

STATUTORY AUDIT DEPARTMENT
NORTH, SOUTH & EAST DELHI MUNICIPAL CORPORATIONS

Introduction:

The head of the Statutory Audit Department of the North, South & East Delhi Municipal Corporations is the Municipal Chief Auditor, who is appointed by the Corporation under Section 89 of the DMC Act, 1957 with the previous approval of the Government. He/She is not eligible for any other office under the Corporation after he/she has ceased to hold his/her office.

Duties and Functions of the Municipal Chief Auditor:

1. The Municipal Chief Auditor conducts a monthly examination and audit of the municipal accounts and reports thereon to the Standing Committee.
2. Audits the accounts of expenditure and revenue of the each Corporation, expenditure on account of loan works and expenditure incurred out of special funds/Plan funds/Grants.
3. Audits the accounts of debts, deposits, sinking funds, advances, suspense and remittance transactions of the Corporation and reports upon those accounts and upon the results of verification of balances relating thereto.
4. Examines and audits the statement of accounts relating to the commercial services conducted in any department of the Corporation including the trading, manufacturing, profit and loss accounts and the balance sheets.
5. The Municipal Chief Auditor in consultation with the Standing Committee and subject to any directions given by the Corporation, determines the form and manner in which reports on the accounts of the Corporation shall be prepared and has authority to call upon any officer of the Corporation to provide any information necessary for the preparation of these reports.
6. Reports to the Standing Committee any material impropriety or irregularities which may at any time observe in the expenditure or in the recovery of moneys due to the Corporation or in the municipal accounts.
7. Delivers a report of the entire municipal accounts of the respective Corporation for the previous year to the Standing Committee of the respective Corporation.

Powers of the Municipal Chief Auditor:

1. The Municipal Chief Auditor may make such queries and observations in relation to any of the accounts of the Corporation which he/she is required to audit and call for such vouchers, statements, returns and explanations in relation to such accounts.
2. Has authority to frame standing orders and to give directions on all matters relating to audit, the method and extent of audit to be applied and the raising and pursuing of objections.
3. Has the power to require any book or other documents relating to the accounts to be sent for inspection by him/her at all convenient times.

Special Audit is also conducted if desired by the Standing Committee/Chief Auditor/Commissioner in case of any suspected defalcation of Municipal Fund.

Methodology:

- (i) To conduct audit of the accounts of various offices/units of three Corporations, the Audit Department frames Annual Audit Plan covering all auditable Units.
- (ii) The field Audit Parties under the overall supervision of Chief Auditor & his/her Deputy Chief Auditors conduct sample audit of the various offices of the three Municipal Corporations of Delhi as per the Audit Plan.
- (iii) Besides auditing the accounts of Offices/Units, the field Audit Parties also check Monthly Accounts of the Zones as well as Monthly Accounts, Annual Accounts and Annual Appropriation Accounts of the entire Corporation prepared at the HQ of each Corporation.

Products of the Chief Auditor's office:

- (i) Certification of accounts – The Municipal Chief Auditor certifies Monthly Accounts, Annual Accounts and Annual Appropriation Accounts of three Corporations.

(ii) Audit Reports – This office produces three Annual Audit Reports relating to three Corporations (NDMC, SDMC & EDMC) and after trifurcation in April/May 2012. Audit Reports for the year 2012-13 to 2016-17 have been placed before the respective Standing Committee of the Corporation.

(iii) Audit Inspection Report – The field Audit Parties are auditing about 2325 Units of all three Corporations and issuing Audit Inspection Reports to the Head of Unit/Department of each office. The Audit Parties audit approximately 450 Units every year.

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Particulars of Organization, functions and duties.

(Section 4 (1) (b) (i))

1	<p>Aims and objectives of the organization.</p> <ol style="list-style-type: none"> 1. Auditing of income/expenditure pertaining to various units of MCD 2. Auditing of following accounts of MCD <ol style="list-style-type: none"> a) Monthly Accounts b) Annual Accounts c) Annual Appropriation Accounts 3. Verification of Expenditure incurred by MCD under Plan heads, Non-Plan heads and Family Welfare Schemes 4. Verification of Expenditure incurred by MCD under Grants-in-aids by Central/State Government. 5. Verification of Expenditure sanctioned/paid by MCD in the form of Grants-in-aid to various institutions. 6. Conducting special audit on any particular work/subject/scheme assigned by the Standing Committee 7. Conducting Section Officers' Grade Examination to facilitate the Audit Department as well as Accounts Cadre of General Wing, MCD to strengthen the official staff strength by promoting the candidates to the post of Asstt. Audit Officer/Asstt. Accounts Officer.
2	<p>Mission/Vision Mission/ Vision</p> <p><u>Vision statement:</u> Our vision is to become a trusted catalyst for efficient and transparent financial management by Municipal Corporations of Delhi through constructive auditing.</p> <p><u>Mission statement:</u> Our mission is to engage in meaningful, constructive and credible audit of Municipal Corporations of Delhi and bring to focus</p> <ol style="list-style-type: none"> (i) areas of financial management systems and processes that require streamlining and (ii) Weaknesses in internal controls that may pose risk to effective performance of activities having impact on financial resources. <p><u>Core values:</u> Credibility Objectivity Professionalism</p>
3	<p>Brief history and background for its establishment</p> <p>The Statutory Audit Department came into existence under the provisions of DMC Act, 1957 with the aims and objectives as described in Para 1 above. The department is headed by the Chief Auditor, who is an officer of the Indian Audit & Accounts Service, appointed by the Corporation under Section 89 of the DMC Act, 1957 with the previous approval of the State Government.</p>

4	Organization Charts	Annexed as Annexure
		At present, 58 officers/officials are working in the Statutory Audit Department against the sanctioned strength of 258 which is 22% of the sanctioned strength.
5	Allocation of Business.	<p>1. AUDIT</p> <p>(i) The Field Audit Parties of this office conduct the audit of 12 Zones including various departments of MCD viz. Engineering Department, Health Department, Assessment & Collection Department, Revenue Collection System, Horticulture Department, Education Department, DEMS, Advertisement Department, Land & Estate Department, Accounts Department, Vigilance Department, Community Services Department etc.</p> <p>(ii) The Audit Observations are incorporated in Audit Inspection Report & issued to the concerned departments to take appropriate/corrective actions.</p> <p>(iii) Serious irregularities noticed during the Audit are brought to the notice of the Standing Committee in the shape of Printed Audit Reports.</p> <p>2. ESTABLISHMENT AND ADMINISTRATION</p> <p>(i) The Establishment & other Administrative matters of the subordinate officers & other employees are dealt with by the Administration Section working under the Municipal Chief Auditor.</p> <p>(ii) Legal matters & RTI cases are dealt with by the Officers so designated by the Municipal Chief Auditor.</p>
6	Duties to be performed to achieve the mission	As stated in 1 and 2 above
7	Details of services rendered	As mentioned above in (1)
8	Citizen's interaction	This department is working entirely for the purpose of providing safeguards against misuse of Public money but has no direct interaction with the Citizens except under RTI Act, 2005.
9	Postal address of the main office, attached subordinate office/ field units etc.	Office of the Chief Auditor, North/South/East Delhi Municipal Corporations, 27 th Floor, Dr. S.P.M. Civic Centre, J.L.N. Marg, New Delhi-110 002.
10	Map of office location.	Civic Centre, Near-New Delhi Railway Station.
11	Working hours both for office & Public	9.00 A.M. to 5.30. P.M. (Monday to Friday), (Lunch Break 1.00.P.M. to 1.30 P.M.).
12	Public interaction if any	--NIL--

After receiving complaints, the Municipal Chief Auditor enquires the matters with the help of officers working under him and takes appropriate action.

ANNEXURE

CHIEF AUDITOR



