

16

**DIRECTORATE OF AUDIT
4TH LEVEL, 'C' WING, DELHI SECRETARIAT
I.P.ESTATE, NEW DELHI-02**

Subject:- Internal Audit report on accounts of Dy.Labour Commissioner, Distt. South West, DTC Colony, Pratap Nagar, Hari Nagar, New Delhi. for the audit period 2017-18 to 2021-2022.

INTRODUCTION

The Internal Audit Report of the accounts of Dy.Labour Commissioner, Distt. South West, DTC Colony, Pratap Nagar, Hari Nagar, New Delhi for the year 2017-18 to 2021-22 was conducted by the field Audit Party No.XXXII. Comprising of Sh. Anand Gupta, Sr.AO, Sh.Rajesh Grover,Sr.AO & Smt.Dheeraj Kapoor, A.A.O., The audit was conducted w.e.f. 01/08/2022 to 10/08/2022 (07 working days)

AIMS AND OBJECTIVES

Joint Labour Commissioner, Distt.Souh West to hear and decide the cases under various acts like Delhi Shop and Establishment Act, Minimum Wages Act, Payment of Gratuity Act and issue recovery certificate for award collection of the Labour Cess.

D.D.O/H.O.O/CASHIER

Details not provided as is being maintained at HQ level

Vacancy Position of staff

Details not provided as is being maintained at HQ level

Budget Sanctioned and Expenditure Statement (Copy enclosed)

Details not provided as is being maintained at HQ level

Statutory Audit

No Statutory audit of Dy.Labour Commissioner, Distt. South West, DTC Colony, Pratap Nagar, Hari Nagar, New Delhi has been conducted by the A. G. (Audit) upto 2016-17.



15

Maintenance of Records.

The maintenance of records of office of **Dy.Labour Commissioner, Distt. South West, DTC Colony, Pratap Nagar, Hari Nagar, New Delhi** for the audit period 2017-18 to 2021-2022 was found satisfactory subject to observation made in current audit report and in test audit notes.



I.A.O.
Audit Party No.XXXII

14

Old Audit Report

There are 07 Audit Paras outstanding with recovery of Rs.732/-.As the office has not made any compliance hence no para have been settled. Remaining 07 paras with recovery of Rs.732/- are still outstanding, which is placed in the file as Part-I of the report.

A. Details of Old Paras

Year	No. of Old Paras		Settled		Still Outstanding	
	Total Para	No.	Para year	No.	Para Year	No.
2009-2011	4	1,2,3,4	-	-	2009-2011	1,2,3,4
2011-2017	3	1,2,3	-	-	2011-2017	1,,3
Total	07					07

B. Details of Old Recovery

S.No.	Year	Para No.	Total Old Recovery (in Rs.)	Amount Recovered (in Rs.)	Balance Recovery against Para (in Rs.)
1	2009-2011	3	732/-	Nil	732/-
Total			732/-	Nil	732/-

IAO Party No.XXXII

CURRENT AUDIT REPORT

During the course of current audit, 10 audit memos(enclued Record memo) were issued highlighting various irregularities/short recoveries to the tune of Rs.295/- Out of 01 Audit Memo settled. Hence, remaining 09 Audit Memo's have been converted into 06 PARA & 03 TAN with recovery of Rs.295/-.

Details of Current Recovery (Audit period 2017-18 to 2021-22)

Memo No.	Total Recoveries (in Rs.)	Amount Recovered	Balance (in Rs.)
08	295/-	-	295/-
Total	295/-	-	295/-

The internal audit report has been prepared on the basis of information furnished and made available by Dy.Labour Commissioner, Distt.South West, DTC Colony, Hari Nagar, New Delhi

IAO Party No. XXXII

of Part I Old report
PART I
OLD REPORT

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 12

**PART -II CURRENT AUDIT REPORT OF THE O/O THE DY.
 LABOUR COMMISSIONER, DISTT. SOUTH WEST, HARI NAGAR,
 DELHI**

Para No. 01

Sub :- Performance of the office

A) The o/o the Dy. Labour Commissioner, Distt. South West is situated in Hari Nagar, Delhi. The Dy. Labour Commissioner (DLC) has the power as a commissioner to hear and decides the cases under various Act, like Employee Compensation Act, Delhi Shops and Establishment Act 1954, Minimum Wages Act etc. and to issue recovery certificate with a view to enforce the award passed by Labour Court/ Industrial Tribunals. During the audit for the period 2009-11 the position of cases received and settled under various Acts is as follow :-

Year	Act	Op. Balance	Cases Received	Cases Settled		Cases pending at the end of the year	
				No.	%	No.	%
2008-09	Payment of Gratuity Act 1972	50	21	26	37	45	63
2009-10		45	25	46	66	24	34
2010-11		24	40	33	52	41	48
2008-09	Minimum Wages Act	185	63	62	25	186	75
2009-10	--do--	186	10	98	50	98	50
2010-11	--do--	98	11	05	5	104	95
2008-09	Delhi Shops & Establishment Act	24	40	33	52	31	48
2009-10	--do--	185	120	65	21	240	79
2010-11	--do--	240	93	53	16	280	84

The above table shows that the % of pendency at the end of the year was ranging between 34 % to 95%, Hence necessary actions in future are required to settle these cases well in time so that the basic purpose of making this acts can be achieved.

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Para No. 02(Ref. Memo No. 07 dated 17.08.2011)
Sub :- Non reconciliation of the Receipts

The o/o the Dy. Labour Commissioner, Distt South West receive Labour Cess for Construction Works and deposit it in State Bank of India, Tis Hazari A/C No. 31629506241 in the name of Delhi Building & Other Construction Worker's Welfare Board A/C. It was asked vide memo number 07 dated 17.08.11 to provide the records pertaining to receive of Cess during 2009-11 and its reconciliation statement with the bank but no record was produced to audit, which may be produced to next audit party.

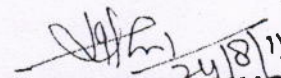
Para No. 03 (Ref. Memo No. 08 dated 18.08.11)
Sub :- Recovery of Rs. 732/- on account of LTC

During the test check of contingent bills for the period 2009-11, it was observed that a sum of Rs. 7042/- was paid to Sh. Laxman Prasad,,P.C.C. vide contingent bill number 133/10.01.11 for visit to Chappra & back to Delhi from 04.06.10 to 22.06.10 for the block period 2006-09 extended upto 2010. The returning journey tickets were booked in Tatkal Sewa for a total sum of Rs. 3558/- which included a sum of Rs. 732/- for Tatkal Sewa. The is not reimbursable hence it may be recovered from the official, after due verification under intimation to audit.

Para No. 04
Sub :- Non Production of Records

The following records were not produced to the audit

1. Property stock register
2. Spouce information
3. Liveries Records
4. TR-5 Stock Register
5. OTA register
6. Photocopier Register


(HARGOVIND SINGH)
IAO

CURRENT AUDIT REPORT
2011-12 to 2016-17

PART-II

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CURRENT AUDIT REPORT OF THE O/O JT. LABOUR COMMISSIONER, DISTT. SOUTH WEST, HARI NAGAR, DELHI.

Para 5

**PARA 1. Demand Draft amounting Rs.3,31,743/- not cleared.
(Audit Memo .2 Dated:24/07/2017)**

As information provided by O/o Jt. Labour Commissioner regarding payment received through the Demand Drafts for labour cess from the different agencies. During the test audit it has been observed that the following DD's are not cleared and credited into the saving bank account number 32145290038, State Bank of India, Tis Hazari, Delhi resultant that the direct loss of govt. revenue, as detail below:-

S.No.	Register Sl.No.	DD No.	Dated	Amount
1	579/2016	728965	02/07/16	30,500/-
2	580/2016	18071	02/07/16	77,000/-
3	583/2016	866800	13/07/16	1,30,000/-
4	693/2016	89660	08/07/16	68,222/-
5	14/ 2017	88240	18/10/16	33,021/-
TOTAL				3,31,743/-

It has been observed from the bank details it is not confirmed that the above said amount has encashed or not in the above said bank account.

The amount of the DDs may recover from the particular employer and credited into the account alongwith the reconcile statement under intimation to audit. All similar cases during the audit period may be examined and informed accordingly.

Para 6

PARA 2 Bank Statement of Account No. 10307401445 in the name of Commissioner Employees Compensation.(Audit Memo .8 Dated: 28/07/2017)

During the test audit of record of the O/o Jt.. Labour Commissioner, District South-West, it has been noticed that the office has opened current account no. **10307401445** in the State Bank of India, Jail Road, Hari Nagar, New Delhi for Commissioner Employees Compensation resulting that the following charges had deducted by bank:-

S.No.	Dated	Amount (in Rs.)	Details
1	10/10/11	4400	Moti Nagar processing chgs
2	31/10/11	3850	Moti Nagar processing chgs
3	05/03/12	200	Moti Nagar processing chgs

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4	05/12/12	550	Moti Nagar Acc keeping chgs
5	09/05/14	225	Speed clg. Charges
6	07/06/14	197	Speed clg. Charges
7	12/10/14	55	Moti Nagar cheque book
8	29/10/14	102	Moti Nagar Acctrf. Chgs
9	23/12/14	100	MCC issue
10	12/03/15	155	Acc keeping chgs
11	12/03/16	630	Acc keeping chgs
12	12/03/17	632.50	Acc keeping chgs

Similarly, it has also been noticed that the office has another current account bearing A/c No. 33837948450 in the State Bank of India, Jail Road, Hari Nagar, New Delhi for Controlling Authority under payment of gratuity act.1972 resulting that the charges Rs.2050/- had deducted by bank during the period from 15/05/2014 to 12/03/2016 as per statement of bank.

As per the detail above, it has noticed that there are losses to government once in the shape of interest earn and second is bank charged ibid. As the department is belong a social and public welfare department and non profit earning organisation and efforts may be made to avoid such type of charges through opening saving account under intimation to audit.

PARA 3. Non Production of Record

1. Information related with Remittances of Receipts and its Reconciliation in respect of Labour Cess.
2. Information of fees and renewal and security alongwith office copies of challans.

(Kulbushan Arora)

IAO/AO, Audit Party No.XXI

(Dewan Kumar)
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TEST AUDIT NOTE

TAN 1. Conciliation Register.
(Audit Memo .6 Dated: 27/07/2017)

During the test check of Conciliation registers, it has been found the following discrepancies:-

1. No initial has made against each entry for the verification of record only except the page certificate
2. Maximum entries under column settle and closed are left blank resulting that the status of the case cannot be ascertained.
3. The entry made in the register has not monitored by any officer by their initial/sign even the month end as well as year end.

It is advised that the above mentioned shortcomings may rectify and take necessary steps under intimation to audit.

TAN 2. FDR not made in time.
(Audit Memo .9 Dated:28/07/2017)

During the test check of record and as well as reply received in respect of Employees Compensation Act Disbursement Register related to the bank Account No. 10307401445 of Commissioner Employees Compensation for preparing FDR's & disbursement, it has been observed that the following FDRs were prepared after lapse of days mentioned against each resultant that benefit of interest not earned by the employee concerned:-

S.No	Register page no.	Amount (in Rs.)	Cheque/DD No. and dated	Cheque received in this office dated as per register	FDR No. dated	FDR's prepared after receipt of cheques.
1	93	11,36,302/-	064402 (Rs.6,79,140/-) and 064403 (Rs.4,57,162/-) dated 13/05/16	19/05/16	358261065 90 dated 15/06/16	27 days
2	119	32,000/-	272332 dated 29/12/16	04/01/17	366094706 95 dated 07/03/17	66 days

It is advised that the FDR may be made well in time to avoid the loss of interest, if any. Further, all similar cases during the audit period may be examined under intimation to audit.



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TAN 3. Contract Labour Fee and Security Register.
(Audit Memo .11 Dated: 01/08/2017)

During the test audit, a register of fees, renewal and security for licence w.e.f. March-2011 provided to audit. While going through the above registers, it has been found the following discrepancies:-

1. No page containing certificate has made on the front of above register.
2. No initial has made against each entry for the verification of record.
3. The entry made in the register has not monitored by any officer by their initial/sign even the month end as well as year end.
4. Details of fees and security received not mentioned separately.

It is advised that the above mentioned shortcomings may rectify and shown to next audit.


(Kulbhushan Arora)

IAO/AO, Audit Party No.XXI


Devinder Kumar
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PART II
CURRENT AUDIT REPORT
(2017-18 to 2021-22)

PARA No.1 (Ref.Audit Memo No 3 dated 02/08/2022)

Sub: Cheques received but not yet credited into account

During scrutiny of labour cess record and as per information provided, it has been observed that the following cheques received but dishonoured by bank and till date no fresh cheque has been received and deposited in govt account which results in direct loss of govt. revenue:-

S.No.	Name of agency	Cheque Amount	Cheque No.	Dated
1.	JNU Development Plan A/c	Rs. 522/-	348501	NA
2.	JNU Development Plan A/c	Rs. 635/-	529362	NA
3.	JNU Development Plan A/c	Rs.2138/-	529331	NA
4.	EE(SG)Garrison Engineer (Central)Delhi Cantt.	Rs.113679/-	815542	25/06/18
5.	Govt. of India(Delhi Police-II)	Rs.19699/-	569827	29/03/18
6.	Govt. of India(Delhi Police-II)	Rs.29571/-	569841	31/03/18
7.	The Living Cooperative Group Housing Society	Rs.1493080/-	308665	27/03/2019
8.	Jawahar Lal Nehru University	Rs. 6509/-	348500	19/11/2020
9.	Jawahar Lal Nehru University	Rs. 130/-	233260	19/04/2021
	Total	Rs.1665963/-		

It has been observed from the record that no fresh cheque has been received from the above said agencies till date. The amount may be recovered from the said agencies and credited to Govt account under intimation to audit.

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PARA NO.2(Ref.Audit Memo No.4 Dated 03/08/2022)

Sub: Undue delay in remittance of cheques into bank.

During scrutiny of Cess record it has been observed that the following cheques received but dishonoured by the bank. Thereafter fresh cheques received after lapse of one to two years which results in unnecessary loss to Government:-

S.No.	Cheque No.& Date	Amount	Fresh cheque received on Remitted into bank	Delay period
1.	815542 dt.25/06/2018	Rs.113679/-	By transfer advice no.60 dt.10/09/2021	Approx.3 years 2 months
2.	631328 dt.11/07/2018	Rs.72103/-	Amount credited on 06/09/2021	Approx.3 years one month
3.	166665 dt.30/03/2019	Rs.250339/-	Amount credited on 27.11.19	Approx.7 months
4.	166597 dt.31/03/2019	Rs.476960/-	Amount credited on 15/01/2020	Approx.9 months
5.	815694 dt.25/01/2019	Rs.338340/-	Amount credited on 10/09/2021	Aprrox.2 years 7 months
6.	166559 dt.25/02/2019	Rs.125129/-	Amount credited on 15/01/2020	Approx.11 months
7.	166704 dt.25/05/2019	Rs.171366/-	Amount credited on 17/01/2020	Approx.6 months
8.	166846 dt.25/05/2019	Rs.167955/-	Amount credited on 15/01/2020	Approx.6 months
9.	166683 dt.25/04/2019	Rs.610852/-	Amount credited on 17/01/2020	Aprrox.9 months
10.	817146 dt.25/05/2018	Rs.52836/-	Amount credited on 24.09.2021	1 year 4 months
	Total	Rs.2379559/-		

It has been observed that there is delay in depositing of labour cess ranging from 6 months to 3 years. Department may take necessary steps to monitor the remittance into bank well in time to avoid undue benefit to contractor/employer



PARA NO.3 (Ref.Audit Memo No.5 Dated 04/08/2022)

Sub:Bank Account No.33837948450 (Waiving off Account Keeping fees)

During the test check of Bank statement in r/o. Current Account bearing No.33837948450 in the State Bank of India, Jail Road, Hari Nagar, New Delhi in the name of Controlling Authority under payment of Gratuity Act.,1972 , it has been observed that the bank has deducted Account keeping fees as per details below:-

S.No.	Period	Amount
1.	12/03/2017	Rs.632.50
2.	12/03/2018	Rs.649.00
3.	12/03/2019	Rs.649.00
4.	12/03/2020	Rs.649.00
5.	12/03/2021	Rs.649.00
6.	12/03/2022	Rs.649.00
	Total	Rs.3877.50

It has also been observed that since the above said account is not in operation since March,2020 as no transaction taken place and the bank is deducting Account Keeping fees which results in loss to government.

As this department is non profit organization and efforts may be made to waive off such charges with the concerned bank.

PARA NO.4 (Ref Audit Memo No.7 Dated 04/08/2022)

Sub: Performance of the Office

The Dy.Labur Commissioner has the power as a Commissioner to hear and decides the cases under various Act, like Employee Compensation Act., Delhi Shops and Establishment Act., Minimum Wages Act etc. and to issue recovery certificate with a view to enforce the award passed by Labor Court. During the audit for the period 2017-18 to 2021-22 the position of cases received and settled under various acts is as under:-

Year	Act	Opening balance	Cases received	Cases settled	Closing balance
2017-2022	Payment of Gratuity Act,1972	67	566	405	128
2017-2022	Minimum Wages Act	90	1512	1132	470
2017-2022	Delhi Shops & Establishment Act	457	2120	1623	954

The above table shows that so many cases are outstanding and required to be settled well in time so that the basic purpose of making these acts can be achieved.

PARA NO.5 (Ref.Audit Memo No.8 Dated 05/08/2022)

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Sub: Cheque Returned charges

During scrutiny of bank statement in r/o Account No.307401445 in the name of Employees Compensation, it has been observed that a cheque bearing No.251059 for Rs.1626825/- received by this office from J Kumar Infra Project Ltd. towards employee compensation but the cheque dishonoured by bank and bank deducted cheque returned charges amounting to Rs.295/-. A fresh cheque has been received for Rs.1626825/- without the cheque returned charges which are required to be borne by the employer/drawer of cheque.

An amount of Rs.295/- may be recovered from the employer/drawer to avoid unnecessary loss to Govt. Similar other cases also be reviewed.

PARA NO.6 (Ref.Audit Memo No.10 Dated 05/08/2022)

Sub: Non-Reconciliation of receipts with the bank

During scrutiny of record it has been observed that the workmen compensation & labour cess amounts are being received from the concerned employer and contractor respectively in the form of cheque/DD by the Deptt. And further it is being deposited in the bank. Necessary reconciliation of such deposits involving huge amounts in the bank is to be done simultaneously, which is not being done.

Necessary reconciliation of such deposits involving huge amounts in the bank is to be done on monthly basis regularly.

**Inspecting Audit Officer
Audit Party No-XXXII**

TEST AUDIT NOTE
(2017-18 to 2021-22)

TAN No. 1 (Ref. Audit Memo No 2 Dated 02/08/2022)

Sub:- Shortcomings in Postage Stamp Register

During test check of Postage Stamp Register, following shortcomings have been observed:-

1. Incorrect format of the register:- The dispatcher will maintain an account of the postage stamp in the form given in Appendix 18 and the format specified in Appendix 18 is as under but record has not been maintained in such manner:-

Date	Value of Stamp			Balance at the close of the day	Signature of	
	In hand	Received	Used		Dispatcher	Officer in charge

2. Non verification of daily entries as per para 90(2) of the MOP-2003:-The senior officer will check the entries made in the register daily and append his dated signature in token of his having done so. He will also conduct surprise test check of envelopes ready for dispatch by post but no such surprise has ever been conducted in the past and no such record maintained.

Necessary steps may be taken to remove above shortcomings and shown to next audit.

TAN NO.2 (Ref.Audit Memo No.6 Dated 04/08/2022)

Sub: Shortcomings in maintenance of Log Book in r/o vehicle No.DL12CT0009

During test check of log book in r/o vehicle No.DL12 CT 0009, the following shortcomings have been observed:-

1. Page count certificate duly signed by competent authority not mentioned on the first page of log book.
2. Columns 5,6 & 7 left blank in some pages
3. Purpose of journey not mentioned.
4. Initials of other I/C of vehicle not put on.
5. |Since the meter is out of order since 2020 how the meter reading has been written.

Necessary steps may be taken to remove above shortcomings and shown to next audit.

TAN NO.3 (Ref. Audit Memo No.9 Dated 05/08/2022)

Sub: Shortcomings in Closed & Settled register, Conciliation Register & FDR Register

During scrutiny of record in r/o Dy.Labour Commissioner, Pratap Nagar, Hari Nagar, the following shortcomings have been observed:-

Closed & Settled register under ID Act & Gratuity Act

1. Page count certificate duly signed by competent authority not mentioned on the first page
2. The entry made in the register are not verified by any officer
3. Entries under column settled and closed are left blank resulting that the status of the case cannot be ascertained.


Conciliation Register

1. Page count certificate duly signed by competent authority not mentioned on the first page
2. The entry made in the register are not verified by any officer.

FDR Register:-

1. Page count certificate duly signed by competent authority not mentioned on the first page
2. The entry made in the register are not verified by any officer.
3. From Oct.,2021 the payment is being released through online but no entry of UTR No. found recorded regarding payment of compensation to beneficiaries.

Necessary steps may be taken to remove above shortcomings and shown to next audit.


Inspecting Audit Officer
Audit Party No-XXXII