



AUDIT REPORT

ON THE ANNUAL ACCOUNTS OF THE

Delhi Development Authority

FOR THE YEAR

2011-2012

Separate Audit Report of the Comptroller and Auditor General of India on the Accounts of Delhi Development Authority for the year ended 31 March 2012.

We have audited the attached Balance Sheet of Delhi Development Authority as at 31st March 2012 and the Income and Expenditure for the year ended on that date under Section 19 (2) of the Comptroller and Auditor General (Duties, Powers and Conditions of Service) Act 1971 read with the provisions of Section 25 (2) of Delhi Development Act 1957. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. This Separate Audit Report contains the comments of the Comptroller & Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standard and disclosure norms etc. Audit observations on financial transactions with regard to compliance with the Law, Rules and Regulations (Propriety and Regularity) and efficiency-cum-performance aspects, etc. if any, are reported through Inspection Reports/CAG's Audit reports separately.

3. We have conducted our audit in accordance with applicable rules and the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. Our audit includes examining, on a test basis, evidences supporting the amounts and disclosure in the financial statements. Our 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.

4. 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 Authority has prepared the accounts in the format as indicated below:

- Receipts and Payment Accounts, Income and Expenditure Account and Balance Sheet in respect of General Development Account prepared under Common Format of Accounts prescribed by the Government of India, Ministry of Finance.
- Receipts and Payment Accounts, Income and Expenditure Account and Balance Sheet in respect of Nazul-I prepared under DDA (Budget & Accounts) Rules 1982.
- Receipts and Payment Accounts in respect of Nazul-II prepared under DDA (Budget & Accounts) Rules 1982.

iii. In our opinion, proper books of accounts and other relevant records have been maintained by the Authority as required under Section 25(I) of the Delhi Development Act 1957 in so far as it appears from our examination of such books.

iv. We further report that:

A. Balance Sheet

1. Current Liabilities & Provisions (Schedule C) ₹2902.23 crore

The above did not include liability amounting to ₹50.94 crore towards certain completed projects pertaining to the Common Wealth Games. This resulted in understatement of current liabilities & provisions as well as CWG Project expenditure to the extent of ₹50.94 crore and understatement of Net Deficit to the same extent.

2. Current Assets Loans and Advances (Schedule G): ₹12328.37 crore

(a) Sundry Debtors ₹944.56 crore

The Authority was not maintaining party-wise and age-wise breakup of debtors depicted in the financial statements. Further, there was no system of obtaining confirmation of balances from debtors and providing adequate provision for bad and doubtful debts. As such the authenticity of the Sundry Debtors valuing ₹944.56 crore could not be vouched safe in Audit.

(b) Advances recoverable in cash or in kind ₹2452.84 crore

The above included an advance of ₹4.12 crore recoverable from Slum Department. The advance was outstanding for more than 20 years; therefore, it was doubtful of recovery and a provision needs to be made.

(c) Claims Recoverable ₹0.37 crore

The above included an advance of ₹0.37 crore recoverable from Sports Authority of India. The advance was outstanding for more than 14 years; therefore, it was doubtful of recovery and a provision needs to be made.

(d) Cash & Bank Balances ₹1511.34 crore

The above included an amount of ₹0.29 crore which was lying un-reconciled for the period ranging from 3 to 16 years.

Further, the amount of ₹0.35 crore mentioned in the Note No. 14 of the Notes on Accounts was also factually incorrect as it did not consider the amount of ₹0.06 crore towards stale cheques cancelled by DDA during the year 2011-12.

B. Income and Expenditure Account – Expenditure

1. Establishment & Administration (Schedule L) ₹137.49 crore

The above amount did not include provision for expenses amounting to ₹ 9.45 crore towards the following items:

Sl. No.	Item of expenditure	Particulars	Amount (in crore)
1	Pay and Allowances	Equal share of employer's contribution in Pension for its employees under New Pension Scheme.	0.98
		Arrears of (i) pay and allowances (ii) Tuition Fee and (iii) salary payment of temporary computer operators.	0.42
2	Medical Expenses	Short provision for medical expenses	0.43
3	Ex-gratia	Non provision of Ex-gratia for the year 2011-12	6.16
4	Law Charges	Non provision of expenses	0.52
5	Repairs and Maintenance— Others (Electricity charges)	Non provision of electricity charges in respect of Dwarka Zone	0.57
6	Other Misc. Expenses	Hiring of machine and labour for demolition of unauthorized construction/ encroachment.	0.37
		TOTAL	9.45

Non-provision of the above expenses has resulted in understatement of establishment and administration expenses by ₹9.45 crore and understatement of deficit of the DDA to the same extent.

2. Prior Period & Extraordinary Items (Schedule M)

Extraordinary Items

₹1119.85 crore

Non provision of liability towards Gratuity and Pension as per Actuary valuation Reports dated 11 September 2012 (for the year ended March 2012), by DDA resulted in understatement of contribution towards Pension Fund and Gratuity Fund to the extent of ₹879.76 crore as well as Net Deficit of the Authority to the same extent.

3. Income

(a) Income from Investments (Schedule-I)

₹292.24 crore

The above included excess accrued interest income of ₹0.19 crore on 12 fixed deposit receipts which DDA has accounted for on the basis of its own formula instead of booking the same as per banks accrued interest certificates. The non-consideration of accrued interest income as per bank certificates has resulted in overstatement of accrued interest income and understatement of deficit of the Authority to the extent of ₹0.19 crore.

(b) Increase (Decrease) in Stock & Works (Schedule-K)

Closing – Stock & Works

Finished stock – Houses Built Up

₹3453.89 crore

The above included 109 built-up houses valuing ₹11.78 crore which were already sold and occupied by respective allottees. However, the authority did not remove these houses from finished stock inventory. The non-reduction of sold flats from finished stock of built up houses resulted in overstatement of closing stock & works (finished stock houses built-up) and understatement of deficit of the Authority to the extent of ₹11.78 crore.

C. Significant Accounting Policies

- (a) **Accounting Policy No.5 – Depreciation:** As per the policy, depreciation is provided at the rates prescribed under the Income Tax Act, 1961 for full year irrespective of the date of addition.

However, as per provisions of Income Tax Act, if the Asset acquired by the assessee during the previous year is put to use for the purposes of business for a period of less than 180 days in the previous year, the depreciation is to be provided at 50 per cent of the rate prescribed. The above policy is, therefore, inconsistent with the Income Tax Act, rates of which the Authority has claimed to follow.

- (b) **Accounting Policy No.6(c):** As per policy the Authority was valuing inventory of built up finished units of housing at standard cost i.e. at which units were expected to be sold, including land premium, less estimated cost of completion. Accordingly, the Authority has shown finished stock of built-up Houses as ₹3453.89 crore and Commercial Estate as ₹491.72 crore. The said policy was inconsistent with Accounting Standard (AS)-2 on Valuation of Inventories, which states that the inventories should be valued at cost or net realizable value whichever is less. This resulted in booking of unrealized profit in inventory valuation.

- (c) **Accounting Policy No.15 (a) Urban Development Fund:** The Authority has added, following line, to its existing policy, during the year 2011-12:

"Interest on loans given from the Fund Account is recognized and credited to the Fund Account on receipt".

As the Authority was preparing Financial Statements on accrual basis, therefore, recognising interest income on loan on receipt (cash) basis, was not consistent with the principles of accrual basis accounting. This has also resulted in non-accounting of accrued interest income on loan outstanding to various authorities in UDF. Further, the Authority had not quantified the financial implications due to change in the accounting policy and disclosed the same in the Notes to the Accounts.

D. Notes to the Accounts

- (a) The Authority, as per Actuarial Valuation Report in respect of Group Leave Encashment Scheme has created a provision of ₹427.98 crore in the financial statements – Schedule (C) of General Development Account as on 31 March 2012. The Authority, however, did not disclose the fact that the above provision included the share of Nazul-I (₹3.72 crore) and Nazul-II (₹283.24 crore). The above fact needed to be disclosed by way of a Note in the Notes to Accounts for better understanding to the reader.

- (b) The Authority did not disclose the fact in the Notes to the Accounts that the Authority was the custodian of the Urban Development Fund controlled by Ministry of Urban Development, Government of India and the fund did not pertain to the Authority and any loans/ grants from the fund are disbursed as per the directions of the MoUD, GOI.

Further, the Authority also did not disclose the fact in the Note to the Accounts that the Authority's bank balances included ₹280.82 crore pertaining to UDF. Hence, the above facts need to be disclosed by way of a Note in the Notes to the Accounts.

(c) Transfer of ₹653.23 crore, during the year, from General Development Fund to Pension Fund Trust (₹496.71 crore) and Gratuity Fund Trust (₹156.52 crore) has significant impact on the DDA's financial statements, however, the fact has not been disclosed in the accounts. The above developments needed to be disclosed by way of a Note in the Notes to Accounts for better understanding of the financial statements by reader.

(d) The Authority as per Note 2 (e) of the Notes to Accounts disclosed that "the Service Tax Department has issued show cause-cum-demand notices for ₹942.19 crore towards service tax on lease premia realized on disposal of lands on perpetual lease holding the lease receipts to be in the nature of rental receipts and on ground rent." However, the Authority has not disclosed the fact that the Service Tax notices for ₹942.19 crore pertains upto the period 30 September 2011.

(e) The Authority as per Note No.8 of the Notes to the Accounts disclosed that "the Hon'ble High Court has, recently on 10th September 2012 quashed all the seven orders of the Department and the assessment are likely to be completed shortly".

However, the Authority has not disclosed the fact that the Hon'ble High Court also stated "that we have no option but to quash the directions/orders for special audit in each of these years. The writ petitions are allowed and the orders under Section 142(2A) are quashed. This, however, does not mean that if the Assessing Officer during the course of the assessment proceedings feels and requires special audit, he cannot record reasons and justify special audit. It will open to the Assessing Officer in the course of the assessment proceedings to record fresh reasons and direct special audit under Section 142(2A) of the Act. It will equally open to the petitioner to contest the direction for special audit. Further, pursuant to interim orders passed in writ petitions the assessment proceedings for the Assessment years 2003-04 onwards have been stayed. The assessment proceedings for the Assessment Year 2003-04 shall be taken up for scrutiny and hearing first and will be completed before the assessment proceedings for other years are taken up for hearing. The interim stay orders granted earlier will continue for Assessment Year 2004-05 onwards till the assessment proceedings for the for the Assessment Year 2003-04 are concluded."

Thus, disclosure made in the Note No.8 of the Notes to the Accounts is incomplete hence gives a misleading state of affairs.

In view of the above developments, the Audit was unable to comment on liability of the DDA towards Income tax, if any, for the year 2011-12.

(f) The Authority did not disclose the fact about non-availing of CENVAT credit of ₹3.42 crore by DDA, in the Notes to the Accounts.

E. General

- (a) The Authority, in respect Nazul-II is preparing Receipts and Payments Accounts only, therefore, not providing any provision for establishment and general administration expenses. As a result, an amount of ₹29.56 crore allocated towards administrative and establishment expenses for Nazul-II remains unaccounted in the Authority's financial statements during the period 2011-12.
- (b) The Authority has not disclosed the fact that Fixed Assets valuing ₹0.66 crore in the books of Nazul-I are still pending decapitalization.
- (c) The "*Deposits – other charges*" under liabilities in the Nazul-I accounts amounting to ₹1.19 crore have not been claimed even after lapse of 19 years, therefore, the same has to be reviewed.

F. Grants-in-Aid

During the financial year 2011-12, no Grants-in-Aid has been received by the Authority from Central Government.

G. Management letter

Deficiencies, which have not been included in the Separate Audit Report, have been brought to the notice of the Vice Chairman, DDA through a Management Letter issued separately for remedial/corrective action.

- v. Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Income and Expenditure Accounts/Receipts and Payment Account dealt with by this report are in agreement with the books of accounts.
- vi. In our opinion and the best of our information and according to the explanations given to us, the said Financial Statements read together with the Accounting Policies and Notes on Accounts and subject to the significant matters stated above and other matters mentioned in the Annexure-I to this Audit Report give a true and fair view in conformity with accounting principles generally accepted in India.
- a. In so far as it relates to the Balance Sheet on the state of affairs of Delhi Development Authority as at 31 March 2012 and
- b. In so far as it relates to the Income and Expenditure Account deficit for the year ended on that date.


Principal Director of Audit
Economic & Service Ministries

Place: New Delhi
Date: 16.01.2013

Annexure-I

1. **Adequacy of Internal Audit System:** The Internal Audit of Delhi Development Authority had been conducted by its own Internal Audit Wing headed by Director (Internal Audit). It was observed that there was substantial pendency of old outstanding internal audit paras. The number of outstanding paras has been increased from 7167 in 2009-10 to 10741 during 2011-12 and no para has been settled during last three years.
2. **Adequacy of Internal Control System:** Internal control system of the Delhi Development Authority is not commensurate with the size and nature of the business activity. During audit following issues were noticed which indicate lack of internal control:
 - There is lack of any robust system of adjusting contingency advances given to employees on periodic basis. The advances given during 2008 to 2011 were adjusted during 2011-2012.
 - There is no system of reconciliation of vacant flats and occupied flats with housing department and various project divisions.
 - The Authority is making adjustment in the housing stock on the basis of Possession letters issued. The work of issue of possession letters is being done manually since 2003-04 by preparing registers as the computerisation of issuing possession letters is still pending.
 - There is no system of monitoring of recovery of instalments in respect of hire-purchases flats.
 - The Authority has been booking license fee income on the accrual basis irrespective of the fact that renewal of license agreements in respect of various commercial shops were pending.
 - The Authority is dependent upon outside agencies for finalisation of finance/accounts and *inter alia* book keeping. The handling of entire finance and accounts by tax consultant firm instead of by regular employees (over whom the Authority had administrative control) warrants suitable remedial measures to strengthen internal control. It is therefore suggested that Authority should strengthen its capacity building to prepare accounts instead of depending upon outside agencies.
 - Huge cash balances were available with various zones. It is therefore suggested that, instructions should be issued to all zones to minimise cash balances.
3. **System of Physical Verification of Fixed Assets:** Physical Verification of Fixed Assets is to be carried out by the respective division/unit. Although the Authority provided

physical verification certificate to Audit, however, list of fixed assets maintained by all its divisions/units was not provided to audit.

4. **System of Physical Verification of Inventory:** Physical Verification of inventory was carried out by Store Division.
5. **Regularity in payment of Statutory Dues:** All undisputed statutory liabilities were paid on time.
6. **Information Technology:** Keeping in view, the size and nature of business, the Authority may consider implementing of ERP System, which will help in streamlining financial and accounting systems.

DELHI DEVELOPMENT AUTHORITY

FINAL ACCOUNTS

2011--12

DELHI DEVELOPMENT AUTHORITY
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The accounts of the Authority are organized under three broad heads each of which is considered a separate accounting entity. The individual heads reflect the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions. Accounts are prepared under three major heads – Nazul I, Nazul II and General Development Account. Nazul I relates to the transactions of the old Nazul Estates entrusted to the Delhi Improvement Trust under Nazul Agreement, 1937 which was taken over by the Delhi Development Authority as successor of the Delhi Improvement Trust. Nazul II relates to the large scale land acquisition, development and disposal activities. General Development Account relates to all the development, construction and other activities undertaken by the Authority on its own account and other activities assigned to the Authority.

2. Basis of preparation of accounts

All transactions are recorded on receipts and payments basis during the year. The account is converted to income and expenditure basis at the year end by the inclusion of appropriate entries for accounts receivables, payables, fixed assets, depreciation, etc.

3. Format of Financial Statements

Financial Statements of General Development Account is prepared in the Common Format of Accounts prescribed by the Government of India, Ministry of Finance for Central Autonomous Bodies. Financial Statements of Nazul I and Nazul II are prepared in the format of accounts prescribed in the DDA (Budget & Account) Rules, 1982 as they reflect transactions on government account.

4. Fixed Assets

- A. Fixed Assets are reflected at cost less depreciation. In case of self-constructed assets, cost includes appropriate portion of administrative and establishment charges.

(2)

B. Fixed Assets include certain Buildings constructed on land not belonging to the Authority but being used for the Authority's activities.

C. Land used for Office Buildings, staff quarters, stores, etc. are valued at the disposal/ predetermined rates of land on the date of such transfer.

5. Depreciation

Depreciation is provided at the rates prescribed under the Income Tax Act, 1961 for full year irrespective of the date of addition.

6. Valuation of Stocks & Stores

- | | | | |
|----|------------------------|---|--|
| a. | Raw Land | - | At cost Cost represents cost of acquisition/ purchase including compensation and incidental expenditure related to acquisition and taking possession of the land. |
| b. | Work-in-progress | - | at actual expenditure incurred on development and construction including appropriate charge for overheads. |
| c. | Finished Stock | - | Built up Units comprising of Housing Stock at standard cost at which expected to be sold, including land premium, less estimated cost of completion.

In case of other stock including developed land held for sale – at disposal rates based on average tender/ auction rates, less estimated cost of completion. |
| d. | Deposit/Contract Works | - | at the cost of work done including departmental charges recoverable as per terms of contract. |
| e. | Stores | - | At the issue rate determined for recovery from Works adjusted for handling expenses related to issuance of material. Material lying with |

(3)

contractor being adjustable against contract work done at predetermined rates, is treated as advance to contractor.

7. Revenue Recognition

Revenue is recognized on accrual basis, except where otherwise stated due to uncertainty of realization and quantum of revenue.

- a. Premia and sale consideration received on disposal of land, built-up/constructed units, like houses, offices, shops, etc. is recognized using the full accrual method on issuance of Possession Letter.
- b. Interest element in hire-purchase installment is recognized as revenue, in proportion to the principal portion outstanding.
- c. Rental income is recognized on accrual basis with reference to the period to which the income relates.
- d. Share of Ground Rent from Nazul II is recognized on the basis of receipt.
- e. Penal charges, composition fee, damages and interest on delayed payments are recognized on receipt basis.
- f. Interest on investments is recognized on accrual basis.

8. Stores

Construction stores consumed is charged to respective Works at predetermined issue rates. Difference of issue rate and purchase price is adjusted in Miscellaneous Expenditure/Income.

9. Interest/Compensation payments to Allottees

- a. Interest on registration money received from registrants of various schemes is provided on accrual basis.
- b. Compensation for delay in completion and allotment of flats to registrants of self-financing scheme is booked on payment or award of Court.

10. Deficiency Charges

Deficiency charges paid to Municipal Authorities, Local Bodies or Corporation is accounted for on the basis of charges accepted and paid.

11. Recoveries/Payments to Nazul Accounts

A. Recovery of Establishment & General Administrative Costs :

Establishment and General Administrative costs are charged to General Development Account and appropriate portion of expenses relating to Nazul I and Nazul II Accounts are allocated and recovered in proportion to the expenditure outlay on Schemes, Projects or activities under Nazul Accounts.

B. Land Premia for Schemes on Nazul Lands :

Land premia in respect of Nazul Lands appropriated for various Schemes under General Development Account is booked as expenditure by credit to Nazul Account on completion of construction of the properties at the pre-determined rates as prescribed under the Nazul Rules.

C. License Fee/Service Charges for use of Nazul Properties :

License Fee/ Service Charges for use of Nazul Properties such as Staff Quarters, etc. is booked by credit to Nazul Account at such Government notified rates as per applicable rules.

12. Compensations/Arbitration Awards

Payments towards additional compensations awarded in respect of land acquired and arbitration awards are booked on payment basis.

13. Recoveries against specified liabilities/funds

Recoveries against specified liabilities/funds like Share Money, Fire Risk Insurance, Maintenance Fund, etc. are credited to separate Liability/Reserve Accounts created for that purpose and expenditure and pay outs thereagainst, are recorded by debit to the Liability/Reserve Account.

14. Employees' Benefit Schemes and retirement benefits

- a. Employees' contribution towards General Provident Fund Scheme is credited to the General Provident Fund Account and is invested in approved securities as per prescribed guidelines. Interest accrued on the accumulated contribution, payments, advances and interest earned on the investment of the Fund are adjusted to the Fund Balance.
- b. Contribution is made to the Pension Fund Trust and Gratuity Fund Trust based on Actuarial Valuation.
- c. Leave encashment is provided on actuarial basis.
- d. Post Retirement Medical Benefits is recorded on payment basis.

15. Earmarked Funds

Funds entrusted to the Authority or grants or assistance provided to the Authority or amounts retained by the Authority to be utilized for specific or earmarked purposes are accounted for under distinct heads and the expenditure/utilization of the same are adjusted to the said account. Investments related to earmarked funds are carried at face value. Various Funds managed by DDA as part of General Development Account are –

- a. Urban Development Fund

Charges recovered on conversion of properties from lease-hold to free-hold are credited to this account. Loans and Grants given from the Fund for development projects as per directions of the Competent Authority are charged to the Fund Account. Interest on loans given from the Fund Account is recognized and credited to the Fund Account on receipt.

- b. VAMBAY

This represents funds given by the Government for Valmiki Maleen Basti Awaas Yojna.

- c. General Provident Fund

Provident Fund contribution and accretion to the fund is held in this Fund Account.

(6)

d. Personal Accident Insurance Policy Fund

Recoveries made from employees for payment of compensation in case of accidental deaths is held in the Account.

e. Benevolent Fund

Recoveries made from employees for payment of compensation on death during service is held in the account.

16. Special Reserves

a. Common Wealth Games Reserve Fund

This represents surplus retained for meeting expenditure on the Common Wealth Games 2010. Grant from the Government for meeting expenditure on the Games is credited to the Reserve Fund Account. Funds retained/received are separately invested and reflected in accounts. Expenditure on the Project is accumulated and carried forward for adjustment to respective account on completion of the Project.

b. EWS Houses Reserve Fund

This represents surplus retained for meeting expenditure on construction of houses to the Economically Weaker Section.

c. Reserve for House Fire Risk

This represents special charges recovered from allottees of properties on hire-purchase basis to cover any loss or damage to the properties.

d. Contingency Reserve Fund

This represents funds retained for meeting any future contingencies.

e. Maintenance Fund – Housing Scheme, 2010

This represents one-time maintenance charges recovered from the allottees of the Housing Scheme, 2010 for future maintenance of the Colonies.

**DELHI DEVELOPMENT
AUTHORITY**

FINAL ACCOUNTS

**GENERAL DEVELOPMENT
ACCOUNT**

2011--12

(7)

**DELHI DEVELOPMENT AUTHORITY
GENERAL DEVELOPMENT ACCOUNT
BALANCE SHEET AS AT 31ST MARCH, 2012**

(In Crores)

	SCHEDULE	As at 31.3.2012	As at 31.3.2011
<u>CORPUS/CAPITAL FUND AND LIABILITIES</u>			
Corpus/Capital Fund		-	-
Reserves & Surplus	A	9,243.77	10,049.34
Earmarked/Endowment Funds	B	3,614.30	3,757.46
Current Liabilities & Provisions	C	2,902.23	11,420.71
		15,760.30	25,227.51
<u>ASSETS</u>			
Earmarked/Endowment Funds	B	4.38	3.62
Fixed Assets	D	84.40	87.83
Common Wealth Games Project	E	-	2,239.96
Investment of Earmarked/Endowment Funds	F	3,343.15	3,624.80
Current Assets, Loans & Advances	G	12,328.37	19,271.30
TOTAL		15,760.30	25,227.51
Significant Accounting Policies			
Notes to the Accounts			

Sd/-
Sr. Accounts Officer

Sd/-
Dy. Chief Accounts Officer (HQ-I)

Sd/-
Chief Accounts Officer

Dated :
Place : New Delhi

(8)

**DELHI DEVELOPMENT AUTHORITY
GENERAL DEVELOPMENT ACCOUNT
INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012**

(In Crores)

	SCHEDULE	For the year ended 31.3.2012		For the year ended 31.3.2011	
INCOME					
Income from Sales/Services	H		716.23		756.94
Income from Investments	I		292.24		437.53
Other Income	J		123.41		61.92
Increase/(Decrease) in Stock & Works	K		1,721.71		(24.50)
			2,853.59		1,231.89
EXPENDITURE					
Development & Construction Expenses					
- Land and related works		0.27		0.36	
- Specified housing scheme - EWS Houses		305.19		6.12	
- Other Housing Schemes		1,340.73		341.92	
- Commercial Estate		0.74	1,646.93	21.47	369.87
Maintenance of properties			93.79		81.26
Establishment & Administration	L		137.49		105.21
Interest on Registration Money			3.01		0.24
Depreciation	D		3.29		7.81
TOTAL			1,889.51		564.39
Excess of Income over Expenditure before prior period adjustments & Extraordinary items			964.08		667.50
Less: Prior period & Extraordinary items	M		1,120.35		264.51
Net Surplus/(Deficit) carried to Balance Sheet			(156.27)		402.99
Significant Accounting Policies					
Notes to the Accounts					

Sd/-
Sr. Accounts Officer

Sd/-
Dy. Chief Accounts Officer (HQ-I)

Sd/-
Chief Accounts Officer

Dated :
Place : New Delhi

RECEIPTS				PAYMENT			
Head of Account	2011-12		2010-11		Head of Account	2011-12	2010-11
Opening Balance					Administration & Establishment		
Cash in Hand	0 07		0 09		Less: Amt. Recovered from works	3,434.30 (0.29)	885.51 (6.41)
Balance in Saving Accounts	334.52		323.80		TOTAL	3,434.01	879.10
Remittance in Transit	4.90		4.42				
	339.49		328.31				
Less : Balance of transactions pertaining to -					Less: Share cost transferred to		
Nazul I	(0.69)		(2.32)		Nazul A/c-I	(32.29)	(7.98)
Nazul II	(156.49)		(141.01)		Nazul A/c-II	(2,259.12)	(377.30)
Pension Fund	(5.54)		-		Delhi Master Plan	(1.24)	(1.70)
Gratuity Fund	(1.84)		-		Common Wealth Games Project	(22.38)	(129.97)
	174.93		184.98		Total share cost transferred	(2,315.03)	(516.95)
Fixed Deposits -							
General Investment	12,834.51	13,009.44	2,500.51	2,685.49	Balance under GDA		1,118.98
Revenue from Work and Development Schemes					Expenditure on Works & Development Schemes	94.19	84.97
Premia from disposal of land	4.49		2.43				
Premia from disposal of houses and shops including hire purchase instalments	1,576.57	1,581.06	365.12	367.55	Expenditure on construction of Houses & Shops	618.99	371.20
License Fee		47.84		41.22	Interest on Registration Money & Refunds		
Ground Rent		1.98		2.04	Miscellaneous expenses	3.02 1.58	0.24 0.18
Interest on General Investment		571.29		162.29			
Other Revenues		142.78		36.67	Purchase of Fixed Assets	-	-

(10)

Head of Account		2011-12		2010-11		Head of Account		2011-12		2010-11	
<u>Urban Development Fund</u> Encashment of Investment		1 984.00		1 585.50		<u>Urban Development Fund</u> Investment		2 067.00		1 984.00	
	Recompment of Expenditure from Nazul	32.76		235.27		Refunds		1.18		1.49	
	Conversion Charges	276.55		103.90		Grants & Loans to other Departments		107.17		46.35	
	Interest on Investment	166.35		6.50							2 031.84
	UDF loan recovery	10.70	2 470.36		1 931.17						
<u>General Provident Fund</u> Provident Fund Contribution		251.19		241.75		<u>General Provident Fund</u> Provident Fund Disbursements		173.31		137.83	
	Encashment of GPF Investment	32.98		35.45		Deposit Link Insurance		0.80		0.83	
	Discount on purchase of Investments	0.80		64.74		Premium on purchase of Investments		52.69		54.17	
	Interest on GPF Investment	69.29		0.10		Interest on Provident Fund		267.03		106.58	
	Deputationists		354.26		342.04	Investment made		0.56		0.58	300.27
<u>Pension Fund</u> Encashment of Pension Fund						Deputationists					
	Investment					<u>Pension Fund</u>					
	Interest on Pension Fund Investment			117.14		Pension Fund Investment				204.76	
	Discount on purchase of Investments			62.95		Premium on purchase of Investment				2.94	
	Contribution Received in Fund			279.84	459.93	Disbursements to employees				90.20	297.90
<u>New Pension Scheme</u> Contribution Received								2.51			
			1.48			<u>New Pension Scheme</u> Payment to NSDL			2.51		
<u>Personal Accident Insurance Policy</u> Contribution from Employees						Interest on NPS					
						<u>Personal Accident Insurance Policy</u> Premium to LIC				0.04	
						Compensations paid				0.04	0.08
<u>Gratuity Fund</u> Contribution Received in Fund						<u>Gratuity Fund</u> Disbursements				33.67	
	Interest on Gratuity Investment					Premium on purchase of investment				0.24	
	Encashment of Gratuity Fund					Investment made				45.21	
					193.79						79.12

Head of Account		2011-12		2010-11		Head of Account		2011-12		2010-11	
<u>Common Wealth Games Reserve Fund</u> Allocation of expenditure to Nazul-II (Net of grants) Encashment of Investment Capital Grant Interest Received on Investment	476.61		691.92		693.36	<u>Common Wealth Games Reserve Fund</u> Investment Expenditure		49.97		200.00	805.49
	200.00			486.50						605.49	
	-			176.81							
	15.31			30.05							
<u>EWS Houses Reserve Fund</u> Encashment of Investment Interest Received on Investment	988.85		1,061.08	947.95	1,006.52	<u>EWS Houses Reserve Fund</u> Investment Expenditure		1,039.90		988.85	
	72.23			58.57				229.19		82.12	1,070.97
<u>Benevolent Fund</u> Contribution			1.03		1.03	<u>Benevolent Fund</u> Disbursements					1.81
<u>Contingency Reserve Fund</u> Encashment of Investment Interest Received	553.00		642.18	332.20	353.47	<u>Contingency Reserve Fund</u> Investment					
	89.18			21.27					642.00		353.00
<u>Vambay</u> Interest on Vambay Encashment of Investments	0.05		0.70	0.06	0.66	<u>Vambay</u> Investments made			0.70		0.65
	0.65			0.60							
<u>Earnest Money Deposits/</u> <u>Registration Money -</u> Housing Schemes Commercial Schemes						Amount transferred to Nazul I Amount transferred to Nazul II			42.00		20.00
	30.20		28.33	10,471.87	10,489.69				1,600.00		
	(1.87)			17.82							
<u>Group Insurance Scheme</u> Contribution & Compensation Recd.			0.20		0.26	<u>Group Insurance Scheme</u> Payment to Employees LIC Group Insurance Premia for DDA Employees					
								0.09		0.13	
								0.37	0.46	0.37	0.50

(12)

Head of Account	2011-12		2010-11		Head of Account	2011-12		2010-11	
Contribution to Gratuity Fund Trust Account pending transfer					Payment to Pension Fund Trust Account pending adjustment to contribution				
Employee Advances Recovery	55.37				Employee Advances			204.81	
Other Advances	1.67				Other Advances			1.17	1.74
Deposits & Retentions	0.72				Deposits & Retentions			1.40	6.85
Deposit Works	59.35				Deposit Works			463.29	48.49
	23.35				TDS on Income			55.57	65.25
								1.95	2.06
Statutory Deductions/Collections - Taxes, Duties & Cess	76.39				Statutory Deductions/Collections - Taxes, Duties & Cess			75.03	99.24
Miscellaneous Payments/Adjustments Inter-Bank and & Inter-Unit Fund Transfers (including adjustments made on reconciliation of earlier years)	-				Inter-Bank and & Inter-Unit Fund Transfers (including adjustments made on reconciliation of earlier years)			-	0.48
	-							-	-
					Closing Balance (Schedule N)				
					Cash in Hand		0.11		0.07
					Balance in Saving Accounts		406.84		334.52
					Remittance in transit		6.08		4.90
							413.03		339.49
					Less : Balance of transactions pertaining to -				
					Nazul I		(0.32)		(0.69)
					Nazul II		(54.94)		(156.49)
							357.77		182.31
					Fixed Deposits - General Investment		1,218.01		12,834.51
								1,575.78	13,016.82
								20,822.89	19,100.24
									19,100.24

Dated :

Place : New Delhi

Sd/-
Sr.Accounts OfficerSd/-
Dy. Chief Accounts Officer (HQ-I)Sd/-
Chief Accounts Officer

(13)

DELHI DEVELOPMENT AUTHORITY
GENERAL DEVELOPMENT ACCOUNT
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012

(In ` Crores)

	As at 31.3.2012		As at 31.3.2011	
SCHEDULE-A				
RESERVES & SURPLUS				
Surplus in Revenue Account				
Opening Balance	6,110.65		5,707.66	
Trfd. From Commonwealth Games Reserve on Utilization	1,343.19		-	
Excess of Income over Expenditure for the year as per Income & Expenditure Account	(156.27)	7,297.57	402.99	6,110.65
Specific Reserves				
Common Wealth Games Reserve Fund				
Opening Balance	2,239.51		2,043.56	
Add : Capital Grant Received during the year	-		176.81	
Add : Interest on Reserve Fund Investment	4.94		19.14	
	2,244.45		2,239.51	
Less : Grant adjusted against expenditure	901.26		-	
Less : Interest & Appropriation trfd. To Surplus Account	1,343.19	-	-	2,239.51
EWS Houses Reserve Fund				
Opening Balance	1,060.50		992.12	
Add : Interest on Reserve Fund Investment	100.01	1,160.51	68.38	1,060.50
Contingency Reserve Fund				
Opening Balance	634.89		587.50	
Add : Interest on Reserve Fund Investment	61.78	696.67	47.39	634.89
Reserve for House fire risk				
Opening Balance	3.79		3.70	
Add : House Risk Premia recovered during the year	0.04	3.83	0.09	3.79
Reserve for Maintenance Fund - Housing Scheme, 2010				
Contribution received from allottees		85.19		-
		9,243.77		10,049.34

(14)

DELHI DEVELOPMENT AUTHORITY
GENERAL DEVELOPMENT ACCOUNT
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012

(In ` Crores)

	URBAN DEVELOPMENT FUND	VAMBAY	PENSION FUND	GENERAL PROVIDENT FUND	GRATUIT Y FUND	PERSONAL ACCIDENT INSURANC E POLICY FUND	BENEVOLENT FUND	CURRENT YEAR	PREVIOUS YEAR
SCHEDULE-B									
EARMARKED/ENDOWMENT FUNDS									
Opening Balance of the Funds	2,091.70	0.74	496.71	1,011.49	156.52	0.30	(3.62)	3,753.84	2,932.50
Additions to the Funds :									
Contribution received (net) during the year including advances recovered and interest on contribution in case of GPF	276.67	-	-	251.25	-	0.11	1.03	529.06	942.10
Discount on purchase of investments (net)	-	-	-	0.80	-	-	-	0.80	-
Income from investments made on account of Funds	193.84	0.07	-	77.84	-	-	-	271.75	242.32
Recoupment of payment from Nazul II	32.76	-	-	-	-	-	-	32.76	-
Recovery of Loan given from the Fund	10.70	-	-	-	-	-	-	10.70	6.50
	513.97	0.07	-	329.89	-	0.11	1.03	845.07	1,190.92
Utilization/Expenditure towards objectives of Funds									
Disbursements during the year (including advances)	107.17	-	-	174.11	-	-	1.79	283.07	311.35
Premium on purchase of investments (net of discount)	-	-	-	-	-	-	-	-	3.46
Miscellaneous Expenditure	-	-	-	52.69	-	-	-	52.69	54.17
Interest on contribution	-	-	-	-	-	-	-	-	0.60
NPS contribution transferred	-	-	-	-	-	-	-	-	-
Transferred to Trust Fund Account	-	-	496.71	-	156.52	-	-	653.23	-
	107.17	-	496.71	226.80	156.52	-	1.79	988.99	369.58
Net Balance as at year end	2,498.50	0.81	-	1,114.58	-	0.41	(4.38)	3,609.92	3,753.84
Total Balance (Credit)								3,614.30	3,757.46
Total Balance (Debit)								(4.38)	(3.62)
Net Balance								3,609.92	3,753.84

**DELHI DEVELOPMENT AUTHORITY
GENERAL DEVELOPMENT ACCOUNT
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012**

(In ` Crores)

	As at 31.3.2012	As at 31.3.2011
<u>SCHEDULE- C</u>		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
<u>A. CURRENT LIABILITIES</u>		
Sundry Creditors		
- For Expenses	16.57	83.54
- For Land	840.50	3.82
Advances from Allottees - MOR Land	9.55	8.36
Interest accrued but not due on Regn. Money	-	0.02
Deposits & Retentions	129.44	533.07
Earnest Money Deposits/Registration Money -		
Commercial Schemes	6.09	16.92
Housing Schemes	298.50	10,734.96
Advances from Allottees of DDA Housing Scheme, 2010 pending transfer	1,044.03	-
Suspense	12.04	15.72
Payable to Gratuity Trust Fund	54.62	-
Statutory Liabilities :		
Overdue	6.29	4.52
Others	9.06	7.47
Other Liabilities	47.56	12.31
Provisions -		
Provision for Leave Encashment	427.98	-
	2,902.23	11,420.71

(16)

DELHI DEVELOPMENT AUTHORITY
GENERAL DEVELOPMENT ACCOUNT
SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012

**SCHEDULE-D
FIXED ASSETS**

(In ` Crores)

PARTICULARS	GROSS BLOCK			TOTAL AS AT 31.03.2012	DEPRECIATION			NET BLOCK		
	GROSS COST AS AT 1.04.2011	ADDITIONS	SALE/ADJUST-MENT		UPTO 31.03.11	DEPRECIA TION FOR THE YEAR	SALE/ADJUST-MENT	UPTO 31.03.12	WDV AS AT 31.3.2012	WDV AS AT 31.3.2011
LAND	24.73	-	-	24.73	-	-	-	-	24.73	24.72
OFFICE BUILDINGS, STORES & GODOWNS	43.98	-	-	43.97	21.89	2.21	-	24.10	19.88	22.09
LET OUT PROPERTIES	44.64	-	-	44.64	29.17	1.55	-	30.72	13.92	15.47
COMMUNICATIONS BUILDING COMPLEX	3.94	-	-	3.94	2.73	0.12	-	2.85	1.09	1.21
STAFF QUARTERS	22.05	-	-	22.05	9.66	0.62	-	10.28	11.77	12.39
MOTOR VEHICLES	7.11	0.45	(0.58)	6.99	3.99	0.52	(0.48)	4.03	2.96	3.12
OFFICE FURNITURES & FITTINGS	6.05	1.13	-	7.18	2.26	0.49	-	2.75	4.43	3.79
OTHER OFFICE EQUIPMENTS	3.60	0.11	-	3.71	1.82	0.28	-	2.10	1.61	1.78
ELECTRICAL INSTALLATIONS & EQUIPMENTS	7.53	0.33	-	7.86	5.56	0.35	-	5.91	1.95	1.97
PLANT & MACHINERY & OTHER EQUIPMENTS	0.40	-	-	0.40	0.32	0.01	-	0.33	0.07	0.08
PRINTING PRESS EQUIPMENTS	1.10	0.31	-	1.40	0.63	0.12	-	0.75	0.65	0.47
COMPUTERS	19.98	2.63	-	22.61	19.25	2.02	-	21.27	1.34	0.74
GRNAD TOTAL	185.11	4.96	(0.58)	189.49	97.28	8.29	(0.48)	105.09	84.40	87.83
PREVIOUS YEAR	182.52	11.65	(9.06)	185.11	92.80	7.81	(3.33)	97.28	87.83	

**DELHI DEVELOPMENT AUTHORITY
GENERAL DEVELOPMENT ACCOUNT
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012**

(In ` Crores)

	As at 31.3.2012		As at 31.3.2011	
<u>SCHEDULE- E</u>				
<u>COMMONWEALTH GAMES PROJECT</u>				
Progressive Expenditure-Opening		2,239.96		1,571.73
Add : Expenditure incurred during the year		58.41		668.23
		2,298.37		2,239.96
Less : Grants		901.26		-
		1,397.11		2,239.96
Less : Expenditure tfd. To respective accounts		1,397.11		-
		-		2,239.96
<u>SCHEDULE- F</u>				
<u>INVESTMENT OF EARMARKED/ ENDOWMENT FUNDS</u>				
<u>Government Securities</u>				
General Provident Fund	322.41		220.86	
Gratuity Fund	-		106.42	
Pension Fund	-	322.41	179.84	507.12
<u>Other Approved Securities</u>				
Gratuity Fund	-		5.00	
Pension Fund	-	-	47.54	52.54
<u>Debentures & Bonds</u>				
General Provident Fund	575.26		542.76	
Gratuity Fund	-		34.60	
Pension Fund	-	575.26	245.57	822.93
<u>In Fixed Deposits</u>				
Urban Development Fund	2,067.00		1,984.00	
Vambay	0.70		0.65	
General Provident Fund	165.37		65.37	
Gratuity Fund	-		5.00	
Pension Fund	-	2,233.07	-	2,055.02
<u>In Saving Bank Accounts</u>				
Urban Development Fund	39.36		30.61	
Vambay	0.05		0.05	
General Provident Fund	22.63		12.22	
Gratuity Fund	-		1.84	
Pension Fund	-	62.04	5.54	50.26
<u>Interest Accrued on Investments</u>				
Urban Development Fund	111.32		83.83	
Vambay	0.07		0.04	
General Provident Fund	38.98		30.46	
Gratuity Fund	-		4.41	
Pension Fund	-	150.37	18.19	136.93
		3,343.15		3,624.80

DELHI DEVELOPMENT AUTHORITY
GENERAL DEVELOPMENT ACCOUNT
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012

(In Crores)

	As at 31.3.2012		As at 31.3.2011	
SCHEDULE- G				
A. CURRENT ASSETS				
1. Inventories -				
Stores	7.76		6.70	
Stock in Trade :-				
Land - Raw Land	19.07		19.08	
Work in Progress -				
Land - Under Development	1.32		1.32	
Houses - Under Construction	384.09		1,396.00	
Commercial Estate - Under Construction	20.34		18.32	
Finished Stock -				
Developed Land	107.99		107.99	
Houses - Built Up	3,453.89		700.28	
Commercial Estate - Built Up	491.72		513.72	
Commonwealth Games Assets - Flats, Furniture, Fittings (net of recoveries from allottees towards furniture, etc.)	919.05	5,405.23	-	2,763.41
2. Sundry Debtors*		944.56		845.39
3. Cash & Bank Balances -				
Cash in hand	0.11		0.07	
Bank Balances - with Scheduled Banks -				
In Current Accounts	-		-	
In Saving Bank Account	342.40		281.64	
Remittance in Transit	6.08		4.90	
	348.59		286.61	
Less : Balances pertaining to transactions of Nazul I & II	55.26		157.18	
	293.33		129.43	
In Deposit Account - General Investment	1,218.01	1,511.34	12,834.51	12,963.94
Bank Balance - with Scheduled Bank -				
Reserve Fund Account - Contingency Reserve	0.06		0.06	
Reserve Fund Account - Commonwealth Games	1.94		2.37	
Reserve Fund Account - EWS Houses	0.40	2.40	0.18	2.61
4. Reserve Fund Investment-				
- Fixed Deposit - Contingency Fund	642.00		553.00	
- Fixed Deposit - Common Wealth Games Reserve Fund			200.00	
- Fixed Deposit - EWS Houses Reserve Fund	1,039.90	1,681.90	988.85	1,741.85
B. LOANS, ADVANCES & OTHER ASSETS				
1. Loans				
(a) Staff	1.73		1.69	
(b) Future Hire Purchase Instalments	231.97		286.32	
Less : Future Interest	92.28		113.46	
	139.69	141.42	172.86	174.55
2. Advances recoverable in cash or in kind or for value to be received/adjusted				
Advances to Contractors	8.27		19.53	
Advances- EWS Schemes	88.74		76.00	
Material with Contractors	-		0.03	
Advances for stores	-		1.72	
Deposit Works	84.87		43.40	
Input VAT recoverable	0.09		5.06	
Income Tax Refund Receivable	44.71		42.76	
Recoverable/Adjustable to Pension Account	204.77		-	
Recoverable from Nazul I	131.72		86.00	
Recoverable from Nazul II	1,883.24		-	
Advances to Slum Wing	4.12		4.12	
Other Miscellaneous Advances/Recoverables	2.31	2,452.84	7.98	286.60
3. Interest accrued on General Investments		52.99		345.26
4. Interest accrued on Reserve Fund Investments		135.32		145.31
5. Claims Recoverable		0.37		2.38
		12,328.37		19,271.30

*Debtors is net of allottee balances in credit adjustable against disposal price on issuance of possession letter

**DELHI DEVELOPMENT AUTHORITY
GENERAL DEVELOPMENT ACCOUNT
SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2012**

(In ` Crores)

	For the year ended 31.3.2012		For the year ended 31.3.2011	
SCHEDULE-H				
INCOME FROM SALES/SERVICES				
Premia from Sale of Land		4.38		10.41
Sale of Houses		585.16		648.17
Sale of Shops		41.44		8.67
License Fee		58.62		59.60
Interest on Hire Purchase Instalments		26.63		30.09
		716.23		756.94
SCHEDULE-I				
INCOME FROM INVESTMENTS				
Income from General Investments		279.02		431.80
Income from Earmarked & Reserve Fund Investments				
Urban Development Fund	193.83		130.11	
Vambay	0.07		0.05	
Provident Fund	77.84		67.09	
Pension Fund	-		36.15	
Gratuity Fund	-		8.92	
Commonwealth Games Reserve Fund	4.94		19.14	
EWS Houses Reserve Fund	100.01		68.38	
Contingency Reserve Fund	61.78		47.39	
	438.47		377.23	
Less : Transfer to Earmarked Fund & Reserve Fund Accounts	438.47		377.23	
Saving Bank Interest		13.22		5.73
		292.24		437.53
SCHEDULE-J				
OTHER INCOME				
Ground Rent		2.50		1.91
Service Charges		1.56		1.90
Building Plan Fee		4.39		8.35
Profit on Sale of Vehicles		-		0.22
Other Housing Receipts		74.02		32.13
Other Revenue		40.94		17.41
		123.41		61.92
SCHEDULE-K				
INCREASE IN STOCK & WORKS				
Closing - Stock & Works				
Stock in Trade				
Land - Raw Land	19.07		19.08	
Work in Progress -				
Land - Under Development	1.32		1.32	
Houses - Under Construction	384.09		1,396.00	
Commercial Estate - Under Construction	20.34		18.32	
Finished Stock -				
Developed Land	107.99		107.99	
Houses - Built Up	3,453.89		700.28	
Commercial Estate - Built Up	491.72	4,478.42	513.72	2,756.71
Opening - Stock & Works				
Stock in Trade				
Land - Raw Land	19.08		19.08	
Work in Progress -				
Land - Under Development	1.32		1.32	
Houses - Under Construction	1,396.00		1,028.44	
Commercial Estate - Under Construction	18.32		12.85	
Finished Stock -				
Developed Land	107.99		107.99	
Houses - Built Up	700.28		1,186.54	
Commercial Estate - Built Up	513.72	2,756.71	424.99	2,781.21
Increase/(Decrease) in Stock & Works		1,721.71		(24.50)

(20)

DELHI DEVELOPMENT AUTHORITY
GENERAL DEVELOPMENT ACCOUNT

SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2012

(In Crores)

	For the year ended 31.3.2012		For the year ended 31.3.2011	
SCHEDULE - L				
ESTABLISHMENT & ADMINISTRATION				
Rates & Taxes		0 86		0 97
Pay & Allowances		381 14		363 57
Staff Welfare		2 20		2 24
Travel & Conveyance		2 63		4 13
Fees & Honorarium		0 92		1 57
Medical Expenses		22 03		17 11
Exgratia		4 11		3 81
Law Charges		2 34		1 59
Vehicle Running & Maintenance		3 58		3 77
Repairs & Maintenance - Others		2 52		2 00
Printing, stationery & Advertisement		18 31		17 43
Telephones		1 87		1 97
Entertainment		0 28		0 22
Loss on sale of asset		0 01		-
Other Miscellaneous Expenses		18 18		12 33
		460 98		432 71
Less : Recoveries from Works & Other Accounts -				
Works	0 29		6 41	
Delhi Master Plan	1 24		1 70	
Common Wealth Games	22 38		129 97	
Nazul I	6 44		3 93	
Nazul II	293 14	323 49	185 49	327 50
		137 49		105 21
SCHEDULE - M				
PRIOR PERIOD & EXTRAORDINARY ITEMS				
PRIOR PERIOD ITEMS				
Misclassification of receipt		-		10 08
Excess/ Short Income of Earlier Years		0 50		(0 18)
Construction expenditure		-		(0 53)
TOTAL		0.50		9.37
EXTRAORDINARY ITEMS				
Contribution to Pension Fund	2,780 06		275 00	
Less : Recoveries from Works & Other Accounts -				
Nazul I	24 19		2 47	
Nazul II	1,839 84	916 03	116 96	155 57
Contribution to Gratuity Fund	190 60		176 00	
Less : Recoveries from Works & Other Accounts -				
Nazul I	1 66		1 58	
Nazul II	126 14	62 80	74 85	99 57
Provision made for Leave Encashment	427 98			
Less : Recoveries from Works & Other Accounts -				
Nazul I	3 72		-	
Nazul II	283 24	141 02	-	
TOTAL		1,119.85		255.14
GRAND TOTAL		1,120.35		264.51

DELHI DEVELOPMENT AUTHORITY
STATEMENT SHOWING CLOSING BALANCE OF CASH & BANK AS ON 31.3.2012

SCHEDULE N
(In Crores)

DEPARTMENT	CASH IN HAND	CHEQUES ISSUED BUT NOT DEBITED IN BANK A/C TILL 31.3.2012 - UNCASHED CHEQUES	CHEQUES RECEIVED AND ACCOUNTED BY AUTHORITY BUT CREDIT NOT GIVEN BY BANK TILL 31.3.2012	DEBIT GIVEN BY BANK BUT NOT ACCOUNTED FOR IN CASH BOOK AS ON 31.3.2012	CREDIT GIVEN BY BANK BUT NOT ACCOUNTED FOR IN CASH BOOK AS ON 31.3.2012	(+)BALANCE AS PER CASH BOOK AS ON 31.3.2012	BALANCE AS PER BANK STATEMENT AS ON 31.3.2012
1	2	3	4	5	6	7	8
CAU East Zone	0.01	25.73	0.04	0.15	-	13.07	38.61
CAU Dwarka Zone	-	10.71	0.67	0.47	0.24	11.27	21.08
CAU Rohini Zone	-	45.79	0.04	0.01	0.11	15.54	61.39
CAU North Zone	-	20.93	0.02	0.08	0.50	8.90	30.23
CAU South Zone	0.02	40.97	0.47	-	0.01	18.79	59.30
CAU CWG	-	2.47	-	0.41	-	11.35	13.41
CAU Flyover	-	1.17	-	-	-	2.54	3.71
A O Sports	0.08	3.38	0.34	0.26	0.04	5.46	8.28
PAO Engg	-	1.33	-	0.01	-	3.97	5.29
Store Division 1	-	-	-	-	-	-	-
Store Division 2	-	0.07	-	-	0.03	1.12	1.22
Bhikaji Cama	-	-	-	-	-	-	-
HRD Institute	-	-	-	-	-	-	-
CAU MPR	-	3.16	-	-	-	4.81	7.97
UTTIPIC	-	0.01	0.19	-	-	0.34	0.16
AO (Medical)	-	-	-	-	-	0.10	0.10
Cash (Housing)	-	6.17	0.02	1.56	0.75	45.20	50.54
Cash (Main)	-	166.34	0.95	22.70	13.82	199.94	356.45
Earmarked & Reserve funds							
General Provident Fund	-	1.46	0.29	0.03	0.51	22.63	24.28
Urban Development Fund	-	50.17	20.70	0.62	0.01	39.36	68.22
VAMBAY	-	-	-	-	-	0.05	0.05
Contingency Fund	-	-	-	-	-	0.06	0.06
EWS Fund	-	-	-	-	-	0.40	0.40
Common Wealth Games Reserve Fund	-	-	-	-	-	1.94	1.94
Total	0.11	379.86	23.73	26.30	16.02	406.84	752.69
Remittance in Transit						6.08	

COLUMN 2 - CASH IN HAND

COLUMN 7 - BANK BALANCE AS PER C/BOOK

COLUMN 7 - REMITTANCE IN TRANSIT

TOTAL

LESS

BALANCE OF TRANSACTIONS OF NAZUL I

BALANCE OF TRANSACTIONS OF NAZUL II

BALANCE OF GENERAL DEVELOPMENT ACCOUNT

(Including balance of Earmarked & Reserve Fund Accounts- Rs 64.44 Crores

357.77

DELHI DEVELOPMENT AUTHORITY
NOTES TO THE ACCOUNTS

1. Capital Commitment in respect of major contracts - NIL crores (Previous Year NIL).

2. Contingent Liabilities –

- a. Claims not acknowledged as debts pending in Courts and Arbitration to the extent ascertained ` 158.98 crores (Previous Year ` 145.37 crores).
- b. MCD has raised a total demand of ` 349.89 crores towards property tax on various properties. The Authority disputes the taxability of many of these properties and also has a counter-claim for expenditure incurred by it on the maintenance of properties/colonies till the time of take-over of services by MCD. Apart from regular payments towards some of the properties on which liability is accepted by the Authority, adhoc payments aggregating to ` 128.50 crores has also been made from time to time. The Authority is of the view that the payment already made would cover its liability as per statute and no additional liability may arise on this account. Pending final determination of the tax, claims have also not been lodged on the licencees for recovery.
- c. No provision has been made towards service tax and labour tax claims under contracts awarded prior to the amendment of the respective statutes bringing the transactions in the ambit of taxation. Amount unascertained.
- d. Licensees are disputing service tax liability on license fee in view of pending court judgement. Tax, if held as leviable being recoverable from the licensees, no provision has been made thereagainst.
- e. The Service Tax Department has issued show cause-cum-demand notices for ` 942.19 crores towards service tax on lease premia realized on disposal of lands on perpetual lease holding the lease receipts to be in the nature of rental receipts and on ground rent. No provision towards the demand has been made as the lease premia received is in the nature of sale proceeds of the lands and the Department has yet to adjudicate upon the subject. Also, the ownership of the lands being of the Central Government and tax, if held as payable would be chargeable to Nazul Account II.

- f. No provision towards labour cess, if any, in respect of Commonwealth Games Village Project has been recognized since the liability, if any, determined is recoverable from the Developer.
3. Various contracts relating to the Commonwealth Games are under scrutiny of different Committees/Authorities and subject to claims and counter-claims by the Authority and the contractors/Developers. However, in the absence of firm determination of any recovery or liability, no effect of the same has been given in these accounts.
4. During the year, expenditure incurred on the execution of various Projects for the Common Wealth Games, 2010 have been allocated to the respective asset accounts net of grants received
5. Inventories include 333 flats in the Commonwealth Games Village purchased by the Authority under the Bail Out package given to the Developer of the Village. One-third share in the residential units as per the Project Development Agreement with the Developer, being attributable towards consideration of the land accrue to the benefit of Nazul Account II. The said one-third share in the flats is subject to final determination on decision over additional FAR achieved in the Project.
6. Separate financial statements of Delhi Development Authority Pension Fund Trust and Delhi Development Authority Gratuity Fund Trust have been drawn up. Contribution towards these trusts have been recorded as per the Actuarial Valuation Reports received viz., 31.3.2010 except for pension contribution towards Pensioners, actuarial valuation of which as on 31.3.2011 has been received. The amounts recoverable/payable to the Trust Funds and the expenditure on account of contribution from the Authority are subject to adjustment based on the final Valuation Certificate as on 31.3.2012. Amount unascertainable.
7. The Authority has got the Actuarial Valuation of its Leave Encashment liability as on 31.3.2012 which has been provided in these accounts. No provision towards post retirement medical scheme have been made pending the determination of the liability on actuarial basis.
8. The Authority, being a 'general public utility' was granted registration as a 'Charitable Institution' on 12.1.2006 with retrospective effect from 1.4.2002 that entitles the Authority to claim exemption of its income subject to certain conditions of utilization and investment. Prior to the grant of registration, the assessment of the assessment year 2003-04 had been taken up and the Department had passed order u/s 142(2A) of the Income Tax Act, 1961 imposing a special audit over and above the audit

of the C&AG. This was challenged by the Authority in the Delhi High Court and while the decision of the Court was pending, similar orders were passed in all the subsequent assessment years from 2004-05 to 2009-10. The Hon'ble High Court has, recently on 10th September, 2012, quashed all the seven Orders of the Department and the assessments are likely to be completed shortly.

9. The Income Tax Department has also, in December, 2011 issued a Show Cause Notice under section 12AA(3) of the Income Tax Act, 1961 as to why the registration granted to it as a 'Charitable Institution' under section 12AA(1)(b) be not withdrawn in view of the amendment to the definition of 'charitable purpose' under section 2(15) of the Act by Finance Act, 2008 which excludes advancement of an object involving the carrying on of trade, commerce or business or rendering service to those carrying on trade, commerce or business. However, based on the clarification of the CBDT and various legal pronouncements that the amendment is only to check those who are working under the garb of charity and the fact that the Authority is not pursuing any objective except as laid down in its governing law viz., The Delhi Development Act, 1957 which is not aimed at trade, commerce or business, the Authority does not contemplate any adverse decision or any tenable tax demands in the pending assessments. Accordingly, no provision towards income tax is considered necessary.
10. Creditor for land includes 3.82 crores payable to the Ministry of Rehabilitation (MOR) towards land purchased under a package deal for 30 crores. Full possession of the lands has yet to be received from the Ministry. Also, some of the lands are in the possession of other Departments though the ownership rests with the Authority. Entries in the books of account have been passed for the lands ownership of which was transferred to the Authority.
11. Inter-fund accounts and Suspense Account prior to the financial year 2001-02 are pending reconciliation.
12. Furniture, furnishings, etc. procured through ITDC for the Commonwealth Games have been recognized at the payments disbursed to them pending reconciliation and settlement of accounts with them.
13. Debtors' accounts and corresponding registration money are pending reconciliation. Hence, it has not been possible to present age-wise break-up of Debtors.

14. Bank balances include `0.35 crores in some very old bank accounts which are pending reconciliation for want of information from the Banks.
15. Advances include `0.36 crores and `4.12 crores recoverable from Sports Authority of India and Slum Department, respectively which is pending adjustment/recovery.
16. Personal Account balances are subject to confirmation.
17. Transactions in respect of Nazul I (Old Nazul Estate) and Nazul II (Large Scale Acquisition of Land) being transactions on government account are recorded under separate heads and presented in separate Financial Statements in the format prescribed in the DDA (Budget & Account) Rules, 1982. Net balance of the receipts and payment on the said accounts is reduced from the Cash & Bank Balance of the Authority. Deficit in the Nazul Accounts is funded by the Authority and is reflected as an Advance.
18. Previous year figures have been regrouped/reclassified wherever necessary to conform to this year's classification.
19. Schedules A to N form an integral part of the accounts.

Sd/-
Sr. Accounts Officer

Sd/-
Dy.Chief Accounts Officer (HQ-I)

Sd/-
Chief Accounts Officer

Dated:
Place: New Delhi

DELHI DEVELOPMENT AUTHORITY

FINAL ACCOUNTS

NAZUL -I

2011--12

(26)

DELHI DEVELOPMENT AUTHORITY
ANNUAL ACCOUNTS FOR THE YEAR 2011-12
NAZUL ACCOUNT - I
BALANCE SHEET AS AT 31ST MARCH, 2012

(In Crores)

LIABILITIES					ASSETS				
Sr. No.	Head of Account	Schedule	2011-12	2010-11	Sr. No.	Head of Account	Schedule	2011-12	2010-11
I	Accumulated surplus funds payable to Govt under clause 9 of Nazul Agreement 1937	Q	20.26	20.63	I	Cash & Bank balance	N	0.32	0.69
II	<u>Deposits</u>				II	Investments		-	-
	a) Securities		-	-	III	Accumulated Expenditure on Land & Works		19.94	19.94
	b) Other Charges		1.19	1.19	IV	Deposits		-	-
	c) Dev. Charges		-	-	V	<u>Advances</u>			
III	Amount received from other account		131.72	86.00		a) Advance to other A/C (BGDA)		-	-
IV	Sundry Creditors	R	0.39	0.29		b) Other Advances		-	-
V	Excess of Assets over Liabilities as per last Balance Sheet		(19.52)	(19.62)		c) Amount transferred to other A/C		-	-
	Less Liabilities as per last Balance Sheet		-	-		d) P.L.A.		-	-
VI	Excess of income over Expenditure during the year - Part I		0.05	0.17	VI	Sundry Debtors	O	21.01	20.97
						Less: Provision for bad & doubtful debts		-	-
VII	Amount transferred to Accumulated receipts under Nazul Agreement		(0.87)	(0.07)	VII	Property	P	0.66	0.72
					VIII	Excess of Expenditure over Income (Part II)		91.29	46.27
	TOTAL		133.22	88.59		TOTAL		133.22	88.59

Date:

Sd/-
Sr. Accounts OfficerSd/-
Dy. Chief Accounts Officer (HQ-I)Sd/-
Chief Accounts Officer

(27)

DELHI DEVELOPMENT AUTHORITY
ANNUAL ACCOUNTS FOR THE YEAR 2011-12
NAZUL ACCOUNT - I
INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31st MARCH, 2012

(In ` Crores)

Expenditure				Income			
Sr. No.	Head of Account	Expenditure 2011-12	Expenditure 2010-11	Sr. No.	Head of Account	Income 2011-12	Income 2010-11
I	Accumulated expenditure on land & works as on 01.04.11	19.94	19.94	I	Receipts from disposal of Land -Premia	0.05	0.17
II	Expenditure on Land and Works during 2011-12	-	-	II	Land transferred from L & DO	-	-
III	Excess of Income over Expenditure (Part-I)	0.05	0.17	III	Interest on Investments	-	-
	Total	19.99	20.11	IV	Accumulated expenditure on land & works as on 31.3.12	19.94	19.94
IV	<u>Cost of Administration</u>				Total	19.99	20.11
	i) Officers	1.66	0.95	V	Revenue From:		
	ii) Estt	4.15	6.47		a) Ground Rent	0.58	0.95
	iii) Other Charges	0.74	0.63		b) Other Receipt	0.96	0.09
	iv) Pension Contribution	24.19	-		c) Damages	0.66	12.27
	v) Gratuity Contribution	1.66	-	VI	Other Nazul Revenue	1.40	2.26
	vi) Leave Encashment Contribution	3.72	-	VII	Excess of Expenditure over Income (Part-II)	45.02	8.88
	Less Estt Charges recovered from works	(1.48)	(1.78)				
V	Payment of Nazul Revenue to Govt	0.01	0.01				
VI	Depreciation	0.06	0.08				
VII	Provision for Bad and Doubtful Debts	-	-				
VIII	Demand Dropped	-	-				
IX	Misc Expenditure incurred on maintenance of various schemes	13.91	18.09				
X	Excess of Income over Expenditure (Part II)	-	-				
	TOTAL	48.62	24.45		TOTAL	48.62	24.45

Date: _____
Place: New Delhi

Sd/-
Sr. Accounts Officer

Sd/-
Dy. Chief Accounts Officer (HQ-I)

Sd/-
Chief Accounts Officer

(28)

DELHI DEVELOPMENT AUTHORITY
ANNUAL ACCOUNTS FOR THE YEAR 2011-12
NAZUL ACCOUNT -I
RECEIPTS AND PAYMENT ACCOUNT FOR THE YEAR ENDING 31st MARCH, 2012

(In ` Crores)

Receipts					Payment				
Sr. No.	Head of Account	Revised Estimate	Actual Receipts (2011-12)	Actual Receipts (2010-11)	Sr. No.	Head of Account	Revised Estimate	Actual Expenditure (2011-12)	Actual Expenditure (2010-11)
I	Revenue from works and Dev. Schemes	23.00	0.05	0.17	1	Share cost of administration	6.50	32.29	7.98
	a) Premia					Less. Estt. Charges received from works		(1.48)	(1.78)
	b) Ground Rent		0.60	1.23		Net Share cost	6.50	30.81	6.20
	c) Other Receipts		0.96	0.08					
II	Damages		0.59	0.63	2	Expenditure on works and Dev. Schemes	23.50	13.91	18.09
III	Other Nazul Revenue				3	Misc. Expenditure	-	-	-
	a) Revenue from Agriculture land, Other land		-	-					
	b) Other Revenue	12.34	1.40	2.26	4	Payment of Nazul Revenue	1.50	0.01	0.01
IV	Delhi Master Plan		-	-	5	Interest on Loan	-	-	-
					6	Delhi Master Plan	1.10	1.24	1.70
V	New Master Plan for Delhi	0.20	-	-	7	New Master Plan for Delhi	-	-	-
VI	Land trans. From L&DO Gram Sabha		-	-	8	Debt Repayment	-	-	-
VII	Interest from Investment		-	-	9	Development and Construction of Lakes around Delhi	-	-	-
VIII	Development and Construction of Lakes around Delhi		-	-			-	-	-
IX	Debt Receipts		-	-	10	Land transferred from L & D	-	-	-
	Total	35.54	3.60	4.37		Total	32.60	45.97	26.00

(29)

(In Crores)

Receipts					Payment				
Sr. No.	Head of Account	Revised Estimate	Actual Receipts (2011-12)	Actual Receipts (2010-11)	Sr. No.	Head of Account	Revised Estimate	Actual Expenditure (2011-12)	Actual Expenditure (2010-11)
X	DEPOSITS & ADVANCES				11	DEPOSITS & ADVANCES			
i)	Suspense Account	-	-	-	i)	Suspense Account	-	-	-
a)	Investment - cash balance investment accounts	-	-	-	a)	Investment - cash balance investment accounts	-	-	-
b)	Other Suspense items	-	-	-	b)	Other Suspense items	-	-	-
ii)	Deposits	-	-	-	ii)	Deposits	-	-	-
iii)	Advances(HBA)	-	-	-	iii)	Advances	-	-	-
iv)	P L A.	-	-	-	iv)	P L A.	-	-	-
v)	Amount received from other accounts (BGDA)	-	42.00	20.00					
	TOTAL DEPOSITS & ADVANCES	-	42.00	20.00			-	-	-
	TOTAL RECEIPTS	35.54	45.60	24.37		TOTAL PAYMENTS	32.60	45.97	26.00
	OPENING BALANCE	(0.90)	0.69	2.32		CLOSING BALANCE	2.04	0.32	0.69
	GRAND TOTAL	34.64	46.29	26.69		GRAND TOTAL	34.64	46.29	26.69

Date: _____
 Place: New Delhi

Sd/- _____
 Sr. Accounts Officer

Sd/- _____
 Dy. Chief Accounts Officer (HQ-I)

Sd/- _____
 Chief Accounts Officer

(30)

DELHI DEVELOPMENT AUTHORITY
NAZUL ACCOUNT-I

SCHEDULE-O

STATEMENT OF SUNDRY DEBTORS AS ON 31.03.2012

		(In Crores)
Sr. No.	Particulars	Amount
I	Premia (for lease of land payable by the lessee)	0.93
II	Ground Rent (Payable by the lessee of lease land)	1.20
III	Other Receipts (Staff Quarters)	1.50
IV	Damages levied for unauthorised occupation of Nazul land/Properties	17.09
V	Other Nazul Receipts	0.29
VI	Land transferred to L&D/Gaon Sabha	-
	TOTAL	21.01

(31)

DELHI DEVELOPMENT AUTHORITY
NAZUL ACCOUNT-I

SCHEDULE- P

STATEMENT OF PROPERTY AS ON 31.03.2012

(In ` Crores)

Sr. No.	Particulars of Property	Opening Balance	Additions	Total	Depreciation	Closing Balance
I	Motor Vehicles	0.18	-	0.18	0.02	0.16
II	Furniture	0.10	-	0.10	0.01	0.09
III	Other Office equipments	0.08	-	0.08	0.01	0.07
IV	Survey and Drawing instruments	-	-	-	-	-
V	Staff Quarters	0.35	-	0.35	0.02	0.33
VI	D/o 128 Acres of Land for Temp. junk Mkt. at Jhandewalan	0.01	-	0.01	-	0.01
VII	Janta Mkt. Rani Jhansi Rd.	-	-	-	-	-
VIII	Providing parking arrangement at Ajmeri Gate	-	-	-	-	-
	TOTAL	0.72	-	0.72	0.06	0.66

(32)

DELHI DEVELOPMENT AUTHORITY
NAZUL ACCOUNT-I

SCHEDULE-Q

STATEMENT OF FUNDS PAYABLE / PAID TO GOVERNMENT UNDER NAZUL AGREEMENT - 1937

Particulars	Amount
Transfer of funds upto 31.3.2011	37.59
Add: Amount transferred during the year under Nazul Agreement	0.87
(A) BALANCE	38.46
Total Expenditure incurred on Old Delhi Master Plan/ Zonal Plan upto 31.3.2011	14.46
Add: Expenditure during 2011-12	1.24
Less: Receipt on account of sale proceeds during the year	-
Net expenditure on Delhi Master Plan/Zonal Plan (a)	15.70
Total Expenditure incurred on New Master Plan/ Zonal Plan up to 31.3.2011	2.50
Add: Expenditure during 2011-12	-
Less: Receipts on a/c of Sale Proceeds during the year	-
Net Expenditure on New Master Plan/Zonal Plan (b)	2.50
(B) TOTAL EXPENDITURE (a+b)	18.20
Balance carried forward to Balance Sheet (A-B)	20.26

(33)

DELHI DEVELOPMENT AUTHORITY
NAZUL ACCOUNT-I

SCHEDULE-

STATEMENT OF SUNDRY CREDITORS AS ON 31.03.2012

(In ` Crores)	
Particulars	Amount
Administration Pay & Other charges	0.39
TOTAL	0.39

**DELHI DEVELOPMENT
AUTHORITY**

FINAL ACCOUNTS

NAZUL -II

2011--12

(34)

DELHI DEVELOPMENT AUTHORITY
ANNUAL ACCOUNTS FOR THE YEAR 2011-12
NAZUL ACCOUNT -II
RECEIPTS AND PAYMENT ACCOUNT FOR THE YEAR ENDING 31st MARCH, 2012

(In Crores)

Receipts					Payments				
Sr. No.	Head of Account	Revised Estimate	Actual Receipts 2011-12	Actual Receipts 2010-11	Sr. No.	Head of Account	Revised Estimate	Actual Expenditure 2011-12	Actual Expenditure 2010-11
I-C	Receipts from Disposal of Developed Land and Premia	1,133.79	872.94	1,258.19	1-C	Payment to Delhi Admn (L&B Dept) for Acquisition of Land	400.00	447.71	175.75
II-C	Receipts from Disposal of Undeveloped Land Premia		82.81	85.04	2-C	Expenditure on Development of Land	1,376.29	454.30	253.49
III-C	Ground Rent and Other Receipts	-	102.69	172.02		Master Plan & Other Concomitant Schemes	-	546.74	561.66
						Sports Complexes	-	25.58	39.79
						Total expenditure on D/o land 2-C	1,376.29	1,026.62	854.94
	Grant from Central Govt -CWG 2010	-	901.26	-		CWG- 2010 Expenditure		1,377.87	-
IV-C	Miscellaneous Receipts				3-C	Expenditure on C/O Roads other than those in Schemes	-	-	-
(a)	Composition Fee	-	21.28	22.29	4-C	Expenditure on Building other than those included in the Development Schemes	-	-	-
(b)	Interest from Investments	-	1,205.85	801.31	5-C	Share Cost of Admn. Charges	220.00	2,259.12	377.30
(c)	Other Misc. Receipts	1,410.45	169.44	95.38		Deduct Estt. Charges	-	(103.98)	(83.73)
	Interest from Urban Heritage A/c	-	0.03	0.02		Net Share Cost	220.00	2,155.14	293.57
	Sports Complex	-	34.22	33.63		Interest on Loan (ways and means advances)	1.30	-	0.02
	E. W. S. Fund	-	6.31	3.71	6-C	Refund of Premia	-	13.70	6.33
					7-C	Less: Adhoc cut made by Delhi Admn	-	-	-
	IV C Total	1,410.45	1,437.13	956.34		Grants given to AAI Amount paid to DMRC	-	-	31.40
V-C	Adhoc increase / Adhoc cut made by Delhi Administration	-	-	-			-	300.00	-
	Total	2,544.24	3,396.83	2,471.59		Total	1,997.59	5,321.04	1,362.01

(35)

Receipts					Payments				
Sr. No.	Head of Account	Revised Estimate	Actual Receipts 2011-12	Actual Receipts 2010-11	Sr. No.	Head of Account	Revised Estimate	Actual Expenditure 2011-12	Actual Expenditure 2010-11
VI-C	Debt Receipt				8-C	Debt Repayment			
	i) Loan from Central Govt.					i) Repayment of Loan to Central Govt.			
	ii) Amount received from					ii) Amount paid back to other accounts			
VII-C	Deposits and Advances				9-C	Deposits and Advances			
	i) Suspense Account					i) Suspense Account			
	a) Investment - Cash Balance Investment Account		13,114.00	12,034.00		a) Investment - Cash Balance Investment Account		13,345.50	13,114.00
	b) Investment A/c Sports		62.57	59.13		b) HRD Investment		0.15	0.14
	c) Escrow encashment		36.50	34.50		c) Investment Escrow Account		39.50	36.50
	d) HRD Encashment		0.14	0.14		d) Investment A/c Sports		57.27	62.52
	e) Escrow FAR Encashment		1.10	1.00		e) Escrow FAR Investment		1.18	1.10
	f) Urban Heritage Award Fund Encashment		0.23	0.22		f) Urban Heritage Award Fund Investment		0.25	0.23
	ii) Other Suspense Account					g) Urban Heritage Fund Disbursement		10.00	-
	iii) Deposits	13,077.26	51.04	19.62		ii) Other Suspense Items		-	-
	iv) Earnest Money-CWGV Developer		321.00	-	iv)	Deposits		-	-
	v) Guarantee invoked-CWGV Developer		90.00	-		Amount paid to Revolving Fund	13,082.60	0.07	28.21
	vi) Amount received from Revolving Fund	1,997.59	1,326.87	792.65			2,544.24	1,326.87	792.65
	vii) Amount received from GDA		1,600.00	-					
	TOTAL DEPOSITS & TOTAL RECEIPTS	15,074.85	16,603.45	12,941.26					
	OPENING BALANCE	17,619.09	20,000.28	15,412.85		TOTAL DEPOSITS & TOTAL PAYMENTS	15,626.84	14,780.79	14,035.35
	GRAND TOTAL	105.22	156.49	141.01		CLOSING BALANCE	17,624.43	20,101.83	15,397.36
		17,724.31	20,156.77	15,553.86		GRAND TOTAL	99.88	54.94	156.49
							17,724.31	20,156.77	15,553.85

Dated :

Place: New Delhi

Sd/-
Sr. Accounts OfficerSd/-
Dy. Chief Accounts Officer (HQ-I)Sd/-
Chief Accounts Officer

DELHI DEVELOPMENT AUTHORITY
MANAGEMENT REPLY TO THE SEPARATE AUDIT REPORT OF THE C & AG
ON THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

Audit Observation	Management's Reply
<p>A. Balance Sheet</p> <p>1. Current Liabilities & Provisions (Schedule C) `2902.23 crore</p> <p>The above did not include liability amounting to `50.94 crore towards certain completed projects pertaining to the Common Wealth Games. This resulted in understatement of current liabilities & provisions as well as CWG Project expenditure to the extent of `50.94 crore and understatement of Net Deficit to the same extent.</p>	<p>The Scheme in question relates to Nazul Account II (Government Account) and hence, no liability was required to be booked in General Development Account.</p>
<p>2. Current Assets Loans and Advances (Schedule G): `12328.37 crore</p> <p>(a) Sundry Debtors `944.56 Crore</p> <p>The Authority was not maintaining party-wise and age-wise breakup of debtors depicted in the financial statements. Further, there was no system of obtaining confirmation of balances from debtors and providing adequate provision for bad and doubtful debts. As such the authenticity of the Sundry Debtors valuing `944.56 crore could not be vouched safe in Audit.</p>	<p>a) The debtors of the Authority are general public and it is not practicable to obtain confirmation of balances. Individual allottee accounts of new schemes are reconciled. Old allottee accounts reconciliation are pending. Necessary disclosure is already given in Note No.13 in the Notes to the Accounts.</p>

<p>(b) Advances recoverable in cash or in kind ₹ 2452.84 crore</p> <p>The above included an advance of ₹ 4.12 crore recoverable from Slum Department. The advance was outstanding for more than 20 years; therefore, it was doubtful of recovery and a provision needs to be made.</p>	<p>b) Authority is pursuing for recovery.</p>
<p>(c) Claims Recoverable ₹ 0.37 crore</p> <p>The above included an advance of ₹ 0.37 crore recoverable from Sports Authority of India. The advance was outstanding for more than 14 years; therefore, it was doubtful of recovery and a provision needs to be made.</p>	<p>c) Authority is pursuing for recovery.</p>
<p>(d) Cash & Bank Balances ₹ 1511.34 crore</p> <p>The above included an amount of ₹ 0.29 crore which was lying un-reconciled for the period ranging from 3 to 16 years.</p> <p>Further, the amount of ₹ 0.35 crore mentioned in the Note No. 14 of the Notes on Accounts was also factually incorrect as it did not consider the amount of ₹ 0.06 crore towards stale cheques cancelled by DDA during the year 2011-12.</p>	<p>d) The fact of some old accounts being pending reconciliation is already stated vide Note no. 14 in the Notes to the Account. Further, the stale cheques of ₹ 0.06 crores does not relate to the above accounts which are inoperative for 3 to 16 years as already reported by Audit.</p>

B. Income and Expenditure Account -

1. Establishment & Administration (Schedule L) - 137.49 crore

The above amount did not include provision for expenses amounting to 9.45 crore towards the following items:

Sl. No.	Item of expenditure	Particulars	Amount (in crore)
1	Pay and Allowances	Equal share of employer's contribution in Pension for its employees under New Pension Scheme.	0.98
		Arrears of (i) pay and allowances (ii) Tuition Fee and (iii) salary payment of temporary computer operators.	0.42
2	Medical Expenses	Short provision for medical expenses	0.43

1. Factually incorrect. Liability of Rs.0.98 crores pertains both, to employer's and employees' share of contribution.

Liability towards salary covers both pay and allowances and tuition fee and liability of computer operators is provided under Miscellaneous Expenses where the expense is debited.

2. Short provision due to non-receipt of bills till finalization of accounts.

(39)

3	Ex-gratia	Non provision of Ex-gratia for the year 2011-12	6.16
4	Law Charges	Non provision of expenses	0.52
5	Repairs and Maintenance—Others (Electricity charges)	Non provision of electricity charges in respect of Dwarka Zone	0.57
6	Other Misc. Expenses	Hiring of machine and labour for demolition of unauthorized construction/encroachment.	0.37
		TOTAL	9.45

Non-provision of the above expenses has resulted in understatement of establishment and administration expenses by 9.45 crore and understatement of deficit of the DDA to the same extent.

3. This is not a contractual obligation. The Authority decided to pay the ex-gratia only after the Government passed the Order for payment to Central Government Employees on 5.10.2012. Hence, no liability arose on 31.3.2012.
4. Short provision due to non-receipt of bills till finalization of accounts.
5. Represents expenditure on booster pumps, etc. which is recoverable from allottees and hence, no liability accrued.
6. Expenditure pertains to Nazul II and no liability was to be booked in the Balance Sheet of General Development Account.

<p>2. Prior Period & Extraordinary Items (Schedule M)</p> <p>Extraordinary Items ` 1119.85 crore</p> <p>Non provision of liability towards Gratuity and Pension as per Actuary valuation Reports dated 11 September 2012 (for the year ended March 2012), by DDA resulted in understatement of contribution towards Pension Fund and Gratuity Fund to the extent of ` 879.76 crore as well as Net Deficit of the Authority to the same extent.</p>	<p>The Report dated 11th September, 2012 had been received only after the signing of the accounts on 14th September, 2012 and hence, could not be considered. This has already been clarified in the Notes to the Account vide Note No.6.</p>
<p>3. Income</p> <p>(a) Income from Investments (Schedule-I)</p> <p>` 292.24 crore</p> <p>The above included excess accrued interest income of ` 0.19 crore on 12 fixed deposit receipts which DDA has accounted for on the basis of its own formula instead of booking the same as per banks accrued interest certificates. The non-consideration of accrued interest income as per bank certificates has resulted in overstatement of accrued interest income and understatement of deficit of the Authority to the extent of ` 0.19 crore.</p>	<p>The number of deposits and banks are many and it is not practicable to wait for the receipt of the interest certificates. The Authority records entries based on well-defined formula, which has also been duly checked by Audit. Minor differences arise because of different accrual formulae adopted by different banks. The same have been duly adjusted subsequently.</p>

(41)

<p>(b) Increase (Decrease) in Stock & Works (Schedule-K) Closing - Stock & Works Finished stock - Houses Built Up ₹ 3453.89 crore</p> <p>The above included 109 built-up houses valuing ₹ 11.78 crore which were already sold and occupied by respective allottees. However, the authority did not remove these houses from finished stock inventory. The non-reduction of sold flats from finished stock of built up houses resulted in overstatement of closing stock & works (finished stock houses built-up) and understatement of deficit of the Authority to the extent of ₹ 11.78 crore.</p>	<p>These pertain to old schemes wherein reconciliation is being done. However, there is no effect on the deficit since both opening and closing stock would be adjusted by the same amount.</p>
<p>C. Significant Accounting Policies</p> <p>(a) Accounting Policy No.5 - Depreciation: As per the policy, depreciation is provided at the rates prescribed under the Income Tax Act, 1961 for full year irrespective of the date of addition. However, as per provisions of Income Tax Act, if the Asset acquired by the assessee during the previous year is put to use for the purposes of business for a period of less than 180 days in the previous year, the depreciation is to be provided</p>	<p>The Income Tax Act, 1961 prescribes depreciation allowance for tax purposes on 'block of asset' basis where the individual identity of the asset is not maintained. It is not binding on the Authority. The Accounting Policy of the Authority clearly states that depreciation is provided for full year irrespective of the date of addition.</p>

<p>at 50 per cent of the rate prescribed. The above policy is, therefore, inconsistent with the Income Tax Act, rates of which the Authority has claimed to follow.</p>	
<p>(b) Accounting Policy No.6(c): As per policy the Authority was valuing inventory of built up finished units of housing at standard cost i.e. at which units were expected to be sold, including land premium, less estimated cost of completion. Accordingly, the Authority has shown finished stock of built-up Houses as ` 3453.89 crore and Commercial Estate as ` 491.72 crore. The said policy was inconsistent with Accounting Standard (AS)-2 on Valuation of Inventories, which states that the inventories should be valued at cost or net realizable value whichever is less. This resulted in booking of unrealized profit in inventory valuation.</p>	<p>AS-2 is not applicable to the Authority. Further, the Authority has a compensatory pricing policy where the surplus in pricing of some schemes compensates the rebates and subsidies of the other schemes. Adoption of lower of cost and selling price will lead to booking of notional loss.</p>
<p>(c) Accounting Policy No.15 (a) Urban Development Fund: The Authority has added, following line, to its existing policy, during the year 2011-12: <i>"Interest on loans given from the Fund Account is recognized and credited to the Fund Account on receipt".</i></p>	
<p>As the Authority was preparing Financial</p>	<p>The Urban Development Fund is not the</p>

(43)

<p>Statements on accrual basis, therefore, recognising interest income on loan on receipt (cash) basis, was not consistent with the principles of accrual basis accounting. This has also resulted in non-accounting of accrued interest income on loan outstanding to various authorities in UDF. Further, the Authority had not quantified the financial implications due to change in the accounting policy and disclosed the same in the Notes to the Accounts.</p>	<p>Authority's Fund. It is only the custodian and hence, the Authority is liable to account for only what has been received or paid on the Fund's Account and cannot recognize the liability or asset on the Fund's Account.</p>
<p>D. Notes to the Accounts</p> <p>(a) The Authority, as per Actuarial Valuation Report in respect of Group Leave Encashment Scheme has created a provision of ` 427.98 crore in the financial statements - Schedule (C) of General Development Account as on 31 March 2012. The Authority, however, did not disclose the fact that the above provision included the share of Nazul-I (` 3.72 crore) and Nazul-II (` 283.24 crore). The above fact needed to be disclosed by way of a Note in the Notes to Accounts for better understanding to the reader.</p> <p>(b) The Authority did not disclose the fact in the Notes to the Accounts that the Authority was the custodian of the Urban Development Fund controlled by Ministry of Urban Development,</p>	<p>Schedule 'M' to the Final Accounts already contains the details and hence, no supplementary information was required to be given in the Notes.</p> <p>Urban Development Fund is presented under 'Earmarked Funds' and Accounting Policy No.15(a) describes the nature of the Fund.</p>

(44)

<p>Government of India and the fund did not pertain to the Authority and any loans/ grants from the fund are disbursed as per the directions of the MoUD, GOI.</p> <p>Further, the Authority also did not disclose the fact in the Note to the Accounts that the Authority's bank balances included ` 280.82 crore pertaining to UDF. Hence, the above facts need to be disclosed by way of a Note in the Notes to the Accounts.</p>	<p>The observation is factually incorrect. ` 280.82 crore is not included in the bank balance but it represents the amount payable from GDA to UDF. The liability is already reflected in the Balance Sheet.</p>
<p>(c) Transfer of ` 653.23 crore, during the year, from General Development Fund to Pension Fund Trust (` 496.71 crore) and Gratuity Fund Trust (` 156.52 crore) has significant impact on the DDA's financial statements, however, the fact has not been disclosed in the accounts. The above developments needed to be disclosed by way of a Note in the Notes to Accounts for better understanding of the financial statements by reader.</p>	<p>The transfer to the respective Funds is already presented in Schedule B to the Balance Sheet as a separate line entry. Note No.6 also clarifies the drawing up of separate financial statements.</p>
<p>(d) The Authority as per Note 2 (e) of the Notes to Accounts disclosed that "the Service Tax Department has issued show cause-cum-demand notices for ` 942.19 crore towards service tax on lease premia realized on disposal of lands on perpetual lease holding the lease receipts to be in</p>	<p>The quantum of demand and nature has been duly disclosed. It was not considered necessary to anticipate and disclose further demands, when the past notices itself were not being adjudicated and decided.</p>

<p>the nature of rental receipts and on ground rent." However, the Authority has not disclosed the fact that the Service Tax notices for ` 942.19 crore pertains upto the period 30 September 2011.</p>	
<p>(e) The Authority as per Note No.8 of the Notes to the Accounts disclosed that "the Hon'ble High Court has, recently on 10th September 2012 quashed all the seven orders of the Department and the assessment are likely to be completed shortly".</p> <p>However, the Authority has not disclosed the fact that the Hon'ble High Court also stated "that we have no option but to quash the directions/orders for special audit in each of these years. The writ petitions are allowed and the orders under Section 142(2A) are quashed. This, however, does not mean that if the Assessing Officer during the course of the assessment proceedings feels and requires special audit, he cannot record reasons and justify special audit. It will open to the Assessing Officer in the course of the assessment proceedings to record fresh reasons and direct special audit under Section 142(2A) of the Act. It will equally open to the petitioner to contest the direction for special audit. Further, pursuant to interim orders passed in writ petitions the assessment proceedings for the Assessment years</p>	<p>The observation of the Hon'ble High Court about the Department's liberty to prescribe fresh audit and the Authority's right to challenge the same is a general remark and required no specific mention. Also, the same has no financial implication. The fact and reason of the assessments being pending have been duly disclosed.</p>

2003-04 onwards have been stayed. The assessment proceedings for the Assessment Year 2003-04 shall be taken up for scrutiny and hearing first and will be completed before the assessment proceedings for other years are taken up for hearing. The interim stay orders granted earlier will continue for Assessment Year 2004-05 onwards till the assessment proceedings for the year 2003-04 are concluded." Thus, disclosure made in the Note No.8 of the Notes to the Accounts is incomplete hence gives a misleading state of affairs.

In view of the above developments, the Audit was unable to comment on liability of the DDA towards Income tax, if any, for the year 2011-12.

(f) The Authority did not disclose the fact about non-availing of CENVAT credit of ₹ 3.42 crore by DDA, in the Notes to the Accounts.

It was not considered prudent to record or disclose the claim being contingent in nature.

(47)

E.	General	<p>(a) The Authority, in respect Nazul-II is preparing Receipts and Payments Accounts only, therefore, not providing any provision for establishment and general administration expenses. As a result, an amount of ` 29.56 crore allocated towards administrative and establishment expenses for Nazul-II remains unaccounted in the Authority's financial statements during the period 2011-12.</p> <p>(b) The Authority has not disclosed the fact that Fixed Assets valuing ` 0.66 crore in the books of Nazul-I are still pending decapitalization.</p> <p>(c) The "Deposits - other charges" under liabilities in the Nazul-I accounts amounting to ` 1.19 crore have not been claimed even after lapse of 19 years, therefore, the same has to be reviewed.</p>	<p>Provision for expenditure towards establishment has been made net of Nazul Account-II share cost. Hence, no separate provision was required.</p> <p>There is no decision as such to decapitalize the assets capitalized in the past as per then prevalent practice.</p> <p>These are adjustable deposits.</p>
F.	Grants-in-Aid	<p>During the financial year 2011-12, no Grants-in-Aid has been received by the Authority from Central Government.</p>	<p>Statement of fact. Needs no comment.</p>