

## Chapter II

### Mandate, Audit Scope and Methodology

The Compliance Audit Report has been prepared under the provisions of Section 13 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. The Audit has been carried out in line with the Regulations on Audit and Accounts, 2007 and Performance Audit Guidelines, 2014 of the Comptroller and Auditor General of India.

#### 2.1 Scope of Audit

The Audit covered the examination of records relating to administration of Nazul lands under the L&DO for the period 2016-17 to 2018-19, with particular emphasis on follow-up of previous report of CAG on 'Functioning of L&DO' (No.6 of 2009-10) and the Reports of the Public Accounts Committee (PAC) thereon. The Audit findings have been updated upto the year 2020-21, wherever the information/ records were made available by L&DO.

#### 2.2 Audit objectives

The Audit objectives were to assess whether L&DO:

- i) fulfilled the assurances to the PAC on remedial actions/ measures in respect of the recommendations/ observations of the PAC on the Performance Audit Report No. 6 of 2009-10; and
- ii) effectively managed the leases as per provisions of the lease agreements and instructions issued from time to time.

#### 2.3 Sources for audit criteria

- Lease deeds signed by L&DO with lessees
- Office manual of L&DO
- Office orders, amendments and other circulars of L&DO
- General Financial Rules (GFR), 2005 and 2017
- Annual Reports of the Ministry of Urban Development/ Ministry of Housing and Urban Affairs
- Public Premises (Eviction of Unauthorized Occupants) Act, 1971
- Citizen's Charter of L&DO

#### 2.4 Audit methodology

An Entry Conference was held on 30 September 2019 wherein the audit objectives, criteria, scope etc., were explained to the Secretary, Ministry of Housing and Urban Affairs and cooperation for the conduct of the follow-up audit was solicited. Thereafter, examination of records of L&DO was taken up. Besides examination of records, joint inspection of properties selected from sampled cases was also done with the technical staff of L&DO.

## 2.5 Audit sampling

L&DO was requested to provide the category-wise details of the properties under its control. However, complete information was not provided by L&DO and a list of 2,608 properties was furnished. Due to the outbreak of Covid-19 pandemic, the follow-up audit was conducted based on examination of records relating to a sample of 29 properties selected statistically<sup>3</sup>. These 29 properties are as under:

**Table 2.1: Properties covered in audit**

Sl. No.	Category of Properties	No. of properties covered in audit	Details of properties covered in audit
1.	Schools	3	i) Kendriya Vidyalaya, Andrews Ganj ii) Vidya Bhawan Girls Higher Secondary School, New Rajinder Nagar iii) Bal Bharati School, Pusa Road
2.	Presses	3	i) Daily Milap, Bahadur Shah Zafar (BSZ) Marg ii) Daily Tej, BSZ Marg iii) Gulab Singh & Sons, BSZ Marg
3.	Hotels	2	i) Hotel Le Meridien, Janpath ii) Hotel Taj Man Singh, Man Singh Road
4.	Hospitals	2	i) Vidya Sagar Institute of Mental Health and Neuro-Sciences (VIMHANS), Nehru Nagar ii) St. Stephen's Hospital, Tis Hazari
5.	Business premises	1	F-2, Connaught Place
6.	Cinema Halls	1	Alankar Cinema, Lajpat Nagar
7.	Trade Unions	3	i) Centre of Indian Trade Unions (CITU), Rouse Avenue ii) All India Trade Union Congress (AITUC), Deen Dayal Upadhyaya Marg iii) Indian National Trade Union Congress (INTUC), Bhai Veer Singh Marg
8.	Coal Depots/ Gas Godowns	3	i) M/s Kishan Bhag Chand (Capital Coal Company), Prithvi Raj Lane ii) Sukhdeep Coal Depot, Rouse Avenue iii) Kayson Enterprises (Gas Godown), Sardar Patel Marg
9.	Petrol Pumps	2	i) M/s Prem Service Station, J.B. Tito Marg ii) Krishna Filling Service Station, Minto Road
10.	Political Parties	1	All India Trinamool Congress, Deen Dayal Upadhyaya Marg
11.	Other Nazul Properties	5	i) 17, Jor Bagh ii) Sen Nursing Home, BSZ Marg iii) 29, Aurangzeb Road

<sup>3</sup> The statistical sample was selected through Interactive Data Extraction and Analysis (IDEA) software

Sl. No.	Category of Properties	No. of properties covered in audit	Details of properties covered in audit
			iv) 3, Kautilya Marg v) 7, Garage, Gole Market
12.	Freehold Properties	3	i) 12, Golf Links, ii) 19, Prithvi Raj Road iii) 1, Hailey Road
	<b>Total</b>	<b>29</b>	

## 2.6 Acknowledgement

Audit acknowledges the cooperation extended by the Land and Development Office and the Ministry of Housing and Urban Affairs for timely completion of the audit.