenue vis-à-vis revised estimates (` in crore)

Year	Revised estimates	Actual revenue receipts	Increase over RE	Percentage increase over RE
2011-12	1930.05	2126.18	196.13	10.16
2010-11	1918.70	1791.25	-127.45	-6.64
2009-10	1377.20	1613.68	236.48	17.17
2008-09	1406.52	1412.98	6.46	0.46
2007-08	1346.60	1359.17	12.57	0.93

The actual revenue receipts during 2011-12 were more than the revised estimates by ₹196.13 crore. In respect of the following 11 functions, the shortfall in receipts as compared to revised estimates ranged from 0.93 to 43.66 per cent during 2011-12:

Table 1.13: Shortfall in receipts (₹ in thousand)

Function Code	Description	R.E.	Receipts	Shortfall	% age shortfall
3	Finance, Accounts, Audit	3879874	3843770	36104	0.93
7	Stores & Purchase	20555	17208	3347	16.28
14	Encroachment Removal	16200	13875	2325	14.35
11	City and Town Planning	43385	33628	9757	22.49
14	Encroachment Removal	15500	13286	2214	14.28
15	Trade Licensee/Regulations	10000	9886	114	1.14
21	Road and Pavements	8005	4534	3471	43.36
35	Hospital Services	3000	2263	737	24.57
43	Veterinary Services	70	42	28	40
58	Municipal Markets	217210	137866	79344	36.52
82	Education	600860	593472	7388	1.22

As the revised estimates were prepared at the fag end of the financial year, massive shortfall in receipts against revised estimates indicate unrealistic budgeting.

Receipts with reference to revised estimates were higher in the following 19 cases ranging from 101.08 per cent to 5225 per cent.

Table 1.14: Excess collections of receipts (₹ in thousand)

Function Code	Function Description	Revised Estimates (Revenue)	Receipts	Percentage of actual collections with reference to RE
2	Administration	44832	74094	165.27
6	Estate	2535400	2655618	104.74
8	Workshop	20	1045	5225
12	Building Regulation	4002	6864	171.51
31	Public Health	6221	27832	447.38
41	Solid Waste Management	750	835	111.33
42	Public Convenience	17500	22046	125.98
51	Water Supply	1104742	1486909	134.60
52	Sewerage	508780	545807	107.28
53	Fire Services & Disaster Mgmt	500	515	103
55	Community/Marriage Centres	30000	37335	124.45
56	Amusement	29700	30021	101.08
61	Parks, Gardens	1510	3156	209
71	Welfare of Women	300	378	126
74	Welfare of Handicapped	200	263	131.5
79	Others	810	906	111.85
81	Electricity	6820563	6975925	102.28
91	Property Taxes	2875200	4194493	145.89
99	Other Taxes	519900	540629	103.98

1.13.2 Actual collection of Tax Revenue vis-à-vis Revised Estimates

The actual collection of tax revenue vis-à-vis revised estimates during the last five years was as under:

Table 1.15: Actual collection of tax revenue vis-à-vis revised estimates (` in crore)

Year	Revised estimates	Actual tax revenue	Increase(+)/ decrease (-) over RE	Percentage increase(+)/ decrease (-) over RE
2011-12	339.49	473.51	134.02	39.48
2010-11	312.56	359.40	46.84	14.99
2009-10	278.13	255.68	-22.45	(-8.07)
2008-09	234.94	263.46	28.52	12.14
2007-08	227.89	223.10	(-) 4.79	(-) 2.10

There was an increase of 39.48 *per cent* during 2011-12 in the actual collection of tax revenue with reference to revised estimates.

1.13.3. Actual collection of Non-tax Revenue vis-à-vis Revised Estimates

The actual collection of non-tax revenue vis-à-vis revised estimates during the last five years was as under:

Table 1.16 : Actual collection of non-tax revenue vis-à-vis revised estimates (` in crore)

Year	Revised estimates	Actual non-tax revenue	Increase(+)/ decrease(-) over RE	Percentage increase (+) / decrease(-) over RE
2011-12	1527.77	1588.01	60.24	3.94
2010-11	1561.54	1407.71	(-)153.83	(-)9.85
2009-10	1055.32	1314.69	259.37	24.58
2008-09	1013.71	995.51	(-)18.20	(-)1.80
2007-08	1037.67	1055.52	17.85	1.72

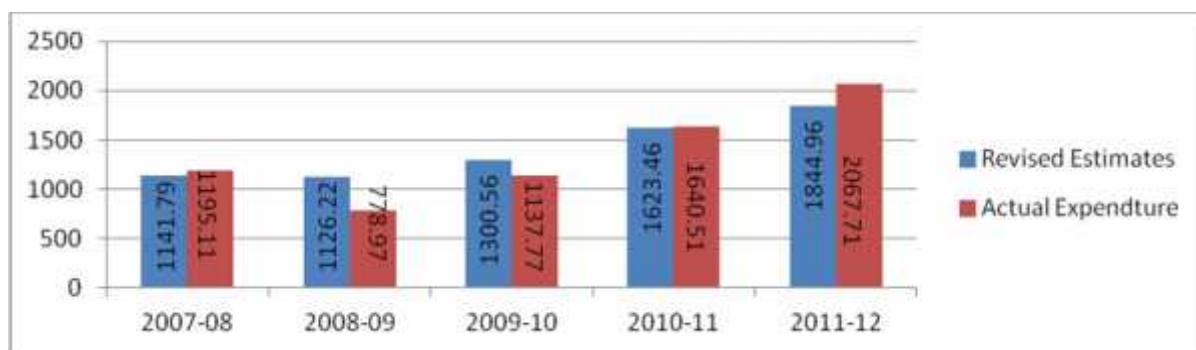
The actual non-tax revenue collections during 2011-12 were 3.94 *per cent* more than the revised estimates.

1.13.4 Actual expenditure vis-à-vis revised estimate (revenue)

The actual expenditure had been below the revised estimates during 2007-08, 2008-09, 2009-10, 2010-11 and 2011-2012.

Table 1.17 Actual expenditure vis-à-vis revised estimate (revenue) (` in crore)

Year	Revised Estimates	Actual Expenditure	Excess(+)/ Saving(-)	Percentage
2011-12	1844.96	2067.71	222.75	12.07
2010-11	1623.46	1640.51	17.05	1.05
2009-10	1300.56	1137.77	-162.79	-12.52
2008-09	1126.22	778.97	-347.25	-30.83
2007-08	1141.79	1195.11	53.32	4.67



The expenditure for the year 2011-12 was ` 2067.71 crore against revised estimate of ` 1844.96 crore. The expenditure for 2011-12 had thus exceeded the revised estimates by 222.75 crore.

1.13.5 Savings in comparison to revised estimates

There were savings in the following 29 functions during 2011-12:

Table 1.18: Less expenditure incurred against revised estimates (` in thousand)

Function Code	Description	Revised Estimates	Expenditure	Shortfall	% age savings
3	Finance, Accounts, Audit	130290	118101	12189	9.35
5	Record Room	1021	576	445	43.58
7	Stores & Purchase	98950	86491	12459	12.60
8	Workshop	102155	92955	9200	9.01
11	City and Town Planning	36881	35733	1148	3.11
14	Encroachment Removal	48682	47143	1539	3.16
15	Trade Licence / Regulations	5390	4628	762	14.13
21	Roads and Pavement	522170	504936	17234	3.30
23	Subways & Causeways	900	718	900	20.22
24	Street Lightning	134695	131524	3171	2.35
25	Storm Water Drains	11989	9302	2687	22.41
31	Public Health	87460	76470	10990	12.65
32	Epidemic/Prevention Control	112665	105896	6769	6.00
33	Family Planning	15469	15323	146	0.94
34	Primary Health Care	200542	165242	35300	17.60
37	Vital Statistics	7509	6899	610	8.12
41	Solid Waste Management	755435	692517	62918	8.32
42	Public Convenience	700	99	601	85.85
43	Veterinary Services	11573	11167	406	3.50
52	Sewerage	339849	317252	22597	6.65
54	Arts & Culture	6050	3773	2277	37.63
55	Community/Marriage Centres	17169	16199	970	5.64
58	Municipal Markets	279009	269600	9409	3.37
61	Parks, Gardens	441209	425402	15807	3.58
71	Welfare of Women	18016	17715	301	1.67
72	Welfare of Children	34194	28984	5210	15.23
74	Welfare of Handicapped	2759	2326	433	15.69
82	Education	1114463	1043012	71451	6.41
91	Property Taxes	33075	27658	5417	16.37

Out of 29, there were 12 functions in which there were savings ranging from 12.60 % to 85.85%

1.13.6 Excess expenditure in comparison with revised estimates**Table 1.19: Excess expenditure incurred against Revised Estimates (` in thousand)**

Function code	Description	RE	Expenditure	Excess	%age of excess expenditure over RE
1	Municipal Body	13333	15721	2388	17.91
2	Administration	5339932	5856694	516762	9.67
6	Estate	61072	967652	906580	1484.44
35	Hospital Services	296295	306627	10332	3.48
51	Water Supply	677018	927794	250776	37.04
53	Fire Services & Disaster Mgt.	89400	98226	8826	9.87
56	Amusement	24820	24993	173	0.70
79	Others	97301	99992	2691	2.76
81	Electricity	7278697	8119236	840539	11.54

Out of above nine functions, in the four the excess ranged from 11.54% to 1484.44%.

1.13.7 Expenditure without budget provision

In the following functions, expenditure had been booked without any provision under revised estimates for the year 2011-12:

Table 1.20 : Function code wise expenditure against nil revised estimates (` in thousand)

Function Code	Function Description	Expenditure
22	Bridges and Flyovers	849
27	Guest Houses	136
62	Playgrounds	11

1.14 Rush of Expenditure

As per Rule 56(3) of General Financial Rules 2005, rush of expenditure particularly in the closing months of financial year shall be regarded as a breach of financial regularity and should be avoided. Contrary to this, large expenditure was incurred in the month of March and in the last quarter of the financial year. A few instances of very large expenditure in term of percentage are given below:

Table 1.21: Rush of expenditure in March (` in thousand)

Function No.	Function Description	Total expenditure incurred	Expenditure in March	%age expenditure in March
2	Administration	5856694	2705225	46.19
6	Estate	967652	926891	95.79
22	Bridges and Flyovers	849	849	100.00
23	Subways and Causeways	718	718	100.00
33	Family Planning	15323	13985	91.27
51	Water Supply	927794	407753	43.95
55	Community/Marriage Centres	16199	12475	77.01
58	Municipal Markets	269600	225682	83.71
75	Welfare of SC/ST/OBC	1000	934	93.40

Table 1.22: Rush of expenditure in the last quarter (₹ in thousand)

Function No.	Function Description	Total expenditure	Expenditure during last quarter	%age of total expenditure incurred during last quarter
1	Municipal Body	15721	6335	40.30
2	Administration	5856694	3423399	58.45
6	Estate	967652	939552	97.10
22	Bridges and Flyovers	849	849	100.00
23	Subways and Causeways	718	718	100.00
24	Street Lighting	131524	50605	38.48
31	Public Health	76470	30377	39.72
33	Family Planning	15322	14236	92.91
42	Public Convenience	99	99	100
51	Water Supply	927794	530293	57.16
52	Sewerage	317252	124315	39.18
55	Community/Marriage Centres	16199	13281	81.98
58	Municipal Markets	269600	231065	85.71
62	Playgrounds	11	11	100
74	Welfare of Handicapped	2325	1303	56.00
75	Welfare of SC/ST/OBC	1000	934	93.37
79	Others	99992	41095	41.10

PART-II

1.15 Audit Report of the Chief Auditor under section 59 of the NDMC Act,1994 on the accounts of the Council for the year ending 31 March 2012.

We have audited the attached Balance sheet as at 31 March 2012 and Income & Expenditure Statement for the year 2011-12 of the New Delhi Municipal Council (NDMC). These financial statements are the responsibility of the Management of the COUNCIL and our responsibility is to express an opinion on these financial statements based on our audit.

The audit has been conducted in accordance with the accounting principles contained in National Municipal Accounting Manual (NMAM) and the applicable rules and the auditing standards generally accepted in India. These standards require that the audit is planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examination, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

Based on our audit, we report that:

- i We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit.
- ii The Statements of Liabilities & Assets as at 31 March 2012 and the Income & Expenditure Statement for the year 2011-12 dealt with by this report have been drawn up in the approved format as per NMAM.
- iii In our opinion, books of accounts and relevant records have been maintained by the NDMC as required under NMAM in so far as it appears from our examination of such books except as indicated in the succeeding paragraphs.

1.15 (A) STATEMENT OF LIABILITIES & ASSETS AS ON 31 MARCH 2012

The Assets and Liabilities of the Council as at 31.03.2012, were ` 6556.49 crore as detailed in *Annexure A*.

I. NON-DISCLOSURE OF LIABILITIES IN RESPECT OF PROVIDENT FUNDS

The above statement does not include assets and liabilities in respect of General Provident Fund, Contributory Provident Fund and Employees / Employer's Contribution under New Pension Scheme, 2004. Audit scrutiny revealed that the Council carried a liability of ` 464.27 crore to its employees towards their accumulated General Provident Fund deposits together with interest at notified rates thereon (on year to year basis) as on 31 March 2012.

Neither the liability nor the matching Investments (FDRs) held by the Council on date has been reflected in accounts. Similar information in respect of statutory funds like New Pension Scheme and Contributory Provident Fund needs to be disclosed.

In the Exit Conference held in April 2013, the Department stated that the Provident funds are not shown as a part of the NDMC Accounts and are being maintained separately. It was, however, agreed that in case of any shortfall in the interest income receivable from the GPF investment to meet out the liability on account of interest payable, the same will be provided in the NDMC Annual Accounts. A separate statement of Provident Fund Account will be attached with the accounts of NDMC for the year 2012-13.

II. ADVERSE BALANCES IN HEAD OF ACCOUNTS.

Test check of Trial Balances for the year ended 31 March 2012 revealed that certain heads of account related to Liabilities and Assets reflect adverse balances as detailed in *Annexure- B and Annexure- C*.

The Department while stating (June 2013) that the adverse balances are being carried over from year to year from 2004-05 onwards, informed that efforts are being made for rectification of such adverse balances in the accounts of 2012-13 to the extent possible.

III. NON-PREPARATION OF SCHEDULES IN ACCORDANCE WITH NATIONAL MUNICIPAL ACCOUNTS MANUAL.

The following schedules were not prepared in the prescribed proforma(s) provided in National Municipal Accounts Manual :

- i. Schedule B-1: Municipal General Fund [Code 310]
- ii. Schedule B-2: Earmarked Funds [Code 311]
- iii. Schedule B-3: Reserves [Code 312]
- iv. Schedule B-4: Grants & Contribution for Specific Purposes [Code 320]
- v. Schedule B-8: Deposit Works [Code 340]
- vi. Schedule B-11: Gross Block [Code 410]
- vii. Schedule B-12: Investment – General Fund [Code 420]
- viii. Schedule B-13: Investment – Other Funds [Code-421]
- ix. Schedule B-15: Sundry Debtors (Receivables) [Code-431]
- x. Schedule B-18: Loans Advances and Deposits [Code-460]

In the Exit Conference held in April 2013, the Department assured to prepare all these schedules as per the requirement of National Municipal Accounts Manual in the annual accounts for the year 2012-13.

1.15 (A.1) LIABILITIES

A. OTHER LIABILITIES (SUNDRY CREDITORS) (SCHEDULE B-9)

- (i) **Liability on account of pension contribution in respect of employees on deputation in NDMC has neither been assessed nor provided for in the accounts as per the requirement of NMAM (Para 29.3 (ii c)).**

In the Exit Conference held in April 2013, the Department assumed to sort out the issue, in consultation with Establishment and CBS branches, during the current financial year.

- (ii) **No provision in respect of Gratuity and Leave Encashment payable to NDMC employees at the time of their retirement/superannuation has been worked out and provided in the accounts.**

Responding to a query about the Actuarial valuation of the above liability, the Department in the Exit Conference held in April 2013 while informing that no Actuary has been appointed by NDMC, stated that the same is being planned by the Finance Department with the help of Personnel and IT Departments. It was also added that a lump sum provision is being made in every year budget and accumulated provision of ` 290 Crore was available as on 31 March 2012. The Department further replied (June 2013) that the Council has decided to transfer a sum of ` 150 Crore every year to the pension fund segment from its surplus.

- (iii) Statutory deductions of ` 5.17 crore in respect of Income Tax Deductions at source (Code of Account -3502005) and ` 1.09 crore in respect of VAT (Code of Account - 3502006) are subject to verification that the same have been timely deposited with respective Authorities.

In the Exit Conference held in April 2013, the Department stated that the information was being called for from the departments and the correct position will be reflected in the accounts for the year 2012-13.

- (iv) East Delhi Municipal Corporation (EDMC) has claimed a sum of ` 10.28 crore on account of disposal of garbage at SFL Gazipur. Subsequently, in a meeting held on 4 March 2013 held with Additional Commissioner (EDMC) to resolve the issue, The NDMC has agreed to pay a sum of ` 3.66 crore as one time settlement. However, neither a provision nor a disclosure of this effect has been made in the accounts.

In the Exit Conference held in April 2013, the Department informed that a proforma has been devised to be sent to all the departments for furnishing the list of all the claims received from various authorities/parties before the accounts are compiled so that these can be taken care while finalizing the Accounts. The department assured that in future the all such disclosure will be made in the notes of accounts under the head Contingent Liabilities, every year.

- (v) The Ministry of Urban Development & Poverty Alleviation, Land & Development Office allotted a plot of land measuring plot of land 6.0485 Acres at to NDMC in March 1977 for construction of a hotel. In turn, NDMC leased the above land to M/S Delhi Automobiles in March 1981 for construction and running of a five star hotel on payment of annual licence fee of ` 1.45 crore as per Ministry's directives. The Lessee violated the terms of agreement and constructed two multi-storey commercial towers (World Trade Centre and World Trade Towers) and leased the commercial space to various parties. As such, the Ministry in September 2000 claimed an amount of ` 99.01 Crore which includes misuse charges and damages for unauthorized construction. This issue has not been resolved so far and the claim on this account was increased to `155.10 crore in February 2002, as detailed below:

i)	Interest on delayed payment of premium	:	` 6.79 crore
ii)	Ground rent/interest on delayed payment of ground rent	:	` 5.88 crore
iii)	Misuse charges in respect of World Trade Centre and World Trade Tower		
	From 16.04.1993	:	` 141.55crore
iv)	Damages for unauthorized constructions	:	<u>` 0.89 crore</u>
	<i>Total</i>	:	<u><i>`155.10 crore</i></u>

The Council has neither provided any liability on this account nor disclosed the claim by way of a note in the accounts.

In the Exit Conference held in April 2013, the Department stated that the details will be collected from the Estate Department and necessary disclosure in the notes of accounts for the year 2012-13 would be made.

1.15 (A.II) FIXED ASSETS

- (i) As per Schedules the Gross Block of Fixed assets (other than those valued at ` 1/- each) has been shown as ` 265.53 crore and the accumulated depreciation up to 31.03.2012 as ` 45.25 crore as against the total depreciation booked in the Annual Accounts for the years 2004-05 to 2011-12 works out to ` 49.57 crore resulting in

undercharge of depreciation by to ` 4.32 crore (**Annexure-D**) in the Income and Expenditure Account. The Net Block of fixed assets and the Municipal (General) Fund have also been over stated to the same extent.

The Department stated (June 2013) that this was due to the fact that compilation of accounts was in arrears and information required for capitalizing the Capital Works in Progress was not readily available, It was however assured that the depreciation charged earlier will be revisited to ensure its accuracy and necessary rectifications will be made in the accounts for the year 2012-13.

- (ii) As per Schedule B-11, Gross Block of Buildings is shown as ` 586523027.75 and that of Plant & Machinery is ` 304575769.27. Taking into account opening balance as on 01.04.2004 and the additions during the years from 2004-05 to 2011-12 the amount respectively comes to ` 611846352.24 for Buildings & ` 304292224.27 for Plant & Machinery.

Table 1.23 (Amount in `)

Particulars	Buildings	Plants & Machinery	Total Assets
1.4.04 (Opening Balance) taken at Re.1/-	735.00	1456268.00	1679435
Additions			
2004-05	0.00	7369940.79	26213227.11
2005-06	52283303.11	45016334.99	156062479
2006-07	60525218.04	83983569.67	235041709.3
2007-08	272612535.40	51574358.51	1016198858
2008-09	212018456.04	74389070.31	650044456.6
2009-10	12535140.65	10191191.00	166885973
2010-11	1870964.00	20136987.00	265715609.5
2011-12	0.00	10174504.00	162522587.7
Total	611846352.24	304292224.27	2680364335.28
As per Trail Balance Closing Balance as on 31.03.2012	586523027.75	304575769.27	2655324555.79
Difference	25323324.49	-283545.00	25039779.49

The difference in two sets of figures needs reconciliation and correction.

- (iii) NDMC purchased two plots of land in 1996 and 2001 for a sum of ` 4.94 crore in Dwarka and Saket respectively. The allotment of plot at Dwarka was however cancelled in April 2012. On scrutiny of Fixed Land Asset Register maintained by ABAS, it was observed that these transactions have not been reflected in the books of accounts. The Fixed Asset Register, thus, needs to be reviewed and updated.

In the Exit Conference held on April, 2013, the Department assured that the same would be rectified in the accounts for 2012-13.

(IV) CAPITAL WORK IN PROGRESS (SCHEDULE B-11(B))

While reviewing the ledger accounts of Capital Work in Progress, it has been noticed that same amounts have been carried forward from previous year/years and no financial progress has taken place during the year. A list of 458 works on which ` 132.67 crore have been spent upto 31.03.2012 were given to concerned divisions/ABAS to ascertain and intimate the physical status of these projects. Replies received from a few divisions revealed that some projects have already been completed in earlier years but these are still being held in Capital Work in Progress. The completed projects need to be capitalized and

depreciations at applicable rates is to be charged to Income & Expenditure Accounts. (Illustrative cases are given in the **Annexure E**).

The Department while appreciating the issues flagged by the Audit informed (April 2013) that the reasons for non-capitalization of such Assets are often due to non-payment of final bills to the contractors. Further, the department stated that to the extent possible the projects/works under the heads 'Capital Work in Progress', which have been completed, would be Capitalized during the year 2012-13.

It is recommended that the Department should devise a suitable mechanism of red-flagging of completed works/projects for capitalization and charging depreciation from the date of their completion.

1.15 (A.III) CURRENT ASSET, LOAN ADVANCES & DEPOSITS

I. LOANS, ADVANCES & DEPOSITS (SCHEDULE B-18)

The above head includes an amount of (-)`465936760.00 shown as Deposits with External Agencies (Account Code 46060) as on 31.03.2012. As the deposit cannot be minus figure, this needs to be reviewed and rectified .

The Department assured (June 2013) to make necessary rectifications while finalizing the Accounts for the year 2012-13.

II. STOCK IN HAND INVENTORIES (SCHEDULE B-14:)

At the end of 31 March 2012, Stock in Hand increased by `0.05 crore as compared with stock on 31 March 2011 resulting in closing balance of `16.61 crore as per details given below:

Table 1.24

(` in crore)

Account Code	Head of Account	Balance as on 1 April 2011	Debit	Credit	Balance as on 31 March 2012
43010	Stores	16.55	34.32	34.27	16.60
43020	Loose Tools	0.01	0.00	0.00	0.01
		16.56	34.32	34.27	16.61

Further, test Check of Schedule B-14 for the year ended 31 March 2012 revealed that during the financial year 2011-12, no transaction was carried out under the following heads of accounts reflecting no change in Opening and Closing Balances of the Stock. Reasons for sluggish movement of these items need to be analyzed and necessary adjustments made.

- 4301000 - Stock in Hand: Stores (`9927598.03)
- 4301020 - Stock in Hand: Medicines Store (` 6662452.00)
- 4301021 - Stock in Hand: Medicines Charak Palika Hospital (`10560.00)
- 4301025 - Stock in Hand: Homeopathic Dispensaries (` 695832.00)
- 4301031 - Stock in Hand: Bulbs Tube Lights (` 106374.00)
- 4301062 - Stock in Hand: Cement (` 18784.00)
- 4301065 - - Stock in Hand: Others (` 48776.00)
- 4301070 - Stock in Hand: Other General Stores (` 21318806.90)
- 4301077 - Stock in Hand: Other Non-consumable Stores (` 44316793.07)

- 4302000 - Stock in Hand: Loose Tools (₹ 18730.00)
- 4302001 - Stock in Hand: Plant and Machinery (₹ 52979.00)

Apart from the above, under the code of account “4301036-Stock in Hand: Electric Meters” there was adverse balance of ₹ 499070.00 as at 31 March 2012 which also needs review and rectification.

The Department assured (June 2013) to review and make necessary rectifications in the Accounts for the year 2012-13.

III. SUNDRY DEBTORS (RECEIVABLES) (SCHEDULE B-15) & ACCUMULATED PROVISION AGAINST DOUBTFUL RECEIVABLES (SCHEDULE B-15A)

Sundry Debtors (Receivables) increased to ₹ 2163.89 crore in 2011-12 as compared with ₹ 1832.69 crore in 2010-11. Head-wise details are given below:

Table 1.25 (₹ in crore)

Account Code	Head of Account	Opening balance	Debit	Credit	Balance as on 31 March 2012
43110	Govt. Buildings (Service Charge)	606.05	1973.50	1877.20	702.35
43130	Receivables For Fees and User Charges	948.48	3086.27	3000.43	1034.31
43140	Receivable from other sources	260.35	772.07	605.19	427.23
43150	Receivable from Govt. Grants	42.63	0.00	42.63	0.00
43180	Receivable Control Accounts	-24.82	178.43	153.62	0.00
		1832.69			2163.89

However, accumulated provision against Doubtful Receivables up to year 2011-12 was ₹ 1071.41 crore, thus net receivables at the end of the year 2011-12 were ₹ 1092.48 crore as per details given below :

Table 1.26 (₹ in crore)

Head of Account	2010-11	2011-12
Sundry Debtors (Receivables) – B-15	1832.69	2163.89
Less Accumulated Provisions against Doubtful Receivables - B-15a	970.44	1071.41
Net Receivables	862.25	1092.48
Percentage of provision with regard to total receivables	52.95%	49.51%

It may be seen from the above that accumulated Provisions against Doubtful Receivables as on 31 March 2012 were ₹ 1071.41 crore which is 49.51% of the total receivables. In the absence of the age wise break up of receivables in the accounts, the adequacy of the provisions could not be ascertained.

In the exit conference held on April 2013, the Department informed that there were four major Departments where large number of debtors exist i.e. Estate, Property Tax, Commercial and Enforcement Departments. The Department also assured to call for the age wise details of such debtors to make provisions, as per policy, in the year 2012-13.

1.15 (B) INCOME & EXPENDITURE STATEMENT

a. REVENUE INCOME AND EXPENDITURE (ANNEXURE F)

Surplus/Deficit

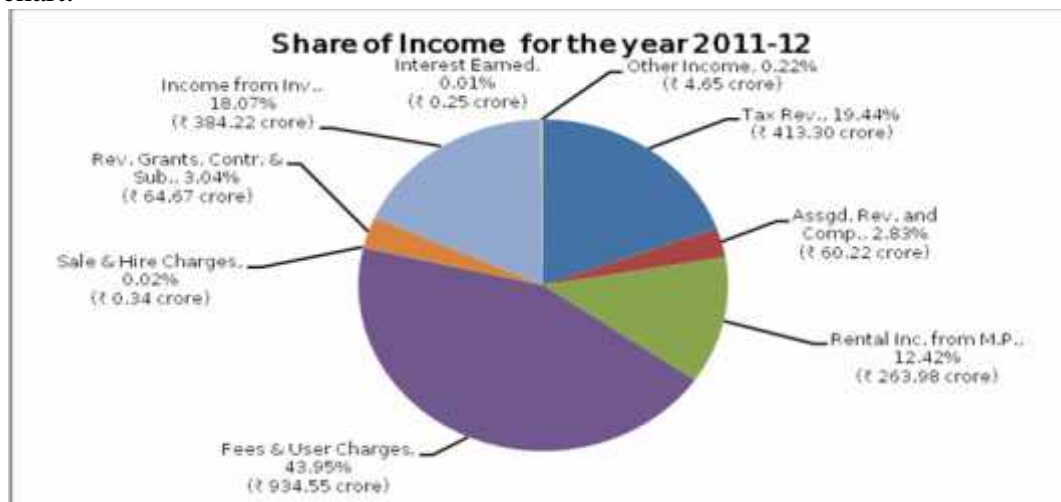
There was a Surplus of ` 274.19 crore i.e. excess of income over expenditure as on 31 March 2012. The Surplus decreased to `58.74 crore due to Prior Period Items (` 41.72 crore) and Transfer to Reserve Funds (`174.00 crore).

During the period 2011-12 the Gross Surplus decreased from `331.89 crore as on 31 March 2011 to `274.19 crore on 31 March 2012 i.e. by `57.70 crore. The month-wise (April 2011 to March 2012) details of income, expenditure and surplus/deficit are placed at *Annexure G*

Income

Total income as on 31 March 2012 was `2126.18 crore. The main sources of income were Fees and User Charges (43.98 per cent), Tax Revenue (19.44 per cent), Income from Investments (18.07 per cent), and Rental Income from Municipal Properties (12.42 per cent). There was marginal income in respect of other heads viz. Revenue Grants, Contributions and Subsidies (3.04 per cent), Assigned Revenues and Compensations (2.83 per cent), Other Income (0.22 per cent), Sale and Hire Charges (0.02 per cent) and Interest Earned (0.01 per cent).

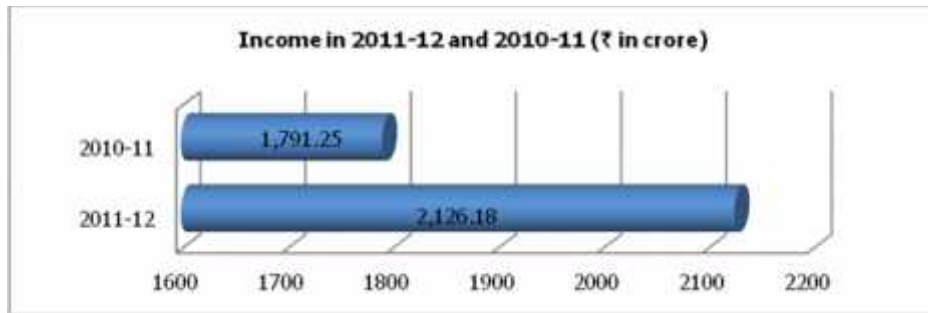
Component wise share of income for the year 2011-12 is indicated in the following chart:



Total income increased from `1791.25 crore in 2010-11 to ` 2126.18 crore in 2011-12 i.e. by `334.93 crore.

The increase over the previous year was under the heads, Fees and User Charges by `173.10 crore (22.73%), Tax Revenue by `87.13 crore (26.71%), Revenue Grants, Contributions and Subsidies by `37.72 crore (140.01%), Assigned Revenues and Compensations by `26.98 crore (81.19%), Income from Investments by `17.67 crore (4.82%), Rental Income from Municipal Properties `10.49 crore (4.14%) and Other Income by ` 1.15 crore (32.86%). Further, there was decrease under the heads, Interest Earned by ` 18.60 crore (98.68%), and Sale and Hire Charges by `0.72 crore (67.73%).

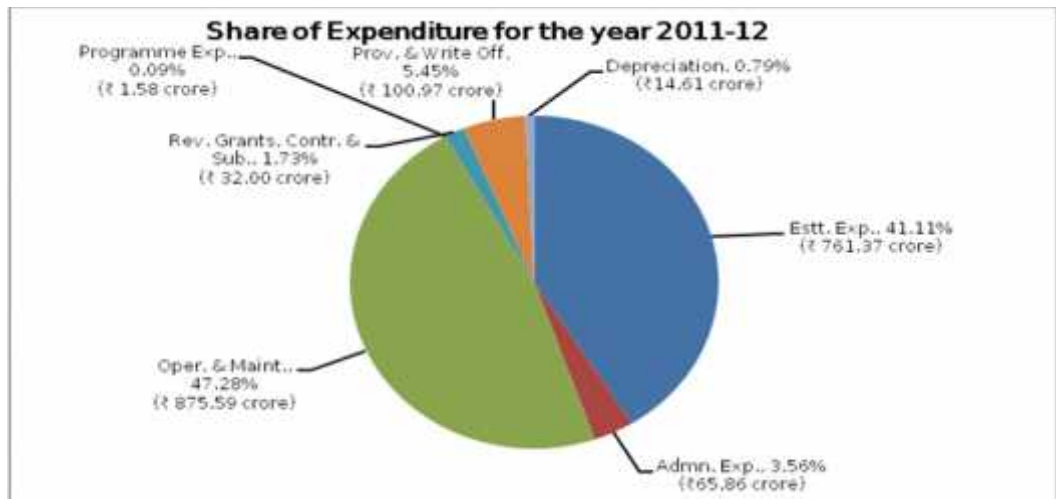
A graphical representation of income during 2011-12 and 2010-11 is shown below:



Expenditure

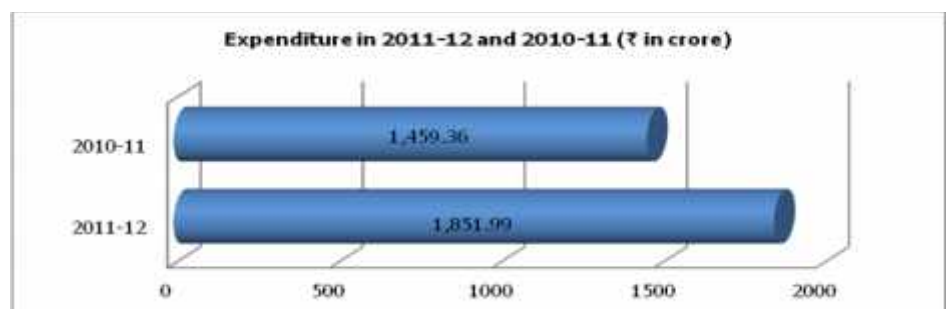
Total expenditure at the end of March 2012 was `1851.99 crore. The main heads of expenditure were Operations and Maintenance (47.28 per cent) and Establishment Expenses (41.11 per cent). The other heads of expenditure included Provisions and Write Off (5.45 per cent), Administrative Expenses (3.561 per cent), Revenue Grants, Contributions and Subsidies (1.73 per cent), Depreciation (0.79 per cent) and Programme Expenses (0.09 per cent).

Component wise share of income for the year 2011-12 is indicated in the following chart:



Expenditure increased from `1459.36 crore in 2010-11 to `1851.99 crore in 2011-12 i.e. by `392.63 crore. (Operations and Maintenance by `233.54 crore Provisions and Write Off by `70.16 crore, Establishment Expenses by `49.23 crore, Administrative Expenses by `27.84 crore, Depreciation by `8.83 crore, Revenue Grants, Contribution and Subsidies by `2.14 crore and Programme Expenses by ` 0.14 crore). The decrease was under the head Interest and Finance Charges by ` 0.74 crore.

A graphical representation of expenditure during 2011-12 and 2010-11 is shown below:



b. Booking of Minus Expenditure at the year end 2011-12.

Test Check of Trial Balance for the year 2011-12 revealed that in the following heads of accounts there were minus balances which needs to be looked into and rectified.

Table 1.27

S.No.	Head of Account	Description	Amount in `
1	2101036	Consolidated Salary Grade 'B' Contract Employees	22411.00
2	2305963	Fire Fighting Equipments including the Extinguishers and Appliances	1095970.00
3	2407001	Dishonored Cheques	36535.76
4	2408003	Rounding off Transaction to Nearest Rupee	6452.53

The Department stated (June 2013) that efforts would be made to avoid such type of adverse balances.

c. Misclassification of Code of Accounts

There were instances of incorrect booking of Code of Accounts and also Function Codes under Income & Expenditure as indicated in **Annexure-H and I**.

Detailed review of journal vouchers need to be reviewed and correct booking of accounts ensured.

The Department agreed (June 2013) and assured that misclassifications within Income and Expenditure accounts have been noted and would be taken care in the accounts of 2012-13.

d. Excess expenditure incurred against Revised Estimates, 2011-12.

Table below indicates the expenditure incurred by the Council against the Revised Estimates. (**Annexure J**).

Table 1.28

(` in thousand)

Function Code	F	Function Description	RE 2011-12 (Revenue)	Expenditure 2011-12	% Expenditure 2011-12 to RE
1		Municipal Body	13333	15721	117.9
2		Administration	5339932	5856694	109.7
6		Estate	61072	967652	1584.4
35		Hospital Services	296295	306627	103.5
51		Water Supply	677018	927794	137.0
53		Fire Services & Disaster Mgt.	89400	98226	109.9
56		Amusement	24820	24993	100.7
79		Others	97301	99992	102.8
81		Electricity	7278697	8119236	111.5

The deviation in the expenditure in respect of Estate Department which is more than 15 times from the Revised Estimates needs a review.

e. Revenue Grants contributions and subsidies (Schedule I-15):

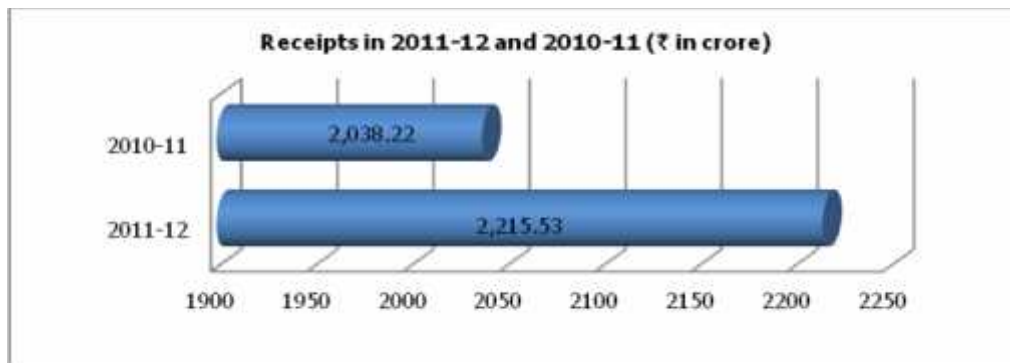
During the year 2011-12, New Delhi Municipal Council has given ` 30.80 crore as Grants-in-Aid to various NGOs/Schools and charged the same to its Income and Expenditure Account. However, Utilization Certificates/Accounts detailing the actual expenditure incurred were not shown to audit.

The Department agreed (April 2013) that Utilization Certificate would be obtained from the Heads of Departments sanctioning the grant every year. The same would be reflected in Accounts as per provisions of NMAM.

1.15 (C) RECEIPTS AND PAYMENTS ACCOUNTS 2011-12 (Annexure K)

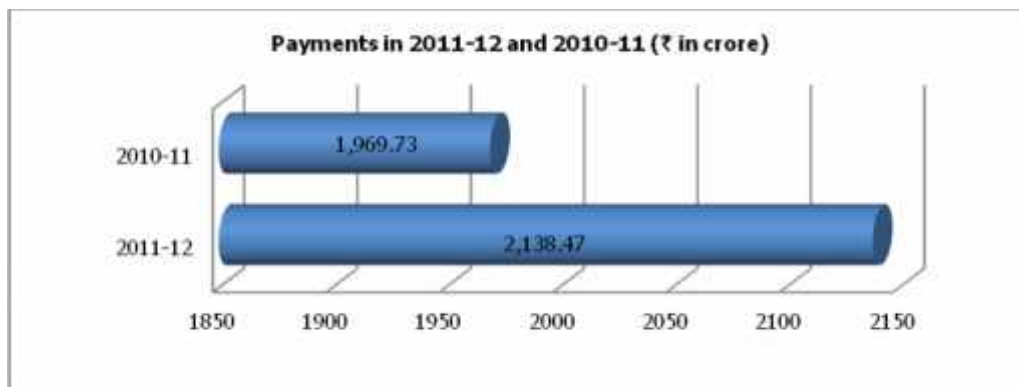
a. Receipts

Receipts increased from `2038.22 crore in 2010-11 to `2215.53 crore in 2011-12 i.e. by `177.31 crore. The increase was mainly under the heads “Fee and User Charges” by `101.24 crore, “Deposits Received” by `101.04 crore, “Rental Income from Municipal Properties” by ` 55.91 crore and “Revenue Grants, Contribution and Subsidies” by `37.72 crore. A graphical representation of receipts during 2011-12 and 2010-11 is shown below:



b. Payments

Payments also increased from `1969.73 crore in 2010-11 to `2138.47 crore in 2011-12 i.e. by `168.74 crore. The increase was mainly under the heads “Operations and Maintenance” by `339.38 crore and “Establishment Expenses” by ` 49.23 crore. A graphical representation of payments during 2011-12 and 2010-11 is shown below:



c. Difference of Cash balance in R&P Account and Balance sheet

As per Receipt and Payment Account, the cash at the end of the year 2011-12 comes to `770646685.15 whereas as per balance sheet cash and bank balances has been shown as `770883125.15.

The Department clarified (June 2013) that the amount of Imprest has not been included in the cash balances as this amount has been sanctioned to the DDOs. The correction would be shown in the accounts of 2012-13 and there would be no difference of cash balances in the subsequent years.

1.15 (D) CASH FLOW STATEMENT

The Cash Flow Statement for the year ended March, 31, 2012 is placed at **Annexure-L**.

1.15 (E) NON-DISCLOSURE OF FINANCIAL RATIO (Annexure- M)

As per statement for the year ended 2011-12 indicated at **Annexure- M**, following Financial Ratios have not been worked out and disclosed as prescribed in National Municipal Accounts Manual.

Table 1.29

Income Ratios	
1A	Property & Other Taxes to Total Income Ratio... (%)
1B	Octroi/Cess to Total Income Ratio... (%)
Efficiency Ratios	
12	Gross Cess Receivables Ratio... (No. of Days)
13	Property Tax Receivable to Property Tax Income Ratio... (%)
14	Cess Receivable to Cess Income Ratio... (%)
15	Inventory Ratio... (No. of Days Consumption)
18	Operations & Maintenance to Gross Fixed Assets Ratio... (%)
19	Interest Expense to Loans Ratio... (%)
Leverage Ratios	
20	Loans to Reserves Ratio or Debt-Equity Ratio... (times)
21	Interest Coverage Ratio... (times)
22	Debt Service Coverage Ratio... (times)
Investment Ratios	
23	Earmarked Fund Investments to Earmarked Funds Ratio... (%)
24	Interest on Investments Ratio... (%)
Asset Ratios	
26	Fixed Assets to Total Assets Ratio... (%)
Performance Ratios	
27	Income per Employee... (₹)
28	Expenditure per Employee... (₹)
29	Income per Citizen... (₹)
30	Expenditure per Citizen... (₹)

The Department assured (June 2013) that the Financial Ratios would be worked out and disclosed in the notes accounts in the year 2012-13.

1.15 (F) SIGNIFICANT ACCOUNTING POLICIES – (SCHEDULE B-21)

- a. The Accounting Policy declared at No. 2.ii, regarding Revenue recognition in case of Income - Exemptions, states that any other income, which is of an uncertain nature or for which the amount is not ascertainable or where demand is not raised in regular course of operations of the NDMC, is recognized on actual receipt. During course of audit it is seen that Interest Income from Investments amounting to ` 384.21 crore has been booked to Income and Expenditure account on cash basis i.e. as and when received. The Interest income on this account does not take into account the adjustment in respect of the amount of Interest accrued but not due during the current year (2011-12) (-) Interest accrued in respect of previous year (2010-11) but received during the current year. Therefore, the account of Interest Income from Investments is not in conformity of the stated accounting policy since the income is not of an uncertain nature and the amount can be easily ascertained.

The department stated (April 2013) that interest on investments are being accounted for on accrual basis. It agreed that Audit may re-verify the issue in consultation with the Accounts Department. However, on revisiting the accounts Audit observed that the two sets of accounts i.e. Receipt & Payments and Income & Expenditure reflect the same figure under the Interest on Investment as such the reply of the department is not tenable.

1.15 (G) COMMENTS ON NOTES TO ACCOUNTS (SCHEDULE B-22)

Notes to Accounts in Schedule B-22 of the Balance Sheet for the year 2011-12 revealed the following shortcomings:

- a. Fixed Assets

(i) Physical verification of fixed assets.

As per National Municipal Accounting Manual (Para 21.41 (C)) , all the Assets were required to be physically verified at least once during the year and discrepancies noticed should be reconciled. The process of physical verification of all the fixed assets had not been completed by the Departments.

It was stated (April 2013) that a circular to all the departments has been issued asking them to verify and confirm valuation of assets and the status of the physical verification of fixed Assets would be disclosed in the notes to Accounts in the subsequent years.

(ii) Valuation of fixed assets at nominal value.

As per Notes to Accounts, the Department had classified the assets under 15 heads and valued each of these at a nominal value of `1/- for each class of assets. This method of valuation is not correct as Department has to revalue these assets based on actual cost involved in construction/ improving these assets. A policy regarding revaluation of these assets needs to be formulated.

It was stated (June 2013) that a policy regarding revaluation of these assets is under formulation.

b. Contingent Liabilities on account of arbitration and legal cases.

Contingent liabilities against NDMC in respect of arbitration and legal cases have neither been assessed nor been disclosed on the plea that the complete information regarding number of cases pending with various courts and amount involved was not made available.

The Department replied (June 2013) that Proforma have been devised for various types of contingent liabilities which will be shown to audit before getting the same approved by the Chairperson.

1.15 (H) GENERAL

Some other issues noticed in audit which require the attention of the concerned authorities are:

- (a) Fixed Assets Register has not been maintained/ updated. In response to an audit query, *the Department stated (June 2013) that there is no change in the fixed Asset Register 2005-06 as shown to audit.*
- (b) Physical verification of cash is not being done by an independent officer i.e. other than the officers/officials involved in cash management.

The department agreed (April 2013) that it could be done on monthly basis by nominating an independent officers from the different division(s) other than cash division for physical verification/surprise check of cash on any day of the month besides at the end of financial year.

- (c) The stores and consumable are required to be valued at cost or realizable value, whichever is less. In the absence of the breakup of the value reflected in the accounts, and also the physical verification reports of stores / consumables, the adherence of the above principle of valuation could not be ensured.

The department agreed (April 2013) that to take action to impress upon the concerned department to verify the actual value of stores and consumables at the end of financial year.

- (d) Cash and bank balances includes a negative balance of `100.07 crore. This being unusual item, clarifications sought for was not replied.

The department assured (April 2013) to recheck the same and furnish the clarification after obtaining the information from the Investment Branch. However, clarification from the department was still awaited (June 2013).

In view of the above comments, the department may frame a time bound plan to rectify the shortcomings observed by the Audit and admitted by the Department so that the accounts depict true and fair view of financial position of the Council to the stakeholders.

The report was placed in the Council in its meeting held on 23 July 2013. The Council noted the comments of the Chief Auditor and advised the Accounts Department to carry out necessary rectifications in the Accounts for the subsequent years and submit an action taken report on the comments of the Chief Auditor. The action taken report on the advice of the Council is, however, still awaited.(November 2013).

¹ All the facts/figures in the report are based on the information supplied by the Accounts Department and that Audit Department is not responsible for any discrepancy in this regard.

PART III

1.16 Follow- up of Audit Reports

Status of Paragraphs of Annual Audit Reports and Local Audit Reports outstanding for want of satisfactory Replies/Actions Taken Notes are detailed in the tables given below:

1.16 (a) Annual Audit Reports

Table 1.30

Department (a)	Opening Balance as on May 2013 (b)	Addition (c)	Total (d) (b+c)	Settled (e)	Closing Balance as on January 2014 (f) (d-e)
Finance & Accounts	20	03	23	13	10
Estate-I	05	01	06	03	03
Estate-II	02	01	03	02	01
Property Tax	27	01	28	16	12
Enforcement	25	0	25	04	21
Horticulture	03	0	03	02	01
Civil Engineering	05	03	08	02	06
Electricity	15	01	16	06	10
Commercial	11	0	11	08	03
Personnel	01	0	01	0	01
Architect & Environs	09	0	09	02	07
Public Health	15	01	16	08	08
Education	04	0	04	-	04
Navyug School Education Society	0	02	02		02
Information Technology	02	0	02	0	02
Municipal Housing	18	0	18	14	04
Total	162	13	175	80	95

1.16 (b) Local Audit Reports (LARs)

Table 1.31

	Department (a)	Opening balance as on 01.05.2013 (b)	Additions (upto January 2014) ©	Total (d) (c + d)	Settlement (e)	Closing Balance (f) [d - e]
01.	Accounts & Finance	395	13	408	01	407
02.	Architect & Environment	134	-	134	03	131
03.	Civil Engineering	1571	130	1701	44	1657
04.	Commercial	108	-	108	-	108
05.	Education	1778	-	1778	06	1772
06.	Electricity	1429	53	1482	-	1482
07.	Enforcement	77	14	91	10	81
08.	Estate	180	42	222	05	217
09.	Fire	87	-	87	-	87
10.	General Administration	222	21	243	-	243
11.	Medical Services/Public Health	775	22	797	15	782
12.	Horticulture	98	13	111	07	104
13.	Property Tax	111	-	111	01	110
14.	Information Technology	68	-	68	-	68
15.	Law	28	-	28	-	28
16.	Personnel	524	-	524	-	524
17.	Public Relations	114	-	114	-	114
18.	Security	105	-	105	-	105
19.	Welfare	826	9	835	-	835
20.	Project	7	2	9	-	9
	Total	8637	319	8956	92	8864

The Heads of Departments/Units may look into the outstanding paragraphs and arrange to furnish the Replies/Actions Taken Notes at the earliest.

CHAPTER - 2

COMMERCIAL DEPARTMENT

Performance Audit on 'Working of Commercial Department of NDMC'

2.1 INTRODUCTION

The Commercial Department of NDMC is responsible for making payments on account of purchase of (i) electricity and water, and (ii) collection of revenue from consumer for using these services. The organization set up of the Department is indicated below:

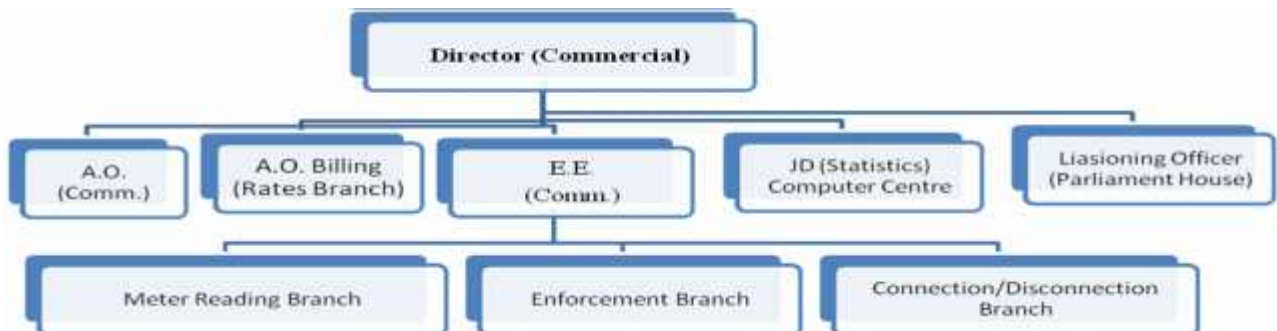
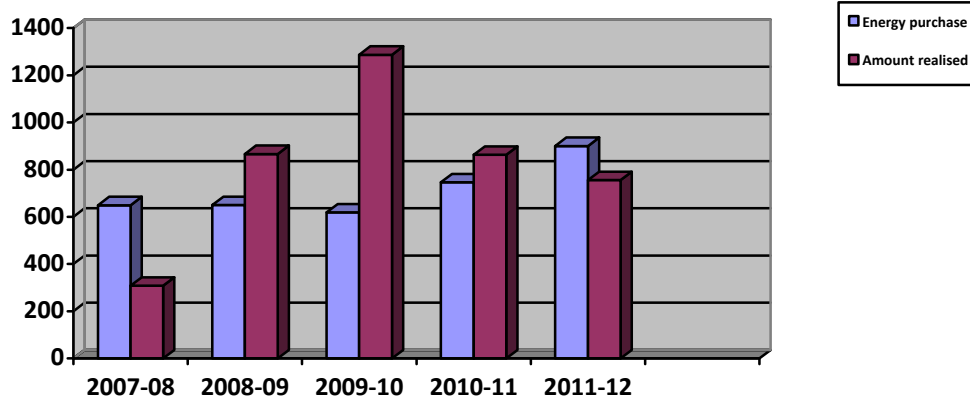


Table 2.1 : Purchase & Sale of Electricity

(Amount in ` Crore)

Year	Amount spent on energy purchase	Amount realized		
		from sale of surplus energy	from sale of energy	Total
2007-08	649.21	308.11	558.41	866.52
2008-09	649.93	721.09	565.65	1286.74
2009-10	618.85	288.09	574.61	862.70
2010-11	745.77	341.35	526.21	867.56
2011-12	900.01	153.84	601.82	755.66
TOTAL	3563.77	1812.48	2826.70	4639.18

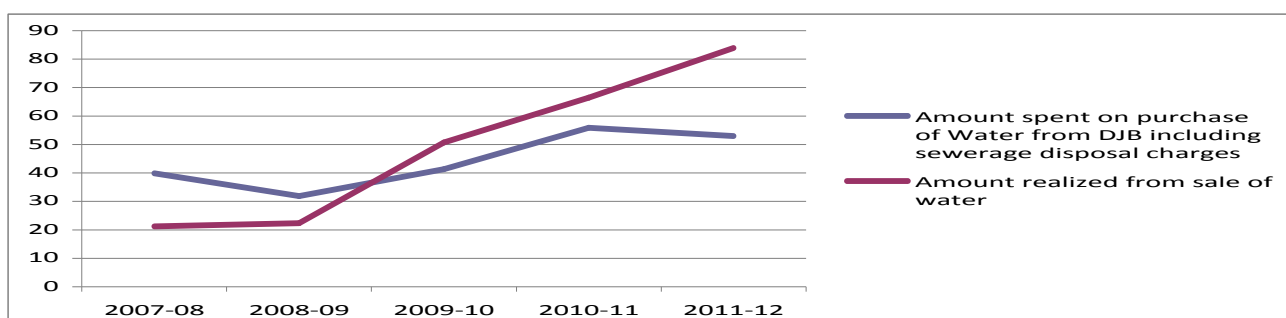


The Department did not intimate the reasons for fluctuations during the last 5 years.

Table 2.2 : Purchase & Sale of Water

(Amount in ` crore)

Year	Amount spent on purchase of Water from DJB including sewerage disposal charges	Amount realized from sale of water
2007-08	39.86	21.22
2008-09	31.89	22.36
2009-10	41.33	50.73
2010-11	55.87	66.43
2011-12	52.96	83.94
TOTAL	221.91	244.68

Graphical presentation of amount spent/realized from purchase/sale of water by NDMC**2.2 SCOPE, OBJECTIVES AND METHODOLOGY OF AUDIT**

2.2.1. Scope Of Audit- This Audit encompasses the issue relating to purchase of electricity from generating companies, distribution and sale of electricity and water, raising of Electricity and Water bills on the basis of reading and realization of payment from the consumers, cases of long pending arrears of electricity and water charges, cases of theft & misuse of electricity and main policies & guidelines of the government during the period 2007-08 to 2011-12.

2.2.2 Objectives Of Audit - The objectives of audit were to assess whether:-

- (i) The purchases of electricity were made as per provision of the agreement drawn in the best interest of the Council and no terms and conditions were violated.
- (ii) The payments were made as per rates applicable from time to time on the basis of reading provided by the concerned agencies.
- (iii) There were no delays in payments and no penalty was paid.
- (iv) Aggregate Technical & Commercial (AT&C) losses were well within the limits
- (v) There was no delay in providing new connections.
- (vi) Bills for payment were raised promptly and were realized timely.
- (vii) There existed a proper monitoring system to watch and take suitable action for recovery of arrears.
- (viii) Proper mechanism existed to check unauthorized connections and theft of electricity.

2.2.3 Audit Methodology - Audit test checked true ups issued by DERC, Agreements entered with the Power Generating Companies like NTPC, PPCL, etc., records relating to providing new connections, temporary connections, Rates Branch and Connection & Disconnection (C&D)

Branch. Audit visited Commercial Department and issued inquiry memos to elicit information, scrutinized files/records.

2.3 Audit Findings

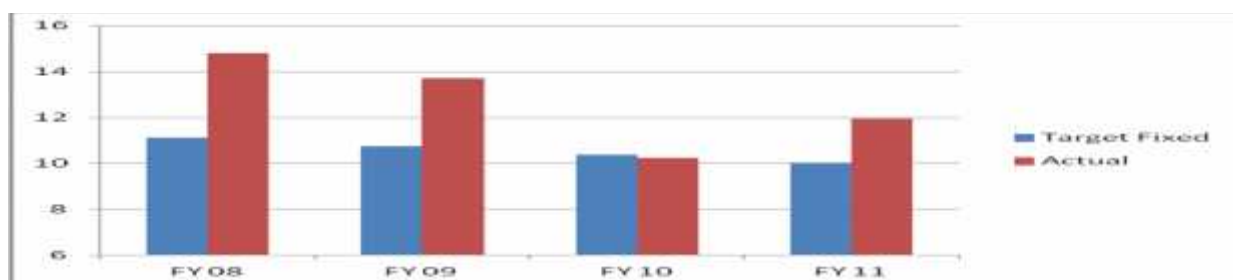
2.3.1. Loss of ` 51.94 crore due to non achievement of targets of Aggregate Technical and Commercial (AT&C) losses

The table below indicates the position of AT&C losses incurred by NDMC against the targets approved by DERC:

Table 2.3

	2007-08	2008-09	2009-10	2010-11
Target Fixed	11.13%	10.75%	10.38%	10.00%
Actual	14.79%	13.72%	10.25% (Over achievement)	11.94%

PERCENTAGE OF TARGETS AND ACHIVEMENT OF AT&C LOSSES BY NDMC



As NDMC could not achieve the targets in the year 2007-08, 2008-09 and 2010-11, the DERC, while fixing the tariff, allowed AT&C losses only upto the limit prescribed by it. Consequently the Council suffered a revenue loss of ` 51.94 crore (**Annexure-N**).

The Department attributed (August 2013) the commercial losses to the theft of energy, unmetered supply, pending recovery, billing cycle, etc. and as regards technical losses the same pertained to Electricity Department.

2.3.2 Disallowance of ` 105.72 crore due to non-maintenance of segment-wise accounts

NDMC had claimed the following amounts in the year 2007-08 to 2010-11, under Administrative and Civil Engineering *Department* Expenses for fixing of tariff. However, DERC restricted the amount to `45.37 crore as finalized in Tariff order dated 2 November 2005 (i.e. before start of MYT Order) each year and directed the NDMC to furnish segregated account of each activity for arriving at the correct amount incurred on the distribution of electricity. Though the NDMC has been assuring every year for the compliance that after implementation of accrual based accounting, the segment wise accounts would be made. However, the same has not been made so far. Consequentially, during the last 4 years, an expenditure of `105.72 crore incurred and claimed by the NDMC for tariff fixation had been disallowed by DERC as per details given below:-

Table 2.4

(Amount in ` crore)

Year	NDMC's expenditure	Amount Allowed by DERC
2007-08	46.71	45.37
2008-09	78.02	45.37
2009-10	79.72	45.37
2010-11	82.75	45.37
Total	287.20	181.48
Loss to NDMC		105.72 Crore

Thus, due to non preparation of segment wise accounts, the NDMC suffered a loss of ₹105.72 crore which could have been recovered by way of increase in the electricity tariff.

The Department while admitting (August 2013) that segregation of accounts is the main reason for disallowance of ₹105.72 crore, attributed the same to the Accounts Department.

2.3.3 Non-submission of Scheme-wise Capital Expenditure to DERC

The NDMC in September 2007 submitted five year investment plans to DERC for meeting the load growth requirements, augmentation of transformers, feeder capacities, replacement of switchgear and other equipments at all levels. The DERC provisionally approved the following capital investment under various schemes:-

Table 2.5 (Amount in ₹ crore)

Particulars	FY-2007-08	FY-2008-09	FY-2009-10	FY-2010-11	Total
Capital Investment	81.60	228.64	174.88	109.82	594.94

While approving the investment provisionally, the DERC directed the NDMC to obtain scheme-wise approval for the capital expenditure to be incurred during each year of the control period (2008-11) and also to submit quarterly progress report of actual capital investment in the format prescribed by the DERC within a month of the respective quarter for truing up the capital investment for each year at the end of control period.

Despite several directives issued by the DERC, NDMC had not taken approval for capital expenditure schemes undertaken in the MYT period (FY 2008-11). Due to non-availability of these details, the actual loss of depreciation in the coming years could not be worked out by Audit.

The Department without furnishing the specific reasons for non-furnishing of the details of capital expenditure to DERC, stated (August 2013) that Quarterly Progress Report (QPR) from FY 2010-11 is being submitted to DERC.

2.3.4 Non-achievement of efficiency improvement factors in respect of O&M Expenses

At the time of passing Multi Year Tariff order (MYT FY 08-FY-12), the DERC observed that the O&M Cost of NDMC was on higher side as compared to similar urban distribution companies in other States.. It was ₹0.2 per unit in the case of CPDCL, ₹0.2/unit to ₹0.3/unit in the case of BESCOM, EPDCL, SPDCL, NPDCL, TPL-Surat, TPL-Ahmedabad and ₹0.3 to ₹0.65 per unit in the case of HESCOM, GESCOM, MESCOM, BEST, REL, CESC as compared ₹0.80/unit of NDMC.

The DERC was of the view that NDMC should try to bring efficiency in the system, thereby reducing the burden of inefficiencies on the consumers of Delhi. The DERC also directed the NDMC to carry out a proper cost benefit analysis before taking up any new initiatives. The DERC expected from NDMC to improve its performance considering the repetitive nature of O&M works and introduction of new technologies. The DERC has determined the efficiency improvement factor as 2%, 3% and 4% for FY09, FY10 and FY11 respectively. The position of O&M expenses claimed by NDMC and approved by the DERC in the True-up for FY08 to FY11 is as under :-

Table 2.6 (in Crore)

Particulars	FY08	FY09	FY10	FY11
Employee Cost	48.71	50.42	101.78	68.70
R&M Expenses	17.13	21.23	28.98	39.05
A&G Expenses	11.93	12.55	13.14	13.75

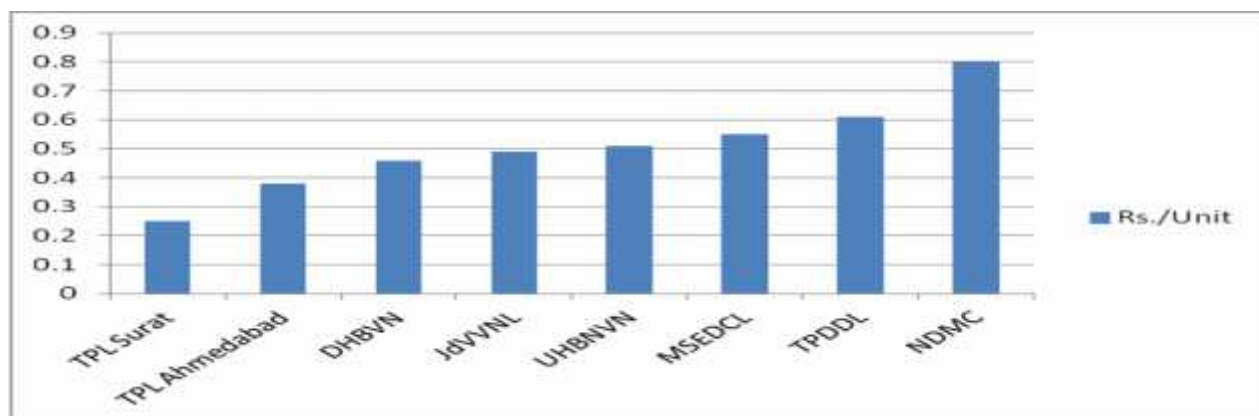
Total O&M Expenses	77.77	84.20	143.90	121.50
Efficiency Improvement		2%	3%	4%
Net O&M Expenses		82.55	139.58	116.64
Expenses claimed by NDMC in True-up petitions	115.98	172.67	145.49	106.53
Excess Expenses disallowed by DERC	38.21	90.15	5.91	--

DERC in its respective orders has stated that NDMC had not complied with any of the directives issued by the DERC on O&M expenses and hence approved the expenditure to the extent it had already approved in MYT orders 2008-11. The expenditure of ` 134.27 Crore on account of O&M Expenses was not allowed by DERC on account of not achieving the targets in the first three years (2007-08 to 2009-10) in the respective True-up. However, in the year 2010-11, NDMC could retain its expenses upto the limit fixed by DERC.

In respect of efficiency parameters, the comparative chart of O&M expenses per unit of sale (/unit) with respect to similar urban distribution companies in other States for FY 2010-11 are shown in the graph given below.

Total O&M Per Unit of Sales for FY 2010-11

Distribution Utilities



The Department stated (August 2013) that O&M expenses includes employee cost R&M expenses & A&G expenses. All the three parameters pertain to Electricity Department.

Recommendation : Remedial measures to bring down the O&M cost needs to be taken by the higher authorities.

2.3.5 Sale of surplus power at non-competitive rates

While finalizing the True-up for the year 2010-11, DERC had observed that the average rate at which surplus power was sold by the petitioner (NDMC) during FY 2010-11 was ` 2.94 per unit. Against which the average rate of sale of power achieved by other DISCOM Companies in Delhi was ` 3.21 per unit of BSES Rajdhani Power Limited (BRPL) and ` 3.54 per unit of BSES Yamuna Power Limited (BYPL).

For sale of surplus power the NDMC had entered into an agreement with PTC India Ltd. w.e.f. January 2008. Under the agreement the tentative quantum of power likely to sell are informed to PTC (India) "On Firm Basis" and "On day ahead basis." On day ahead basis, NDMC informs PTC the quantum of energy likely to sell and boundary condition for sell. The sales are done on competitive basis. However, any quanta of energy which are not scheduled above are sold through

Unscheduled Interchange (UI). Under this system, the selling price is not competitive and is decided by the DTL at the real time. Higher quantum of UI sales at a real time may lead to sale of energy at uncertain prices depending on the market factors which normally results in realization of revenue at lower rates as compared to the price realized through bidding.

Audit observed that during the year 2011-12 surplus power valuing `76.83 crore was sold at uncompetitive rates (UI).

The Department stated (December 2012) that every possible steps are taken so that no power goes to UI. But keeping in view the importance of NDMC area, safety margin of approximately of 30 MW is kept in hand to face the unforeseen outage of any generating stations. The Department further stated (August 2013) that after making comparison among the average surplus power sold by other Delhi DISCOMS, the sale of NDMC Surplus Power seems at non competitive rates. Since PTC is bidding on behalf of NDMC, therefore, besides issuing instructions to PTC, Power Department also recommended to strengthen the Power Department to compete with the private DISCOMS.

The fact remained that during the year 2011-12, a huge quantity of surplus power was sold at uncompetitive rates which should be avoided in future.

2.3.6 Non-examination of bills for purchase of power

During the year 2007-08 to 2011-12, payments amounting to `3562.95 crore were made to the Power Generating Companies for purchase of energy. Examination of payment records revealed that the bills received from power generating companies were being paid without proper examination. The payments of the bills were passed on the same day on the plea of availing rebate on the prompt payment of bills. While passing the bills, the accuracy of tariff plan and Regional Energy Accounts (REA) accounts were not being considered.

It was also observed that as per the agreement with the Power Generalizing Companies, discrepancy in the bills, if any, has to be pointed out within 60 days of receipt of bills. As no detailed checking of the bills was done, no discrepancy could be pointed out.

The Department accepted (August 2013) the fact of non-examination of bills for purchase of power and agreed that the system of verification of the bills needs strengthening as recommended by Audit.

2.3.7 Arrears in Disconnection Cases amounting to `42.59 crore

As per para 49 and 50 of Delhi Electricity Electric Code and Performance Standards Regulations, 2007, the licensee may issue a disconnection notice in writing to the consumer who defaults on his payment of dues giving him fifteen clear days to pay the dues. Thereafter, the licensee may disconnect the consumer's installation on expiry of the said notice period by removing the Service Line/Meter or as the licensee may deem fit. If the consumer does not make the payment within six months of the date of disconnection, such connections shall be treated as Dormant Connection. The licensee may take steps to prevent unauthorized reconnection of such consumers disconnected.

It was noticed that the Department had disconnected 15,545 electricity and water connections against whom the arrears of `56.27 crore was due upto March 2012 as per the details given below:-

Table 2.7

(Amount in `)

Year	Consumers			Arrears		
	Electricity	Water	Total	Electricity	Water	Total
upto Mar-2007	8817	4342	13159	165305157	224304792	389609949
2007-08	418	144	562	9565595	16510945	26076540
2008-09	248	99	347	8454248	1769610	10223858
2009-10	274	125	399	21075363	20393496	41468859
2010-11	371	142	513	13395727	22049527	35445254
2011-12	419	146	565	57871813	2026011	59897824
Grand Total	10547	4998	15545	275667903	287054381	562722284

In 13159 cases, the amount of arrears of `38.96 crore pertains to very old period i.e. prior to March 2007. It was noticed that an amount of `42.59 crore, out of the total arrears of `56.27 crore, was outstanding for more than three years. Further, the department did not conduct any survey to find out whether the consumers have re-connected the connections unauthorizedly.

The Department stated (August 2013) that the Bill Section of the Commercial Department makes sincere efforts by issuing notices/disconnection orders to the defaulter consumers and C&D Branch carried over the Disconnection. Major portion of the total arrears are due from Government Department viz Northern Railway, Garrison Engineer etc. The matter is under process through correspondence meetings at top level.

The Department may make all possible efforts to recover the long outstanding dues in respect of disconnected connections of electricity and water.

2.3.8 Non-Recovery of `42.36 crore from Delhi Based DISCOMs on account of sale of surplus power

A sum of `52.83 crore was outstanding against different Power Distribution Companies of Delhi on account of sale of surplus power as detailed below:

Table 2.8

S. No.	Name of the DISCOM	Amount Outstanding (`)	Period
1	MES	6,90,510	2009-10 to 2011-12
2	North Delhi Power Ltd.(NDPL)	2,72,96,792	2011-12
3	BSES Yamun Power Ltd.BYPL)	1,46,49,164	2008-09 to 2011-12
4	BSES Rajdhani Power Ltd	9,67,54,235	2009-10 to 2011-12
5	DTL(UI CHARGES)	38,71,23,717	2011-12
6	DTL (Reactive Energy)	18,31,086	2011-12
	TOTAL	52,83,45,504	

On being pointed out, the Department replied (August 2013) that total outstanding amount as on 31 March 2013 receivable from Delhi Based Distribution companies has now come down to `42,36,21,430.

The Department may take appropriate action for settlement of accounts with these companies.

2.3.9 Efficiency in collection of water charges

Table below indicates the efficiency of the department in collection of water charges against the demand raised against the *various* consumers for the last five years:-

Table 2.9

(Amount in `)

Financial year	Water Demand raised	Water payment received	Payment under-realized	Collection efficiency (%)
2007-08	47,94,69,604	20,39,92,956	27,54,76,648	42.55
2008-09	48,72,20,430	22,49,72,476	26,22,47,954	46.17
2009-10	77,64,37,004	45,10,16,356	32,54,20,648	58.09
2010-11	121,12,25,815	81,23,63,057	39,88,62,758	67.07
2011-12	186,28,70,576	159,09,97,910	27,18,72,666	85.41

The Department agreed (August 2013) that the collection efficiency in respect of water charges from 2007-2008 to 2011-2012 was low. However, from the year 2011-12, the collection efficiency has shown an upward trend significantly. During the financial year 2012-13, against water demand of `162 crore raised, payment amounting to `154 crore has been received, thereby, achieving collection efficiency to the tune of 95%.

2.3.10 Loss of revenue due to theft/pilferage of energy – Ineffective checks over consumer's installation

As per the provisions of Para 52 of Delhi Electricity Supply Code and Performance Standard Regulations 2007, an *Authorized Officer*, suo moto or on receipt of reliable information regarding theft of Electricity, shall conduct inspection of such premises. Regular checking of metering equipments, periodical verification of connected loads of consumers and preparation of feeder-wise energy account showing the difference between the energy sent from the sub-stations and the energy consumed and metered at consumers ends are normal means to detect theft of energy.

Further, as per the provisions of Section 135 of the Delhi Electricity Act, in case of direct theft of electricity, the licensee shall disconnect the supply and seize all material evidence etc. from the premises and file a case against the consumer in designated Special Court within two days from date of inspection.

The Department informed that they have booked only 18 cases of theft during the period from April 2007 to March 2012 on the basis of complaints received. Scrutiny of these 18 cases revealed that these provisions were not followed. Short Assessment of the energy consumption amounting to `4.70 lakh was also noticed in 13 out of these 18 cases (**Annexure-O**). There existed no practice of filing the cases in designated court. The Department intimated that they were in process of obtaining approval from the Competent Authority to effect the recovery from the consumers.

The Department stated (August 2013) that as per the provisions of Delhi Electricity Supply Code and Performance Standards Regulations, 2007, the authorized officers can make suo-moto inspections but with specific details/information has to be developed which can be done when reading to all the consumers are started with the help of CMRI. CMRI instruments to being all the consumers in this network to facilitate downloading of data w.r.t. tampering of meter, MDI, etc. which shall be used as base documents for conducting raids by enforcement section and the Department has to develop a centre for periodic checking of downloaded data. Till that time the Department was dependent on other sources for gathering information and conducting raids on suspected premises. Regarding booking of theft cases, all the directions as per DERC Regulations, 2007 are being followed and at first stage defaulter is being given a chance to pay compounding charges calculated as per Annexure-XIII of the regulations. In case, the defaulter fails or refuses to pay only then an FIR is lodged. The detailed verification of individual cases pointed out by audit is being done and results shall be intimated separately.

The department may develop an appropriate system to check the theft of electricity and also furnish the verification note in respect of 18 specific cases pointed out by the Audit.

2.3.11 Short levy of ` 84.36 lakh in cases of unauthorized use of electricity (Misuse)

As per Regulation 59 of Delhi Electricity Supply Code and Performance Standards Regulations, 2007, where it is established that there is a case of Unauthorized Use of Electricity, the Licensee shall assess the energy **consumption** for past three months for domestic and agricultural connection and for past six months for other categories as per the assessment formula given in Annexure-XIII and prepare final assessment bill on 1.5 times the rates as per applicable tariff and serve on the consumer under proper receipt. The consumer shall be required to make the payment within seven days of its proper receipt. The Licensee may, taking into consideration the financial position and other conditions of the consumer, extend the last date of payment or approve the payment to be made in installments. The amount, the extended last date and/or time schedule of payment/installments should be clearly stated in the speaking order. A copy of the speaking order shall also be handed over to the consumer under proper receipt. Further, as per Regulation 61(iii) of Delhi Electricity Supply Code and Performance Standards Regulations, 2007, the levy of charges on account of Unauthorized Use of Electricity shall continue till the cause of levy is removed and verified by the Licensee as per procedure laid down in Regulation 58.

In 17 cases, it was noticed that though the misuse charges were levied in 8 cases but these were not in accordance with the prescribed procedure.. The misuse charges were levied without making assessment of energy consumption as per the assessment formula given in Annexure-XIII. Due to non-assessment as per formula in these 8 cases, the department short levied misuse charges by ` 84.36 lakh as detailed in **Annexure-P**.

The Department agreed (August 2013) to recalculate the misuse charges from 2007-08 to 2011-12 and discrepancy, if any, shall be conveyed to the consumers for making the payment. The Department also assured to make the assessment in future as per the formula given in Annexure-XIII of SOP.

2.3.12 Non-implementation of Disconnection Orders

As per Para 49(i) of Delhi Electricity Supply Code and Performance Standards Regulation, 2007 Licensee may issue a disconnection notice in writing, as per section 56 of the Act, to the consumer who defaults in payment of dues giving fifteen clear days to pay the dues. Thereafter, the Licensee may disconnect the consumer's installation on expiry of the said notice period by removing the Service Line/Meter or as the Licensee may deem fit. If the Consumer does not make the payment within six months of the date of disconnection, such connections shall be treated as Dormant Connection.

During scrutiny of record, it was observed that the Department failed to implement the disconnection orders issued against the consumers efficiently. Out of 11393 disconnection orders issued since 2009-10, payments were received in 1987 cases and disconnection orders were implemented in 384 cases only leaving a balance of 9022 cases (79%) where connections were not disconnected.

The Department attributed (August 2013) the delay in disconnections of electricity connections to the shortage of staff and absence of technical officers in C&D branch. It also stated that as date this pendency has been completely removed by deploying other categories of staff with C&D and also asking the staff to devote extra time The Department, however, expressed its inability in the disconnection of water connections.

The Department may take remedial measures to implement disconnection orders in time through an effective system.

2.3.13 Inadequate mechanism to check unauthorized restoration of disconnected connections by the consumers

As per Regulation 49 (ii) of Delhi Electricity Supply Code and Performance Standards, 2007, in case Licensee discovers that the supply to the premises where disconnection has been effected, has been restored through another live connection, notice to registered consumer/user of such live connection shall be given to stop such illegal supply immediately failing which pending dues of disconnected connection shall be transferred to his account.

During the period 2007-08 to 2011-12, as many as 15545 no. of connections (10547-electricity and 4998-water) were disconnected. In a test check of 120 cases, the department requested the Executive Engineer (Comml.), only in five cases that too after a period of 3 to 11 years of disconnection, to get the site inspected to ascertain as to how the consumer is managing without any electricity/water supply in the premises.

2.3.14 In addition to above, the following interesting cases were noticed:-

i) Non-recovery of outstanding electricity charges on account of temporary connection

A temporary connection was sanctioned to M/s Trimurti Construction Developers & Builders at MEA Tourist Hostel, 1, Canning Lane in July 2007 for construction purpose. The consumer made payment of ₹28,445 of electricity charges only once on 26 April 2008 and thereafter till the disconnection (June 2010) it did not make any payment. This resulted into non-payment of ₹4.69 lakh upto the date of disconnection.

Audit also observed that an undertaking from Ministry of External Affairs was submitted by the consumer at the time of taking temporary connection. The same could not be enforced as it was found defective and incomplete. Ultimately, the department could neither trace the whereabouts of the consumer nor could recover the dues from the MEA.

ii) Non-recovery of outstanding electricity charges amounting to ₹2.24 lakh from Sh.Ved Prakash R/o 72, Janpath, New Delhi bearing consumer No. P-1111-229-1051341.

The premises 72, Janpath, New Delhi had two electricity connections in the name of Sh.Ved Prakash. One - No. P-1111-229-1051341 was disconnected on 5 December 2007 due to non-payment of arrears. The another live electric connection bearing No. P-1111-246-1954517 (K-64713 L/C) was transferred to other consumer namely Rane Prakash, Rajiv Prakash & Roma Tanjea under Bill No. P-1111-246-1969895 (K64713 L/C) without clearance of pending dues. The consumer was requested to deposit the dues of ₹ 2.24 lakh in respect of connection No. P-1111-229-1051341 but the demand notice was not accepted by the consumer. The action of transfer of connection without clearance of dues thus resulted in non-recovery of pending dues of ₹ 2.24 lakh.

iii) Non-maintenance of record pertaining to filing of Tariff Petitions before the DERC.

NDMC filed its petition before the DERC for approval of Aggregate Revenue Requirement and Determination of Retail Supply Tariff for the Control Period 2008-2011 on 1 November 2007 for determination of Wheeling and Retail Supply Tariffs for the Control Period FY08 to FY11. Similarly, petitions were filed by NDMC on 2 January 2009, 15 December 2009,

10 March 2011 and 21 February 2012 respectively for true up of uncontrollable expenses for FY 2007-08, 2008-09, 2009-10 and 2010-11 respectively.

The records relating to processing of Tariff Petitions and its filing with DERC for the period 2007-08 to 2011-12 requisitioned by Audit were not provided either by Commercial Department or by Power Department.

The Department stated (August 2013) that in the absence of man power & availability of space, it is not possible to retain every record pertaining to ARR and only the copies of DERC orders are kept in record for future reference.

iv) Non implementation of provisions of Council Resolution No. 12(B-85) dated 3 March 2005 in respect of JJ Cluster

Scheme for providing Electric connections to J.J.Clusters in NDMC area on temporary basis was resolved vide Council's Resolution No.12(B-85) dated 3 March 2005. It was resolved that every consumer will pay `600 towards the cost of electrification (one time) `350 on Security Deposit (Refundable) and `175 per month towards the energy consumption charges (recurring) with the following conditions:-

- (a) All J.J. Clusters located on NDMC land should be relocated within six months and work on project for which the said land was allocated should start within the year.
- (b) Connection shall be given to the individual *Jhuggi* whose number is also verified by the Enforcement Department.
- (c) Enforcement Department may vigorously follow up the process of relocation of the J.J.Clusters to make NDMC slum free.
- (d) Connection will be disconnected after non-payment of two bills and consumption deposit of ` 350 per connection (Security Deposit) will be adjusted against the energy charges.

Audit noticed (December 2012) that an amount of ` 45.59 lakh was outstanding against 18 clusters.

The Department stated (August 2013) that the connections are to be given as per the list verified by Enforcement Department to enable Commercial Department to give the connections to individual and these connections are without meters. Under these circumstances in the event of non-payment, the disconnections orders are forwarded to respective distribution division for disconnection but the same has not been made till date.

CHAPTER - 3

PERSONNEL DEPARTMENT

PERFORMANCE AUDIT ON 'MANPOWER MANAGEMENT IN NDMC'

3.1 Introduction

New Delhi Municipal Council (NDMC) which came into existence in May 1994 performs its administrative functions as well as functions related to roads, buildings, sanitation, education, public health schemes, etc. It has 28 Departments for discharging these functions.

3.2 Scope, objectives and Methodology of Audit

3.2.1. Scope of Audit

This audit encompasses review of the norms, framing of rules, implementation status and actual working of policies and procedures pertaining to recruitment/ engagement/ career development/promotion/training of the personnel in five departments (*Security, Fire, Sanitation, Education, and Horticulture Departments*) and selected projects of Civil and Electrical Engineering Departments {*BM-I and C-III (Civil and Electrical Divisions)*} - over a period of five years from 2007-08 to 2011-12.

The Selected Departments - *Fire, Security, Horticulture, Public Health and Education*, have a substantial number of daily wage earning employees apart from regular staff. The overall regular sanctioned strength of NDMC as on 31 March 2012 was 16843; excluding daily wager/muster rolls employees. Of which, 12963 employees were regular and 877 were on contract. Details of daily wagers engaged and expenditure incurred thereon during 2007-12 was as under:-

Table 3.1 : Details of daily wagers engaged and expenditure incurred thereon

(Expenditure in lakh of `)

Year	Horticulture		Public Health		Education		Fire		Security	
	No. of Daily Wager	Actual Exp	No. of Daily Wager	Actual Exp.	No. of Daily Wager	Actual Exp.	No. of Daily Wager	Actual Exp.	No. of Daily Wager	Actual Exp.
2007-08	150	66.31	993	270.12	58	22.99	15	13.84	16	6.22
2008-09	300	166.98	1148	160.20	27	14.23	44	24.99	16	6.69
2009-10	380	238.71	855	361.67	42	24.13	81	57.80	29	10.69
2010-11	655	515.39	907	373.48	52	37.70	203	91.57	29	17.32
2011-12	480	535.97	785	490.67	21	16.56	226	118.78	52	21.13

3.2.2. Audit objectives

The objectives of Audit were to assess whether:-

- (i) Manpower requirements were assessed systematically based on empirical studies.
- (ii) Recruitment Rules (RRs) for all the cadres were framed, approved, notified and periodically reviewed and revised as per the applicable codal provisions
- (iii) A well rounded recruitment policy for various cadres was in place encompassing recruitment rules based on job profile and that the policy was being uniformly implemented in all cases of recruitment
- (iv) Transparent and standardized recruitment procedures duly approved by the competent authority were being followed without deviation
- (v) All appointments made and payments to casual labour were duly supported by valid sanctions of the competent authority
- (vi) Manpower deployment was in accordance with the approved work norms
- (vii) A robust and verifiable system of recording attendance, maintenance of attendance and service records was in place and was functional
- (viii) The department had put in place a system of skill up-gradation of its employees through training, seminars, workshops, etc;
- (ix) Adequate and effective internal controls and management controls were in place and operational.

3.2.3. Audit Methodology

Review of Manpower commenced with entry conferences with the Heads of selected Departments and respective establishments as well as Executive Engineers of concerned Divisions. Audit collected requisite information in respect of regular staff from concerned establishments. For working strength of NDMC, data was also collected from Computer Billing Section. In respect of casual labour, requisite information in respect of their engagement and budget provision was collected from the concerned Departments. On completion of Audit, exit conferences were held with the concerned Heads of Departments/ Establishments/ Divisions where draft audit findings were discussed.

3.3 Audit Findings

3.3.1 Non-review of sanctioned strength of departments

As per the Ministry of Finance, Government of India guidelines issued vide O.M. No.2 (1)/E.Co-ord. 1/2003, dated 09.9.2003 regarding 'Revival / filling up of vacancies' under 'deemed abolished' category power, a post held in abeyance or remaining unfilled for one year or more, would be deemed as abolished.

Audit scrutiny of records revealed that the Departments did not review their existing vacancies, on regular basis due to improper/non maintenance of rosters, non-finalization/amendment of Recruitment Rules (RRs) of different cadres and failed to fill the vacant posts by direct recruitment through such agencies as authorized under Section 42 of the NDMC Act 1994, i.e., DSSSB/ UPSC, as detailed under:

Table 3.2 Vacant posts to be filled by direct recruitment with reasons for delay/non recruitment

Department/ Name of post/	Range of vacant posts	Period of vacancy	Delay/ non recruitment	Reasons for delay/ non recruitment
Education				
TGT (MIL)	20 to 23	December 2008 to March 2013	3 years	Non-finalization of RRs
PET	11 to 27	December 2007 to September 2012	4 years	Non-finalization of roster
TGT (Music)	02	Sept 2004 to March 2010	5 ½ years	Non follow up the matter with DSSSB
TGT (Drawing)	05	November 2004 to June 2009	4 years, 7 months	-do-
Assistant Teacher (Urdu)	10	November 2006 to December 2012	6 years, 2 months	-do-
Main Establishment				
Clerical Assistant	34 to 61	November 2007 to December 2012	5 years, 1 month	Delay in sending clarification to DSSSB
Horticulture				
Assistant Director	01 to 02	August 2008 to December 2012	3 years, 5 months	Requisition not sent to DSSSB
Section Officer	08 to 15	April 2006 to December 2012	6 years, 9 months	Non amendment of RRs and delay in sending requisition to DSSSB
Public Health				
Asstt. Sanitation Inspector	7 to 20	December 2007 to December 2012	5 years	Delay in sending requisition to DSSSB
Nurse Grade A	21 to 26	December 2007 to December 2012	5 years	Non follow up the matter with DSSSB
Specialist Gr.II	3 to 13	January 1996 to December 2012	17 years	Delay of 13 yrs in sending requisition to UPSC and non follow up thereafter.
Specialist Bio-chemist	01	October 2008 to December 2012	4 years, 2 months	Clarification sought by UPSC not sent
Homoeo Physician	03 to 5	December 2008 to December 2012	4 years	-do-
Nursing Orderly	17	December 2010 to December 2012	2 years	Roster not maintained till date
ANM	18 to 33	-do-	2 years	Delay in sending requisition to DSSSB

It may be seen from above that the vacant posts remained unfilled from 3 to 17 years in various cadres. In case of Specialist Gr. II, even the initial requisition for filling the vacant post was sent to UPSC in October 2009, after 13 years of the post becoming vacant. In June 2010, UPSC closed the requisition of the Department due to contradictory information regarding reservation of PH category and want of NOC from Surplus Cell of DoPT. The Department, however, did not follow up the case thereafter. This indicates poor cadre management and excess sanctioned strength as the departments were able to manage with the available strength.

Personnel Department, without indicating the reasons for non-review of strength stated that (August 2013) DPCs are held annually to fill up vacancies in each cadre as per roster. Further, a note had been forwarded to MOH for consideration, if any changes with regard to addition or reduction in RR's conditions as well as strength of lower and higher level posts; reply to which was awaited.

Health Establishment-III stated (12.02.2014) that 19 vacancies of ASIs under Direct quota should have become due as on 31.12.2012 for which requisition was sent to DSSSB to fill-up the said vacancies. Now the DSSSB vide their advt. No. 01/14 dated 20.01.2014 advertised these vacant post of ASIs in NDMC under post code No. 93/14.

3.3.2 Irregular appointments on compassionate grounds

(a) As per DoPT Orders on compassionate appointments, a maximum 5 per cent of the vacancies falling under direct recruitment quota could only be filled on compassionate grounds in any Group 'C' or 'D' posts. As per the Decision of the Council [3(xix) of 16.6.1997], it was resolved that the

stipulation of Government of India for compassionate grounds to the extent of 5 per cent of the vacancies available shall not be followed in NDMC. However, no percentage of posts to be filled on compassionate grounds was fixed on the pattern of DoPT guidelines. Audit scrutiny revealed that in absence of normative limits, the Department filled 5 and 21 posts of Helper on compassionate grounds in 2009-10 and 2010-11 respectively. This constituted 10 and 46 per cent of vacancies for these two years.

(b) As per DoPT guidelines, objective of the Scheme for Compassionate Appointment was to grant appointment to one dependent family member of a government servant dying in harness. It was, however, observed that in the undermentioned cases, the Department appointed more than one dependent of the deceased employees:

Table 3.3 : Details of dependents appointed on compassionate grounds

Name of deceased employee	Name of dependents	Relation with the deceased	Month of appointment
Sh. Kalyan Singh	Ms. Kamla Bai	Wife	July 2010
	Sh. Gajender Kumar	Son	June 2010
Sh. Daya Ram	Ms. Babita	Wife	June 2010
	Sh. Anil Kumar	Son	July 2010

3.3.3 Irregular creation of posts

Section 34 of the NDMC Act 1994 empowers the Chairperson to create any 'B', 'C' or 'D' category post. Further, as per Council's Resolution (8 of 18.3.1999) "a full work study was to be carried out by each Department through an external agency before creation of any additional post".

As per DoPT guidelines on Recruitment Rules, whenever there is a substantial change in the number of posts, administrative department should review the existing method of recruitment with regard to quota of direct recruitment, promotion, etc. It was also necessary to study the effect of the change in strength on the method prescribed in the rules for the next higher and lower category of posts.

Audit observed that in view of Common Wealth Games 2010, a substantial number of posts were created in the following cadres without conducting work study through an external agency or reviewing the existing method of recruitment.

Table 3.4 Posts created without conducting work study or reviewing the existing method of recruitment

Department	Name of post	Strength before creation of additional posts	Additional posts		Month of creation
			Created	Percentage	
Fire	Asstt.Fire Guard	95	57	60	February 2009
Security	Security Guard	45	91	202	February 2009
		136	31	23	January 2010

3.3.4 Non finalization of RRs in respect of various cadres

As per the DoPT guidelines on framing/amendment/relaxation of RRs, dated 18.03.1988, as soon as a decision is taken to create a new post/service or to upgrade any post or restructure any service, action should be taken immediately by the Department concerned to frame RRs/Service Rules therefor. Audit scrutiny revealed that:

(a) RRs for the posts of Additional Director (Horti.) in Group A category, Senior Pharmacist, Senior Homeopathic Compounder and Senior Ayurvedic Compounder in Group C category had not been framed. Further, RRs for 11 cadres in Group A, 7 in Group B, 23 in Group C and 2 in Group D categories had also not been framed (**Annexure-Q**).

(b) Similarly, while PGT posts for various subjects were lying vacant since December 2007, the RRs had not been finalized.

(c) Seventy-three posts of Chowkidars were lying vacant but could not be filled as RRs had not been amended as per Shiv Shankaran Committee (1988) recommendations.

(d). As per DoPT OM No. AB. 1401712/1987-Estt (RR) dated 18 March, 1988; all RRs were required to be reviewed once in five years which had had never been conducted. Further, as per DOPT OM No. AB.14017/61/2008-Estt(RR) dated 24 March, 2009, consequent upon implementation of Sixth Central Pay Commission, steps were to be taken to amend the existing Service Rules/RRs by substituting the existing scales by the Grade Pay along-with the Pay Band and other consequential changes due to up-gradation or merger of posts and such review of RRs was to be completed within six months of issue of the OM. No such review was conducted.

The Personnel Department stated (August 2013) that revision of RR's of each category in health department is under examination and finalization may take two-three month's time.

The Electricity Department agreed and stated (February 2014) that Recruitment Rules (RRs) of Addl. Chief Engineer (E) and Chief Engineer(E) are not yet finalized.

3.3.5 Delay in promotion despite sufficient eligible candidates

DoPT instructions contained in O.M. No. 22011/9/98-Estt D dated September 1998 *inter alia* provide that Departmental Promotion Committee (DPC) meetings should be convened at regular intervals (by laying down time schedule for this purpose) to draw panels which could be utilized for making promotions against the vacancies occurring during the course of an year. This enjoins upon the concerned authorities to initiate action to fill the existing as well as anticipated vacancies well in advance of the expiry of previous panel by collecting relevant documents like seniority list, Annual Confidential Reports (ACRs), integrity certificates, etc. for placing before the DPC. Thus, it was instructed to have a calendar of events for ACC/Non ACC cases following the illustrative pattern contained in the O.M. and the DPC meetings may ordinarily be held accordingly.

Audit scrutiny revealed that despite availability of sufficient number of eligible candidates, the concerned departments did not promote the eligible officials from respective feeder cadres. Consequently, the posts remained unfilled for considerable period as under:-

Table 3.5 Vacant posts to be filled by promotion with reasons for delay

Post/ Department	Range of vacant posts	No of eligible candidates in feeder cadre	Period of vacancy	Date of promotion	Period of Delay	Reasons for delay
Education						
TGT (various subjects)	29 to 70	464	December 2007 to January 2011	January 2011	4 years, 1 month	Delay in finalization of seniority list and roster
Headmaster/ Headmistress	13 to 24	401	December 2008 to October 2011	October 2011	2 years, 10 months	-do-
Principal	4 to 5	5	2008-09 to 2009-10	2010	2 years	Delay in notification of RRs
Horticulture						
Senior Mali	62 to 68	82	July 1997 to March 2012	March 2012	14 years, 8 months	Delay in finalization of seniority list and roster
Public Health						
Asst. Sanitation Inspector	2 to 12	97	December 2010 to December 2012	Not yet	2 years	Non-holding DPC meetings

In cases of vacant posts of TGTs and HMs, it was observed in audit that despite there being sufficient number of eligible teachers in the feeder cadre of Assistant Teachers, the Department did not take timely action to fill the vacant posts for period 2 to 4 years.

Personnel Department informed (August 2013) that DPC to fill up the post of Assistant Sanitary Inspector was held in May 13 and 14 available vacancies were filled in July 2013.

The Departments need to take time bound action for filling up the promotional posts.

3.3.6 Non regularization of second post of Director, Horticulture

As per the Section 33(3) of the NDMC Act 1994, any Group 'A' post can be created with the approval of Chairperson for a period not exceeding six months, provided that no such post shall be created beyond the said period without the previous approval of the Council.

Scrutiny of records revealed that prior to 2002, there were two posts of Director (Horticulture) one of which was abolished in January 2003. The second post of Director (Horticulture) was revived in January 2011 purportedly, due to extreme administrative exigencies and with increased need to manage green areas with transfer of CPWD colony parks and gardens to NDMC. However, the post was being operated till date without obtaining Council's approval.

3.3.7 Non-revision of RRs of Jr. Clerk necessary to fill up long pending vacancies

As per the RRs, the posts of Jr. Clerks were to be filled by promotion from feeder cadre of Clerical Assistant with five years' service. Main Establishment had 351 posts of Jr. Clerks as of September 2010, of which, 184 posts were filled up and 167(48%) posts were lying vacant. The position of feeder cadre was as follows:

Table 3.6 Sanctioned/ working strength and vacancy position of Clerical Assistant

Name of post	Sanctioned strength	Working strength	Vacant
Clerical Assistant	175	126	49

Audit scrutiny revealed that only 3 Clerical Assistants were eligible for promotion (February 2013) to the post of Jr.Clerk. Thus, Establishment was unable to fill 167 vacant posts of Junior Clerk even if the entire working strength of Clerical Assistant was considered eligible for promotion. A review of RRs of Jr.Clerk was, therefore, essential to clear these long pending vacancies.

3.3.8 Non promotion of Peons due to smaller feeder cadre

As per DoPT guidelines, every Department is required to prepare rosters to estimate the vacancies likely to arise in the ensuing years and fill the vacancies in a time bound manner by holding DPC meetings at regular intervals.

Audit scrutiny of records revealed that the Main Establishment did not maintain rosters for the post of Peon prior to December 2009. Status of sanctioned and working strength of the Cadre of Peon was as under:-

Table 3.7 Sanctioned/ working strength and vacancy position of Peon

Year ending	Sanctioned strength	Working strength	Vacant Posts
December 2004	456	356	100
December 2005		383	73
December 2006	487 ²	367	120
December 2007		356	131
December 2008		355	132
December 2009		348	139
December 2010		338	149
December 2011		326	161

As per the RRs, the posts of Peon were to be filled by promotion of Helpers, possessing five years service and essential qualification of matriculation. The working strength of feeder cadre of Helper during 2007-08 to 2011-12 ranged from 37 to 72 whereas the vacancies in the promotion cadre of Peon ranged from 73 to 161. Thus, Department could not fill the vacant posts of peon as the working

² Due to merger of posts of Farash-cum-Chowkidar, Peon cum-Chowkidar, Duplicating Machine Operator and Jamadars, with Peon vide Order dated 31.12.2006.

strength of feeder cadre of Helper was much smaller than the vacancies in the promotional cadre. The RRs for the cadre therefore need review.

3.3.9 Non promotion of Chowdhary (Hort.) due to delay in conducting Trade test

Horticulture Department had 72 sanctioned posts of Chowdhary (Hort.), of which 8 posts were lying vacant as of December 2008. As per the RRs, these posts were to be filled from feeder cadre of Malis with 10 years experience, ability to read and write Hindi and subject to qualifying the Trade Test to be conducted by the Department.

Although there were 8 vacancies of Chowdhary (Hort.) available in December 2008, the Department initiated the process of holding Trade test only in July 2010 which was finally conducted in January 2011. Due to delay in conducting the Trade test, the Department thus could not fill these posts from December 2008 to April 2011 although 313 eligible candidates were available in the feeder cadre.

3.3.10 Non promotion of regular Assistant Teachers leading to avoidable expenditure of 56.45 lakh on contractual engagement of TGTs

As per the RRs for the post of TGT (various subjects), 70% posts were to be filled by departmental promotion of Assistant Teachers with five years regular service.

Audit scrutiny of panel files revealed that while the Department had 29 to 72 vacant posts of TGTs (various subjects) during December 2007 to December 2010, it also had surplus working strength of Assistant Teacher(feeder cadre) ranging from 10 to 72 during the same period. The Department, instead of filling vacancies through timely promotions, engaged 18 TGTs on contract in August 2009, 22 TGTs in July 2010 and 22 TGTs in January 2011 incurring avoidable expenditure of approximately `56.45 lakh on the salaries of contractual TGTs as detailed below:-

Table 3.8 Expenditure Incurred on Engagement of Trained Graduate Teacher (Various Subjects) on Contract for the Period 01.08.2009 to 31.01.2011

Period	Contractual pay of TGT				No. of TGT	No. of Months	Total (in `)
	Basic+ G.P.	Rate of D.A.	75% of DA	Total			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)=(e*f*g)
01.08.09-31.12.09	13900	27%	2815	16715	18	5	15,04,350
01.01.10-30.04.10	13900	35%	3649	17549	18	4	12,63,528
1.07.10-31.12.10	13900	45%	4692	18592	22	6	24,54,144
01.01.11-31.01.11	13900	51%	5317	19217	22	1	4,22,774
Grand Total							56,44,796

3.3.11 Absence of uniform procedure for engagement of daily wagers

Audit observed that no standardized procedure/norms had been prescribed for engagement of manpower in various departments. No uniform policy/procedure/practices were followed in these departments for:

- (i) Making assessment and raising of demands/ proposals.
- (ii) Obtaining approvals and financial sanctions.
- (iii) Continuation and renewal of engagement of daily wagers.

There was general absence of basic records like Bio-data, past experience etc of daily wagers for their engagement. The proposals put up for obtaining sanctions did not mention the sanctioned strength, men-in position and number of daily wagers already engaged so that the engagement of daily wagers could be restricted to the sanctioned strength. One time in-principle sanctions obtained were allowed to continue for years without obtaining expenditure approval or fresh sanctions for each financial year as required under GFR. The table below reflects different methods adopted by selected departments in the process of engagement of daily wagers:-

Table 3.9 Statement showing methods adopted in the process of engagement of daily wagers by selected departments

Areas/ Deptt.	Fire	Horti culture	Security	Health	Education	C-III Civil	C-III Electric	BM I
Sanctions for engagement	Obtained in advance	Obtained in advance	Obtained in advance	Obtained in advance	Ex-post facto approval	Obtained in advance	Obtained in advance	Obtained in advance
Renewal of sanctions	Sanctions not renewed every financial year	Yes	Sanctions not renewed every financial year	Yes	Yes	Yes	Yes	Yes
Issue of requirement notices	Placing notices in different NDMC buildings	No notices issued	No notices issued	Through Employment Exchange	No notices issued	No notices issued	No notices issued	No notices issued
Application / Bio-data obtained	Yes, in some cases	No application/ bio-data obtained	No application/ bio-data obtained	No application/ bio-data obtained	Yes	Yes	Yes	No application/ bio-data obtained
Record of application received and short listed	No such records maintained	No such records maintained	No such records maintained	Records maintained	No such records maintained	No such records maintained	No such records maintained	No such records maintained
Selection Committee constituted	Not constituted	Not constituted	Not constituted	Yes	Not constituted	Not constituted	Not constituted	Not constituted
Identity/ residence proof	Not obtained	Not obtained	Not obtained	Not obtained	Obtained	Obtained	Obtained	Not obtained
Attendance record other than muster roll sheets	Separate attendance record maintained	Not maintained	Not maintained	Separate attendance record maintained	Not maintained	Not maintained	Not maintained	Not maintained
Previous record/ days of engagement in NDMC	Not maintained	Not maintained	Not maintained	Not maintained	Maintained	Not maintained	Not maintained	Not maintained

The above table indicates that:

- In Fire and Security Departments, sanctions for engagement of daily wagers once obtained continued without any renewals.
- In six of the eight selected Departments, requirement of daily wagers was not given any publicity which deprived the other willing and eligible candidates of equal opportunity of getting jobs in NDMC.
- In Horticulture, Security, Health (Sanitation) Departments and BM-I Division, even applications/bio-data, residential and identity proofs were not obtained from the persons engaged.
- Except Fire and Security, no other selected Department had maintained any attendance record other than muster rolls.
- Further, none of the departments, except Education had maintained any record to monitor the limit of 240 days of engagement in a calendar year, as prescribed by NDMC.
- In absence of uniform procedures, policy for assessment, raising demand, obtaining sanction of the competent authority, engaging worker or their continuation, the top NDMC management was left with no mechanism to monitor engagement of daily wage labour in various departments.
- In case of engagement of daily wage Safai Karamcharis (SKs) in Health Sanitation Department, the Department was obtaining nominations of candidates from K.G.Marg Employment Exchange without conveying the number of daily wagers to be engaged vis a vis number of candidates to be sponsored by the Employment Exchange.

- The Employment Exchange was not being informed of the candidates selected and there was no system in place to ensure that unfit candidates were not sponsored again.
- Due to large number of nominations received from employment exchange, the Department started short listing before interview from January 2009. Details of applicants sponsored by Employment Exchange, short listed, interviewed and engaged as SKs during the period of review are given in **Annexure-R**. As per the directions of the Secretary, NDMC in April 2010, preference was to be given to the wards of municipal employees, compassionate ground cases, widows, very poor/ needy persons, persons living in NDMC/ surrounding areas. Scrutiny of process followed for selection of daily wagers in December 2010, when 525 SKs were engaged, revealed that out of 2327 candidates short-listed for interview, 933 attended the interview from those sponsored by Employment Exchange and 1903 appeared in the walk-in interviews. The Selection Committee, however, did not place on record the criteria for selection and percentage fixed for various categories of preferential engagement. It was further observed that the Department did not systematize the interview process like; reporting of candidates, verifying the credentials, obtaining Bio-data, identity proof, photograph, etc. at the time of interview. Shortcomings noticed in test check of details of candidates placed on the panel were as under:

Table 3.10 Shortcomings in engagement of daily wager Safai Karamcharis

Sl.No	Name of SKs in the panel	Employment Exchange I.D.	Merit No. in the panel	Shortcomings
1	Ram Kumar	2010102933	272	Resident of Faridabad, outside NDMC area.
2	Vijay Kumar	1999100223	133	Resident of outside NDMC area
3	Raj Kumar	2006102824	240	DOB: 15.10.86 as per Employment Exchange which appeared to be incorrect since age of 20 years as on 1.1.02 was shown in the attached document (Election Card).
4	Sagar	2010203771	165	Age proof found tampered with.
5	Suresh	2009343358	528	Over aged (DOB: 25.9.74) as per attached document.
6	Rinku	2011101700	266	Address not tallied with Identity Card Registration with Employment Exchange dated 4.1.11. He was selected in the batch of January 2011. Call letter was not attached for verification of candidature.
7	Chand Kumar	2009488884	478	Over aged as per Election Card.
8	Mamta	2009443601	142	DOB: 10.9.85 as per Employment Exchange detail which appeared to be incorrect since age was 19 years as on 1.1.94 as per Election Card enclosed.
9	Ravi	2009409765	672	DOB: 17.12.88 as per Employment Exchange which appeared to be incorrect since age was 24 years as on 1.1.02 as per the copy of Election Card attached.
10	Sanjeev	2010162433	632	DOB: 31.03.92 as per Employment Exchange which appeared to be incorrect since age was 18 years as on 1.1.08 as per the copy of Election Card attached.
11	Rameshwar	2009521079	388	No supporting document of age.
12	Sunita	2010128228	51	Over aged (DOB: 15.6.74) as per attached documents.
13	Geeta Rani	2009627991	664	D/o Sh. Ganga Ram, as per Employment Exchange details.D/o Sh. Duli Chand, as per Election Card.

It is evident from above that the entire selection process lacked transparency.

Health Department stated (September 2013) that the approval is awarded by the competent authority for engagement of daily wagers. Proper approvals for engagement and financial sanctions were taken before engagement of daily wager Safai Karamcharis and continuation and renewal of engagement of daily wager Safai Karamcharis. The data of the candidates was being sent to Health Department online by Directorate of Employment, GNCTD.

There was nothing on record that the criteria of selection as decided by the Secretary NDMC were followed.

Electricity Department stated (September 2013) that requirement notices are not issued as per prevailing practice in Electricity Department. It has further been stated that application/bio-data of the skilled/unskilled workers are obtained prior to the approval of CEE and later an affidavit on non-judicial stamp-paper is also obtained from the workers certifying that the workers has not exceeded the permissible number of days. As regards records of applications received and short-listed, it has been stated that the applications/bio-data of workers are available in file alongwith the work file of respective sanctioned estimates. Regarding selection committee it has been admitted that the same has not been constituted. Replies from other departments were not received.

The Electricity Department further stated (February 2014) that casual labour are being engaged with the approval of Chief Engineer (E) against work/scheme duly approved / sanctioned by the Competent Authority.

But the fact remains that there is no uniform policy for engagement of daily waged workers for adoption by all the departments. The NDMC should frame a uniform procedure for engagement of daily waged workers for adoption by all the departments.

3.3.12 Increase in the number of daily wage SKs despite reduction in existing workload, no new norms devised

Health (Sanitation) Department is entrusted with the work of maintaining cleanliness, sweeping of roads and market area, collection, segregation and disposal of garbage, etc. For this purpose, the area had been divided into 14 circles. The garbage collection and disposal in 12 out of 14 circles in NDMC had been outsourced to M/s Ramky Energy and Environment Limited in September 2006 and the remaining work of garbage disposal was being managed departmentally.

The Department had a sanctioned strength of 1633 SKs. Not only the sanctioned strength of regular SKs remained unchanged before and after outsourcing the work of garbage disposal but also the number of daily wagger SKs increased from 505 in 2005-06 to 602 to 1022 during the subsequent years upto 2011-12 (**Annexure-S**).

Engagement of daily wagger SKs despite substantial reduction in the work due to outsourcing lacked justification.

3.3.13 Engagement of Security Guards where such services were outsourced

Security services of different NDMC buildings had generally been outsourced to private agencies. It was observed that the Security Department had engaged and deployed Guards on daily wages even in such buildings where the services had been outsourced. A few instances are as under:-

Table 3.11 Details of daily wagers engaged where the work was outsourced

Sl. No.	Premises/ Building	Security personnel through outsourced agencies	Security personnel engaged on daily wages
1.	Palika Parking	35	16
2.	C.P.H, Moti Bagh	27	11

This tantamounts to duplication of security arrangements.

3.3.14 Engagement of daily wage Malis without sanctions from competent authority

As per rule 22 of GFRs, 2005 expenditure out of Government funds can only be incurred against a valid sanction of the competent authority. Scrutiny of Muster roll issue registers for the months of March,2008, March,2009, March,2010, March,2011 and March,2012 revealed that the Horticulture Department had engaged daily wage Malis in excess of the sanctions obtained as detailed below:

Table 3.12 Details of daily wagers engaged without sanction

Period	No. of daily wagers engaged as per Muster roll issue register	Sanctions obtained from Chairman	No. of Malis engaged in excess of sanctions
1	2	3	4
March' 08	18	---	18
March' 10	730	485	245
March' 12	790	745	45

The Department informed (December 2012) that the sanction file of parks and gardens were untraceable.

The fact remains that the Department failed to produce (April 2013) sanctions for the excess Malis engaged.

Similarly, in the case of maintenance of CPWD Colony parks, the Department had engaged 302 Malis on daily wage from 8 April 2009 to 2 June 2009 without obtaining any approval from competent authorities and made payments to the tune of `11.34 lakh as per **Annexure-T**

3.3.15 Engagement of Excess number of Assistant Fire Guard on daily wages

It was observed that at the time of moving proposals for fresh sanctions of daily wage AFGs between 2006 and 2011, the position of existing AFGs, strength in position was not placed before the competent authority which resulted in excess engagement of AFGs than the sanctioned strength as per detailed below:

Table 3.13 Details of sanctioned strength and working strength including daily wagger

Year	Sanctioned strength	Men-in-position			Excess
		Regular	Daily Wagers	Total	
2007-08	95	62	65	127	32
2008-09	95	93	138	231	136
2009-10	152	149	142	291	139
2010-11	167	147	220	337	170
2011-12	167	158	126	284	117

The Department stated (October 2012) that engagement of daily wagger in excess of sanctioned strength was as per the recommendation of the Sub Committee constituted (December 2010) for assessing the requirement of staff on regular basis. Further, the Sub Committee had proposed creation of 33 posts of AFGs along-with other posts in the Department which was pending with Personnel Department.

The reply is not tenable as the excess AFGs were engaged prior to the constitution of the Sub Committee in December 2010. Moreover, the Sub Committee had only sent a proposal to which assent had not been received and post not duly created.

3.3.16 Engagement of Assistant Fire Guards for watch and ward duty in Navyug School despite availability of Chowkidars

The Chairman, NDMC accorded in-principle approval (November 2007) for deployment of 7 trained Assistant Fire Guards (AFGs) in Fire Department on casual basis to perform watch and ward duties and maintenance of fire fighting equipments in Navyug School, Mandir Marg until regular posting of staff was made. The in-principle approval was with the condition that the requirement of security personnel should be examined centrally by CVO/CSO/FO vis a vis status of Chowkidars/Security Guards, in consultation with Education Department. In the proposal, the Department had mentioned that Education Department would be requested to intimate school wise number of Chowkidars/Security Guards so that the existing staff could be imparted training in handling/maintenance of fire appliances installed in the school premises.

It was, however, observed in audit that:-

(a) The Department did not obtain school wise number of existing Chowkidars/Security Guards from Education Department so as to impart training in fire fighting to them.

(b) Even though three Chowkidars were already available in the school for performing watch and ward duties, the Department engaged 7 more AFGs on casual basis from November 2007 to February 2011 without examining the overall requirement of Chowkidars/Security Guards by CVO/CSO/FO in consultation with Education Department.

The Department stated (January 2013) that the daily wage AFGs deployed were for fire safety of the school and the clearance certificate issued by Delhi Fire Service (DFS) in August 2010 justified requirement of two trained fire personnel in each shift.

Reply is not acceptable as it had engaged daily wage AFGs in November 2007 i.e.; more than 30 months before the DFS communicated requirement of AFGs in the school. Moreover, approval for engagement of AFGs on the basis of clearance certificate of DFS for the period from August 2010 to March 2011 was still to be obtained.

3.3.17 Payments of `5.98 lakh to Assistant Fire Guards without any attendance records

Fire Department had no work distribution orders for allocation of work amongst the regular staff or staff engaged on daily wages. Muster roll payment sheet and duty attendance slips for the selected months revealed that the muster roll issue register did not indicate the name of building where the daily wagers were deployed. Attendance of daily wagers as per attendance register vis-a-vis muster roll payment sheet for the months test checked was as under:

Table 3.14 Details of payments to daily wagers not supported by attendance

(Amount in `)

Month examined	No. of Man days for which attendance was available	No. of Man days as per muster roll payment sheet	No. of Man days for which attendance was not available	Wage rate (Per day)	Amount of Payments made for Man days without attendance details
2	3	4	5	6	7
March' 08	1081	1658	577	135.25/-	78,039
March' 09	2611	3466	855	142.00/-	1,21,410
March' 10	3248	3345	97	203.00/-	19,691
April' 11	3919	4991	1072	203.00/-	2,17,616
March' 12	2090	2743	653	247.00/-	1,61,291
Total			3254		5,98,047

The above table indicates that 3254 man-days were not supported by attendance document during five months test checked in Audit.

The Department stated (December 2012) that difference in attendance was being reconciled.

Further scrutiny of records relating to sanction of daily wagers, deployment and payment made revealed that the Fire Department engaged and paid daily wage AFGs as per sanctions obtained for various buildings. However, scrutiny of attendance records revealed that the Department had deployed lesser number of daily wagers in these buildings and the payment of `11.45 lakh was not supported by attendance documents. Details of such cases are given in **Annexure-U**.

The Department stated (December 2012) that keeping in view the importance of building and in the interest of safety of property and life of public, sometimes staff was deployed in excess by diverting staff from other buildings.

The reply is not acceptable as the department failed to produce basic records such as attendance sheets or deployment details of these AFGs.

3.3.18 Delay in completion of post fixation exercise resulting in avoidable extra expenditure of `18.88 lakh.

The guidelines on post fixation issued by Directorate of Education, Govt. of NCT of Delhi stipulate that *the post fixation of teachers for every school is to be done on the basis of the enrolment figures as on 31 August every year.*

The Education Department, NDMC informed (April 2013) that the post fixation of teachers was being done on the basis of enrolment of students as on 31 July each year.

Audit observed that the post fixation of Assistant Teachers for the academic sessions 2009-10 and 2010-11 required to be completed by **December 2008 and December 2009** respectively was belatedly done by Education Department in February 2010. Details of sanctioned strength *vis a vis* men-in-position and requirement of teachers as per post fixation was as under:

Table 3.15 Details of sanctioned and working strength of Assistant Teachers

Date	Sanctioned strength of Asstt.Teacher	Requirement as per post fixation	M.I.P.	Surplus
31.12.07	548	Post fixation not done	591	43
31.12.08	548	-do-	558	10
31.12.09	462	*437	532	95

**Requirement as of February 2010 includes leave reserve of 21.*

The Department engaged 18 contractual Assistant Teachers during the period July 2009 to February 2010. Services of these contractual Assistant Teachers were terminated on 11 February 2010 after it was found in the post fixation exercise done in February 2010 that the department already had regular assistant teachers in excess of the requirements. Thus, due to delay in completion of post fixation exercise, the Department incurred avoidable expenditure of about `18.88 lakh on the salary of contractual teachers.

3.3.19 Engagement of contractual staff without fulfilling eligibility conditions of RRs

As per NDMC guidelines on contractual engagement of staff issued vide No.SO(E)/2696/JA-II dated 03 December 2001, amended from time to time, all contract engagements should be made subject to fulfillment of eligibility conditions contained in the RRs for the particular posts.

Audit observed the following irregularities in this regard :

(i) The Department had a sanctioned strength of 46 Assistant Teachers (Urdu) as on November 2006, of which 10 posts were lying vacant as of November 2006. These posts were to be filled by direct recruitment only. Age limit as per the RRs for these posts was 30 years for male and 40 years for female candidates. In absence of nominations from DSSSB, the Department had been engaging teachers on contract basis since 1997.

It was observed in audit that the Department had engaged following ineligible Assistant Teachers (Urdu) on contract as they did not fulfill the upper age limit criteria of RRs:

Table 3.16 Assistant Teachers (Urdu) engaged on contract basis who did not fulfill the upper age limit requirements of RRs

Sl.No.	Name of Assistant Teacher (Urdu)	Date of appointment	Age
1	Ms. Qumar Nayyar	15.11.1999	48
2	Ms. Samina Zubar	03.8.1999	41
3	Ms. Khurshid Bano	21.12.1999	44
4	Ms. Zarque Fatima	21.1.2000	41
5	Sh. Nazima Farhat	08.1.2003	35

(ii) Similarly, the posts of Section Officer (Hort.) in Horticulture Department were to be filled by direct recruitment from amongst candidates possessing first class or second class degree in Agriculture with two years experience in government/semi government organizations. It was, however, observed that the Department engaged six ineligible candidates as Section Officers (Hort.) on contract who did not possess two years experience as per RRs:

Table 3.17 Candidates who did not fulfill essential condition of two years experience for the post of Section Officer (Hort.)

Sl.No.	Name of candidate (Ms./Sh.)	Date of Birth	Required experience as per RR	Actual experience of the candidate
1	Vimal Kumar	18.1.81	Two years experience in Horticulture	Six months
2	Pankaj Kumar	6.7.81		Nil
3	Lokesh Kumar	14.1.84		Nil
4	Anuj Kumar	15.5.84		Nil
5	Ajay Kumar	10.6.83		Nil
6	Praveen Kumar	16.12.80		One year

Thus, the engagement of above candidates was in violation of NDMC guidelines.

3.3.20 Engagement of Contractual staff without inviting applications through public notice

As per NDMC guidelines for contractual engagement of staff, selection of candidates has to be done by inviting applications through public notice and evaluation of candidates by a selection committee duly constituted by Secretary/Chairman of the Council. It was however observed that in violation of these guidelines, Education Department engaged following teaching and non-teaching staff on contract basis, based on direct applications submitted by them:

Table 3.18 Staff engaged on contract basis in violation of NDMC's guidelines

Sl.No.	Name of staff	Designation	Date of approval
1	Smt. Sushma Devi	TGT(Gen, English/Soc.Sc.)	02.07. 2010
2	Smt. J. Reena	TGT (Hindi/Soc.Sc.)	02.07.2010
3	Mrs. Shikha Bhardwaj	TGT(General)	02.07.2010
4	Sh. Sandeep Kr Verma	TGT(Soc. Sc & Maths)	25.03.2010
5	Ms. Kailash Rani	TGT(Soc. Sc. & Maths)	25.03.2010
6	Ms. Bindu Sharma	TGT(Soc.Education)	06.08.2010
7	Ms. Nirmala	TGT(Soc.Education)	06.08.2010
8.	Ms. Preeti Sharma	TGT(Maths/English)	27.10.2010
9.	Smt. Kamini Kausal Singh	TGT(Soc.Education)	22.12.2010
10.	Ms. Neeru Kukreja	TGT(Hindi)	14.01.2011
11.	Ms. Renu Sharma	PGT(Eco.)	05.07.2011
12.	Ms. Manisha Kumari	TGT(Hindi)	05.07.2011
13.	Mr. Deepak Kumar	TGT(Hindi)	05.07.2011
14.	Mr. Deepak Bhardwaj	Asstt. Teacher	12.07.2011
15.	Smt. Vineeta	TGT(Soc. Science)	04.01.2012
16	Ms. Deepika Sharma	Jr. Librarian	09.02.2012

3.3.21 Extension of contractual services without executing fresh agreements.

(a) Education Department had extended the terms of five Assistant Teachers (Urdu) on contract basis during November 1999 - January 2003, without inviting applications through public notice as required under NDMC guidelines.

(b) Similarly, in order to operate Parking Guidance and Management System (PGMS), I.T. Department, on behalf of Security Department engaged 10 Data Entry Operators (DEOs) for maintaining booths at parking sites at NDCC-II, Palika Parking , Talkatora Parking and Server Rooms. However, no independent assessment of demand was made, technical qualifications were not

fixed and prescribed selection procedure as contained in the guidelines was not followed and the names of DEOs proposed by the PGMS vendor were accepted. *I.T. Department agreed (April 2013) that due to high urgency, list of trained DEOs capable of handling the system provided by the vendor was accepted.*

The fact, however, remains that due procedure for contract engagement was not followed.

(c) The Security Department engaged six Drivers on contract basis (four in November 2010 and two in May 2011) on the basis of direct applications submitted by them as no public notice was issued for the requirement.

3.3.22 Engagement of Data Entry Operator, Grade 'A' on contract basis over and above the sanctioned strength

As per guidelines for contractual engagement of staff, all contractual appointments shall be made only against regular sanctioned posts. Scrutiny of records of Main Establishment, revealed that though NDMC had surplus DEOs (Gr.A) ranging from 8 to 26 during 2007-11, 18 to 52 more DEOs (Gr.A) were engaged on contract basis during the same period as detailed in the table below :

Table No. 3.19 : Status of DEO, Grade 'A' during the period December 2007- 11

(Figure in number)

Year ending	Sanctioned strength (regul)	Men-in-position	Surplus	Contract engagement
December 2007	41	67	26	18
December 2008	40	62	22	52
December 2009	37	45	08	30
December 2010	34	47	13	24
December 2011	34	45	11	23

Consequently, the NDMC incurred the avoidable expenditure of `17.69 lakh on these engagements.

3.3.23 Absence of mechanism in the Security Department to monitor the services being rendered by outsourced security agencies

Security and Traffic services/ arrangements for various buildings and locations under the jurisdiction of NDMC were outsourced by Security Department to private security agencies. Table below indicates the engagement of security guards through private security agencies during 2007-12:-

Table 3.20

Year	Number of private security agencies	No.of security guards engaged
2007-08	14	741
2008-09	08	814
2009-10	10	824
2010-11	08	909
2011-12	10	962

Details of agencies providing security services are given in **Annexure-V**.

Clause 8(g) of terms and conditions of the security contract entered with the private security agencies provides that the agency shall deploy its staff as per requirement of NDMC and would maintain register for day-today deployment of personnel as per prescribed proforma and the register shall be countersigned by the authorized official of the Department.

Audit scrutiny revealed improper maintenance of records by Security agencies as indicated below:

(a) The attendance records maintained by security agencies did not indicate the name of agency, location, period of contract, number of persons deployed. Cases of marking attendance in pencil and subsequently inked over, marking of attendance of all security personnel in one and same hand, blank columns were also noticed. Further, these registers were not counter-signed by an authorized NDMC official.

(b) Test check of attendance records and monthly bills of security agencies for March 2011 and March 2012 revealed that the Department had paid `16.81 lakh and `12.69 lakh respectively to security agencies for periods not supported by attendance as detailed in **Annexure-W**.

The Department stated (April 2013) that due to large number of locations and manpower spread over three shifts, it was not feasible to check the attendance records maintained by the security agencies. It was, however, assured that in future, the attendance records shall be got verified from the supervisory officers at the time of submission of bills.

3.3.24 Irregular payment of relieving charges

Clause 8 (f) of the security contract provides that eight hours duty shift shall be from 0600 hrs. to 1400 hrs., 1400 hrs. to 2200 hrs. and 2200 hrs to 0600 hrs. and prolonged duty hours (more than 8 hours at a stretch) shall not be allowed. Further, the Letter of Award of Contract stipulates payment of relieving charges @ 16.75 per cent on the basic wages, plus EPF and ESI contributions to compensate for the extra manpower required as relief on leave/ weekly off and holidays.

Accordingly, the agencies were required to employ extra security personnel to cater to the above requirements rather than rotating the same manpower in two or more shifts. While approving the rates of lowest bidder, the above aspects were taken into account by the Department.

Test check of attendance records maintained by the security agencies revealed that the Department accepted attendance of security personnel performing duties in double and triple shifts without any break as detailed in **Annexure-X**. This was in violation of the contract agreement and thus defeated the very purpose of payment of relieving charges @ 16.75 per cent.

The Department stated (April 2013) that in exceptional cases, security guards had to continue in double shifts as the point cannot be left unattended. However, efforts shall be made to avoid deployment of staff in three consecutive shifts, in future.

The reply is not tenable as the security agencies were paid extra money for deploying extra security personnel to avoid rotating the staff in double and triple shifts. The department may also indicate the reasons for non-levy of penal action against the security agencies for the breach of the contractual terms.

3.3.25 Releasing payment without obtaining individual detail of EPF/ ESI contributions

Clause 2(c) of the security contract stipulates submission of individual details of account numbers with regard to EPF, ESI and other taxes paid by the security agencies while submitting monthly bills.

Test check of records revealed that the Department made payments to the tune of `4.55 crore for the period November 2009 - July 2012 (**Annexure-Y**) without obtaining individual details of account numbers with regard to EPF, ESI contributions from the security contractors.

The Department stated (April 2013) that earlier the payments of monthly bills were made only after obtaining copy of EPF and ESI challans. Although Department had since started obtaining individual detail of EPF/ESI contributions, it was not feasible for them to reconcile the details submitted by the contractor with the details of persons engaged.

In order to ensure that the benefit of payments relating to EPF and ESI is passed on to the security staff engaged, the department should insist for *copies of EPF and ESI challans before the actual payment is made to the agencies.*

3.3.26 Lack of system to monitor deployment of security staff possessing requisite qualifications

Clause 5 of the terms and conditions of security contract stipulates that the agencies shall provide high quality security services by providing security guards possessing requisite educational qualification, age, physical standards, medical fitness, 30 per cent deployment of ex-servicemen and

supervision by retired defence/police personnel not above the age of 55 years, regular training and verification of antecedents by the police authorities, etc.

It was, however, observed that the Department had no mechanism or record to show fulfillment of these conditions by the security agencies.

The Department stated (April 2013) that all these parameters were checked by the field staff at the time of deployment; however, no records in this regard were maintained and now the Department has started maintaining the necessary records.

The Department needs to devise a mechanism to ensure fulfillment of the all essential requirements in view of the security concerns.

3.3.27 Payments released to private security agencies without submission of acquaintance roll

Clause 6 (c) of the terms and conditions of the security contract provides that the agencies shall pay wages to their employees and submit copies of acquaintance rolls duly signed by the recipients along-with monthly bills for release of payment by NDMC.

It was observed that the Department did not obtain any acquaintance rolls from the agencies before releasing payments of monthly bills.

The Department stated (April 2013) that the payments were released on the basis of surprise checks conducted periodically and verification made by a Head Constable of the Department.

Reply is not tenable as releasing the payment to the agencies without verifying the acquaintance rolls furnished by the agencies was in violation of the provisions of the contract.

CHAPTER - 4

ACCOUNTS DEPARTMENT

4.1 Irregular Reconciliation of Bank Accounts resulting in non-crediting of `19.46 lakh by State Bank of India in the Account of NDMC

The Department's failure to reconcile Bank Account in time resulted in non-crediting of `19.46 lakh into New Delhi Municipal Council (NDMC) Account.

In order to ensure that the money deposited by the Council through cheques has correctly been credited in its accounts by the bank, the bank account should be reconciled at regular intervals. Further, Rule 24 of Controller General of Accounts (Receipts & Payment Rules) also provides that the reconciliation should be done on monthly basis.

Audit scrutiny of accounts of Cash Branch revealed that regular reconciliation had not been done by the branch. As such the discrepancies pertaining to the period from November 2005 to July 2008 could be noticed only in May 2011 i.e. after lapse of 3 to 6 years after the date of deposits. In 14 number of cheques for a total amount of `19.46 lakh which were deposited between November 2005 and July 2008 in the State Bank of India were not credited into NDMC Account. The details of these cheques are given below:-

Table 4.1

S.No.	Date of deposit	Pay in slip No.	Amount in `
1	18-11-05	319	2210
2	18-11-05	320	5182
3	01-12-06	018	4940
4	22-03-07	393	474761
5	07-12-07	148	40500
6	13-09-07	176	304728
7	15-03-08	258	116109
8	08-03-08	117	123641
9	08-03-08	110	12615
10	08-03-08	114	10429
11	18-03-08	320	6880
12	18-03-08	323	1761
13	18-03-08	332	55568
14	25-07-08	451	786944
		Total	19,46,268
		Say	` 19.46 lakh

Though after noticing the discrepancy, the issue was taken up with State Bank of India in May 2011, the amount of `19.46 lakh was yet to be credited in the NDMC Account (January 2014).

The Department stated in (January 2014) that they are personally in touch with Bank officers for crediting the amount of `**19,46,268** into NDMC account at the earliest.

The Department needs to reconcile the bank account on regular basis so that discrepancies, if any, are detected in time and the amount is credited into the NDMC account in time.

CHAPTER - 5

CIVIL ENGINEERING DEPARTMENT

5.1 Non-adjustment of Miscellaneous Advances of ` 6.25 lakh

Non-adjustment of Miscellaneous Advances of `6.25 lakh

The Department did not adjust Miscellaneous Advances of ` 6.25 lakh paid to various organisations long back.

As per rule 292(1) of General Financial Rules, 2005, the Head of office is empowered to sanction advance to a Government servant for purchase of goods & services or any other special purpose needed for the management of office. Further, Rule 292 of GFRs 2005 provides that the adjustment of bill of miscellaneous advances along with balance, if any, shall be submitted by the government servant within 15 days of the drawal of advance, failing which the advance or balance shall be recovered from his next salary.

Scrutiny of Miscellaneous Advance Register of Road-IV (Civil) revealed that Miscellaneous advances amounting to `83.49 lakh drawn between March 1990 to October 2010 in 17 cases were lying unadjusted as of December 2012.

On being pointed out in Audit, the department informed (January 2014) that the amount of `77.23 lakh has now been adjusted and `6.25 lakh was still to be adjusted (**Annexure Z**).

The department needs to monitor timely adjustment of advances as per the provisions of GFRs.

5.2 Loss of Revenue of ` 93.61 lakh due to allotment of land at lower rates

Renting out of land to a contractor at the rate lower than the prevailing circle rate resulted in Loss of Revenue of ` 93.61 lakh to NDMC.

The Executive Engineer, Road-II Division entered into an agreement with M/s Raunaq Construction (Contractor) in March 2012 for the work of “Widening and Strengthening of Colony roads by concrete roads and widening of M.S. Gates in Lodhi Colony” at their tendered cost of

₹3,10,31,431. The stipulated dates of commencement and completion of work were February 2012 and 22 March 2013 respectively. 23

In March 2012 the Contractor requested the NDMC to release a piece of land measuring half an acre at Sarai Kale Khan for establishing RMC Plant for the work. The NDMC allotted the land to the Contractor on a monthly rental of ₹ 66,500 from the month of April 2012. The rent of the land was fixed based on a similar case where half an acre piece of land was rented out by Road-III Division to a contractor at Arjun Dass Camp area. The Contractor vacated the land on 22 July 2013 on completion of the contract.

Audit observed that the rent of ₹ 66,500 per month was fixed without ascertaining the prevailing circle rates of the area. It was also observed that in a similar case where half an acre piece of land at Sarai Kale Khan area was rented out by Public Health Department, NDMC had charged a monthly rental of ₹ 6,51,545 from the contractor based on the prevailing circle rates of that area.

Thus, due to allotment of land to the Contractor at the rates substantially lower than the prevailing circle rates of the area, NDMC suffered a loss of revenue of ₹ 93.61 lakh.

The Department replied (October 2013) that it was considered desirable to have a plant in the nearby area for better management as well as quality control and for deciding rent the base rate/reference rate was taken with respect to the earlier approval. Further, the Department assured that Audit observations will be kept in view for future.

The Department further stated (January 2014) that it has initiated drafting/making uniform policy for allotment of NDMC land to the contractor(s).

5.3 Injudicious re-tendering resulting in loss of ₹ 2.35 lakh

Injudicious re-tendering resulted in loss of ₹ 2.35 lakh to the Council.

The Department invited tenders on 10 July 2010 through e-tendering for the work of “Construction of Porta Cabin at Netaji Nagar B, C, D & F (Type-1) Block and Netaji Nagar Market.” The tenders received from the following tenderers were opened on 22 July 2010.

Table 5.1

S. No.	Name of the tenderer	Estimated cost (in ₹)	Quoted Rates (₹ in lakh)	%age above the estimated cost	
1	M/s Expert Construction Co.	1717465	18.01	4.89% above	L-I
2	M/s Pushkar Const.		20.74	20.76% above	L-II
3	M/s New Tech.(India)		20.82	21.25% above	L-III

As may be seen from the above, the M/s Expert Construction Company quoted the lowest rate i.e. ₹18.01 lakh which was only 4.89% above the estimated cost. Though the Executive Engineer (Road-III) recommended to accept the tenders at the quoted rates, the department decided to go for negotiation with the L-I on a plea of exploring the reduction of rates ignoring the guidelines

issued by the Central Vigilance Commission in March 2007 which prohibits the post-tender negotiation with the L-1 except in certain exceptional situations. In the instant case as the rates were **only 4.89% above the estimated cost** and the rates of L-II and L-III were much higher than the L-I tenderer there were no reasons for opting for negotiation.

The Division negotiated with the L-I which refused to reduce its quoted rates and requested to extend the validity of tender upto 15 December 2010. But the request of L-1 was rejected and fresh tenders were invited which were opened on 22 December 2010.

In the re-tendering, only two firms which were L-II and L-III in the first call offered their rates as indicated below:

Table 5.2

	Name of the tenderers	Estimated cost	Quoted Rates (` in lakh)	%age above the estimated cost	
1	M/s Pushkar Const.	1717465	20.78	20.99% above	L-I
2	M/s New Tech.(India)		20.98	22.13% above	L-II

M/s Pushkar Const. quoted lowest rate i.e. ` 20,77,920 which was **20.99% above the estimated cost**. The Division again negotiated with L-1 and after negotiation the contract was awarded at ` 20,36,362 which was **18.56 % above the estimated cost**.

Thus, due to rejection of the offer of M/s Expert Construction Co. which had quoted the rates 4.89 % above the estimated cost and going for re-tendering and accepting the rates at 18.56% above the estimated cost, the Council suffered a loss of ` 2,34,913 besides violating the guidelines issued by the Central Vigilance Commission.

The Department stated that the re-tendering was done on the advice of the then SE(P) to explore the possibility of bringing down the rates through negotiation. As the lowest tenderer refused to reduce the rates, the tendering was done.

The reply is not tenable as the rates quoted by the lowest tenderer in the first call were only 4.89% above the estimated cost and far below the rates quoted by the other tenderers. Further, the department negotiated with the lowest tenderer which was not permitted as per CVC guidelines.

The Department should adhere to CVC guidelines on tendering process and should frame an objective policy on re-tendering for bringing transparency.

CHAPTER - 6

ESTATE DEPARTMENT

6.1 Non recovery of Licence Fee amounting `721.77 crore

Inadequate action on the part of the Department resulted in accumulation of arrears of Licence Fee amounting `721.77 crore.

Section 363 of the New Delhi Municipal Council (NDMC) Act, 1994 provides that any sum due to the Council on account of any charge, costs, expenses, fees, rates or rent or any other account under the Act or any such bye-law may be recoverable from any person from whom such sum is due as an arrear of tax under the Act, provided that no proceedings for the recovery of any sum under this section shall be commenced after the expiry of three years from the date on which such sum becomes due.

Audit scrutiny revealed that Estate Department had not taken adequate action to recover huge arrears of licence fee, interest etc. from the defaulting parties despite being pointed out in Annual Audit Reports/Local Audit Reports.

The amount of licence fee has increased from ` 691.98 crore (835 parties) in 2010-11 to ` 721.77 crore (659 parties) in 2011-12. It was also observed that total arrears of ` 721.77 crore includes `385.24 crore as licence fee and ` 336.53 crore on account of interest.

A detailed analysis of outstanding arrears revealed that range of arrears was as indicated in the following table:

Table 6.1

Sr. No.	Range of arrears	No. of cases	Total Arrears in `
1.	Up to ` 5 lakh	539	4,21,64,677
2.	Above ` 5 lakh to 10 lakh	35	2,44,69,013
3.	Above ` 10 lakh to 25 lakh	54	9,59,64,858
4.	Above ` 25 lakh to 50 lakh	10	3,21,58,801
5.	Above ` 50 lakh to 1 crore	3	1,77,55,394
6.	Above ` 1 crore	18	7,00,51,74,428
	Total	659	7,21,76,87,171

Further analysis of above table revealed that 97% of arrears of licence fee amounting to ` 7,00,51,74,429 crore was outstanding against 18 parties as detailed below:

Table 6.2

Sl.No.	EPID	Name of Property	Arrear in `
1.	229	D.N. Rana, Shop No. G-43, Palika Bazar	1,00,23,141
2.	2868	Comm. Of Income	23,25,73,128
3.	2879	Girdhar Bhagat & Co.(Hotel Asian Janpath)	27,21,09,568
4.	2878	Super Bazar	10,90,86,627
5.	2881	C.J. International	459,25,45,794

6.	2882	Bharat Hotel	11,83,81,743
7.	2885	Lok Nayak Bhawan	6,98,24,739
8.	2898	Director (CBI), Yashwat Palace	4,07,94,882
9.	2922	Hotel Prominent	102,32,47,076
10.	2948	Commr. CPF	2,11,46,803
11.	2949	-do-	1,02,84,735
12.	2951	-do-	7,47,49,280
13.	3600	C.W.G. Organizing Committee	10,96,11,309
14.	3637	-do-	1,10,06,566
15.	3640	Environment & Forest	2,27,27,313
16.	4152	M/s Riveria Commercial	22,23,26,732
17.	4154	Dy. Secy. (LEM)	3,05,02,691
18.	4155	U/S, Ministry of Home Affairs	3,42,32,302
		Total	700,51,74,429

It was also observed by Audit that revision of licence fee in respect of property at Sr. No. 7 was due on 7 November 2008 which was revised by them in January 2013 after a lapse of four years and three months. However, recovery of licence fee was yet to be made.

The Department without furnishing the detailed reply on case to case basis, stated (March 2013) that (i) approximately 95 cases amounting to `627.13 crore (including Hotels) were pending in various courts, (ii) arrears of `85 crore (approx.) was outstanding against Government units and arrears amounting to `7.26 crore were outstanding against shops/stalls.

Reply to the factual statement issued in October 2013 is awaited.

In view of the fact, that a very huge amount of licence fee (`721.77 crore) remains to be recovered from various parties, the existing system of assessment, raising of demands, follow up, monitoring and accounting system needs to be reviewed and strengthened.

6.2 Inaction/inadequate action for recovery of outstanding licence fee amounting `12.24 crore from licensees of Janapath Market

The huge accumulation of license fees amounting to `12.24 crore in respect of all the 29 shops in Janpath Market is indicative of inaction/inadequate action on the part of the Department.

In pursuance of Government of India decision, the Ministry of Urban Development vide their notification dated 24 March 2006, transferred certain markets under Land & Development Office (L&DO), Directorate of Estates and Central Public Works Department (CPWD) to New Delhi Municipal Council (NDMC) and Municipal Corporation of Delhi on 'as is where is basis.' These markets included Janpath Market comprising of 29 shops which were transferred to NDMC.

As per the above notification after transfer of the markets, NDMC functions as lessor or licensor and exercises all powers which were being performed by L&DO and CPWD as the case may be. In addition to performing the function of lessor/licensor, NDMC can also take appropriate action against violation of building bye-laws, Municipal bye-laws and exercise other statutory powers.

Further, as per the license deed executed with the licensor, in the event of breach of any terms and conditions of the license, the licensor shall be entitled to forfeit the whole or part of the security deposited besides terminating and revoking the license and on the revocation being made, it shall be the duty of the licensee to quit and vacate the premises without any resistance and obstruction and give complete control of the property to the licensor. Besides, the NDMC was also entitled

for disconnection of electricity connection and sealing of the premises for further use in the event of breach of any terms & conditions by the licensee.

Audit observed that arrears of license fees of ` 12.24 crore was outstanding as on 31 March 2012 against all the 29 shops located in Janpath Market. The details of the outstanding license fee are indicated in the *Annexure-AA*.

It may be seen from the above that as per the notification and lease deed executed with the licensees, the NDMC had ample powers for recovery of license fees of the shops from the licensees. The huge accumulation of license fees amounting to `12.24 crore in respect of all the 29 shops in Janpath Market is indicative of inaction/inadequate action on the part of the Department.

The matter was referred to the Department (March 2013); their reply was awaited (December 2013).

The Department needs to review all such cases and take appropriate action for recovery of its outstanding dues.

6.3 Non-realization of revised license fee/ground rent of `2.06 crore from Petrol Pumps located in Connaught Place

The Department failed to realize of revised license fee/ground rent of ` 2.06 crore from Nine Petrol Pumps located in Connaught Place.

Nine Petrol Pumps of three major oil companies i.e. Indian Oil Corporation, Bharat Petroleum Corporation and Hindustan Petroleum are located at Connaught Place in New Delhi Municipal Council area. Till 1986, the rates of license fee/ground rent of these petrol pumps were fixed at `9940/- per annum by the Ministry of Urban Development Government of India. With the passage of time these rates were enhanced by the Ministry of Urban Development as indicated below:

Table 6.3

1.	Revised by the Ministry and adopted by the NDMC vide resolution No 25 dated 18.08.1987	` 47778 per annum
2.	Revised in 2006 by the Ministry and adopted by Council 21.07.2006	`1,81,308/- per annum

Audit observed that the oil companies were not paying the enhanced licence fees taking a plea that the proposal of reduction in ground rent was under consideration with Ministry of Urban Development and Ministry of Oil and Natural Gas. As a result a sum of ` 2.06 crore on account of licence fees and interest etc was yet to be recovered from these companies as on January 2013 as detailed below:-

Table 6.4

Sr. No.	Particulars	Outstanding dues (`)		
		Arrear of License Fees	Interest	Total outstanding
	Bharat Petroleum			
1.	Sondhi Motors, near Odean Cinema	9,14,155	4,15,425	13,29,580
2.	BCC Auto.C. Place	9,14,155	4,15,903	13,30,058
3.	Kamla Betril & Co., Sindhia House	9,14,155	4,15,903	13,30,058

4.	National Service Stn. H Block	9,13,427	4,15,262	13,28,689
	Indian Oil Corporation			
5.	Minto Road	2,35,699	26,31,522	28,67,221
6.	Panchkuian Road	2,35,701	26,17,099	28,52,800
7.	Canning Road	2,35,700	27,92,527	30,28,227
8.	Mayur Bhawan	2,01,233	15,47,319	17,48,552
	Hindustan Petroleum			
9.	B.K. Road	19,67,726	27,84,812	47,52,538
	Total	65,31,951	1,40,35,772	2,05,67,723

As the recoveries were not forthcoming, the matter was referred to Legal Advisor of NDMC in September 2012 who opined that since the Licenses have not been extended after 1989, they are unauthorized occupants and even eviction appeared possible. He also advised that the case be submitted to Chairperson for fresh orders in this regard. However, there was nothing on record on the action taken by the Department on the advice of the legal advisor and the petrol pumps were still located in the same vicinity without payment of enhanced licence fees (January 2013). Consequently, the arrears accumulated for more than 26 years amounting to ` 2.06 crore remained to be recovered.

Reply to the factual statement issued in November 2013 is awaited.

The Department needs to sort out the issue in consultation with the Ministries for realization of outstanding arrear of ` 2.06 crore besides regularisation of licenses or eviction as deemed fit.

6.4 Loss of revenue of ` 5.74 crore due to non-allotment of vacant commercial premises

In order to utilize the available resources gainfully and to generate maximum revenue for utilization in various municipal activities undertaken by the NDMC, it is utmost important that the commercial and residential properties are not kept vacant and are allotted without any loss of time.

Estate Department allots its commercial and residential properties to licensees and earns revenue by way of licence fees. Audit observed that as on January 2013, 67 commercial properties vacated by various licensees were lying un-allotted. The period of vacancy ranged between 5 months to 3 years as on January 2013.

The delay in re-allotment of these commercial properties resulted in loss of licence fees to the tune of ` 5.74 crore up to January 2013 to NDMC. (**Annexure-AB**).

The reasons for non-allotment of these properties were neither on record and nor were explained to Audit.

The matter was reported to the Department in November 2013; the reply was awaited (December 2013).

The Department should find out the reasons for delay in allotment of its vacant properties and should devise a suitable mechanism for allotment of properties vacated by the licensees within a reasonable time period.

6.5 Non-adherence to the L&DO guidelines and non-recovery of misuse charges of ` 2.55 crore

Failure of the Department to adhere to the laid down guidelines of L&DO for recovery of mis-use/damage charges on unauthorized construction/misuse by the lessee resulted into accumulation of arrears.

As per Land & Development Office (L&DO) guidelines being followed by NDMC, whenever a breach of authorized construction or misuse is noticed, a show cause notice is to be sent to the lessee asking him to remove the breach within 30 days from the date of notice. In case the lessee neither removes the breach nor sends any communication to the satisfaction of the lesser after the receipt of the notice, action shall be taken to re-enter upon the property whereupon the lease will stand forfeited.

NDMC has constituted a Technical Committee which inspects the cases of breaches/misuse of properties from time to time. In the test check of records maintained by Estate-II Department, Audit observed that a property (No. 16/48, Diplomatic Enclave, Malcha Marg, New Delhi) leased to M/s Jasvir Singh Bajaj was inspected by the Technical Committee of NDMC on 17.08.2011 under intimation to the lessee.

The Committee observed the following breaches/misuse in the property.

- (i) Covered the open area m/a $2 \times (10' \times 9' - 6'') + (11' - 6'')$ by the sheets at first floor, Misuse:
- (ii) A part of rear loft m/s $2 \times (21' \times 10')$ was being used at electricity room at mezzanine floor.

The notification of violation was issued to the lessee on 06.09.2011. The total outstanding dues on account of misuse and breach were worked out to ` 2.55 crore and informed to the lessee for payment within 30 days from the date of letter which was issued on 29 February 2012. The stipulated period of 30 days expired on 31 March 2011 but the lessee did not respond to the notice issued in February 2012. No punitive action has been taken by the Department till March 2013.

The Department stated that another inspection for the current year is proposed for updating the demand and in case the same is not cleared by the lessee, a plaint will be filed before the Estate Officer (Courts) for recovery of the dues.

It is evident from the above that the department failed to adhere to the laid down guidelines for recovery of mis-use/damage charges on unauthorized construction/misuse by the lessee.

In order to arrest the trend for unauthorized construction/misuse of the property, the Department should strictly adhere to the punitive provisions contained in the L&DO guidelines.

CHAPTER - 7

ENFORCEMENT DEPARTMENT

7.1 Irregular payment of ` 35.82 lakh for hiring of raid vans and cranes beyond hours specified in the agreement

The Department made irregular payment of `35.82 lakh for hiring of raid vans and cranes beyond hours specified in the agreement.

Enforcement Department has been hiring Raid vans and cranes from private parties through open tendering for lifting unauthorized goods and vehicles in NDMC area.

In December 2010, a contract agreement was entered into with M/s Surjit Singh Marwaha for hiring of 05 raid vans and 05 cranes. As per the terms of agreement (clause 8), the operating hours of these vehicles were from 11 AM to 8 PM. The agreement further provided that in case the vehicles are utilized beyond these specified hours or are utilized on Sundays/Gazetted holidays, the contractor shall be paid for extra hours on pro-rata basis (clause 9). It is, thus, implied that the vehicles were normally to be utilized from 11 AM to 8 PM on working days and only in emergent/exceptional situations, these were to be utilized beyond specified hours / Sundays and holidays.

The audit scrutiny of records pertaining to the hiring, utilizing and making payments to the contractor on this account revealed that during the years 2010-11 and 2011-12, the hired vehicles were invariably utilized from 9 AM or earlier to 8 PM. These vehicles were also frequently utilized on Sundays and holidays that too without recording any justification thereof and obtaining the prior approval of the competent authority. *As the expenditure had already been incurred by the area inspectors, the Director (Enforcement) had no other option but to accord ex-post sanction of the expenditure.* Consequently, NDMC paid an amount of `35.82 lakh to the contractor for utilizing the vehicles for extra hours/days.

On being pointed out in audit in March 2011, the then Director (Enforcement), viewing the matter seriously, directed (May 2011) the Area Inspectors to avoid such lapses in future and seek prior approval of the competent authority before summoning the vehicles on Sundays / holidays or for extra hours beyond 11 AM to 8 PM. These directions were not complied with and the vehicles were continuously summoned/utilized regularly on Sundays/holidays and beyond specified operating time of 11 AM to 8 PM during the subsequent period (June 2011 to March 2012) examined by audit.

The Department stated (April 2012) that the hiring of the vehicles beyond specific hours was necessitated due to emergent circumstances for removing the unauthorized vendors and hawkers in NDMC area.

The reply is not tenable as the vehicles were being invariably summoned/utilized from 9 AM or sometimes earlier also that too without obtaining prior approval of the competent authority after giving proper justification thereof.

Audit feels that this issue needs to be reviewed by the Department and in case vehicles are regularly required at 9 AM instead of 11 AM, the relevant clause of the contract agreement/scope of work be amended suitably before awarding the work in future.

7.2 Non-recovery of arrears of licence fee of ` 3.27 crore from defaulting licensees

Non-recovery of arrears of licence fee of ` 3.27 crore from defaulting licensees

Non-recovery of arrears of licence fee of `3.27 crore from defaulters have increased chances of becoming bad debts.

The Enforcement Department of New Delhi Municipal Council (NDMC) is responsible for maintenance and collection of monthly payment on account of license fee in respect of parking lots, tehbazari, stalls, tharas, taxi booths and PCO booths etc.

Audit observed that the Enforcement Department was not prompt in recovery/collection of dues and as a result arrears of license fees amounting to `3.39 crore remained un-recovered from defaulting licensees as on 31 March 2012 as detailed below:

Table 7.1

	Particulars of unrecovered License fees	` in lakh
1.	Parking lots against 10 licensees	213.22
2.	Cycle repair thraras, mochi tharas, vegetable tharas, press tharas against 108 licensees	45.25
3.	Thareja teh bazari against 454 licensees	40.38
4.	Arrears of Monthly licence fees revised by the Council w.e.f. 01.07.1991 against 28 allottees of Taxi Booths.	22.47
5.	Old Teh Bazari against 103 licensees (North & South)	13.59
6.	Stalls against 35 licensees	2.87
7.	PCO Booths against 7 licensees	1.30
Total		339.08
		Say ` 3.39 crore

The reasons for non-recovery of license fees from the above defaulter licensees and efforts made by the department to recover the outstanding license fees including punitive measures which could have been taken under the New Delhi Municipal Council Act 1994, were neither on record nor explained to Audit.

On being pointed out in audit, the Department informed in January 2014 that out of the above unrecovered licence fees, an amount `12.26 lakh has now been recovered.

The latest position of outstanding licence fees as on 31.01.2014 is as under: -

Table 7.2

		Amount in `
1.	Parking lots against 10 licensees	2,13,22,288
2.	Cycle repair thraras, mochi tharas, vegetable tharas, press tharas against 88 licensees	35,90,720
3.	Thareja teh bazari against 454 licensees	40,37,820
4.	Arrears of Monthly licence fees revised by the Council w.e.f. 01.07.1991 against 25 allottees of Taxi Booths.	19,79,107
5.	Old Teh Bazari against 103 licensees (North & South)	13,58,816
6.	Stalls against 35 licensees	2,86,985
7.	PCO Booths against 3 licensees	1,05,810
Total		3,26,81,546
		Say ` 3.27 crore

The department needs to examine these cases in detail and frame a time-bound action plan for recovery of the outstanding license fees from the defaulter licensees to avoid chances of becoming bad debts.

CHAPTER - 8

HOUSE TAX DEPARTMENT

8.1 Improper maintenance of Tax receivable accounts resulting in ineffective recovery mechanism

Despite the vast statutory powers for recovery of the tax from the defaulters, a huge sum of ₹ 727 crore was outstanding as arrears of house tax as on 31 March 2012 which is indicative of inadequacy of recovery action by the Department.

House Tax Department of NDMC is responsible for assessment of House Tax, issue of demand notices, collection of House Tax from private properties and Service Charges from Government properties situated within the jurisdiction of NDMC. There are about 13045 private properties and 1445 Government properties from which tax is computed for collection by the House Tax Department.

It was revealed in Audit that as on 31 March 2012 arrears of property tax amounting to ₹ 727 crore were outstanding against 9251 cases.

An analysis of the outstanding arrears of tax over the period of last three years i.e. Financial years 2009-10, 2010-11 and 2011-12 revealed that the arrear of tax has been increasing every year as indicated below:-

Table 8.1

Period	No. of Cases	Amount of arrear (₹ in crore)
2009-10	7620	644.41
2010-11	8592	650.41
2011-12	9251	727.00

The table below indicates the detailed analysis of outstanding arrears of property tax based on significance of amount of the arrear:

Table 8.2

	Amount of arrears (Range) in ₹	No. of cases	Amount of arrears (₹)
1.	Up to 50,000	5011	7,07,59,761
2.	Above 50,000 & upto 1 lakh	1130	8,06,67,621
3.	Above 1 lakh & upto 5 lakh	1813	43,45,92,023
4.	Above 5 lakh & upto 25 lakh	969	1,03,33,09,358
5.	Above 25 lakh & upto 50 lakh	150	52,48,27,420
6.	Above 50 lakh & upto 1 crore	85	59,39,64,291
7.	Above 1 crore & upto 3 crore	65	1,15,65,78,898
8.	Above 3 crore	28	3,37,53,47,336
	Total	9251	727,00,46,708

From the table above it may be seen that out of 9251 assesses involved in the outstanding arrears of Rs 727 crore, Rs 453.19 crore (62.34 percent) was due from only 93 assesses.

Section 101 of the New Delhi Municipal Act, 1994, provides that if any person liable to pay tax does not pay the tax within 30 days of notice of demand and if no appeal is preferred against such tax, he shall be deemed to be in default and penalty, not exceeding 20 percent of the amount of tax

as determined by the Chairperson, may be recovered as arrear of tax in addition to the amount. Section 102 of the Act further provides that if the person liable for payment of tax does not, within 30 days from the service of the notice of demand, pay the amount due, such sum together with all costs and penalty may be recovered under a warrant by distress and sale of the moveable property or the attachment and sale of the immovable property of the defaulter.

It may be seen from above that despite the vast statutory powers for recovery of the tax from the defaulters, a huge sum of Rs 727 crore was outstanding as arrears of house tax as on 31 March 2012 which is indicative of inadequacy of recovery action by the department.

The Department stated (July 2013) that the non-realization of arrears was mainly due to the following reasons:

(a) Whenever a new building is completed, the assessment of composite building is done and accordingly demands are raised against the owner. Subsequently, after the portions of the building are sold, fresh demands are raised against the purchasers without stopping the raising of the demands against the original owner of the composite building.

(b) There are about 2000 to 3000 cases in which demand is being raised but the property tax bill are received unsigned as either the buildings do not exist or the ownership has changed.

Reply to the factual statement issued in November 2013 is awaited.

Audit is of the view that unless the department reviews all such cases and corrects its tax receivable accounts, it may not be possible for the Department to have an effective monitoring of recovery of dues. This has to be done in a time bound manner with special focus on the cases of high magnitude (Rs 1 crore and above) which constitutes Rs 453.19 crore (62.34 percent of total receivable of Rs 727 crore) due from only 93 assesses.

CHAPTER - 9

MEDICAL SERVICES DEPARTMENT

9.1 Acceptance of Medicines valuing ` 14.08 lakh where more than 1/6th of shelf life expired at the time of delivery

Acceptance of Medicines valuing `14.08 lakh where more than 1/6th of shelf life expired at the time of delivery.

The Central Medical Store headed by a Chief Medical Officer(CMO) is responsible for procurement, storage and supply of medicines and surgical items etc. to the various hospitals and dispensaries of NDMC as per their requirements. Each medicine has a specified shelf life which is mentioned on the boxes and bottles containing these medicines. As a policy the NDMC has decided not to accept any medicine whose 1/6th of its shelf life has already expired.

Accordingly, the Director, Medical Services while issuing a Notice Inviting Tender (NIT) for some specified medicines in 2010 included a condition (Clause 7) which stated 'In case of Live Items, the individual containers should be labelled with the date of manufacture and not more than 1/6th of their life should have expired at the time of their delivery to the Council.'

Test check of records pertaining to the procurement of medicines during audit for the year 2011-13 by the audit revealed that:

(i) The CMO, Central Medical Store accepted the supply of medicines valuing ` 14.08 lakh whose 1/6th of the shelf life had already been expired at the time of their delivery in contravention of the terms and conditions prescribed in the tender documents. A list of such medicines is included in the **Annexure-AC**.

(ii) As the medicines procured from the suppliers have to be consumed within the prescribed shelf life, the procurement of medicines with more than 1/6th of their shelf life expired increase the chances of their getting expired before their consumption and consequent loss to the Council. This is confirmed by the fact that in April 2013, medicines valuing ` 4.64 lakh with expired shelf life were lying in the Central Medical Store (**Annexure – AD**).

The CMO, Central Medical Store stated (May 2013) that the medicines with more than 1/6th of their shelf life expired were accepted with the direction of Director (MS) though no such directions were available on record.

The CMO (Medical) further stated (February 2014) that the medicine which were procured with relaxation of shelf life were not expired and few of the medicines were expired due to various reasons and these medicines were replaced/the cost were recovered from the companies/authorized distributor from their bills.

The reply of the Department is not tenable, as the Department has failed to explain the reasons for acceptance of medicines where more than 1/6th of shelf life had expired at the time of delivery.

In order to minimize the risk of getting the medicines expired before their consumption, the NDMC should follow the policy of not accepting medicines from the supplier where 1/6th of their specified shelf life has expired on the date of their delivery to the Council.

9.2 Payment of Service tax on the exempted services

Payment of service tax on exempted services to the contractor resulted in unnecessary financial burden of ` 9.40 lakh to the Council.

With the enactment of Finance Act 2005, cleaning services were included in the ambit of service tax with effect from 16 June 2005 vide item no.24(b) of section 65 of Service Tax Act 1994, whereby cleaning activity means cleaning including specialized cleaning services of commercial or industrial buildings and premises thereof. However, cleaning services in relation to non-commercial buildings were specifically excluded from the ambit of service tax. The Charak Palika Hospital of NDMC, being a non commercial entity, was not liable to pay service tax on cleaning services received by it.

Audit observed that the Hospital has been paying service tax to the contractor (M/s International Institute of Sulabh Systems) engaged for the work of cleaning services of the hospital. During the period from 21 October 2009 to 31 March 2012 it paid a sum of `9.40 lakh to the contractor as service tax on the cleaning services which were excluded from the ambit of service tax. The details of payment made to the contractor are given below:

Table 9.1

S. No.	Period	Total Service Tax paid `
1.	21.10.2009-31.01.2010	82183
2.	01.02.2010-31.01.2011	367356
3.	01.02.2011-30.11.2011	341240
4.	01.12.2011-31.03.2012	148968
Total		9,39,747
Say		` 9.40 lakh

The payment of service tax to the contractor thus resulted in unnecessary financial burden of `9.40 lakh to the Council.

On being pointed out, the hospital authorities stated that the concerned staff has been instructed to look into the matter.

Reply to factual statement issued in November 2013 is awaited.

The hospital authorities should stop payment of service tax to the contractor and take suitable steps to recover the excess service tax already paid.

CHAPTER - 10

RECOVERIES AT THE INSTANCE OF AUDIT

10.1 Recoveries at the Instance of Audit

The various departments of NDMC made recoveries amounting to `6.23 crore at the instance of Audit.

On being pointed out and regular follow-up by Audit, the following recoveries were made by the various departments: -

Table 10.1

	Department	Brief Particulars	Amount of recovery (in `)
1	Accounts	(i) Overpayment towards 5th CPC arrears in respect of retired/expired employees (ii) Irregular excess payment of pension/family pension (iii) Overpayment of family pension (iv) Excess payment to the pensioner (v) Crediting of cheques by SBI into NDMC account	1,17,672 4,46,198 87,935 2,48,948 84,677
2	Commercial	Arrears in respect of disconnected electricity and water connections	6 Crore
3	Education	(i) Overpayment due to incorrect fixation of pay (ii) No-deposit of fees collected from students into Council account	1,15,681 13,200
4	Enforcement	Arrears of licence fee of tharas, taxi booths and PCO booths.	12,26,303
Total			6,23,40,614
			Say Rs 6.23 crore

**(VARSHA TIWARY)
CHIEF AUDITOR**

**New Delhi
Dated**

Annexure-AStatement of Liability and Assets of NDMC as on 31 March 2012**Chapter-1**

(` in crore)

Particulars	Sch	2011-12	2010-11
Liabilities			
Reserves & Surplus			
New Delhi Municipal Fund	B-1	6150.38	5917.91
Earmarked Funds	B-2	-0.39	0.00
Reserves	B-3	0.17	0.17
Total Reserves & Surplus		6150.15	5918.07
Grants, Contributions For Specific Purposes	B-4	112.98	108.43
Loans			
Secured Loans	B-5	0.00	0.00
Unsecured Loans	B-6	0.00	0.00
Total Loans		0.00	0.00
Current Liabilities And Provisions			
Deposits Received	B-7	157.58	134.52
Deposit Works	B-8	58.39	50.55
Other Liabilities	B-9	48.31	47.92
Provisions	B-10	29.09	36.08
Total Current Liabilities And Provisions		293.37	269.07
Total Liabilities		6556.49	6295.57
Assets			
Fixed Assets			
Gross Block	B-11	265.53	249.28
Less: Accumulated Depreciation	B-11a	-45.25	-30.65
Capital Work-In-Progress	B-11b	1429.84	1241.03
Total Fixed Assets		1650.12	1459.67
Investments			
Investment – General Fund	B-12	3494.24	3734.60
Investments – Other Funds	B-13	0.88	0.88
Total Investments		3495.12	3735.49
Current Assets, Loans And Advances			
Stock In Hand (Inventories)	B-14	16.61	16.56
Sundry Debtors (Receivables)	B-15	2163.89	1832.69
Less Accumulated Provisions Against Doubtful Receivables	B-15a	-1071.41	-970.44
Prepaid Expenses	B-16	0.00	0.00
Cash And Bank Balances	B-17	77.09	68.51
Loans, Advances And Deposits	B-18	66.99	59.17
Less: Accumulated Provision Against Loans	B-18a	0.00	0.00
Total		1253.17	1006.49
Others			
Other Assets	B-19	25.02	3.99
Miscellaneous Expenditure (To the extent not Written Off)	B-20	0.00	0.00
Capital Expenditure From Fund	B-21	133.06	89.94
Total		158.07	93.93
Total Assets		6556.49	6295.57

Annexure-B**Heads of Accounts showing adverse balance at the year ended March, 2012 – Liabilities**

Chapter-1

Sl. No.	Head of A/C	Description	Amount in `
1	3101012	Depreciation Reserve (Elect.) (Sub-Segment) Fund	155570833.67 Dr
2	3101020	Water Supply And Sewerage Segment Fund	69366454.00 Dr
3	3117002	New Pension Scheme 2004	3943672.00 Dr
4	3501001	Suppliers Due	135529757.00 Dr
5	3501004	Payables Against Specific Scheme	4851454.00 Dr
6	3501007	Payable Against Expenses	64158.00 Dr
7	3501101	Salary Payable Net	164725518.00 Dr
8	3501102	Wages Payable Net	3346032.00 Dr
9	3501107	Welfare Expenses Payable	8219718.00 Dr
10	3501108	SLGIS Payable (At Source)	540.00 Dr
11	3501109	Others	734670.00 Dr
12	3501112	CGEIS/UTGIS At Source(O)	120.00 Dr
13	3501120	Society Recovery At Source(O)	10003.00 Dr
14	3501124	GPF Adv./GPF(O)/UPH (O)At Source (O)	24000.00 Dr
15	3501132	Court Attachments At Source(O)	44310.00 Dr
16	3501134	Secretary Credit And Thrift Society NDMC	167103.00 Dr
17	3501136	C&T Elect. Society Recovery At Source(NDMC)	60947.00 Dr
18	3501137	GPF Deduction At Source, NDMC	5996981.00 Dr
19	3501138	Income Tax (TDS) At Source, NDMC	48483947.00 Dr
20	3501139	Janta Accident Insurance At Source, NDMC	925.00 Dr
21	3501140	Life Insurance 1,2,3, At Source, NDMC	59979.00 Dr
22	3501141	Mantola Bank Loan Recovery At Source, NDMC	24500.00 Dr
23	3501142	Various Relief Funds At Source, NDMC	50.00 Dr
24	3501145	Benevolent Fund At Source (NDMC)	30865.00 Dr
25	3502008	Cess (Welfare Cess Act 1996)	4675322.59 Dr
26	3502014	Income Tax Collected (At source)	444253.00 Dr

Annexure-C**Chapter-1****Heads of Accounts showing adverse balance at the year ended March, 2012 – Assets**

Sl. No.	Head of A/C	Description	Amount in `
1	4301036	Stock in Hand: Electric Meters	499070.00 Cr
2	4311021	Other Than CPWD Bldg: Receivable - Current Year	33462864.00 Cr
3	4311033	Private Properties: Receivable - For More Than 2 Years Not Exceeding 3 Years	1412079403.27
4	4311036	Private Properties: Receivable - For More Than 5 Years	4894500000.00 Cr
5	4313016	Damages/Misuse Charges Receivables From NDMC Properties- Current Year	168180.00 Cr
6	4313042	LIC Fees from Muni Props receivable- For More Than 1 Year Not Exceeding 2 Years	1861401356.00 Cr
7	4323004	Other Fees and User Charges	257272358.50 Dr
8	4502101	State Bank of India	1000728155.35 Cr
9	4502205	ICICI Bank for Biller Facility Purpose	3807.00 Cr
10	4601001	Interest Bearing – House Building Advance	9935287.00 Cr
11	4601002	Interest Bearing – Conveyance Advance	3960960.00 Cr
12	4601003	Interest Bearing – Computer Advance	117177.00 Cr
13	4601004	Interest Bearing – Any Other Advance (Specify)	278.00 Cr
14	4601007	Non Interest Bearing – Tour Advance	520190.00 Cr
15	4604004	Lease Rentals	51243.00 Cr
16	4604006	For Fixed Assets	8572364.00 Cr
17	4605007	Advances To Govt. Agencies For Utility Services	195443838.00 Cr
18	4606001	Electricity	470000000.00 Cr
19	4606003	Water	33721.00 Cr

Annexure-D

Year wise (2004-05 to 2011-12) details of Depreciation required to be charged on the assets other than Re.1/-

Chapter-1

(` in crore)

Head Code^H	Description	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total 2004-12
410-10	Land	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
410-20	Buildings	0.00	0.10	0.22	0.76	1.17	1.17	1.15	1.13	5.73
410-30	Roads & Bridges	0.00	0.05	0.11	1.40	1.96	1.91	1.86	1.81	9.10
410-31	Sewerage and Drainage	0.00	0.04	0.07	0.17	0.26	0.25	0.26	0.26	1.31
410-32	Water Ways	0.00	0.00	0.00	0.27	0.26	0.25	0.24	0.24	1.27
410-33	Public Lighting	0.00	0.00	0.03	0.03	0.03	0.03	0.03	0.03	0.19
410-40	Plants & Machinery	0.07	0.52	1.30	1.69	2.26	2.14	2.13	2.02	12.13
410-50	Vehicles	0.03	0.04	0.06	0.19	0.29	0.67	0.72	0.74	2.74
410-60	Office & Other Equipment	0.14	0.34	0.58	0.79	0.94	1.50	3.00	3.19	10.47
410-70	Furniture, Fixture etc	0.02	0.03	0.03	0.04	0.62	0.59	0.54	0.50	2.38
410-80	Other Fixed Assets	0.01	0.02	0.03	0.20	0.24	0.63	1.16	1.98	4.26
	Total	0.27	1.14	2.45	5.55	8.02	9.14	11.11	11.89	49.57

Annexure-E

PROJECTS COMPLETED AS ON 31/3/2012

Chapter-1

S.No	Division	Name of Project	Completion date
1	E.E C-III	Fire fighting arrangement in NDMC Buildings disaster prepared ness in NDMC Schools	9/2/2010 & 10/5/2010
2	-do-	Improvements work in Palika Hostel, RK Ashram marg	16/11/2006
3	-do-	Work completed Multipurpose Gymnasium at Laxmibai Ngr	Not mentioned
4	-do-	Improvement to Sec. School, Babu Dham	22/7/2007
5	-do-	Con. Of Staff quarters at Dwaraka	Scheme dropped
6	EE Spl Project	Improvement to Charak Palika Hospital	15/4/2010
7	-do-	Fire fighting arrangements in Municipal Buildings	23/10/2012
8	-do-	Improvement/up gradation of 6 Barat ghars	9/6/2010 20/9/2010 9/7/2010 6/5/2010 25/3/2011 30/9/2011 11/6/2010
9	-do-	Improvement to Palika Place	24/6/2009
10	-do-	C/O Multipurpose hall at N-W Moti bagh	20/4/2011
11	EE(Commercial)	Purchase of 2 photo copiers	18/9/2009

Annexure-F**Income and Expenditure Statement for the year 2011-12****Chapter-1**

Particulars	SCH.	2011-12		2010-11 (` Crore)	Variation in 2011-12 over 2010-11	
		(` Crore)	(% Share)		(` Crore)	(%)
Income						
Tax Revenue	I-1	413.30	19.44	326.17	87.13	26.71
Assigned Revenues And Compensations	I-2	60.22	2.83	33.23	26.98	81.19
Rental Income From Municipal Properties	I-3	263.98	12.42	253.50	10.49	4.14
Fees And User Charges	I-4	934.55	43.95	761.45	173.10	22.73
Sale And Hire Charges	I-5	0.34	0.02	1.06	-0.72	-67.73
Revenue Grants ,Contribution And Subsidies	I-6	64.67	3.04	26.94	37.72	140.01
Income From Investments	I-7	384.22	18.07	366.55	17.67	4.82
Interest Earned	I-8	0.25	0.01	18.85	-18.60	-98.68
Other Income	I-9	4.65	0.22	3.50	1.15	32.86
Total-Income		2126.18	100.00	1791.25	334.93	18.70
Expenditure						
Establishment Expenses	I-10	761.37	41.11	712.14	49.23	6.91
Administrative Expenses	I-11	65.86	3.56	38.02	27.84	73.22
Operations And Maintenance	I-12	875.59	47.28	642.06	233.54	36.37
Interest And Finance Charges	I-13	0.00	0.00	-0.75	0.74	-99.78
Programme Expenses	I-14	1.58	0.09	1.44	0.14	9.45
Revenue Grants, Contributions And Subsidies	I-15	32.00	1.73	29.86	2.14	7.18
Provisions And Write Off	I-16	100.97	5.45	30.81	70.16	227.74
Miscellaneous Expenses	I-17	0.00	0.00	0.00	0.00	--
Depreciation	I-17a	14.61	0.79	5.77	8.83	153.07
Total-Expenditure		1851.99	100.00	1459.36	392.63	26.90
Gross surplus/(deficit) of income over expenditure after Prior Period Items		274.19		331.89		
Add: Prior period Items(Net)	I-18	41.72		-11.85		
Gross surplus/(deficit) of income over expenditure after Prior Period Items		232.47		343.74		
Less: Transfer to Reserve Funds	I-19	174.00		193.00		
Net balance being surplus/ deficit carried over to Municipal Fund		58.47		150.74		

Annexure-G

Abstract of month-wise Income & Expenditure and Surplus/Deficit for the year 2011-12

Chapter-1			
(` in crore)			
Months	Income	Expenditure	Surplus/Deficit
April, 2011	9.00	166.24	-157.25
May, 2011	167.46	116.35	51.11
June, 2011	102.30	127.62	-25.31
July, 2011	125.42	155.48	-30.06
August, 2011	87.45	166.46	-79.01
September, 2011	190.85	140.45	50.39
October, 2011	95.28	191.40	-96.11
November, 2011	114.93	114.47	0.46
December, 2011	417.16	113.45	303.71
January, 2012	114.19	135.22	-21.03
February, 2012	146.28	161.17	-14.89
March, 2012	555.86	263.68	292.19
Total	2126.18	1851.99	274.19

Annexure-H

Misclassification of Code of Accounts

Chapter-1

JV/Challan No.	Date	Code of Accounts	Amount in (₹)	Description
12011120200069J	15.02.2012	4104030 Fixed Assets : Lab-Instruments & Equip.	6443.00	Payment to RMR for the month 02.01.2012 to 31.01.2012.
20711120200135J	22.02.2012	4105001 Fixed Assets : Cars	9812.00	Payment on a/c of recoupment of imprest.
31011120600003J	01.06.2011	4108014 Fixed Assets : Fire Extinguishers	243504.00	Supply of uniform cloth for the staff of Fire Deptt.
31011120500021J	05.05.2011		214200.00	Supply of shoes for the staff of NDMC.
31011120500121J	30.05.2011		15600.00	Payment of adv. Charges.
31011120500019J	05.05.2011		50148.00	Supply of shoes for the staff of Fire Deptt.
31911120300302J	30.03.2012		4107017 Fixed Assets : Other Furniture	129351.00
31911121100025J	04.11.2011	129052.00		
31911120600019J	08.06.2011	2000.00		Reimbursement against labour charges for casual labour for removal of spared furniture.
31911120500051J	12.05.2011	2000.00		

Annexure -I

Misclassification of Function Code

Chapter-1

Function No	Function Name	Chart of Account	Chart account name
03	Finance Accounts and Audit	1712001	House Building Advance
06	Estate	1301003	Licence fee from Hotels
14	Encroachment removal	2305970	Diesel Pumps
31	Public Health	1401302	Birth and Death Certificate
34	Primary Health Care	2308053	Ayurvedic Medicine
34	Primary Health Care	2308054	Homeopathic Medicine
71	Welfare of Women	1404014	Women Technical Institute
74	Welfare of Handicapped	1404025	Receipts from Aanchal

Annexure –J

Summary of Function-wise Income and Expenditure (Revenue) for the year 2011-12

Chapter-1

Income:

(` in thousand)

FN	Function Description	BE 2011-12 (Revenue)	RE 2011-12 (Revenue)	Income 2011- 12 (Revenue)	% Income 2011-12 w.r.t.	
					BE 2011-12	RE 2011-12
00 General Administration						
1	Municipal Body	0	0	0	--	--
2	Administration	49329	44832	74094	150.2	165.3
3	Finance, Accounts, Audit	1383280	3879874	3843770	277.9	99.1
4	Election	0	0	0	--	--
5	Record Room	0	0	0	--	--
6	Estate	2412700	2535400	2655618	110.1	104.7
7	Stores & Purchase	21850	20555	17208	78.8	83.7
8	Workshop	20	20	1045	5223.7	5223.7
9	Census	0	0	0	--	--
10 Planning & Regulations						
11	City and Town Planning	209100	43385	33628	16.1	77.5
12	Building Regulation	3502	4002	6864	196.0	171.5
13	Economic Planning	0	0	0	--	--
14	Encroachment Removal	19500	15500	13286	68.1	85.7
15	Trade Licensee/Regulations	4000	10000	9886	247.1	98.9
20 Public Works						
21	Roads and Pavement	9898	8005	4534	45.8	56.6
22	Bridges and Flyovers	0	0	0	--	--
23	Subways & Causeways	0	0	0	--	--
24	Street Lighting	10	85	96	964.0	113.4
25	Storm Water Drains	0	0	0	--	--
26	Traffic Signals	0	0	0	--	--
27	Guest Houses	0	0	0	--	--
30 Health						
31	Public Health	9110	6221	27832	305.5	447.4
32	Epidemic/Prevention Control	0	0	0	--	--
33	Family Planning	0	0	0	--	--
34	Primary Health Care	0	0	0	--	--
35	Hospital Services	800	3000	2263	282.9	75.4
36	Burial and Cremations	0	0	0	--	--
37	Vital Statistics	0	0	0	--	--
38	Prevention of Food Adulteration	0	0	0	--	--
39	Ambulance/Hearse Services	10	0	0	0.1	--
40 Sanitation and Solid Waste Management						
41	Solid Waste Management	750	750	835	111.3	111.3
42	Public Convenience	0	17500	22046	--	126.0
43	Veterinary Services	100	70	42	42.0	60.0
44	Cattle Pounding	0	0	0	--	--

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FN	Function Description	BE 2011-12 (Revenue)	RE 2011-12 (Revenue)	Income 2011-12 (Revenue)	% Income 2011-12 w.r.t.	
					BE 2011-12	RE 2011-12
45	Slaughter Houses	0	0	0	--	--
50 Civic Amenities						
51	Water Supply	1456780	1104742	1486909	102.1	134.6
52	Sewerage	10850	508780	545807	5030.5	107.3
53	Fire Services & Disaster Mgt.	500	500	515	102.9	102.9
54	Arts & Culture	0	0	0	--	--
55	Community/Marriage Centres	10100	30000	37335	369.7	124.5
56	Amusement	8200	29700	30021	366.1	101.1
57	Museums	0	0	0	--	--
58	Municipal Markets	218060	217210	137866	63.2	63.5
60 Urban Forestry						
61	Parks, Gardens	1460	1510	3156	216.1	209.0
62	Play Grounds	0	0	0	--	--
63	Lakes and Ponds	0	0	0	--	--
64	Urban Forestry	0	0	0	--	--
65	Environment Conservation	0	0	0	--	--
66	Zoos	0	0	0	--	--
70 Urban Poverty Alleviation & Social Welfare						
71	Welfare of Women	300	300	378	126.0	126.0
72	Welfare of Children	0	0	0	--	--
73	Welfare of Aged	0	0	0	--	--
74	Welfare of Handicapped	200	200	263	131.5	131.5
75	Welfare of SC/ST/OBC	1000	1000	1000	100.0	100.0
76	Slum Improvements	0	0	0	--	--
77	Housing	0	0	0	--	--
78	Urban Poverty Alleviation	0	0	0	--	--
79	Others	850	810	906	106.5	111.8
80 Other Services						
81	Electricity	7097510	6820563	6975925	98.3	102.3
82	Education	437470	600860	593472	135.7	98.8
83	Transportation	0	0	0	--	--
84	Facility for Pilgrims	0	0	0	--	--
90 Revenues						
91	Property Taxes	2770200	2875200	4194493	151.4	145.9
92	Decroi/Entry Cess	0	0	0	--	--
93	Advertisement Tax	0	0	74	--	--
94	Professional Tax	0	0	0	--	--
95	Tax on Animals	0	0	0	--	--
96	Tax on Vehicles	0	0	0	--	--
97	Toll	0	0	0	--	--
99	Other Taxes	460600	519900	540629	117.4	104.0
	Total	16598039	19300474	21261795	128.1	110.2

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Expenditure

(in thousand)

FN	Function Description	BE 2011-12 (Revenue)	RE 2011-12 (Revenue)	Expenditure 2011-12 (Revenue)	% Expenditure, 2011-12 w.r.t.	
					BE 2011-12	RE 2011-12
00 General Administration						
1	Municipal Body	14564	13333	15721	107.9	117.9
2	Administration	3717113	5339932	5856694	157.6	109.7
3	Finance, Accounts, Audit	131346	130290	118101	89.9	90.6
4	Election	0	0	0	--	--
5	Record Room	751	1021	576	76.7	56.4
6	Estate	40989	61072	967652	2360.8	1584.4
7	Stores & Purchase	95192	98950	86491	90.9	87.4
8	Workshop	101520	102155	92955	91.6	91.0
9	Census	0	0	0	--	--
10 Planning & Regulations						
11	City and Town Planning	37083	36881	35733	96.4	96.9
12	Building Regulation	0	0	0	--	--
13	Economic Planning	0	0	0	--	--
14	Encroachment Removal	44440	48682	47143	106.1	96.8
15	Trade Licensee/Regulations	5390	5390	4628	85.9	85.9
20 Public Works						
21	Roads and Pavement	445810	522170	504936	113.3	96.7
22	Bridges and Flyovers	500	0	849	169.7	--
23	Subways & Causeways	900	900	718	79.8	79.8
24	Street Lighting	134747	134695	131524	97.6	97.6
25	Storm Water Drains	15375	11989	9302	60.5	77.6
26	Traffic Signals	0	0	0	--	--
27	Guest Houses	0	0	136	--	--
30 Health						
31	Public Health	92617	87460	76470	82.6	87.4
32	Epidemic/Prevention Control	111994	112665	105896	94.6	94.0
33	Family Planning	11861	15469	15323	129.2	99.1
34	Primary Health Care	191198	200542	165242	86.4	82.4
35	Hospital Services	292017	296295	306627	105.0	103.5
36	Burial and Cremations	0	0	0	--	--
37	Vital Statistics	6505	7509	6899	106.1	91.9
38	Prevention of Food Adulteration	0	0	0	--	--
39	Ambulance/Hearse Services	0	0	0	--	--
40 Sanitation and Solid Waste Management						
41	Solid Waste Management	748000	755435	692517	92.6	91.7
42	Public Convenience	0	700	99	--	14.1
43	Veterinary Services	11075	11573	11167	100.8	96.5
44	Cattle Pounding	100	0	0	0.0	--
45	Slaughter Houses	0	0	0	--	--

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FN	Function Description	BE 2011-12 (Revenue)	RE 2011-12 (Revenue)	Expenditure 2011-12 (Revenue)	% Expenditure, 2011-12 w.r.t.	
					BE 2011-12	RE 2011-12
50 Civic Amenities						
51	Water Supply	628967	677018	927794	147.5	137.0
52	Sewerage	332656	339849	317252	95.4	93.4
53	Fire Services & Disaster Mgt.	77301	89400	98226	127.1	109.9
54	Arts & Culture	35150	6050	3773	10.7	62.4
55	Community/Marriage Centres	4621	17169	16199	350.6	94.4
56	Amusement	41296	24820	24993	60.5	100.7
57	Museums	0	0	0	--	--
58	Municipal Markets	679474	279009	269600	39.7	96.6
60 Urban Forestry						
61	Parks, Gardens	401320	441209	425402	106.0	96.4
62	Play Grounds	0	0	11	--	--
63	Lakes and Ponds	0	0	0	--	--
64	Urban Forestry	0	0	0	--	--
65	Environment Conservation	0	0	0	--	--
66	Zoos	0	0	0	--	--
70 Urban Poverty Alleviation & Social Welfare						
71	Welfare of Women	13550	18016	17715	130.7	98.3
72	Welfare of Children	34376	34194	28984	84.3	84.8
73	Welfare of Aged	0	519	519	--	100.0
74	Welfare of Handicapped	2130	2759	2326	109.2	84.3
75	Welfare of SC/ST/OBC	1000	1000	1000	100.0	100.0
76	Slum Improvements	10000	0	0	0.0	--
77	Housing	0	0	0	--	--
78	Urban Poverty Alleviation	0	0	0	--	--
79	Others	92215	97301	99992	108.4	102.8
80 Other Services						
81	Electricity	4835042	7278697	8119236	167.9	111.5
82	Education	1081102	1114463	1043012	96.5	93.6
83	Transportation	0	0	0	--	--
84	Facility for Pilgrims	0	0	0	--	--
90 Revenues						
91	Property Taxes	34245	33075	27658	80.8	83.6
92	Decroi/Entry Cess	0	0	0	--	--
93	Advertisement Tax	0	0	0	--	--
94	Professional Tax	0	0	0	--	--
95	Tax on Animals	0	0	0	--	--
96	Tax on Vehicles	0	0	0	--	--
97	Toll	0	0	0	--	--
99	Other Taxes	0	0	0	--	--
	Total	14555532	18449656	20677090	142.1	112.1

Annexure-K

Receipts and Payments Account for the period from 01.04.2011 to 31.03.2012

Chapter-1

(` in crore)

		2011-12	2010-11	Increase/ Decrease
	OPENING BALANCE			
A	Cash Balances including Imprest	68.49	201.98	-133.49
B	Balances with Banks/treasury (including balances in designated bank accounts)	0.00	0.00	0.00
		68.49	201.98	-133.49
	RECEIPTS			
	OPERATING RECEIPTS			
110	Tax Revenue	311.78	298.31	13.47
120	Assigned Revenue & Compensations	60.22	33.23	26.98
130	Rental Income from Municipal Properties	268.43	212.52	55.91
140	Fee & User charges	850.06	748.82	101.24
150	Sale & Hire charges	0.34	1.06	-0.72
160	Revenue Grants, Contributions & Subsidies	64.67	26.94	37.72
170	Income from Investments	384.22	366.55	17.67
171	Interest Earned	0.25	0.26	-0.01
180	Other Income	4.65	3.50	1.15
C	TOTAL OPERATING RECEIPTS	1944.61	1691.19	253.42
	NON OPERATING RECEIPTS			
330-31	Loans Received			
310	General Fund (Segment)	173.61	72.56	100.04
340	Deposits Received	23.06	4.65	18.41
320	Grants and contribution for specific purpose	4.54	99.39	-94.85
	i) Sale proceeds from Assets	0.00	0.00	0.00
412	ii) Realization of Investments - General Fund	0.00	0.00	0.00
	iii) Realization of Investments- Other Funds	0.00	0.00	0.00
341	Deposits Works	7.84	3.49	4.35
350	Revenue Collected in Advance	0.00	0.00	0.00
	i) Loans & Advances to Employee (recovery)	0.00	0.00	0.00
	ii) Other Loans & Advances (recovery)	0.00	0.00	0.00
	iii) Deposits with External agencies(recovery)	0.00	0.00	0.00
	Income Tax/Sales Tax & Cess etc.	0.38	-16.79	17.16
360	Other Receipts (specify) Provision for Expenses	-6.99	-18.25	11.27
D	TOTAL NON OPERATING RECEIPTS	202.44	145.05	56.39
E	TOTAL RECEIPTS (A+B+C+D)	2215.53	2038.22	177.31

Annual Audit Report of NDMC of 2012

Payments:

(` in Crore)

		2010-11	2009-10	Increase/ Decrease
	PAYMENTS			
	OPERATING PAYMENTS			
210	Establishment Expenses	761.37	712.14	49.23
220	Administrative Expenses	65.86	38.02	27.84
230	Operations and Maintenance	900.88	561.50	339.38
240	Interest & Finance Charges	0.00	-0.75	0.75
250	Programme Expense	1.58	1.44	0.14
260	Revenue Grants, Contributions & Subsidies	32.00	29.86	2.14
430	Purchase of Stores	0.14	-2.55	2.69
	Other Collections on behalf of State and Central Govt.	0.00	0.00	0.00
F	TOTAL OPERATING PAYMENTS	1761.84	1339.67	422.17
	NON OPERATING PAYMENTS			
350	Other Payables			
350	Refunds Payables			
	i) Repayment of Loans	0.00	0.00	0.00
	ii) Refund of Deposits	0.00	0.00	0.00
410	Acquisition / Purchase of Fixed Assets	16.25	26.57	-10.32
412	Capital Work in Progress	188.82	462.65	-273.82
470	Deposits Works	21.03	3.99	17.04
420	Investment-General Fund	-240.36	189.00	-429.37
421	Investment-Other Funds	0.00	0.00	0.00
460	Loans & Advances to Employee	7.82	48.79	-40.98
440	Prepaid Expenses	0.00	0.00	0.00
	Other Loans & Advances	0.00	0.00	0.00
490	Other Payments Specify (490)	43.12	89.94	-46.83
431	Other Payments Specify (431)	165.96	-179.03	344.99
290	Transfer to funds	174.00	0.00	174.00
280	Other payments (Prior Period Items) (280)	0.00	-11.85	11.85
	Grants and subsidies			
G	TOTAL NON OPERATING PAYMENTS	376.63	630.06	-253.43
H	TOTAL PAYMENTS (F+G)	2138.47	1969.73	168.74
	CLOSING BALANCES (E-H)	77.06	68.49	8.57
	Imprest & Postage Stamps	0.20	0.01	
		76.87	68.49	
	Cash Balances including Imprest Balances with Banks/ Treasury (including balances in designated bank accounts)	76.87	68.49	8.38

Annexure-L

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

Chapter-1

(` in Crore)

	Particulars		
a	Cash Flow from Operating Activities		
	Gross surplus/ (deficit) over expenditure		58.47
	Adjustments for:-		
	Add:		
	Depreciation	14.61	
	Interest & Finance expenses	0.00	14.60
	Less:		73.08
	Other Income	4.65	
	Interest Income	0.25	
	Investment Income	384.22	389.12
	Adjusted income over expenditure before effecting changes in current assets and current liabilities and extra ordinary items		-316.04
	Changes in current assets and current liabilities		
	(Increase)/Decrease in Sundry Debtors	-230.23	
	(Increase)/Decrease in Stock in hand	-0.06	
	(Increase)/Decrease in Advances/Prepaid expenses	-7.82	
	Increase/(Decrease) in Current Assets		-238.10
			-554.14
	(Decrease)/increase in Deposits received	23.06	
	(Decrease)/increase in Deposits works	-13.19	
	(Decrease)/increase in other current liabilities	0.39	
	(Decrease)/increase in provisions	-6.99	3.27
	Extraordinary items (Specify)		-550.87
	a). Net Cash generated from/(used in) operations activities		
b	Cash flows from investing activities		
	(Purchase) of fixed assets & CWIP	-205.06	
	(Increase)/ Decrease in Special Funds/grants	4.54	
	(Increase)/ Decrease in Earmarked Funds	130.49	
	(Purchase) of Investments	240.36	170.33
	Add:		
	Proceeds from disposal of assets		
	Proceeds from disposal of investments		
	Other Income	4.65	
	Investment income received	384.22	
	Interest income received	0.25	389.12
	b). Net Cash generated from/(used in) investing activities		559.45
c	Cash Flow from Financing Activities		
	Add:		
	Loans from banks/others received		
	Less:		
	Loans repaid during the period		
	Loans & advances to employees		
	Loans to others		
	Finance expenses	0.00	0.00
	c). Net cash generated from (used in) financing activities		0.00
	Net increase/(decrease) in cash and cash equivalent (a+b+c)		8.58
	Cash and cash equivalent at beginning of period		68.51
	Cash and cash equivalent at the end of period		77.09

Annexure-M

SIGNIFICANT FINANCIAL RATIOS – 2011-12

Chapter-1

Ratio (in per cent)

Sl.No.	Particulars	2011-12	2010-11
	Income Ratios		
1	Tax Revenue to Total Income Ratio	19.44	18.21
2	Assigned Revenues & Compensation to Total Income Ratio	2.83	1.86
3	Rental Income from Municipal Properties to Total Income Ratio	12.42	14.15
4	Fees & User Charges to Total Income Ratio	43.95	42.51
5	Sale & Hire Charges	0.02	0.06
6	Revenues Grants, Contributions & Subsidies to Total Income Ratio	3.04	1.50
7	Income from Investments to Total Income Ratio	18.07	20.46
8	Interest Earned to Total Income Ratio	0.01	1.05
9	Other Income to Total Income Ratio	0.22	0.20
	Expense Ratios		
10	Establishment Expenses to Total Income Ratio	35.81	39.76
11	Administrative Expenses to Total Income Ratio	3.10	2.12
12	Operations & Maintenance to Total Income Ratio	41.18	35.84
13	Interest Expense to Total Income Ratio	0.00	-0.04
14	Programme Expenses to Total Income Ratio	0.07	0.08
15	Revenues Grants, Contributions & Subsidies to Total Income Ratio	1.51	1.67
16	Provisions & Write off to Total Income Ratio	4.75	1.72
17	Depreciation to Total Income to Total Income Ratio	0.69	0.32
	Net Income Ratios		
18	Surplus/ Deficit to Total Income Ratio	12.90	18.53
	Efficiency Ratio		
19	Gross Property Tax Receivables Ratio	699.53	735.44
	Liquidity Ratio		
20	Current Assets to Current Liabilities	427.17	374.06

Annexure-N

**Details showing financial loss to NDMC during the period 2007-08 to 2010-11 on account of
Non-achievement of targets of AT&C Losses
Chapter-II (Para 2.3.1)**

(` in Crore)

Description	2007-08		2008-09		2010-11		Remarks
	Projected	Actual	Projected	Actual	Projected	Actual	
AT&C Losses(in %)	11.20	14.79	10.75	13.72	10.00	11.94	DERC in its order has projected the losses at 11.20%
Under Achievement(in %)		3.59		2.97		1.94	
Energy Inputs (MUs)		1234.40		1196.76		1338.15	
Units Realized (MUs)	1096.15	1051.81	1068.11	1032.57	1204.34	1178.34	
Average Billing Rate (`)		4.60		5.11		5.16	
Amount (` in Crore)	503.83	483.86	545.65	527.49	621.57	608.16	
Financial loss impact on account of under achievement (` in Crore)		20.37		18.16		13.41	
Total financial loss from 2007-08 to 2010-11	51.94 Crore						

ANNEXURE-O

Cases of short assessment of energy consumption in cases of theft of electricity due to non-applying assessment formula given in Annexure-XIII of Delhi Electricity Supply Code and Performance Standards Regulations, 2007 Chapter-II (Para 2.3.10)

S.No.	Date of detection of theft	Consumer / K.No.	Name of consumer	Category	Type of offence (theft / misuse)	Assesment per month (L x D x H x F)				Multiple factor (3m / 6m / 12m)	Total units	Applicable rate per unit	Applicable rate (1.5 times / 2 times + 5% Electricity tax)	Amount of assessment to be imposed as per formula in `	Theft amount imposed / assessed	Less amount imposed
						L	D	H	F							
1	05/11/2008	Not mentioned	Bal Mukund	N/A	Theft	0.818	30	8	1	12	2355.84	3.6	7.56	17810.15	4930	12880.15
2	23/04/2009	K-75796	Rajesh	LC	Theft	2.252	25	20	1	12	13512	4.4	9.24	124850.88	14540	110310.88
3	02/01/2010	N/A	Bhopal Singh	N/A	Theft	0.14	25	20	1	12	840	4.4	9.24	7761.60	2790	4971.60
4	07/01/2010	K-70621	Shanti Swroop	LC	Theft	1.427	25	20	1	12	8562	4.4	9.24	79112.88	28496	50616.88
5	08/01/2010	K-91020	Neelam Kapoor	L/D	Theft	5.8	30	8	1	12	16704	3.6	7.56	126282.24	33390	92892.24
6	12/05/2010	K-113956	Krishan Sharma	L/C	Theft	0.6	25	20	1	12	3600	4.4	9.24	33264.00	776	32488.00
7	01/07/2010	K-100517	Mukhtar Singh	L/D	Theft	3.349	30	8	1	12	9645.12	3.6	7.56	72917.11	29212	43705.11
8	01/07/2010	NIL	Nagender Tiwari	N/A	Theft	0.45	25	20	1	12	2700	4.4	9.24	24948.00	14969	9979.00
9	26/03/2011	NIL	Raghu Nath	NIL	Theft	2.52	25	20	1	12	15120	4.4	9.24	139708.80	83825	55883.80
10	25/09/2011	NIL	Kamil	NIL	Theft	0.25	25	20	1	12	1500	5.3	11.13	16695.00	10017	6678.00
11	11/01/2012	NIL	Savita	NIL	Theft	1	30	8	1	12	2880	4.35	9.135	26308.80	3289	23019.80
12	16/02/2012	K-71305	Dharampal	L/C	Theft	0.075	25	20	1	12	450	5.3	11.13	5008.50	3005	2003.50
13	09/03/2012	K-93896	Dharam Raj	L/D	Theft	0.66	25	20	1	12	3960	4.35	9.135	36174.60	12102	24072.60
													TOTAL	469501.56		

4.70 lakh

ANNEXURE-P

Cases of less assessment of energy consumption in cases of unauthorised use of energy due to non-applying assessment formula given in Annexure-XIII of Delhi Electricity Supply Code and Performance Standards Regulations, 2007 Chapter-II (Para 2.3.11)

S.No.	Date of detection of unauthorised use of electricity	K.No.	Name of consumer	Category	Type of offence	Assesment of units per months as per formula (L x D x H x F)					Months (3m / 6m)	Total units to be assessed	Applicable tariff	Applicable rate per unit @ 1.5 times + 5% Electricity tax)	Misuse charges leviable as per formula	Misuse amount levied as per DCR	Less amount levied due to non assessment of energy consumption as per formula
						L	D	H	F	Units							
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	26/03/2007	K-64233 K-468 K-63560	M/s Kolmet Enterprises	P/C L/C L/C	Misuse	75.316	25	20	0.6	22595	6	135568.8	5	7.88	1067604.30	14560.00	1053044.30
		K-76990	M/s Avtar Singh	L/C	Misuse	28.363	25	20	0.6	8508.9	6	51053.4	5	7.88	402045.53	6276.00	395769.53
		K-73802 K-63719 K-63719	M/s R.S. Avtar Singh & Co., MA Bhawani & Sons, Bhawani & Sons	L/C P/C L/C	Misuse	22.993	25	20	0.6	6897.9	6	41387.4	5	7.88	325925.78	5197.00	320728.78
2	20/08/2007	KOT-1520 KOT-1521	Steel Authority of India	L/C P/C	Misuse	95.499	25	20	0.6	28650	6	171898.2	5	7.88	1353698.33	26757.00	1326941.33

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3	30/04/2008	K-59297	M/s Oriental Building	LC	Misuse	3.234	25	20	0.6	970.2	6	5821.2	4.4	6.93	40340.92	1312.00	39028.92
4	15/12/2009	K-77180 to K-77186	R.S. Bajaj, M.J. Rao, Siddharth Kochar, Suprkash Wadhwan, Paul Vohra, Usha Swawhney, Surender Sawhney (Zwirn Projects)	L/C	Misuse	60.957	25	20	0.6	18287	6	109722.6	5	7.88	864065.48	18917.00	845148.48
5	22/12/2010	K-112208	Satya Narayan Vijay	L/C	Misuse	0.244	25	20	0.6	73.2	6	439.2	4.4	6.93	3043.66	186.00	2857.66
6	03/10/2011	K-112021	M/s Jammu & Kashmir Bank Ltd.	P/Com	Misuse	56.123	25	20	0.6	16837	6	101021.4	6.1	9.61	970563.10	6212.00	964351.10
7	22/11/2011	K-78597	Director, New Delhi Hotels Ltd.	P/Com	Misuse	202	30	20	0.6	72720	6	436320	5.3	8.35	3642181.20	228791.00	3413390.20
8	18/01/2012	K-34373	Sh. Sant Lal Ram Lal	L/C	Misuse	5.156	25	20	0.6	1546.8	6	9280.8	5.3	8.35	77471.48	2478.00	74993.48
															TOTAL		8436253.75

` 84.36 lakh

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ANNEXURE- Q

Details of Recruitment Rules not provided to Audit

Chapter-III (Para 3.3.4)

S.No	Name of Post	Group
1.	Director (Anti corruption)	A
2.	Director (QC & TA) (ELECTRIC)	A
3.	Director (QC & TA) (CIVIL)	A
4.	Dy. Director (Eng. Gr. C)	A
5.	Joint Director (Vig.)	A
6.	Joint Director (Welfare)	A
7.	EE (QC & TA) (ELECTRIC)	A
8.	Joint Director	A
9.	Chief vigilance officer	A
10.	Joint CAO/FA	A
11.	Addl. Chief Engineer (Civil)	A
12.	Programmer	B
13.	Urdu Translator	B
14.	Hindi Translator	B
15.	Sr. Librarian	B
16.	Assistant Education Officer (MMS)	B
17.	Gymnasium Coach	B
18.	Asstt. Engineer (E&M) II	B
19.	S.I. (Police)	C
20.	Constable	C
21.	Head guard	C
22.	Supervisor	C
23.	Photographer	C
24.	Lab Assistant	C
25.	Supervisor (MMS)	C
26.	Student welfare worker	C
27.	Work experience assistant Gr. I and II	C
28.	Game attendant	C
29.	Bal Sahaika	C
30.	Halwai Canteen	C
31.	Farash	C
32.	Carpenter	C
33.	Pump operator	C
34.	Water man	C
35.	Tabla Player	C
36.	Jr. Engineer (Auto)	C
37.	Drafts man (Mechanic)	C
38.	Asstt. Store keeper	C
39.	Store man	C
40.	Hydrometric Operator	C
41.	Filter Plant Attendant	C
42.	Chowkidar (Auto)	D
43.	Nursing Orderly	D

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ANNEXURE- R

List of applicants sponsored by Employment Exchange, short listed, interviewed and engaged for the post of daily wager SKs.

Chapter-III (Para 3.3.11)

No. of candidates						
Month/ Year	No. Engaged	No. Sponsored Empl. Exchange	Date of requisition	No. Short listed/ interviewed	Date of interview	Date of engagement
6/2007	350	1319	18.6.07	1319	23-25 Jun 07	02.07.07
7/2007	24	460	28.7.09	460	2 Aug. 07	08.08.07
6/2008	354	1768	23.5.08	1768	4-6 June 08	17.6.08
1/2009	516	1931	14.1.09	882	2-5 Feb.09	18.2.09
8/2009	525	1966	17.7.09	1560	3-6 Aug.09	18.8.09
4/2010	100	8000	17.3.10	1529	20-22 Apr.10	01.06.10
12/2010	525	12332	22.11.10	2327	3-6 Jan. 11	08.02.11
8/2011	574	11179	2.8.11	2067	12-15 Sep.11	07.10.11
3/2012	525	18758	24.2.12	3095	16-20 Apr. 12	12.06.12

ANNEXURE- S

ASSESSMENT OF SAFAI KARAMCHARIS AS PER WORK NORMS
Chapter-III (Para 3.3.12)

Area of roads and footpaths to be swept (as of 2009-10)	Number of Regular Safai Karamcharis		
	Assessed	In position	Surplus
34,09,355.57 Sqm i.e; 3,60,11,318.20 Sq ft	1200		
Evening sweeping (5 Circles): Connaught Place, Sarojini Ngr, Khan Mkt, SBS Mkt, Bengali Mkt. (Approx.market area calculated to 1/3 of the total Circle area) 2572237/ 3 X 5 Circles = 4287062 / 30000 Sq ft.	143		
Night sweeping (3 Circles i.e., I, VI & XI): India Gate, Connaught Place, Hanuman Mandir, Khan Mkt; Sarojini Ngr; Malcha Marg Market, Gole Mkt, Bengali Mkt. 2572237/ 3 X 3 Circles = 2572237 / 30000 Sq ft.	86		
Weekly off + leave reserve : 30%	429		
Total	1858	1896	38

**Regular Safai Karamcharis = 1633, Malis (73) and Chowkidars (160) working as Safai Karamcharis = Total = 1896.*

As per Para 19.6 of the work norms specified in the Manual of MSW Management, Safai Karamcharis are required to sweep roads and footpaths as well as to collect domestic, trade and institutional waste from households, shops and establishments situated on the roads/ street allotted to them. It is also specified that the sweeping norms are for cleaning the streets in the first four hours of the working day. In the remaining hours of the day, Safai Karamcharis should be assigned pinpoint works for cleaning the streets in slums as well as other authorized settlements to ensure hygienic conditions in the city and prevent health and sanitation hazards. Keeping the norms in view, there appeared no additional manpower requirement to meet out the work of morning sweeping in the market areas.

ANNEXURE- T

**ENGAGEMENT OF DAILY WAGE MALI WITHOUT APPROVAL
Chapter-III (Para 3.3.14)**

S.No.	Voucher No. & date	Muster Roll No.	Period of engagement of daily wagger without obtaining approval	No. of casual labour	Payment made (in `)
1	21 dated 21.04.09	170	08.04.09 to 15.04.09	10	7952
2	22 dated 21.04.09	171	08.04.09 to 15.04.09	05	5400
3.	11 dated 12.05.09	173	08.04.09 to 04.05.09	15	44270
4.	12 dated 12.05.09	174	08.04.09 to 15.04.09	10	31043
5.	09 dated 12.05.09	175	08.04.09 to 15.04.09	10	31661
6.	10 dated 12.05.09	176	08.04.09 to 15.04.09	10	30425
7.	01 dated 08.05.09	177	08.04.09 to 03.05.09	15	51282
8.	08 dated 12.05.09	178	08.04.09 to 04.05.09	15	46255
9.	13 dated 12.05.09	179	08.04.09 to 09.05.09	10	26934
10.	15 dated 12.05.09	180	08.04.09 to 09.05.09	10	29628
11.	14 dated 12.05.09	181	08.04.09 to 09.05.09	10	30525
12.	16 dated 12.05.09	182	08.04.09 to 09.05.09	15	42838
13.	17 dated 14.05.09	183	08.04.09 to 09.05.09	15	47080
14.	18 dated 14.05.09	184	08.04.09 to 09.05.09	05	17048
15.	32 dated 22.05.09	185	16.04.09 to 16.05.09	10	26126
16.	31 dated 22.05.09	186	16.04.09 to 16.05.09	05	15194
17.	28 dated 18.05.09	153	08.04.09 to 06.05.09	10	35880
18.	20 dated 18.05.09	154	08.04.09 to 06.05.09	15	54102
19.	21 dated 18.05.09	155	08.04.09 to 06.05.09	15	55091
20.	22 dated 18.05.09	156	08.04.09 to 06.05.09	15	54526
21.	23 dated 18.05.09	157	08.04.09 to 06.05.09	15	57210
22.	24 dated 18.05.09	158	08.04.09 to 06.05.09	15	56572
23.	13 dated 12.05.09	159	08.04.09 to 06.05.09	12	38968
24.	29 dated 18.05.09	160	08.04.09 to 06.05.09	15	49582
25.	25 dated 18.05.09	161	08.04.09 to 06.05.09	20	71053
26.	26 dated 18.05.09	162	08.04.09 to 06.05.09	15	47039
27.	06 dated 08.06.09	22	23.04.09 to 22.05.09	16	55568
28.	07 dated 08.06.09	23	23.04.09 to 22.05.09	20	75047
Total					1134299

`11.34 lakh

ANNEXURE-U

**Details of un-accounted payment to daily wager in Fire Department
Chapter-III (Para 3.3.17)**

Name of building	Period	No. of daily wagers for which sanctions obtained	Average number of daily wagers deployed	No. of daily wager for which payments released	No. of daily wagers engaged in excess over deployment			
					No. of person	Wage rate (₹)	Average no. of days	Amount (in ₹)
Swati buildings	March 2008	10	1	10	9	135.25	26	31648
	March 2009	10	3	10	7	142.00	26	25844
	March 2010	10	3	10	7	203.00	26	36946
Kaka Nagar Barat Ghar	March 2008	7	0	7	7	135.25	26	24615
	March 2009	7	4	7	7	142.00	26	11076
	March 2010	7	3	7	4	203.00	26	21112
Water bouser and emergency rescue tender parked at Chankya Bhawan	March 2010	52	4	52	48	203.00	26	253344
	April 2011	52	15	51	36	203.00	26	197316
	March 2012	52	19	41	22	247.00	26	141284
Water tender and emergency response vehicle parked at NDCC II	April 2011	30	3	19	16	203.00	26	84448
	March 2012	30	3	21	18	247.00	26	115596
Barat Ghar, Moti Bagh, Lodhi Colony, Khan Market, Mandir Marg, Netaji Nagar and Laxmibai Nagar	April 2011	47	16	47	31	203.00	26	163618
	March 2012	47	19	25	6	247.00	26	38532
TOTAL								1145379

` 11.45 lakh

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Annexure-V
SECURITY AGENCIES DURING THE REVIEW PERIOD (2007-12)
Chapter-III (Para 3.3.23)

YEAR	GROUP	NAME OF AGENCY	
2007-2008	A	M/S ADVANCE SERVICES PVT. LTD	
		M/S ADVANCE SERVICES PVT. LTD	
	B	BOMBAY INTELLIGENCE SECURITY (INDIA) LTD	
		ALERT ENTERPRISES	
	C	ADVANCE SERVICES PVT. LTD.	
	D	EX-MAN RAGHAV SECURITY SERVICES PVT. LTD	
		JATAYU ENTERPRISES SERVICES	
	E	SKYLARK CAGERS INTERNATIONAL	
	F	DEEP SECUTIY SERVICE (REGD.)	
		EX-MAN RAGHAV SECURITY SERVICES PVT. LTD	
	G	SKYLARK SECUITAS PVT. LTD.	
		JATAYU ENTERPRISES SERVICES	
	H	LEADER SECURITY AGENCY	
	2008-09	A	M/S ADVANCE SERVICES PVT. LTD
		B	ALERT ENTERPRISES
		C	M/S ADVANCE SERVICES PVT. LTD
D		JATAYU ENTERPRISES SERVICE	
E		GOOD YEAR SECURITY SERVICE	
F		EX-MAN RAGHAV SECURITY SERVICES PVT. LTD	
G		JATAYU ENTERPRISES SERVICES	
H		LEADER SECURITY AGENCY	
2009-10	A	M/S ADVANCE SERVICES PVT. LTD	
	B	ALERT ENTERPRISES	
	C	M/S ADVANCE SERVICES PVT. LTD	
	D	JATAYU ENTERPRISES SERVICES	
	E	GOOD YEAR SECURITY SERVICE	
	F	EX-MAN RAGHAV SECURITY SERVICES PVT.LTD	
	G	EX-MAN RAGHAV SECURITY SERVICES PVT. LTD	
	H	LEADER SECURITY AGENCY	
2010-11	A	M.S. VIGILANT SECURITY, PLACEMENT AND DETECTIVE SERVICES (PVT. LTD	
	B	M.S. VIGILANT SECURITY, PLACEMENT AND DETECTIVE SERVICES (PVT. LTD	
		M.S. VIGILANT SECURITY, PLACEMENT AND DETECTIVE SERVICES (PVT. LTD	
	D	EX-MAN RAGHAV SECURITY SERVICES PVT. LTD	
	E	GOOD YEAR SECURITY SERVICE	
	F	EX-MAN RAGHAV SECURITY SERVICES PVT. LTD	
	G	JATAYU ENTERPRISES SERVICES	
	H	LEADER SECURITY	
2011-12	A	M.S.VIGILANT SECURITY, PLACEMENT AND DETECTIVE SERVICES (PVT.LTD	
	B	ALERT ENTERPRISES	
		M.S.VIGILANT SECURITY, PLACEMENT AND DETECTIVE SERVICES (PVT. LTD	
	D	JATAYU ENTERPRISES SERVICE	
	E	GOOD YEAR SECURITY SERVICE	
		JATAYU ENTERPRISES SERVICES	
	F	EX-MAN RAGHAV SECURITY SERVICES PVT. LTD	
		BIMLA ENTERPRISES	
G	JATAYAU ENTERPRISES		
H	LEADER SECURITY AGENCY		

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Annexure-W

**Statement showing overpayment to Security Agency in the month of March, 2011
Chapter-III (Para 3.3.23(b))**

Group	Agency	No. of Security Personnel engaged as per Bills submitted by the agency	No. of Security Personnel as per Attendance Register provided by the Department	Difference in Security Personnel as per Bill and attendance (4-5)	Payment made as per the bill to the Security Personnel not in attendance (in `)	Total Payment made to Agency (Rounded off) (in `)
1	2	3	4	5	6	7
A	M/s M.S. Vigilant Security, Placement & Detective Services (P) Ltd.	218 +12 = 230	130 + 12 = 142	88	CSS-2X10239.54=20479 SS-1X10239=10239 SG-85X9305.4=790959	8,21,667/- + Service Charge and Service Tax
B	M/s M.S. Vigilant Security, Placement & Detective Services (P) Ltd.	124	111	13	CSO-1X10239.54=10239.54 SS-1X10239.54=10239.54 SG-7X9305.41=65137.87	1,26,575/- + Service Charge and Service Tax
B(Old)	M/s Alert Enterprises	162	83	79	CSO-1 x10239.54=10,239.54 SS-3X9305.41=27,916.23 SG-75X8407.19=6,30,539.25	6,68,695/- + Service Charge and Service Tax
H	M/s Leader Security Agency	72	66	6	SS-6X11738.42=70430.52	70,431/- + Service Charge and Service Tax
Service Charge and Service Tax					16,80,909/- plus	` 16.81 lakh

Statement showing overpayment of Reliving charges to Security Agency in the month of March, 2012

Group	Agency	No. of Security Personnel engaged as per Bill submitted by the Agency	No. of Security Personnel as per Attendance Register provided by the Deptt	Difference in Security Personnel as per Bill and attendance (4-5)	Payment made as per the bill to the Security Personnel not in attendance (in `)	Total Payment made to Agency (Rounded off) (in `)
1	2	3	4	5	6	7
A	M/s M.S. Vigilant Security, Placement Detective Services (Ltd.	199	157	42	CSS- 2X11209.59=22,419.18 SS-1X11209.59=11209.59 SG-39X10167.68=396539.52	4,30,168/- + Service Charge and Service Tax
B	M/s M.S. Vigilant Security, Placement Detective Services (Ltd.	159	110	49	As per bill(CSS,SS &SG -159) and as per attendance (SG-110) As per bill payment = `15,56,058.29and as per attendance ` .11,18,,444 @ 10167.68	4,37,614/- + Service Charge and Service Tax
B(Old)	M/s Alert Enterprise	114	84	30	SG- 30×8874.26=2,66,227-	2,66,227/- +Service Charge and Service Tax
G	M/s Jatayu Enterprises	88	80	8	CSO- 1X11137.74=11,137.74 SS- 3X10239.54=30,718.62 SG- 4X8407.19=33,628.76	75,485/- +Service Charge and Service Tax
H	M/s Leader Security Agency	72	66	6	SS- 1X13415.35=13,415.35 S/G- 5X9162.51=45,812.55	59,228/- +Service Charge and Service Tax
Service Charge and Service Tax					12,68,722/- plus	` 12.69 lakh

Annexure-X
Details of Security Personnel performed Double/Triple Shifts
 Agency – Vigilant Security, Charak Palika Hospital
Chapter-III (Para 3.3.24)

Sr. No.	Date	Name of Security Personnel	Sr. No. of Duty perform in		
			Shift A	Shift B	Shift C
1.	01.03.11	Sh. Dhruv Kumar	2	1	-
2.	01.03.11	S. Mishra	4	-	1
3.	01.03.11	Rajesh Kumar	5	3	-
4.	01.03.11	Dinesh Dubey	10	4	-
5.	01.03.11	Sanjeev Anand	11	-	2
6.	01.03.11	Laxman Singh	13	9	-
7.	01.03.11	Vidhyanand	-	5	4
8.	01.03.11	Ramesh Thakur	-	2	6
9.	01.03.11	Ramesh Singh	-	7	7
10.	02.03.11	V.K. Nambair	1	-	8
11.	02.03.11	Jag Narajanshu	2	2	-
12.	02.03.11	S.K. Mishra	4	-	5
13.	02.03.11	Sanjiv Anand	5	-	7
14.	02.03.11	Rajesh Kumar	6	8	-
15.	02.03.11	Dharam Veer	7	10	2
16.	02.03.11	Danesh Dubey	10	9	-
17.	02.03.11	Shiv Kumar	14	-	3
18.	02.03.11	Abhay Kumar	-	6	6
19.	02.03.11	Ramanuja	-	7	4
20.	03.03.11	S.K. Mishra	4	-	1
21.	03.03.11	Dhruv Kumar	6	1	-

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22.	03.03.11	Dinesh Dubey	10	8	7
23.	03.03.11	Ramesh Singh	12	4	4
24.	03.03.11	Laxman Singh	13	5	
25.	03.03.11	Shiv Kumar	14	-	3
26.	03.03.11	Durga Pal Singh	-	2	2
27.	03.03.11	Abhay Kumar	-	6	5
28.	03.03.11	Ramanuja	-	7	6
29.	03.03.11	Sanjeev Anand	11	-	9
30.	04.03.11	Dhrub Kumar	2	1	-
31.	04.03.11	Rajesh Kumar	3	6	-
32.	04.03.11	S.K. Mishra	4	5	-
33.	04.03.11	Jag Narain	6	3	-
34.	04.03.11	Sanjeev Anand	11	-	2
35.	04.03.11	Dhram Veer	12	-	7
36.	04.03.11	Laxman Singh	13	9	-
37.	04.03.11	Ramesh Tanwar	14	-	6
38.	04.03.11	Ramanuja	-	7	4
39.	04.03.11	Abhay Kumar	-	8	1
40.	05.03.11	Dhrub Kumar	2	1	-
41.	05.03.11	Rajesh Kumar	6	8	-
42.	05.03.11	Ramodhar Yadav	7	5	-
43.	05.03.11	Denash Dubbey	10	4	-
44.	05.03.11	Sanjeev Anand	11	9	-
45.	05.03.11	S.K. Mishra	12	6	-
46.	05.03.11	Laxman Singh	13	6	-

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47.	05.03.11	Durga Pal Singh	-	2	7
48.	05.03.11	Vidhya Nand	-	3	3
49.	05.03.11	Ramanuja	-	7	4
50.	05.03.11	Rajesh Kumar	3	6	
51.	06.03.11	Ramesh Tanwar	4	-	4
52.	06.03.11	Danesh Dubbey	5	5	-
53.	06.03.11	Jag Narayan	6	1	-
54.	06.03.11	Durga Pal Singh	12	-	7
55.	06.03.11	Shiv Kumar	13	-	3
56.	06.03.11	Sanjeev Anand	11	-	4
57.	06.03.11	Ramanuja	-	7	5
58.	06.03.11	Abay Kumar	-	8	6
59.	06.03.11	Ramesh Singh	-	8	2
60.	06.03.11	Dharam Veer	14	-	10

Annexure- Y

Payment made by Security Department to M/s Vigilant Security Services for the period from November, 2009 to July, 2012 without submission of complete details of account numbers and other details of all the individuals with regard to EPF, ESI etc.

Chapter-III (Para 3.3.25)

Period	Amount in (`)
November, 2009 to Feb. 2010	2214365
March, 2010 to May, 2010	3174100
June, 2010	1056072
July, 2010	1072531
August, 2010	1073087
September, 2010	1112355
October, 2010	1179271
November, 2010	1183391
December, 2010	1185582
January, 2011	1187985
February, 2011	1232974
March, 2011	1402633
April, 2011	1398884
May, 2011	1613525
June, 2011	1423423
July, 2011	1421437
August, 2011	1818455
September, 2011	1477984
October, 2011	1536671
November, 2011	1773560
December, 2011	1811935
January, 2012	2011678
February, 2012	1840234
March, 2012	1910376
April, 2012	2141444
May, 2012	2161492
June, 2012	2150851
July, 2012	1918582
Total	45484877

` 4.55 crore

Annexure-Z

**Unadjusted Miscellaneous Advance as on December 2012
Chapter-V (Para 5.1)**

Sl. No.	Month	Particular	Amount (in `)
1.	3/1990	M/s Indian Oil Corporation Ltd.	1,00,000
2.	3/1992	M/s Hindustan Petroleum Ltd.	4,15,042
3.	4/2005	M/s CRRI Advance Sh. L.K. Sharma AE-II	1,10,200
TOTAL			6,25,242

` 6.25 lakh

Annexure-AA

Details of license fees recoverable from licensees of Janpath Market as on 31.03.2012.

Chapter-VI (Para 6.2)

Janpath Market (53)	I.D. No.	Name of Licensee	Monthly Licence Fee (As per Ledger in `)	Outstanding Amount (included interest ` in lakh)
Shop No. 1	531557	Sh. Harbans Lal	5494.00	25.70
Shop No. 2	531558	Sh. Bansilal	5494.00	25.80
Shop No. 3	531559	Sh. Balaki Ram	15009.00	69.90
Shop No. 4	531560	Smt. Tara Devi	8156.00	38.44
Shop No. 5	531561	Sh. Tilak Raj	8156.00	40.39
Shop No. 6	531562	Sh. Surinder Sethi	7797.00	36.69
Shop No. 7	531563	Sh. Sohal Lal	8477.00	41.12
Shop No. 8	531564	Sh. Satya Prasad	8156.00	37.73
Shop No. 9	531565	Sh. Kasturi Lal	12404.00	59.33
Shop No. 10	531566	Sh. Chunnilal	5513.00	25.12
Shop No. 11	531567	M/s Rupal Store	11479.00	52.29
Shop No. 12	531568	Sh. Balbir Singh	13726.00	65.48
Shop No. 13	531569	Sh. Tilak Raj	8156.00	37.72
Shop No. 14	531570	Sh. Satya Pal	8534.00	105.51
Shop No. 15	531571	Sh. Surinder	11669.00	54.82
Shop No. 16	531572	Sh. Sewa Ram	8156.00	38.60
Shop No. 17	531573	Mohd. Yusuf	13962.00	11.48
Shop No. 18	531574	Sh. Prem Sagar	5909.00	27.05
Shop No. 19	531575	Sh. Jaswant Sood	4812.00	23.07
Shop No. 20	531576	Sh. Chaman Lal	8439.00	39.61
Shop No. 21	531577	Smt. Phoolwati	8420.00	39.52
Shop No. 22	531578	Sh. Gautam Kumar	8439.00	39.68
Shop No. 23	531579	Sh. Kartar Chand	8251.00	39.10
Shop No. 24	531580	Sh. Hari Krishan Lal	5079.00	23.04
Shop No. 25	531581	Sh. Sanjeev Kumar	10856.00	50.50
Shop No. 26	531582	Sh. Naresh Bhalla	10308.00	47.94
Shop No. 27	531583	Sh. Ram	9044.00	41.71
Shop No. 28	531584	Sh. Sandeep Kapoor	9044.00	44.08
Shop No. 29	531585	Sh. Dharam Pal	9044.00	42.59
Total			257983.00	1224.01

` 12.24 crore

Annexure-AB
Chapter-VI (Para 6.4)

Details showing loss of licence fee due to non allotment of vacant commercial premises

Sl. No	Property Address	Date of vacation/taking over possession	Rate of L/fee last charged (₹)	Period of vacancy in months (as of Jan 2013)	Loss of Licence fee due to non allotment (₹)
01.	Shop No. 1 Food Court, Hanuman Mandir Complex	2010	50,000	24	12,00,000
02.	Shop No.2, Food Court, Hanuman Mandir Complex	2010	50,000	24	12,00,000
03.	Shop No.6, Food Court, Hanuman Mandir Complex	2010	50,000	24	12,00,000
04.	Shop No.3, Food Court, Hanuman Mandir Complex	5-10-2011	92,919 +10%	15	15,33,164
05.	Shop No.4, Food Court, Hanuman Mandir Complex	31-12-2011	71,476 +10%	13	10,22,107
06.	Shop No.10, AIIMS	2010	50,000	24	12,00,000
07.	Flat No.3, Yashwant Place	16-04-2009	2,53,000	45	1,13,85,000
08.	Shop No. LG-57, Palika Place	30-06-2009	5,500	43	2,36,500
09.	Shop No. UG-40, Palika Place	30-08-2010	2,500	29	72,500
10.	Shop No.54, SBS Place	2010	27,100	24	6,50,400
11.	Kiosk No. K-14, Palika Parking	24-10-2011	29,805 +10%	15	4,91,783
12.	Stall No.28, Mini Market Malcha Marg	2010	38,000	24	9,12,000
13.	Stall No. 26, Mini Market Malcha Marg	2010	38,000	24	9,12,000
14.	Shop No. M-33, Palika Bhawan	Nov. 2011	27,300 +10%	14	4,20,420
15.	Shop No. M-2, Palika Bhawan	28-05-2009	17,000	44	7,48,000
16.	Shop No. M-51, Palika Bhawan	2010	34,000	24	8,16,000
17.	Shop No. G-26, Palika Bhawan	2010	9,000	24	2,16,000
18.	Shop No. G-43, Palika Bhawan	14-06-2011	27,100	19	5,14,900

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19.	Shop No. 4, Palika Niwas Housing Complex, Lodhi Road	2010	` 1 per annum	---	---
20.	Stall No. UM-4, Udyan Marg	May 2012	7,000	8	56,000
21.	Stall No. S-48, Paliak Bazar	May 2012	38,400 +10%	8	3,37,920
22.	Office Space at Gr. Floor, Chanderlok Building, Janpath	2010	42,000	24	10,08,000
23.	Office Space at Stilt floor, Chanderlok Building, Janpath	2010	70,000	24	16,80,000
24.	Office unit no. 34, Palika Place	31-12-2010	59,600	25	14,90,000
25. to 30	Office unit No. 4,5,6,8,40 & 41 Palika Place (6 units)	31-12-2010	50,600 for each unit	25	75,90,000
31. to 38	Office Unit No.12,15,19,20,23,24,27,45, Palika Place (8 units)	31-12-2010	25,500 for each unit	25	51,00,000
39. to 46.	Office Unit No.48,52,53,57,60,61,64 & 65 Palika Place (8 units)	31-12-2010	25,500 for each unit	25	51,00,000
47. to 54.	Office Unit No.13,14,17,18,21,22,25,26 Palika Place (8 units)	31-12-2010	20,000 for each unit	25	40,00,000
55. to 62.	Office Unit No.46,47,51,54,58,59,62 & 63, Palika place (8 units)	31-12-2010	35,000 for each unit	25	40,00,000
63. to 64.	Office Unit No. 33 & 66 Palika Place (2 units)	31-20-2010	6,200	25	17,50,000
65.	Pan Thara No. 3, Near Shankar Market	17-09-2009	6,003 +10%	40	2,48,000
66.	Shop No.135, Palika Bazar	06-06-2012	42,182 +10%	7	46,223
67.	Shop No. 4, Palika Parking	06-08-2012	42,182 +10%	5	2,32,001
		TOTAL			5,73,68,918

` 5.74 crore

Annexure AC
List of Medicines whose 1/6th of the shelf life had expired
Chapter-9 [Para 9.1 (i)]

Sl. No.	Name of Medicine S.No. & Contingent Bill No.	Mfg. Date	Expiry Date	1/6 Period	Date of receipt	Amount (₹)
01.	Alka Crab 100 mc 130/DMS dt. 03-01-12 CB-155 dt.29-02	4/11	3/14	6 months	01-02-12	11,620.00
02.	Tab Lorvas Sr 160/DMS	8/11	7/13	4 months	01-02-12	8,750.00
03.	CB-156 dt.29-02	5/11	4/13	4 months	22-11-11	382.00
04.	Aminophyllene inj 105/PC-IV CB-175 dt.21-02-12	2/12	7/13	3 months	21-06-12	1,08,000.00
05.	Losix inj 17/DMS CMS-228 dt.18-07-12	11/11	10/14	6 months	30-05-12	10,971.00
06.	Tab Lefra 20 mg 42/DMS CMS-248 dt.08-08-12	11/11	10/13	4 months	25-06-12	29,250.00
07.	Tab Pantafix 40 18/DMS CMS-249 dt. 08-08-12	3/12	8/13	3 months	31-08-12	97,500.00
08.	Tab Piorest 15 18/DMS CMS-249 dt. 08-08-12	1/12	12/13	4 months	31-08-12	11,800.00
09.	Cobadex 169/DMS CMS-220 dt.12-07-12	8/12	1/14	3 months	09-02-13	9,400.00
10.	Realies 150mg 38/DMS CMS 220 dt.12-07-12	1/12	12/13	4 months	25-06-12	37,081.00
11.	Genteal Eye Drop 381/DMS CMS/220 dt. 12-07-12	11/11	10/13	4 months	25-06-12	53,335.00

12.	Tab Angignard -5 Tab Angitol Plus Tab Aztee -150 Tab Glitter -15 Tab swiflox – 500mg <u>Tab Anin</u> SO – 32 Dt. 29-04-11 CB – 59 Dt. 05-08-11	9/10 8/10 7/10 11/10 10/09 12/10	8/12 7/12 6/12 10/12 9/12 11/13	4 months 4 months 4 months 4 months 6 months 6 months	26-05-11 26-05-11 26-05-11 26-05-11 24-06-11 24-06-11	13,130.00 19,076.77 15,240.00 6,542.00 64,400.00 6,627.00
13.	<u>Inj Limitex</u> SO – 144 Dt. 29-04-11 CB – 159 Dt. 05-03-12	1/11	12/12	4 months	25-07-11	8,250.00
14.	<u>Tab Ebov 120 mg</u> SO-144 dt.05-01-12 CB -159 dt.05-03-12	6/11	5/13	4 months	23-02-12	33,500.00
15.	Surp. Conmex – 30ml Surp. Diorot Forte Tab. Cintigo 25mg Syp. Maxeron 30mg <u>Tab Diovol – 10</u> SO- 162 dt.05-01-12 CB – 151 dt.07-03-12	10/11 7/11 6/11 8/11 6/11	11/12 6/14 5/14 7/13 5/14	2 months 6 months 6 months 4 months 6 months	02-02-12 09-02-12 09-02-12 09-02-12 09-02-12	3,450.00 22,500.00 3,200.00 5,000.00 29,400.00
16.	<u>Tab Norict</u> SO-140 dt. 05-01-12 CB – 163 dt.13-03-12	9/11	8/13	4 months	24-02-12	16,920.00
17.	Tab Febrex Plus Cap. Spergest 100 Cap <u>Tab speroxate</u> SO -146 dt.05-01-12 CB – 164 dt. 14-03-12	2/11 7/11 4/11	01/13 6/13 3/13	4 months 4 months 4 months	01-02-12 01-02-12 01-02-12	45,000.00 2,350.00 42,400.00
18.	Tab Clopizen – 75 Tab Elcephase – 1000 Elketo Tab Motedur 10 Tab Onazit 250 mg Ors Reailyte 42mg <u>Scbtozen lotion</u>	5/11 5/11 4/11 4/11 2/11 4/11 5/11	4/13 4/13 3/13 3/13 1/14 3/13 4/13	4 months 4 months 4 months 4 months 6 months 4 months 4 months	20-10-11 20-10-11 20-10-11 20-10-11 20-10-11 20-10-11 20-10-11	18,760.00 11,115.00 3,872.00 11,515.00 42,466.34 32,000.00 6,790.00

	SO – 77 dt.26-09-11 CB – 165 dt.14-03-12					
19.	Tab Inditor 2.5 Tab <u>Tab ocurax</u> SO – 147 dt. 05-01-12 CB -170 dt.21-03-12	7/11 5/11	6/13 4/14	4 months 4 months		35,00.00 45,00.00
20.	Cycloten Tab Biott E/Drops Biott-D Bionas – E2 Tab GLI -80 Scretocham Forte Toby Eye Drop Toby –D Olwor Syru <u>Tab Biolex</u> SO-135 dt.05-01-12 CB-174 dt. 02-03-12	8/11 8/11 8/11 6/11 3/11 7/11 8/11 8/11 6/11 9/11	7/13 7/13 7/13 5/13 2/14 6/13 7/13 7/13 5/13 8/13	4 months 4 months 4 months 4 months 6 months 4 months 4 months 4 months 4 months 4 months	23-01-12 17-01-12 17-01-12 17-01-12 17-01-12 17-01-12 17-01-12 17-01-12 01-02-12 13-03-12	3,390.00 1,365.00 3,450.00 35,140.00 10,476.00 3,200.00 7,574.00 14,460.00 1,009.00 4,500.00
21.	Bluzole Bluzole <u>Ranbiotic – 10ml</u> SO -158 dt. 05-01-12 CB-177 dt.27-03-12	5/11 5/11 4/11	4/14 4/14 3/13	6 months 6 months 4 months	06-02-12 06-02-12 06-02-12	13,534.00 6,666.00 2,050.00
22.	Imp. Debin -2ml <u>Tab lospot – 50</u> SO-145 dt. 05-01-12 CB-175 dt. 27-03-12	7/11 4/11	6/13 3/13	4 months 4 months	14-02-12 28-02-12	10,000.00 9,750.00
23.	Ampurin - 250 mg Clopizen 75 Fluzin 20 mg Pazon –D Topovid Oint Eldsxin – 250m Cap. Eprin -75 <u>Eprin – 75</u> SO – 141 dt. 05-01-12 CB-181 dt. 27-03-12	9/11 5/11 9/11 8/11 8/11 7/11 3/11 3/11	8/13 4/13 8/13 7/13 7/13 6/13 2/13 2/13	4 months 4 months 4 months 4 months 4 months 4 months 4 months 4 months	01-02-12 01-02-12 01-02-12 01-02-12 01-02-12 16-02-12 16-02-12 06-02-12	5,335.00 46,900.00 904.00 8,090.00 9,895.00 32,980.00 7,690.00 974.00

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24.	Lupimex – 250	10/11	9/13	4 months	28-03-12	1,04,400.00
	<u>Canazok lotion</u> SO – 151 dt. 05-01-12 CB – 186 dt. 29-03-12	3/11	2/13	6 months	26-03-12	5,580.00
25.	Eldozin – 250mg	1/12	12/13	4 months	13-07-12	32,980.00
	Fluzant – 150mg	2/12	1/14	4 months	13-07-12	2,780.00
	Elcitapasm	1/12	12/13	4 months	07-07-12	2,134.00
	Gantolx 170ml	2/12	1/14	4 months	07-07-12	9,380.00
	Rabizena DSR Cap.	1/12	12/13	4 months	07-07-12	8,478.00
	<u>Zottadol 50 mg</u> SO-24 dt.29-05-12 CB-229 dt.18-07-12	1/12	12/13	4 months	07-07-12	3,300.00
26.	<u>Cap. Ecatel Z</u> SO-26 dt.29-05-12 CB – 239 dt. 27-07-12	3/12	8/13	3 months	13-07-12	2,184.00
	27.	<u>Tab chysin Forte</u> SO-15 dt.29-05-12 CB-243 dt.28-07-12	5/11 6/11	4/14 5/14	6 months 6 months	25-06-12 25-06-12
28.	<u>Tab Dilcardia</u> SO-31-12-13 CB-353 dt.25-02-13	2/12	1/16	8 months	04-12-13	9,000.00
	Total					14,08,141.11

` 14.08 lakh

Annexure AD

Details of Expired Medicines at the Central Medical Store during the period
2011-13

Chapter-9 [Para 9.1 (ii)]

Sl. No.	Name of Medicine	Date of Expiry	Date of Receiving	Quantity in Stock	Unit Rate in `	Remarks	Amount in `
1.	Tab Perinorm	06/12	13/09/10	11,450	-----	Cost recovered	
2.	Tab Chloroquine	10/12	01/09/12	31,000	-----	Free	
3.	Tab Metoz	03/13	28/06/10	6950	7.40	Notified for replacement as per undertaking	51430
4.	Lubic Jelly	11/11 & 02/12	30/08/10& 04/10/10	114 + 34 = 148	120.50	---do---	17834
5.	MoFloren Eye Drop	07/12	25/10/10 02/11/10	445	24	Returned to company for replacement	10680
6.	Oint Xylocaine 5% (tube)	09/11	27/02/08	108	24.42	---do---	2637
7.	Syp Potasol	02/13	20/09/10	50	19.40	---do---	970
8.	Inj Carboprost	02/13	24/12/12	100	349	---do---	34900
9.	Inj Norad	10/12	09/11/11	24	467	---do---	11208
10.	Inj Neochrome	12/12	13/02/12	180	175.80	---do---	31644
11.	Inj Sucol	03/13	13/02/12	55	40.65	---do---	2236
12.	Inj Cyclopam	09/12	29/01/11	5265	18.27	---do---	96191
13.	Inj Cyclopam	02/13	26/05/11	2763	18.27	---do---	50480
14.	Inj Biosterone	12/12	23/05/11	2685	51.74	---do---	138922
15.	Acridflavin Powder	01/13	30/04/10	24 pkts	121.50	---do---	2916
16.	Gentian Violet	03/13	03/05/10	111	41.40	Notified	4595
17.	Tincture Benzoin	03/13	28/05/10	59	121.50	---do---	7168
						Total	463811

` 4.64 lakh