

**DIRECTORATE OF AUDIT
GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
4TH LEVEL, 'C' WING, DELHI SECRETARIAT, I P ESTATE,
NEW DELHI-110002**

Sub.: Internal audit report on accounts of Dy. Labour Commissioner (Central), Employment Exchange Building, Pusa Complex, New Delhi-110012 for the audit period 2017-18 & 2018-19.

INTRODUCTION

The Internal Audit of the accounts of Dy. Labour Commissioner (Central), Employment Exchange Building, Pusa Complex, New Delhi-110012 for the period 2017-18 & 2018-19 was conducted by the field Audit Party No. XVII comprising of Sh. Rajpal Singh, IAO/AO; Smt. Pooja Sehgal, AAO and Sh. Balkishan Shishodia, ASO. The audit was conducted w.e.f. 15.10.2019 to 23.10.2019 (07 working days).

GENERAL SETUP AND ACTIVITIES

Central District of Labour Department, GNCTD is vested with the responsibility of implementing Labour Laws in respect of industries. It is entrusted with the task of ensuring welfare of labour class and maintenance of industrial peace and harmony in the GNCTD. Other activities include disposal of labour dispute, eradication and rehabilitation of child labour implementation and enforcement of labour laws etc.

HEAD OF OFFICE/DDO/CASHIER

S.No.	Name	Designation	Period
As per reply submitted by the Dy. Labour Commissioner, there is no separate Head of Office of this District, Accounts Branch is in HQ and all administrative/establishment/account matter are looked after by the HQ.			

BUDGET ALLOCATION AND EXPENDITURE

➤ Not provided

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VACANCY POSITION OF STAFF

➤ Not provided

STATUTORY AUDIT

➤ Not provided

MAINTENANCE OF RECORDS

During the course of current audit, Dy. Labour Commissioner (Central) informed that all office records relating to Administrative and Accounts are being maintained at Office of Labour Commissioner, 5- Sham Nath Marg, Delhi. Only hearing of matters related to Labour Enforcement are being held in the premises and powers earlier delegated to JLC/DLC as HOO & ALC/LO as DDO have been withdrawn from the financial year 2014-15 vide office order No. F.1(31)/620/Estt./09/5356 dated 26/02/2014 as duly pointed out in the previous audit report.

OLD AUDIT REPORT

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There are 05 Paras and 02 TANS outstanding from the previous report involving recovery of Rs 12,150/-. In this context, the Dy. Labour Commissioner (Central) vide letter dated 21.10.2019 has informed that a Compliance of old audit paras couldn't be submitted as the relevant records were not available in the office. The details of old outstanding paras are given below: -

Year	Outstanding			Settled			Still outstanding		
	Total Paras	Nos.	Recovery	Paras	Para Nos.	Recovery	Para	No.	Recovery
2010-2014	04	1 to 4	12,150	02	3 & 4	NIL	02	1 & 2	NIL
2014-2017	01	1	NIL	01	1	NIL	0	0	0

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FORM-II M-8
(Referred to in Para 3.7.2)

Verification note on the inspection on the compliance of old audit report on the accounts of O/o Dy. Labour Commissioner (Central), Employment Exchange Building, Pusa Complex, New Delhi-110012 for the period 2017-18 & 2018-19.

(A) Old Audit Report (Details of old paras settled)

S. No.	Year	Para No	Subject	Reasons of settlement of para	Remarks
1.	2009-2010	3	Non-Reconciliation of receipts	Taken as fresh	Settled
2.	2009-2010	4	Non-Production of records	Taken as fresh	Settled
3.	2010-2017	1	Non-Production of Records	Records transferred to HQ.	Settled

(B) Details of Old Recovery

S. No.	Year	Para	outstanding Recovery	Amount Recovered	Balance to be recovered
NIL					

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FORM-II M-8 (Referred to in Para 3.7.2)

Verification note on the compliance of old audit report of accounts of Dy. Labour Commissioner (Central), Employment Exchange Building, Pusa Complex, New Delhi-110011 for the period from 2017-18 & 2018-19.

The outstanding objections pertaining to the old inspection reports on the accounts were discussed with Head of Office.

S.No.	Period of Audit	Para No.	Brief particulars of the objection	Total Recovery	Amount recovered	Balance recovery
1.	2009-10	1	Income Tax	Rs.8,490/-	NIL	Rs.8,490/-
2.	2009-10	2	Recovery of overpayment of TA	Rs.3,660/-	NIL	Rs.3,660/-

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PART - I
(Old Audit Report)
(2009-2010)

PART - II
(CURRENT REPORT)

PARA - I

(Ref. Audit Memo No.11 dt.22/9/10)

Sub: Income Tax

On scrutiny of income tax record of the office for the year 2009-10, it has been noticed that the income tax in respect of following officials have been less recovered. The same may be recovered after due verification from them under intimation to audit. If already recovered the same may be shown to the audit.

S. No	Name	Tax deducted	Tax to be deducted	Difference	Remarks
1	Shammi kumar, LDC	618	929	311	Excess Tpt deducted
2	Rati Singh, LO	4538	6935	2397	No documentary proof of HRA rebate
3	Sandeep Kumar, Ins.	9738	10188	450	Gross salary taken incorrect
4	Neeraj Pal, steno	5818	7258	1440	No documentary proof of HRA rebate
5	Bir Bahadur Manjjhi, chowkidar	Nil	1613	1613	No tax deducted at source
6	Karamvir Sing, peon	Nil	2279	2279	No tax deducted at source
Total		20712	29202	8490	

Therefore, the recovery of Rs.8490/- may be recovered in above mentioned cases after due verification under intimation to the audit.

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PARA 2

(Ref. Audit Memo N^o. 8 dt. 22/9/2010)

Sub: Recovery of overpayment of T.A. amounting to Rs.3660/-

During the test check of PBR for the year 2009-10, it was noticed that overpayment of salary was made to Sh. Shammi kumar, LDC. He was on leave w.e.f. 1/1/2009 to 26/6/2009 but he was paid transport allowance amount of RS.3660. Hence amount of Rs.3660/- (Rupees three thousand six hundred sixty only) may be recovered from him after the verification under intimation-to audit.

PARA -03

(Ref: Audit memo no. 9, 10)

Subject: Non- reconciliation of receipts

Scrutiny of records related to receipts collected by the Office for the audit period 2009-10 reveals that the Central District of Labour Dept. collects 1% Cess and assesses the return filed under The Building and Other Construction Workers Act and collect fee for making beneficiaries cards under Building and Other Construction Workers (RE & CS) Act. Amount received by the Office as given in table.

Act	Amount (Rs.)
Cess under The Building and Other Construction Workers Act	140095483
Fee under Building and Other Construction Workers (RE & CS) Act	33285

As per Office reply, the cess is deposited in SBI, Tis Hazari and fee is deposited in UTI Bank and both amount goes to in Delhi Labour Welfare Board A/C. As per Office version, since the receipts pertain to DLWB therefore the Office does not reconcile the receipts from the bank.

But the audit feels that cheque received for Cess and Fee is collected and deposited by the office and further the assessment, inspection and issuance of cards is done by the Office against amount received. So, reconciliation should be done by the Office under intimation to audit.

Further, the Office has not produced the records related to assessment of Cess under Building and Other Construction Workers Act to audit. The same should be shown to next audit.

Yes

(Ref. Audit Memo No. 1 dt. 15/9/2010)

PARA 4

Non Production of Records

The following records were not produced to audit:-

1. Spouse Information
2. Property register with placement register
3. Liveries record

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PART II
CURRENT AUDIT REPORT
(2010-17)

Para No.1 (Ref. audit memo 01 dt. 04.09.17)

Sub: Non Production of Record.

During the course of audit of Dy. Labour Comm (Central) for the period 2010-2014 i.e. up to centralization of administration & accounts from district offices to HQ, no auditable record was made available to audit for scrutiny.

As per office order no. F.1(31)/620/Estt./09/5356/dt.26.02.2014, centralization of Administration & Accounts of Labour Deptt. from district office to Head Quarters was done w.e.f. 01.04.2014 stipulating that "all the account record will remain in the safe custody of districts till the completion of CAG/ internal audit & settlement of old & fresh outstanding paras / & TANs shall be sole responsibility of district concerned even after centralization."

The audit has requisitioned office record vide memo no.1 dated 4.9.2017 and its subsequent reminder dated 5.9.2017 and 6.9.2017 but no record made available to audit. Therefore all the auditable record be traced out for scrutiny under intimation to audit.

for
8/9/17
(Usha Purwaha)
I.A.O. Audit Party No.VIII

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CURRENT AUDIT REPORT
(2017-18 & 2018-19)

During the course of current audit, the Dy. Labour Commissioner (Central) informed that all the office records relating to Administrative and Accounts are now being maintained at Office of Labour Commissioner, 5- Sham Nath Marg, Delhi. Only hearing of matters related to Labour Enforcement are being held in the premises and powers earlier delegated to JLC/DLC as HOO & ALC/LO as DDO has since been withdrawn from the financial year 2014-15. Accordingly, considering the nature of work being performed in the Dy Labour Commissioner (Central) 06 audit memos were issued to seek relevant information out of which 02 Memos were converted into 02 Paras and 01 memo into 01 TAN.

Out of 05 old outstanding paras, 03 Paras have been taken as fresh and remaining 02 paras have been included in this report.

The internal audit report has been prepared on the basis of the information furnished and made available by Dy. Labour Commissioner (Central), Employment Exchange Building, Pusa Complex, New Delhi-110012 for the period 2017-18 & 2018-19.

Details of Current Recovery (Audit period 2017-18 & 2018-19)

MEMO NO	Total Recovery (in Rs.)	Amount Recovered (in Rs.)	Balance (in Rs.)
NIL			

The audit disclaims any responsibility for any misinformation and/or non-information on the part of Auditee.


(RAJPAL SINGH)
SR. A.O./IAO

PARA-1: Non-reconciliation of CESS receipts.

Audit Memo No. 4

Dated: 16.10.2019

As per old audit report, the Central District of Labour Department 1% CESS and assess the return filed under The Building and Other Construction Workers Act and collect fee for making beneficiary card under Building and Other Construction Workers (RE & CS) Act.

<u>Act</u>	<u>Amount (in Rs.)</u>	
	<u>2010-14</u>	<u>2017-19</u>
Cess under The Building and other Construction Workers' Act	14,00,95,483/-	18,10,72,102/-
Fee under Building and other Construction Workers' Act	33,285/-	The BOCW registration Fee deposited by the applicant online through e-District and no data is maintained by this office

The amount has been increased in compare to last audit. Hence, it should be reconciled with the bank account.

PARA-2: NON-PRODUCTION OF RECORDS

(Audit Memo No.6

dated: 18.10.2019

The following records were not made available to the audit:

1. Spouse information (2009-10)
2. Property register with placement register (2009-10)
3. Liveries record (2009-10)
4. Consumable stock register (Stationary)

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TAN-1: Performance of District (Central), Labour Department
(Audit Memo No.2 & 3 dated: 16.10.2019)

Details OF outstanding cases under various Labour Acts, are given below:-

1. Employee Compensation Act:

Year	Act	Opening Balance	Cases Received	Cases settled		Cases pending at the end of the year	
				No.	%	No.	%
2017-18	EC Act, 1923	226	10	06	2.54	230	97
2018-19		230	21	10	3.98	241	96

2. The Industrial Disputes Act, 1947

Year	Opening Balance	Dispute Received	Cases disposed off/settled	% of disposal
2017-18	249	276	257	49%
2018-19	268	295	303	54%

The Deputy Labour Commissioner has the power as a Commissioner to hear and decide the cases under various acts like Employees Compensation Act, Child Labour Act, Industrial Disputes Act. The Contract Labour (R&A), 1970 etc. and to issue recovery certificate with view to enforce the award passed by the Labour Court/Industrial Tribunals.

However, on perusal of the data made available by the Labour Department, it may be seen that more than 96% of cases are pending at the end of the year and disposal during the year 2017-18 & 2018-19 is less than 4%.

Therefore, Labour Commissioner may make efforts for early disposal of the cases and review the mechanism.

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