

**2017-18**  
**ANNUAL AUDITED ACCOUNTS**  
**OF**  
**DELHI DEVELOPMENT AUTHORITY**



**DELHI DEVELOPMENT AUTHORITY**  
(Ministry of Housing & Urban Affairs)



# **Separate Audit Report on the Accounts For the Year 2017-2018**



**DELHI DEVELOPMENT AUTHORITY**



## **Separate Audit Report of the Comptroller and Auditor General of India on the Accounts of the Delhi Development Authority for the year ended 31 March 2018**

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We have audited the attached Balance Sheet of Delhi Development Authority (DDA) as at 31<sup>st</sup> March 2018 and the Income and Expenditure for the year ended on the date under Section 19 (2) of the Comptroller and Auditor General (Duties, Powers and Conditions of Services) Act 1971 read with the provisions of Section 25 (2) of the 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 Draft Separate Audit Report (SAR) contains the comments of the Comptroller and Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards, 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 examination, on a test basis, evidence supporting the amounts and disclosure in the financial statement. 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) DDA has prepared the accounts in the format as indicated below:
  - Receipt and Payment Account, Income and Expenditure Account and Balance Sheet in respect of General Development Account prepared under Uniform Format of Accounts prescribed by the Government of India, Ministry of Finance.
  - Receipt and Payment Account, Income and Expenditure Account and Balance Sheet in respect of Nazul-I prepared under DDA (Budget & Accounts) Rules, 1982.
  - Receipt and Payment Account in respect of Nazul-II prepared under DDA (Budget & Accounts) Rules, 1982.
  - Receipt and Payment Account, Income and Expenditure Account and Balance Sheet in respect of Pension Fund Trust.
  - Receipt and Payment Account, Income and Expenditure Account and Balance Sheet in respect of Gratuity Fund Trust.
- (iii) In our opinion, proper books of accounts and other relevant records have been maintained by DDA as required under Section 25 (1) of the Delhi Development Act, 1957 in so far as it appears from our examination of such books subject to the following observations:-

**A. Nazul-I**

**1. Income and Expenditure Account**

**1.1 Income**

**Income from damages ₹ 1.75 crore**

A reference is invited to comment no. A.2.1 (a) in SAR of CAG of India on the financial statements of DDA for the year 2016-17 wherein non booking of accrued income in respect of all the damage properties was commented.

During the year 2017-18 also, it was noticed that DDA has shown income from damages charges amounting to ₹ 1.75 crore only whereas damage charges for the current year worked out to ₹ 36.65<sup>1</sup> crore. Thus income from damage charges as well as sundry debtors were understated by ₹ 34.90 crore (₹ 36.65 crore - ₹ 1.75 crore).

**No corrective action has been taken by DDA despite the issue being raised in SAR of DDA in 2016-17.**

**B. Nazul – II**

**1.2 Non-preparation of Balance Sheet and Income& Expenditure Account**

Nazul-II relates to largescale acquisition, development and disposal activities of land by DDA on behalf of Government of India. In respect of Nazul-II accounts, DDA had prepared Receipt & Payment Account only. This account was having an investment of ₹ 8421.08 crore at the end of 31 March 2018. Audit is repeatedly commenting upon non-preparation of Balance Sheet and Income and Expenditure Account for Nazul-II so that all the assets and liabilities pertaining to this account are correctly depicted.

**Comment on this issue is being included in the SAR of DDA since 2012-13but corrective action has not been taken by DDA.**

**C. General Development Account**

**1. Balance Sheet**

<b>1.1 Reserves and Surplus (Schedule-A)</b>	<b>₹ 11901.25 crore</b>
<b>1.1.1 EWS Houses Reserve Fund</b>	<b>₹ 791.75 crore</b>

(a) A reference is invited to comment no. C.1.2 (b) in SAR of CAG of India on the financial statements of DDA for the year ended 2016-17 relating to non-inclusion of overhead expenditure incurred on construction of EWS houses. During the year 2017-18 also, DDA has not included an amount of ₹ 40.46 crore, being 15 percent overhead on ₹ 269.73 crore, in expenditure incurred on construction of EWS houses. The same amount viz expenditure including overhead should have also been added to the EWS

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<sup>1</sup> This amount has been worked out by audit by multiplying total area of Nazul-I properties under unauthorized occupation as provided by DDA in August 2017 with minimum damage charges in residential category (due to non-availability of break up of this area between residential, commercial and industrial), as per damage charges of 2015-16, being the latest available rates of damage charges with DDA. Criteria for working out this figure was different in SAR of 2016-17, hence this figure may not be comparable with figure given in SAR of 2016-17.

Fund on account of increase in the value of EWS inventory instead the same has been shown in the Income & Expenditure Account.

Non-observance of the same is against the principle of fund based accounting and full disclosure.

**Despite issue being raised in 2016-17, corrective action has not been taken by DDA.**

(b) A reference is invited to comment no. C. 1.2 (a) in SAR of CAG of India on the financial statements of DDA for the year ended 2016-17 wherein it was commented upon that DDA has been maintaining a separate reserve fund for EWS housing. While DDA deducted the expenditure incurred on construction of EWS flats from the EWS fund, the flats so constructed were sold/ put to sale under DDA housing inventory of Lower Income Group (LIG) category and not under the EWS category. As commented upon in previous year, 22577 flats of EWS category were put to sale as LIG flats under Housing Scheme 2014 and 268 flats were put to sale as LIG under Housing Scheme 2017. Therefore, expenditure incurred on construction of these houses should have been charged under LIG category instead of deducting the same from EWS fund. The EWS fund was thus understated to the extent of the expenditure incurred from it for the construction of these flats.

**Despite assurance given by DDA in previous year, corrective action has not been taken by DDA in 2017-18.**

## **1.2 Current Liabilities & Provisions (Schedule-C)**

**1.2.1 Sundry Creditors for land** **₹ 9.82 crore**

A reference is invited to comment no. 2.2 in SAR of CAG of India on the financial statements of DDA for 2016-17. No liability has been provided by DDA towards interest payable on outstanding principal amount of ₹ 3.82 crore to Ministry of Rehabilitation (MOR) towards purchase of land. Interest payable amount has increased to ₹ 11.86 crore till 31 March 2018. (₹ 1.84 crore up to December 1991 + ₹ 9.64 crore from January 1992 to March 2017 + ₹ 0.38 crore for the current year i.e. 2017-18 calculated at the rate of ten per cent per annum in absence of availability of actual rate of interest).

This has resulted in understatement of Current Liabilities by ₹ 11.86 crore, prior period expenses by ₹ 11.48 crore and current year expenses by ₹ 0.38 crore.

**Comment on this issue is being included in the SAR of DDA since 2015-16 but no corrective action has been taken.**

### 1.3 Current Assets

### 1.3.1 Inventories

(i) Work-in-Progress (Houses under construction) ₹ 6441.43 crore

A reference is invited to comment no. 4.2 (b), 4.3 (c) and 3.1 in the SARs of CAG of India for the year 2014-15, 2015-16 and 2016-17 respectively on financial statements of DDA. During the current year 2017-18, DDA incurred an expenditure of ₹ 269.73 crore

on construction of EWS houses out of EWS Fund created specifically for the purpose. The assets created by utilizing EWS funds {Work in Progress (WIP) and Finished Stock of EWS houses} have, however, not been shown separately in the Schedule-F of Balance Sheet though investments against EWS Fund, which is another current asset, are being shown separately. EWS Houses (finished stock as well as work-in-progress) constituted a major portion of the total WIP and Finished Stock of built up houses. However, due to non-disclosure of EWS houses under separate head, cumulative amount utilized for construction of EWS Houses could not be verified. Being a material fact, non disclosure of EWS Houses under separate head is against the principle of full disclosure.

**Comment on this issue is being included in the SAR of DDA since 2014-15 but no corrective action has been taken.**

(ii) Finished Stock Houses Built-Up (Sch-F) ₹ 2782.56 crore

Above includes ₹ 354.35 crore in respect of 1643 SFS/HIG flats. A test check of details of 346 cases was conducted by audit vis-a-vis list of vacant flats as submitted by respective zones and it was found that as against these 346 flats, only 49 flats were shown vacant in these zonal reports as on 31 March 2018. This shows that this inventory of 346 flats considered for financial statement was overstated to the extent of 297 numbers of SFS/HIG flats amounting to ₹ 130.37 crore. Thus, inventory net of provision was overstated to the extent of ₹ 111.94 crore (₹ 130.37 crore – ₹ 18.43 crore provisions for cost to complete). This has also resulted in overstatement of reserve and surplus to the same extent.

As this test check pertained only to 346 SFS/HIG flats, extent of such overstatement in remaining SFS/HIG flats as well as flats of others categories viz. MIG/LIG/Janta could not be commented upon in audit.

**1.3.2 Sundry Debtors** ₹ 503.32 crore

DDA has shown an amount of ₹503.32 crore as Sundry Debtors in the Balance Sheet of General Development Account as at 31 March 2018. DDA as per Note No. 11 of the Notes of Accounts disclosed that party wise and age wise details of the sundry debtor as on 31 March 2018 duly reconciled is not readily available. Further, the Authority has not been maintaining party-wise and age-wise breakup of debtors; as such the audit is unable to draw an assurance as to the authenticity, existence and recoverability of sundry Debtors valuing ₹503.32 crore shown in the Balance Sheet ended as at 31 March 2018. Mere disclosure in note to the accounts that debtors have not been reconciled is not sufficient.

**Comment on this issue is being included in the SAR of the CAG of India since 2013-14, but DDA has not been able to maintain party wise and age wise details of debtors.**

## **2. Income and Expenditure Account**

### **2.1 Income**

#### **2.1.1 EWS Houses Reserve Fund ₹ 62.48 crore**

A reference is invited to comment no. D.1.2 in the SARs of CAG of India on financial statements of DDA for the year 2016-17 in which booking of interest income from investment made out of EWS House Reserve fund in Income and Expenditure Account was pointed out. During the current year 2017-18 also, an income of ₹ 62.48 crore has been booked in Income and Expenditure Account against the principle of fund based accounting.

This has resulted in overstatement of income and understatement of deficit by ₹ 62.48 crore.

**Despite being pointed out in 2016-17, no corrective action has been taken by DDA.**

#### **2.1.2 Increase/(Decrease) in Stock & Works ₹2424.88 crore**

A reference is invited to comment no. D.2.1 in the SARs of CAG of India on financial statements of DDA for the year 2016-17 in which booking of EWS expenditure in Income and Expenditure Account was pointed out. During the current year 2017-18 also, an income of ₹ 310.19 crore (₹ 269.73 crore direct expenditure plus ₹ 40.46 crore towards overhead at the rate of 15 percent) through increase in WIP has been booked in Income and Expenditure Account against the principle of fund based accounting.

This has resulted in overstatement of income and understatement of deficit by ₹ 310.19 crore.

**Despite being pointed out since 2015-16, no corrective action has been taken by DDA.**

#### **2.1.3 License Fees (Schedule G) ₹ 60.81 crore**

This includes an amount of ₹ 17.12 crore in respect of license fees earned from mobile towers installed on the land belonging to Nazul-II. Therefore, the same should have been booked in the books of Nazul II instead of GDA. This has resulted in overstatement of Income by ₹ 17.12 crore and understatement of Current Liabilities and Provisions to the same extent.

### **2.2 Expenditure**

#### **2.2.1 Establishment & Administration ₹ 562.09 crore**

This does not include an amount of ₹ 28.58 crore towards arrears payable to Office Clerk Mate (OCM) effective from 21 December 2017. As the expenditure pertains to current year, the same should have been provided in the books of accounts.

Thus, non-booking of the above expenditure on accrual basis has resulted in understatement of expenditure as well as deficit by ₹ 28.58 crore.

### **2.2.2 Specified Housing Scheme – EWS Houses ₹ 269.73 crore**

A reference is invited to comment no. D.2.1 in the SARs of CAG of India on financial statements of DDA for the year 2016-17 in which booking of EWS expenditure in Income and Expenditure Account was pointed out. During the current year 2017-18 also, an expenditure of ₹ 310.19 crore (₹ 269.73 crore direct expenditure plus ₹ 40.46 crore towards overhead at the rate of 15 *per cent*) has been booked in Income and Expenditure Account against the principle of fund based accounting.

This has resulted in overstatement of expenditure as well as deficit for the year by ₹ 310.19 crore.

**No corrective action has been taken by DDA despite comment on this issue being raised in SAR since 2015-16.**

## **3 Significant Accounting Policies (Schedule-N)**

- 3.1** As per Uniform Format of Accounts (UFA) for Central Autonomous Bodies prescribed (November 2000) by the Government of India, Ministry of Finance, the entity shall disclose the Accounting Policy in relation to Investments, their cost, depreciation and carrying value – both for long term and current investments. Audit noticed that DDA has made investment of ₹ 24113.92 crore (GDA - ₹ 9779.13 crore, Nazul II - ₹ 7990.98 crore, Pension Fund Trust - ₹ 5720.04 crore and Gratuity Fund Trust - ₹ 623.77 crore) but the accounting policy as per UFA in relation to Investments were not disclosed in the Significant Accounting Policies. Hence, the Significant Accounting Policies are deficient to the extent of non- disclosure of proper accounting policy for investments.

### **3.2 Revenue Recognition**

A reference is invited to comment no. C.3, D.2 and E.1.1 in the SARs of CAG of India on financial statements of DDA for 2014-15, 2015-16 and 2016-17 respectively wherein it was pointed out that as per accounting policy, rental income is recognized on accrual basis and ground rent income and service charges are being accounted for as income on cash basis and since the final accounts are being prepared on accrual basis, the ground rent and service charges should also be accounted for on accrual basis and provision should be made for the portion of income where realization is doubtful. As DDA has the details of all the allottees from whom ground rent is receivable, the income on account of ground rent can be measured and assessable in terms of money. Thus, to show true and fair view, DDA should book the income on account of ground rent yearly on accrual basis.

**No corrective action has been taken by DDA despite comment on this issue being included in SAR of DDA since 2014-15.**

- 3.3** A reference is invited to comment no. E.1.2 in the SAR of the CAG of India on the financial statements of DDA for the year 2016-17 wherein it was pointed out that interest on loans given from the Urban Development Fund (UDF) Account is recognized and credited to the Fund Account on receipt basis though accounts are prepared on accrual

basis. Despite repeated observations, DDA continued to account for interest on government loans on receipt basis. As a result of this, UDF remained understated to the extent of ₹5.95<sup>2</sup> crore.

**Comment on this issue was included in SAR of DDA since 2014-15, however, corrective action has not been taken by DDA.**

#### **4 Notes to the Accounts (Schedule-O)**

##### **4.1 Contingent Liabilities ₹ 3133.93 crore**

**4.1.1** (i) This included an amount of ₹ 2,884.87 crore in respect of an arbitration case filed against DDA by M/s Emaar MGF Construction Private Limited. However, as per details provided to Audit, contingent liability in respect of this case worked out to ₹2,685.97 crore only. This has resulted in overstatement of contingent liability by ₹ 198.90 crore.

(ii) Contingent liabilities of ₹ 3133.93 crore does not include an amount of ₹ 13.06 crore in respect of a case filed in Hon'ble High Court against M/S Sportina Payce Infrastructure Private Limited. This has resulted in understatement of contingent liability by ₹ 13.06 crore.

**4.1.2** A reference is invited to comment no. F.1.2 in the SAR of CAG of India on financial statements of DDA for 2016-17 wherein non-disclosure of impact due to change in accounting policy No. 6 regarding valuation in inventories was commented upon.

This has not been rectified even in 2017-18 as a result of which the value of finished stock created up to 31 March 2016 continues to be valued as per previous policy of valuing this stock at standard cost at which same is expected to be sold which is in violation of Accounting Standard-2 (Valuation of Inventories).

**Despite being pointed out in 2016-17, corrective action has not been taken by DDA.**

**4.1.3** A portion of the Housing scheme (construction of LIG &EWS Houses including internal development and electrification at sector G-7 & G-8, Narela & Sector 34 & 35, Rohini) containing 8164 LIG flats and 1820 EWS flats was physically completed during the current year 2017-18, however, the same was neither transferred to inventory of Finished Stock (Houses – Built up) nor the fact was disclosed in the notes to the accounts. In absence of costing details, the understatement of Finished Stock and overstatement of WIP could not be quantified in audit.

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<sup>2</sup> Calculated at the rate of 10 per cent per annum (as per guidelines of Ministry of Housing and Urban Affairs for operation of this fund) for current year on total loan amount of Rs. 59.54 crore.

<b>D</b>	<b>Pension Fund Trust</b>	
<b>1</b>	<b>Balance Sheet</b>	
<b>1.1</b>	<b>Pending Liabilities</b>	<b>₹ 20.58 crore</b>
		This does not include an amount of ₹ 1.97 crore towards pension arrears payable to Office Clerk Mate (OCM) effective from 21 December 2017 on account of revision of pension of 1184 OCMs.
		Non-booking of the same has resulted in Understatement of Liabilities and Current Assets in the Balance Sheet of Pension Fund Trust by ₹ 1.97 crore.
<b>1.2</b>	An investment of ₹ 425.00 crore (UDF - ₹ 80.00 crore, Nazul II - ₹ 325.00 crore and CRF - ₹ 20.00 crore) in the State Government Securities through Pension Fund Trust has not been shown in the Balance Sheet of Pension Fund Trust. Non depiction of the same has resulted in understatement of Assets and Liabilities by ₹425.00 crore.	
<b>E</b>	<b>Gratuity Fund Trust</b>	
<b>1</b>	<b>Balance Sheet</b>	
<b>1.1</b>	<b>Employers Contribution</b>	<b>₹ 19.21 crore</b>
		This does not include an amount of ₹ 14.36 crore in respect of retirement gratuity payable to 846 OCMs due to revision of pay effective from 21 December 2017
		Non-booking of the same has resulted in Understatement of Liabilities as well as expenditure by ₹ 14.36 crore.
<b>F</b>	<b>General</b>	
<b>1</b>	<b>Non-preparation of separate accounts of UDF</b>	
<b>1.1</b>	DDA has been maintaining accounts of Urban Development Fund as a custodian on behalf of the Ministry of Housing & Urban Affairs (MoHUA), Government of India (GoI) and loans/grants are disbursed from this fund as per the direction of the MoHUA (GoI) only. As it is a separate entity for DDA, separate sets of financial statements should be prepared. Due to non-preparation of separate set of accounts of UDF, there are transactions which could not find place as per accrual concept of double entry system for example:	
(i)	DDA invested ₹ 80.00 crore of UDF through Pension Fund trust for purchase of State Government Securities during the year 2017-18 for a period of two and a half years. However, unamortized premium of ₹ 1.84 crore paid on purchase of investment could not be shown as deferred expenditure.	
(ii)	UDF was having funds of ₹ 4949.40 crore including saving account balance of ₹ 79.91 crore. Due to non-preparation of separate sets of accounts, transactions relating to investments, interest thereon, assets and liabilities and accrued expenses etc could not be depicted separately.	

Thus, for better presentation and to ensure that all the assets and liabilities are properly depicted, Audit is of the opinion that separate sets of accounts should be prepared by DDA for UDF as well.

**G Management Letter**

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

- (i) Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Income & Expenditure Account/Receipt & Payment Account dealt with by this report are in agreement with the books of accounts.
- (ii) In our opinion and to the best of our information and according to the explanation given to us, the said financial statement read together with the accounting Policies and Notes on Accounts, and subject to the significant matters stated above and other matters mentioned in **Annexure** to this Audit Report gives a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) In so far as it relates to the Balance Sheet, of the state of affairs of Delhi Development Authority as at 31 March 2018; and
  - b) In so far as it relates to the Income & Expenditure Account of the deficit for the year ending on that date.

Sd/-

**(Manish Kumar)**

**Director General of Audit  
Economic & Service Ministries**

**Date: 28.12.2018**

**Place: New Delhi**

During certification of accounts of DDA for the year 2017-18, the following shortcomings were also noticed

**1. Adequacy of Internal Audit System:** The Internal Audit of DDA had been conducted by its own Internal Audit Wing headed by Director (Internal Audit). It was observed from the records that DDA has total 212 auditable units under the administrative control of Internal Audit Wing. The internal audit planned to cover 113 auditee units during the year 2017-18, out of which 94 units were covered. Further, it was observed that there was substantial pendency of old outstanding internal audit paras. The number of outstanding para during 2014-15, 2015-16, 2016-17 and 2017-18 were 16105, 16915, 18473 and 19718 respectively. During the last three years, only 852 paras have been settled by DDA. This indicates that adequate efforts have not been made to settle the outstanding paras.

**2. Non-Preparation of accounts on accrual basis:** There are seven Central Accounting Units (CAU) namely CAU (North) Zone, CAU (South) Zone, CAU (East) Zone, CAU (Dwarka) Zone, CAU (Rohini) Zone, CAU (P&CWG) and CAU (Sports). In addition, there are seven accounting units other than CAU viz. Cash (Main), Cash (Housing), Staff Benefit Fund, Medical, Bikaji Cama Place, PAO and Utipec. DDA basically follows the CPWD pattern of preparation of monthly accounts at CAU level. The monthly accounts rendered by the CAUs are posted in the Classified and Consolidated abstracts at headquarter level. The accounts are finalized by conversion of cash basis accounts to accrual basis by the Tax Consultant by passing adjustment entries at the end of year. Thus, DDA does not record its transaction on accrual basis as and when these take place.

**3. Lack of in-house expertise:** DDA is dependent upon outside agency for finalization of its Accounts. It is recommended for development of in house expertise for preparation of financial statements by DDA instead of getting it prepared through Tax Consultant as DDA has recently recruited a batch of qualified AAOs. Further, immediate steps are warranted for implementation of some tailor made accounting software system which may help in streamlining of financial and accounting of DDA.

**4 Physical Verification:** As per rule 192 of General Financial Rules (GFR), a physical verification of all the goods and material should be taken at least once in a year and discrepancies, if any, should be recorded in the stock register for appropriate action by competent authority. In absence of item-wise physical verification of goods and material, the quantity and value of inventories had not been reported correctly in the financial statements of DDA. For instance, closing stock of the SFS/HIG category comprised of a total of 1643 flats which were valued at ₹354.35 crore. A test-check of inventory of SFS/HIG flats along-with corresponding corroboration of status of vacant flats with the information furnished by different Zones as well as inclusion of flats in the Housing Scheme 2017, revealed that most of the SFS/HIG flats had been sold out by DDA and only a few flats were lying vacant and finished stock of Houses Built-Up was overstated by ₹111.94 crore as has been commented upon in SAR vide comment no. C.1.3.1 (ii). Thus, for reflecting correct picture of inventories in accounts,

item-wise physical verification of inventories may be got conducted every year. In absence of item-wise physical verification report of inventory, audit is unable to draw an assurance as to the authenticity and existence of inventories valuing ₹2782.56 crore shown in the Balance Sheet ended as at 31 March 2018.

Sd/-

(Manish Kumar)

Director General of Audit

Economic & Service Ministries

Date: 28.12.2018

Place: New Delhi



# **Annual Accounts For the Year 2017-18**



**DELHI DEVELOPMENT AUTHORITY**



# **General Development Account**

## **Annual Accounts**

### **2017-18**



**DELHI DEVELOPMENT AUTHORITY**



**DELHI DEVELOPMENT AUTHORITY  
GENERAL DEVELOPMENT ACCOUNT  
BALANCE SHEET AS AT 31ST MARCH, 2018**

(Amount in Cr.)

<b>Particulars</b>	<b>Schedule</b>	<b>As at 31.03.2018</b>	<b>As at 31.3.2017</b>
<b><u>CORPUS/CAPITAL FUND AND LIABILITIES</u></b>			
Reserves & Surplus	A	11,901.25	11,977.04
Earmarked/Endowment Funds	B	8,051.50	7,813.03
Current Liabilities & Provisions	C	4,387.20	1,392.32
<b>TOTAL</b>		<b>24,339.95</b>	<b>21,182.39</b>
<b><u>ASSETS</u></b>			
Fixed Assets	D	190.67	202.37
Capital Work in Progress	D	3.60	3.62
Investment of Earmarked/Endowment Funds	E	8,235.10	7,776.72
Current Assets, Loans & Advances	F	15,910.58	13,199.68
<b>TOTAL</b>		<b>24,339.95</b>	<b>21,182.39</b>
Significant Accounting Policies	N		
Notes To Accounts	O		

Sd/-

Sd/-

Sd/-

Sd/-

Sr. AO (A/Cs) Main

Dy. CAO (A/Cs)

Dir. (Fin.)/Consultant

Chief Accounts Officer

Dated :16.07.2018

Place : New Delhi

DELHI DEVELOPMENT AUTHORITY  
GENERAL DEVELOPMENT ACCOUNT  
INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	SCHEDULE	For the year ended 31.3.2018		(Amount in Cr.)	
				For the year ended 31.3.2017	
<b>INCOME</b>					
Income from Sales/Services	G		249.66		518.84
Income from Investments	H		231.70		253.34
Other Income	I		215.52		240.76
Increase/(Decrease) in Stock & Works	J		2,424.88		1,000.33
Total			<b>3,121.76</b>		<b>2,013.27</b>
<b>EXPENDITURE</b>					
Development & Construction Expenses					
- Land and related works		0.46		1.04	
- Specified housing scheme - EWS Houses		269.73		83.62	
- Other Housing Schemes		2,034.68		1,224.23	
- Commercial Estate		1.04		3.45	
Maintenance of properties	K		2,305.91		1,312.34
Establishment & Administration			130.81		135.58
Interest on Registration Money			562.09		388.20
Interest to Nazul II			1.10		1.07
Depreciation	D		108.25		-
Total			13.71		14.84
Excess of Income over Expenditure before prior period Items & Extraordinary Items			<b>3,121.87</b>		<b>1,852.03</b>
Prior Period Income/(Expenditure)	L				
Extraordinary Items			-0.11		161.24
Excess of income over expenditure for the year			-74.75		-96.88
Significant Accounting Policies	N				
Notes to Accounts	O		<b>-74.86</b>		<b>64.36</b>

Sd/-

Sd/-

Sd/-

Sd/-

Sr. AO(A/Cs) Main

Dy. CAO (A/Cs)

Dir. (Fin.)/Consultant

Chief Accounts Officer

Dated :16.07.2018  
Place : New Delhi

**DELHI DEVELOPMENT AUTHORITY**  
**GENERAL DEVELOPMENT ACCOUNT**  
**RECEIPTS & PAYMENT ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amount in Cr.)

Head of Account	RECEIPTS		Head of Account	PAYMENT	
	2017-18	2016-17		2017-18	2016-17
<b>Opening Balance</b>					
Cash in Hand	0.07	0.13			
Balance in Saving Accounts	2,266.54	1,120.86	<b>Administration &amp; Establishment</b>	548.86	567.06
Remittance in Transit	27.11	3.39	Less: Amt. Recovered from works	54.44	58.29
<b>    Less : Balance of transactions pertaining to :-</b>	<b>2,293.72</b>	<b>1,124.38</b>	<b>TOTAL</b>	<b>494.42</b>	<b>583.77</b>
NAZUL-I	2.87	1.26	Less: Share cost Recovered	5.05	5.41
NAZUL-II	1,541.33	259.34	Nazul A/c.-I	251.08	261.04
			Nazul A/c.-II		
			Delhi Master Plan	1.56	1.65
			Total share cost transferred	257.69	263.09
Add: Fixed Deposits -					
General Investment	830.04	1,579.56	Balance under GDA	236.73	240.68
Revenue from Work and Development Schemes					
Premia from disposal of land	0.04	0.05	Expenditure on Works & Development Schemes	136.10	141.24
Premia from disposal of houses and shops including hire purchase instalments	261.47	181.05	Expenditure on construction of Houses & Shops	2,134.57	1,464.97
License Fee	86.76	81.46	Interest on Registration Money & Refunds	0.06	0.02
Ground Rent	3.38	5.66	Stores	-	0.09
Interest on General Investment	24.58	130.98	Miscellaneous expenses	0.04	0.00
Other Revenues	299.26	176.24	Purchase of Fixed Assets	0.01	2.97
Recovery of deptt. Charges	8.12	7.73			
<b>Urban Development Fund</b>					
Encashment of Investment	4,025.98	4,275.00	<b>Urban Development Fund</b>	4,873.84	4,255.99
Conversion Charges	205.80	176.49	Refunds	0.87	1.00
Interest on Investment	311.61	347.04	Grants & Loans to other Departments	205.62	3.00
Interest on UDF Loan Recovery	-	1.10	Amount Given For Construction of Flyover	-	2.50
Amount received from General Provident Fund Trust	-	0.10	Other Misc. Expense	0.01	-
Amount received from Gratuity Fund Trust	-	0.00	Payment to Pension Fund Trust	3.32	5,083.56
<b>General Provident Fund</b>					

Head of Account	RECEIPTS		PAYMENT	
	2017-18	2016-17	2017-18	2016-17
Provident Fund Contribution	180.77	177.57	Provident Fund Disbursements	253.75
Encahsment of GPF Investment	93.00	276.23	Deposit Link Insurance	0.68
Transfer of GPF Balance	97.39	-	GPF advance recovery	52.80
interest on contribution	51.80	69.20	Misc. Expenditure	0.00
Interest on GPF Investment	114.60	119.81	Interest on Provident Fund	-
Received from Leave Encashment Fund	-	4.43	Interest credited on GPF Balance	50.95
Received from PRMS Fund	0.00	21.87	Transfer of GPF Balance	97.39
Misc. Receipt	-	-	Payment to Gratuity Fund Trust	-
Received from Gratuity Fund Trust	8.76	-	Payment to UDF	-
GPF advance recovery	17.07	18.15	Payment to Pension Fund Trust	26.05
Deposit Link Insurance	0.02	-	Investment made	6.00
Deputationists	0.14	563.55	Deputationists	0.53
New Pension Scheme		687.28	New Pension Scheme	488.15
Employee Contribution Received towards NPS	4.35	3.97	Payment to NSDL	7.97
Employers Contribution Received towards NPS	-	4.35	Authority share	-
			Service Charge	-
<u>Personal Accident Insurance Policy</u>			<u>Personal Accident Insurance Policy</u>	
Contribution from Employees	0.07	0.08	Premia to LIC	-
Compensation recd. From Insurance Co.	-	-	Compensations paid	0.04
EWS Houses Reserve Fund	1,055.00	895.00	EWS Houses Reserve Fund	943.00
Encashment of Investment	75.96	78.45	Investment	943.00
Interest Received on Investment		973.45	Benevolent Fund	975.00
<u>Benevolent Fund</u>			Disbursements	943.00
Employee Contribution received towards BF	1.68	-	1.97	1.41
Interest	-	1.68	0.00	1.97
Contingency Reserve Fund	1,024.00		Contingency Reserve Fund	1,102.86
Encashment of Investment			Investment	1,024.00

Head of Account	RECEIPTS		PAYMENT	
	2017-18	2016-17	2016-17	2016-17
<b>Staff Benefit Fund</b>				
Encashment of Investment	0.50	0.70		
Interest Received	0.05	0.05		
<b>Post Retirement Medical Fund Investment</b>				
Encashment of Investment	10.35	7.16		
Receipt from Nazul-II	-	27.00		
Received from Gratuity Fund Trust	11.80	-		
Interest Received	31.14	53.29	59.98	
<b>Leave Encashment Investment</b>				
Encashment of Investment	4.25	14.26		
Receipt from Nazul-II	5.00	1,869.00		
Payment to Gratuity Fund Trust				12.70
				380.14
				73.86
				118.62
				-

Head of Account	RECEIPTS		PAYMENT	
	2017-18	2016-17	2017-18	2016-17
Received from Gratuity Fund Trust	12.70	4.17	Payment to general Provident Fund	4.43
Received from Pension Fund Trust (1.22)		-	Payment to Nazul-II	1,874.00
Interest Received	24.74	45.47	Disbursements	60.90
Electrical Maintenance Fund		23.45		74.60
Encashment of Investment				63.74
Interest received				2,134.65
Civil works maintenance schemes				
Encashment of Investment	1,910.88	44.14	Electrical Maintenance Fund Investments made	45.00
Interest received				45.00
Amount received from Nazul-II			Civil works maintenance schemes Investments made	443.00
Amount received from Pension Fund Trust	263.30	525.00	Amount paid to NA-II	404.56
Amount received from Gratuity Fund Trust		45.36	Amount paid to NA-I	10.00
DDA Pollution Penalty A/c			Amount Paid to Pension fund trust	351.78
Interest	245.00	3,056.99	Amount Paid to Gratuity fund trust	134.98
Interest received	18.30	263.30		
Amount received from Gratuity Fund Trust	212.12	902.13	DDA Pollution Penalty A/c	135.00
Amount received from Gratuity Fund Trust	74.13	-	Penalty	5.23
DDA Pollution Penalty A/c	0.39	0.02		5.00
Interest	5.00	4.75		
Penalty		4.77		
Restoration of Siri Fort Forest Area			Restoration of Siri Fort Forest Area	1.00
Encashment of Investment	0.00	-	Investments made	-
Interest			Disbursement	-
Earnest Money Deposits / Registration Money -				
Housing Schemes	718.88	719.49		589.08
Commercial Schemes	0.61	4.15		9.51
Group Insurance Scheme:				598.59
Contribution received from employees	0.05			19.38
				10.09
				29.47
				0.13

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Chief Accounts Office

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Volume 8, Issue 1

DELHI DEVELOPMENT AUTHORITY  
GENERAL DEVELOPMENT ACCOUNT  
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in Cr.)

Particulars	As at 31.03.2018	As at 31.3.2017
<b>SCHEDULE-A</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Surplus in Revenue Account</b>		
Opening Balance	9,892.83	9,899.43
Less: Amount Trfd. to EWS Houses Reserve Fund	207.25	5.78
Add: Amount Trfd. from EWS Houses Reserve Fund	70.11	
Less: Interest income on Contingency Reserve Fund Trfd. to Contingency Reserve Fund	-74.86	76.74
Add: Excess of Income over Expenditure for the year	<b>9,955.11</b>	64.36
		9,892.83
<b>Specific Reserves</b>		
<b>EWS Houses Reserve Fund</b>		
Opening Balance	999.00	1,004.78
Add: Amount Trfd. From Surplus in Revenue Account	-	-
Less: Trfd. to Surplus in Revenue Account	269.73	-
Expenditure on EWS Houses	62.48	207.25
Income from Interest earned of EWS Funds	-	
Investment	-	5.78
	791.75	999.00
<b>Contingency Reserve Fund</b>		
Opening Balance	1,081.28	1,004.55
Add : Interest Income Trfd. from Surplus in Revenue Account	70.11	76.74
Less: Amount receivable from Pension Fund Trust	0.15	-
Less: Premium Paid for purchase of Investment	0.80	-
	1,150.44	1,081.28
<b>Reserve for House fire risk</b>		
Opening Balance	3.92	3.91
Add: House Risk Premia recovered during the year	0.04	0.01
	3.96	3.92
<b>TOTAL</b>	<b>11,901.25</b>	<b>11,977.04</b>

**DELHI DEVELOPMENT AUTHORITY  
GENERAL DEVELOPMENT ACCOUNT**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018**

(Amount in Cr.)

PARTICULARS	As at 31.03.2018	As at 31.3.2017
<b>SCHEDULE- B</b>		
<b>EARMARKED / ENDOWMENT FUNDS</b>		
<b>URBAN DEVELOPMENT FUND</b>		
Opening Balance	4,894.76	4,373.15
<b>Add: Additions to the Funds</b>		
Conversion charges received during the year	210.55	184.65
Interest Earned on Investments & Saving Bank Interest	320.46	341.26
Add: Prior period	-0.02	-
Amount receivable from Pension Fund trust	-3.32	-
Amount received from General Provident Fund trust	-	0.10
Amount received from Gratuity Fund trust	-	0.00
Other Interest	-	1.10
<b>Less: Utilization / Expenditure towards objectives of Funds</b>		
Disbursement during the year(Grant given)	205.62	3.00
Misc. Expenses	0.01	-
Premium paid at the time of purchase of investment	2.17	-
Expenditure incurred on the Projects	-	2.50
<b>Closing Balance (Credit)</b>	5,214.63	4,894.76
<b>GENERAL PROVIDENT FUND</b>		
Opening Balance	1,431.11	1,535.59
<b>Add: Additions to the Funds</b>		
Contribution received (net) during the year including Interest on Contribution	145.90	198.65
Interest Earned on Investments	115.51	118.21
<b>Add: Amount received during the year</b>		
Pension Fund Trust	-26.05	-108.78
Leave Encashment Fund	-	4.43
Urban Development Fund	-	-0.10
<b>Less: Utilization / Expenditure towards objectives of Funds</b>		
Disbursement during the year	253.72	301.93
Premium on Purchase of Investment(net of discount)	-	12.10
Paid to Gratuity Fund Trust	-8.76	24.34
Paid to Post Retirement Fund	-0.00	-21.87
Prior Period Adjustment	0.34	-
Misc. Expenditure	0.00	0.26
<b>Less: Recoverable</b>		
Interest receivable from PSIDC	0.16	0.16
<b>Closing Balance (Credit)</b>	1,421.01	1,431.11
<b>PERSONAL ACCIDENT INSURANCE POLICY FUND</b>		
Opening Balance	0.61	0.56
<b>Add: Additions to the Funds</b>		
Contribution received during the year	0.07	0.08
<b>Less: Utilization / Expenditure towards objectives of Funds</b>		
Disbursement during the year	0.04	0.03
<b>Closing Balance (Credit)</b>	0.64	0.61
<b>BENEVOLENT FUND</b>		
Opening Balance	0.31	-
<b>Add: Additions to the Funds</b>		
Contribution received from employees	1.67	1.97
Contribution received from GDA	-	-
<b>Less: Utilization / Expenditure towards objectives of Funds</b>		
Disbursement during the year	1.41	1.66
<b>Closing Balance (Debit)</b>	0.57	0.31

<b>LEAVE ENCASHMENT FUND</b>		
<b>Opening Balance</b>	<b>418.68</b>	<b>510.04</b>
<b>Add: Additions to the Funds</b>		
Interest Earned on Investment	36.05	34.61
Contribution during the year	-27.60	64.20
Receipt for General Provident Fund	-	-4.43
Received from Pension Fund	-1.22	-118.62
<b>Less: Utilization / Expenditure towards objectives of Funds</b>		
Disbursement during the year	60.90	63.74
Premium on Purchase of Investment(net of discount)	-	2.55
Expenditure on purchase of Investments	-	0.00
Payment to Nazul-II(Net)	-5.00	5.00
Prior Period Adjustment	0.06	-
Paid for Gratuity Fund Trust	0.00	-4.17
<b>Closing Balance (Credit)</b>	<b>369.95</b>	<b>418.68</b>
<b>POST RETIREMENT MEDICAL FUND</b>		
<b>Opening Balance</b>	<b>541.50</b>	<b>550.69</b>
<b>Add: Additions to the Funds</b>		
Contribution during the year	-15.57	51.44
Contribution for the Prior Period	-	-
Receipt from Nazul-II	-27.00	27.00
Interest Earned on Investments	39.62	34.86
Amount received from Pension Fund Trust	-20.11	-60.65
Amount received from Gratuity Fund Trust	-0.00	-
Amount received from GPF	-0.00	-21.87
<b>Less: Utilization / Expenditure towards objectives of Funds</b>		
Disbursement during the year	40.43	33.38
Prior Period Adjustment	0.00	-
Premium on Purchase of Investment(net of discount)	-	6.59
<b>Closing Balance (Credit)</b>	<b>478.01</b>	<b>541.50</b>
<b>STAFF BENEFIT FUND</b>		
<b>Opening Balance</b>	<b>0.82</b>	<b>1.38</b>
<b>Add: Additions to the Funds</b>		
Contribution during the year	0.02	0.09
Interest Earned on Investment	-	-
<b>Less: Utilization / Expenditure towards objectives of Funds</b>		
Disbursement during the year	0.45	0.65
Misc. exp	-	-
<b>Closing Balance (Credit)</b>	<b>0.39</b>	<b>0.82</b>
<b>CIVIL Works Maintenance Fund - Housing Scheme, 2010 onward</b>		
<b>Opening Balance</b>	<b>465.40</b>	<b>395.98</b>
Contribution received from Allottees	10.27	34.39
Interest on investment	24.86	35.11
	<b>500.53</b>	<b>465.40</b>
<b>Electrical work Maintenance Fund- Housing Scheme, 2014 onward</b>		
<b>Opening Balance</b>	<b>54.48</b>	<b>39.92</b>
Contribution received from Allottees	3.72	11.91
Interest on Investment	1.81	2.66
<b>Closing Balance (Credit)</b>	<b>60.01</b>	<b>54.48</b>
<b>YAMUNA POLLUTION PENALTY FUND</b>		
<b>Opening Balance</b>	<b>5.36</b>	<b>0.30</b>
<b>Add: Additions to the Funds</b>		
Contribution during the year	-	-
Penalty Received	-	4.75
Interest Income	0.40	0.31
<b>Less: Utilization / Expenditure towards objectives of Funds</b>		
Disbursement during the year	-	-
<b>Closing Balance (Credit)</b>	<b>5.76</b>	<b>5.36</b>
<b>TOTAL BALANCE (Credit)</b>	<b>8,051.50</b>	<b>7,813.03</b>
<b>TOTAL BALANCE (Debit)</b>		
<b>NET BALANCE</b>	<b>8,051.50</b>	<b>7,813.03</b>

**DELHI DEVELOPMENT AUTHORITY  
GENERAL DEVELOPMENT ACCOUNT**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018**

Particulars	(Amount in Cr.)	
	As at 31.03.2018	As at 31.3.2017
<b>SCHEDULE- C</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>A. CURRENT LIABILITIES:</b>		
Sundry Creditors:		
- For Expenses	189.11	96.26
- For Land	9.82	47.18
Payable to Nazul-II	3,415.70	890.51
Payable to Pension Fund Trust	152.48	-
<b>B. OTHER LIABILITIES:</b>		
Suspense Account	23.43	18.93
Other Liabilities	16.88	16.57
Deposits & Retentions	186.50	195.33
Earnest Money Deposits/ Registration Money(Housing and Commercial)	21.54	21.57
Advances from Allottees of various DDA Housing Schemes	192.30	79.02
Advances from Allottees - MOR Land	0.62	0.62
<b>C. PROVISIONS:</b>		
Interest accrued on Deposits	6.57	5.52
Interest Payable to Nazul-II	148.76	-
<b>D. STATUTORY LIABILITIES:</b>		
Overdue	-	-
Other	23.49	20.81
<b>TOTAL</b>	<b>4,387.20</b>	<b>1,392.32</b>

## Schedule - D

(Amount in Cr.)

## GENERAL DEVELOPMENT ACCOUNT

## SCHEDULE OF FIXED ASSETS AS ON 31-03-2018

PARTICULARS	CROSS BLOCK			DEPRECIATION			PRIORITY PERIOD ADJUSTMENT	UPTO 31.03.18	WDV AS AT 31.03.2018	NET BLOCK
	GROSS COST AS AT 01.04.2017	ADDITIONS	SALE/ ADJUSTMENT	TOTAL AS AT 31.03.2018	UPTO 31.03.2017	DEPRECIATION FOR THE YEAR				
<u>TANGIBLE ASSETS</u>										
LAND	24.72	-	-	24.72	-	-	-	-	-	24.72
OFFICE BUILDINGS, STORES & GODDOWNS	43.98	-	-	43.98	32.24	1.17	-	-	0.00	10.57
LET OUT PROPERTIES	44.65	-	-	44.65	36.42	0.82	-	-	37.25	7.40
COMMUNITY HALL/PICNIC HUTS/TOURIST COMPLEX	50.19	-	-	50.19	13.16	3.70	-	-	16.86	33.33
STAFF QUARTER	133.97	-	-	133.97	26.26	5.39	-	-	31.65	102.32
MOTOR VEHICLES	7.34	0.87	0.56	7.65	5.31	0.38	0.46	-	5.23	2.42
OFFICE FURNITURE & FITTINGS	12.03	0.05	-	12.08	5.81	0.63	-	-	6.43	5.65
OTHER OFFICE EQUIPMENTS	4.29	0.02	-	4.31	3.28	0.15	-	-	3.43	0.87
ELECTRICAL INSTALLATIONS & EQUIPMENTS	8.52	0.24	-	8.75	7.38	0.21	-	-	7.51	1.24
PLANT & MACHINERY & OTHER EQUIPMENTS	0.49	-	-	0.49	0.37	0.00	-	-	0.38	0.03
PRINTING PRESS EQUIPMENTS	1.42	-	-	1.42	1.10	0.05	-	-	1.15	0.27
COMPUTERS	27.34	0.94	-	28.27	25.21	1.21	-	-	26.42	1.85
<b>TOTAL</b>	<b>358.85</b>	<b>2.12</b>	<b>0.56</b>	<b>360.39</b>	<b>155.46</b>	<b>23.71</b>	<b>8.46</b>	<b>-</b>	<b>135.31</b>	<b>190.67</b>
Previous Year Total	350.13	10.31	1.59	358.85	141.31	14.84	1.59	(1.91)	156.47	202.37
<u>CAPITAL WORK IN PROGRESS</u>										
Community Halls	3.62	0.66	0.67	3.60	-	-	-	-	-	3.60
Previous Year Total	9.53	2.14	0.05	9.62	-	-	-	-	-	3.62

DELHI DEVELOPMENT AUTHORITY  
GENERAL DEVELOPMENT ACCOUNT  
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	As at 31.03.2018		As at 31.3.2017 (Amount in Cr.)	
<b>SCHEDULE- E</b>				
<b>INVESTMENTS OF EARMARKED/ ENDOWMENT FUNDS</b>				
a) <b>Government Securities</b>				
(i) <b>Central Govt. Securities</b>				
Post Retirement Medical Fund	137.00		137.00	
Leave Encashment Fund	153.00		153.00	
General Provident Fund	692.40	982.40	696.00	986.00
(ii) <b>State Govt. Securities</b>				
Post Retirement Medical Fund	47.50		47.50	
Leave Encashment Fund	10.00		10.00	
Urban Development Fund	88.00		-	
General Provident Fund	249.30	386.80	259.20	316.70
b) <b>Debentures &amp; Bonds</b>				
General Provident Fund	246.30		307.80	
Leave Encashment fund	106.40		106.40	
Post retirement medical fund	155.00	507.70	155.00	569.20
c) <b>Deposits with Insurance Companies</b>				
Leave Encashment fund	137.00		126.63	
Post Retirement Medical Fund	77.86	214.86	71.81	198.44
d) <b>MUTUAL FUNDS</b>				
General Provident Fund	178.50		190.50	
Leave Encashment fund	96.25		96.25	
Post Retirement Medical Fund	117.21	391.96	113.91	400.66
e) <b>COMMERCIAL PAPER</b>				
Leave Encashment fund	-		3.25	
Post Retirement Medical Fund	-		9.35	12.60
f) <b>In Fixed Deposits</b>				
Urban Development Fund	4,789.49		4,025.99	
Staff Benefit Fund	0.10		0.60	
Civil work maintenance fund	443.00		245.00	
Electrical work Maintenance Fund	45.00		-	
Yamuna Pollution Penalty Fund	5.23		5.00	
Restoration of Siri Fort forest area	1.07		1.00	
General Provident Fund	45.37	5,329.26	45.37	4,322.96
g) <b>In Saving Bank Accounts</b>				
Urban Development Fund	79.91		614.42	
General Provident Fund	34.73		30.90	
Leave Encashment fund	14.17		27.41	
Restoration of Siri Fort Forest Area	0.01		0.01	
Staff Benefit Fund	0.16		0.17	
Yamuna Pollution Penalty Fund	0.23		0.07	
Post Retirement Medical Fund	19.69	148.90	45.52	718.50
h) <b>Interest Accrued on Investments</b>				
Urban Development Fund	191.37		181.35	
Leave Encashment Fund	10.41		9.54	
Post Retirement Medical Fund	10.23		8.07	
Civil work maintenance fund	21.65		15.09	
Electrical work Maintenance Fund	1.81		-	
Restoration of Siri Fort Forest Area	0.02		0.02	
Yamuna Pollution Penalty Fund	0.30		0.29	
Staff Benefit Fund	0.02		0.05	
General Provident Fund	37.40	273.21	37.24	251.65
<b>Total</b>		<b>8,235.10</b>		<b>7,776.72</b>

DELHI DEVELOPMENT AUTHORITY  
GENERAL DEVELOPMENT ACCOUNT  
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in Cr.)

Particulars	As at 31.03.2018	As at 31.3.2017
<b>SCHEDULE- F</b>		
<b>A. CURRENT ASSETS</b>		
<b>1. Inventories -</b>		
Stores	5.16	6.59
Stock in Trade :		
Land - Raw Land	19.07	19.07
Work in Progress -		
Land - Under Development	1.32	1.32
Houses - Under Construction	6,441.43	3,959.19
Commercial Estate - Under Construction	14.81	16.26
Finished Stock -		
Developed Land	107.99	107.99
Houses - Built Up	2,782.56	2,831.32
Commercial Estate - Built Up	505.10	506.18
Commonwealth Games Assets- Flats, Furniture, Fittings (Net of recoveries from allottees towards furniture, etc.)	467.55	480.27
	10,344.99	7,928.19
<b>2. Sundry Debtors*</b>	503.32	542.01
<b>3. Cash &amp; Bank Balances -</b>		
Cash in hand	0.03	0.07
<b>Bank Balances - with Scheduled Banks -</b>		
In Saving Bank Account	529.80	1,544.20
Remittance in Transit	0.41	27.11
	530.24	1,571.38
Less : Balances pertaining to transactions of Nazul I & II	-432.56	-1,544.20
	97.68	27.18
In Deposit Account - General Investment	1.15	283.83
	98.83	311.01
<b>Bank Balance - with Scheduled Bank in SB a/cs - for Earmarked Funds</b>		
Contingency Reserve Fund	1.02	3.17
EWS Houses Reserve Fund	2.69	0.67
	3.71	3.84
<b>4. Reserve Fund Investment-</b>		
Fixed Deposits -Contingency Reserve Fund	1,102.00	1,024.00
Fixed Deposits - EWS Houses Reserve Fund	863.00	975.00
	1,965.00	1,999.00
<b>B. LOANS, ADVANCES &amp; OTHER ASSETS</b>		
<b>1. Loans</b>		
(a) Staff	1.48	1.73
(b) Future Hire Purchase Instalments	74.18	99.27
Less : Future Interest	-30.98	-34.94
	43.20	44.68
	44.68	64.34
<b>2. Advances recoverable in cash or in kind or for value to be received/adjusted</b>		
Advances to Contractors	368.90	506.69
Advances- EWS Schemes	93.84	90.41
Deposit Works	97.18	87.71
Input VAT recoverable	0.01	0.01
Vat Refundable	0.09	0.09
Income Tax Refund Receivable	76.43	69.39
Recoverable/Adjustable to Pension Fund	-	194.72
Contribution Adjustable in Future for Gratuity Fund trust	87.79	46.15
Deposit with Income Tax Authority	1,646.15	735.57
Recoverable from Nazul I	225.86	214.68
Service Tax Authority	23.86	23.86
Advances with Municipal Tax Authority	195.86	195.86
Other Miscellaneous Advances/Recoverables	31.59	17.62
	2,847.56	2,182.76
<b>3. Interest accrued on General Investments</b>	0.08	21.21
<b>4. Interest accrued on Reserve Fund Investments</b>	78.82	98.99
<b>5. Interest Accrued on Saving Bank Interest</b>	2.46	1.81
<b>6. Interest Accrued on Contractor Advances</b>	21.13	44.80
<b>TOTAL</b>	<b>15,910.58</b>	<b>13,199.68</b>

\*Sundry Debtors are 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, 2018

(Amount in Cr.)

Particulars	For the year ended 31.3.2018	For the year ended 31.3.2017
<b>SCHEDULE - G</b>		
<b>INCOME FROM SALES / SERVICES</b>		
Premia from Sale of Land	0.04	0.05
Sale of Houses	144.44	408.35
Sale of CWG Flats	36.55	37.31
Sale of Shops	1.82	6.73
License Fee	60.81	55.11
Interest on Hire Purchase Instalments	6.00	11.29
<b>Total</b>	<b>249.66</b>	<b>518.84</b>
<b>SCHEDULE - H</b>		
<b>INCOME FROM INVESTMENTS &amp; SAVING BANK A/Cs</b>		
Income from General Investments	2.40	56.87
Saving Bank Interest-GDA	96.64	41.87
Income from Earmarked & Reserve Fund Investments:		
EWS Houses Reserve Fund	62.48	77.84
Contingency Reserve Fund	70.11	76.74
Restoration of Siri Fort Forest Area	0.07	0.02
CIVIL Works Maintenance Fund - Housing Scheme, 2010 onward	24.86	35.11
Urban Development Fund	320.46	341.26
General Provident Fund	115.51	118.21
Leave Encashment Fund	36.05	34.61
Post Retirement Medical Fund	39.62	34.86
Electrical Work Maintenance Fund	1.81	2.66
Yamuna Pollution Penalty Fund	0.40	0.31
Staff Benefit Fund	0.02	0.09
<b>Total</b>	<b>538.73</b>	<b>567.11</b>
Less : Transfer to Earmarked Fund & Reserve Fund Accounts	538.73	567.11
<b>Total</b>	<b>231.70</b>	<b>253.34</b>
<b>SCHEDULE - I</b>		
<b>OTHER INCOME</b>		
Ground Rent	3.38	8.58
Service Charges	1.00	1.51
Building Plan Fee	58.26	7.63
Other Housing Receipts	12.09	18.85
Other Revenue	140.79	204.19
<b>Total</b>	<b>215.52</b>	<b>240.76</b>
<b>SCHEDULE - J</b>		
<b>INCREASE IN STOCK &amp; WORKS</b>		
<b>Closing - Stock &amp; Works</b>		
<b>Stores</b>		
Stock in Trade	5.16	6.59
Land - Raw Land	19.07	19.07
Work in Progress -		
Land - Under Development	1.32	1.32
Houses - Under Construction	6,441.43	3,959.19
Commercial Estate - Under Construction	14.81	16.26
Finished Stock -		
Developed Land	107.99	107.99
Houses - Built Up	2,782.56	2,831.32
Commercial Estate - Built Up	505.10	506.18
CWG flats	467.55	480.27
	10,344.99	7,928.19
<b>Opening - Stock &amp; Works</b>		
<b>Stores</b>		
Stock in Trade	6.59	8.88
Land - Raw Land	19.07	19.07
Work in Progress -		
Land - Under Development	1.32	1.32
Houses - Under Construction	3,959.19	
Less: Prior Period Expense	-10.47	3,948.72
Commercial Estate - Under Construction	16.26	14.34
Less: Prior Period Expense	-3.88	
	12.38	
Finished Stock -		
Developed Land	107.99	107.99
Houses - Built Up	2,831.32	
Add: Prior Period Items	6.27	3,210.76
Commercial Estate - Built Up	506.18	547.89
CWG flats	480.27	493.37
<b>Increase/ (Decrease) in Stock &amp; Works</b>	<b>2,424.88</b>	<b>1,000.33</b>

DELHI DEVELOPMENT AUTHORITY  
GENERAL DEVELOPMENT ACCOUNT  
SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in Cr.)

Particulars	For the year ended 31.3.2018	For the year ended 31.3.2017
<b>SCHEDULE- K</b>		
<b>ESTABLISHMENT</b>		
Pay & Allowances	414.00	455.62
Travel & Conveyance	5.40	4.84
Medical Expenses	20.13	18.31
Exgratia	0.06	3.74
Employer Contribution to Gratuity Fund	19.21	160.80
Employer Contribution to Pension Fund	486.87	29.23
Contribution to Post Retirement Medical Fund	-15.57	51.44
Contribution to Leave Encashment Fund	-27.60	64.20
Contribution to New Pension Scheme	3.93	3.60
Staff Welfare	1.98	1.60
<b>ADMINISTRATION</b>		
Fees & Honorarium	14.49	2.93
Entertainment	0.58	0.67
Law Charges	5.55	5.80
Vehicle Running & Maintenance	3.87	3.50
Repairs & Maintenance - Others	5.01	2.51
Printing, Stationery & Advertisement	25.10	14.56
Rates & Taxes	2.14	5.77
Telephones	2.43	2.44
Loss on Sale of Fixed assets	0.05	-
Other Miscellaneous Expenses	70.16	25.84
<b>Total</b>	<b>1,037.79</b>	<b>857.42</b>
Less : Recoveries from Works & Other Accounts -		
Works	54.44	58.30
Delhi Master Plan	1.56	1.65
Nazul I	6.22	6.62
Nazul II	413.48	402.65
	<b>475.70</b>	<b>469.22</b>
	<b>562.09</b>	<b>388.20</b>
<b>SCHEDULE- L</b>		
<b>PRIOR PERIOD &amp; EXTRAORDINARY ITEMS</b>		
<b>PRIOR PERIOD ITEMS:</b>		
<b>PRIOR PERIOD INCOME</b>		
1) Houses - Built Up	6.27	7.15
2) Sale of Houses	52.67	-18.08
3) Others	-77.58	-18.64
<b>Less:-PRIOR PERIOD EXPENSE</b>		
1) Work in Progress		
- Houses and Commercial Estate	14.35	191.87
2) Development & Construction Expenses	-	-110.59
3) Interest to Nazul II	40.51	-
3) Others	1.25	4.67
	<b>56.11</b>	<b>85.95</b>
<b>EXTRAORDINARY ITEMS</b>		
<b>TOTAL</b>	<b>-74.75</b>	<b>-96.88</b>
	<b>-74.75</b>	<b>-96.88</b>

**DELHI DEVELOPMENT AUTHORITY**  
**STATEMENT SHOWING CLOSING BALANCE OF CASH & BANK AS ON 31.03.2018**

**SCHEDULE M**

DEPARTMENT	CASH IN HAND	CHEQUES ISSUED BUT NOT DEBITED IN BANK A/C TILL 31.03.2018- UNCASHED CHEQUES	CHEQUES RECEIVED BUT NOT ACCOUNTED BY AUTHORITY	CREDIT GIVEN BY BANK BUT NOT ACCOUNTED FOR IN CASH BOOK AS ON 31.03.2018	CREDIT GIVEN BY BANK BUT NOT ACCOUNTED FOR IN CASH BOOK AS ON 31.03.2018	(Amounts in Cr.)	
						BALANCE AS PER BANK STATEMENT AS ON 31.03.2018	BALANCE AS PER CASH BOOK AS ON 31.03.2018
	1 2.00	3.00	4.00	5.00	6.00	7.00	8.00
CAU EAST ZONE	0.00	5.75	0.01	0.03	0.03	22.85	28.59
CAU DMARKA	0	6.50	0.01	0.18	0.07	12.60	18.98
CAU ROHINI	0.00	3.52	0.06	0.29	0.01	29.94	33.11
CAU NORTH ZONE	-	21.36	0.34	0.18	0.36	60.46	81.74
CAU SOUTH ZONE	0.02	20.57	0.48	0.08	0.07	35.68	55.84
CAU CHG	0.00	0.54	0.01	0.00	-	2.03	2.56
CAU FLYOVER	0.00	0.59	-	0.00	-	0.96	1.56
A.O. SPORTS	0.00	-	-	0.00	-	9.42	9.42
PAO ENG	0.00	0.43	-	0.03	-	10.62	11.03
BHIKAJI CAMA	-	-	-	-	-	0.00	0.00
CAU MPR	0.00	14.34	-	-	-	9.16	23.50
UTTIPEC	0.00	0.00	-	0.00	0.00	0.24	0.24
AO (MEDICAL)	-	1.59	-	0.03	-	0.47	2.03
Cash (Housing)	-	-	-	-	-	37.48	37.48
Staff benefit fund	-	-	-	-	-	0.16	0.16
Cash (Main)	3.05	1.32	22.51	6.87	297.90	283.98	
Earmarked funds	-	-	-	-	-	-	-
General Provident Fund	-	-	2.91	1.40	0.51	34.73	30.92
Urban Development Fund	-	-	0.00	0.61	0.01	79.91	79.32
Contingency Fund	-	-	-	0.00	-	1.02	1.02
EWS Fund	-	-	-	-	-	2.69	2.69
PRMS	-	-	-	-	-	19.69	19.69
Yamuan Pollution Penalty A/C	-	-	-	-	-	0.23	0.23
Restoration of siri Fort Forest Area	-	-	-	-	-	0.01	0.01
Leave Encashment Fund	-	-	-	-	-	14.17	14.17
<b>Total</b>	<b>0.03</b>	<b>78.25</b>	<b>5.15</b>	<b>25.18</b>	<b>7.93</b>	<b>682.41</b>	<b>738.27</b>
REMITTANCE IN TRANSIT						0.41	

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  
258.30

0.03  
682.41  
0.41  
682.85  
2.45  
430.10  
258.30

**DELHI DEVELOPMENT AUTHORITY****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 head reflect the governmental resources allocated to them for the purpose of carrying on specific activity 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 relate 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 acquisitions, development and disposal activities. General Development Account Relates to all the development, constructions and other activities undertaken by the Authority on its own accounts 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 Accounts are converted to income and expenditure basis at the year end by the inclusion of appropriate entries for account receivables, payables, fixed asset, depreciation etc.

**3) FORMAT OF FINANCIAL STATEMENT**

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 & 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 asset are stated at cost less depreciation. In case of self constructed assets, cost includes appropriate portion of administrative and establishment charges.
- 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 the office building, staff quarters, stores etc. are valued at the disposal rates of land on the date of such transfer.

**5) DEPRECIATION**

Depreciation is provided at the rates prescribed under the Income Tax Act, 1961 and if any asset is put to use for the activities of the Authority for a period of less than one hundred and eighty days in the Financial Year, the deduction w.r.t depreciation in respect of such asset shall be restricted to Fifty per cent of the amount calculated at the percentage prescribed for the respective asset.

## **6) INVENTORIES:**

Inventories are valued at lower of cost or net realizable value

- i) Cost in respect of various types of inventories is computed as under:
  - a) Raw Land: At acquisition / purchase cost including compensation and incidental expenditure related to acquisition and possession of land.
  - b) Work in Progress: At direct cost and appropriate portion of overheads.
  - c) Finished Stock: Built up Units including Housing Stock at direct cost and appropriate portion of overheads.  
Built up units acquired/ purchased from external sources at acquisition cost & incidental expenditure related to acquisition

In case of other stock including developed land held for sale at cost of acquisition and development and incidental cost thereon.

Cost of inventories is determined by applying specific identification method.

- ii) Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## **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 for 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) Ground rent and service charges are accounted for as on income on cash basis. Ground rent is booked net of share payable to Delhi Administration.
- 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.
- g) Interest on Income tax refund is recognized on receipt basis.

## **8) STORE**

Construction stores consumed is charged to respective works at pre determined issued rates. Difference of issue rate and purchase price is adjusted in Miscellaneous Expenditure/ income.

## **9) INTEREST/COMPENSATION PAYMENT 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/ adjustment.

## **10) DEFICIENCY CHARGES**

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

## **11) RECOVERIES / PAYMENTS TO NAZUL ACCOUNTS**

### **A. Recovery of Establishment & General Administrative costs:**

Establishment and General Administrative cost are charged to General Development Account and appropriate portion of expenses relatable 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 -II land:**

Land Premia in respect of Nazul -II Lands appropriated for various Schemes under General Development Account is booked as expenditure by credit to deferred liability account for land cost at the Pre Determined Rates (PDR) as prescribed under the Nazul rules applicable on the date of start of construction of the project. This deferred liability is being updated based on prevalent Pre Determined Rates (PDR) applicable at the year end, till the completion of the project. Deferred liability account is being transferred to Nazul-II account on completion of construction of the project at the then Pre Determined Rates (PDR) 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 COMPENSATION/ ARBITRATION AWARDS**

Payments towards additional compensations awards 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, etc. are credited to separate Liability/Reserve Accounts created for that purpose and expenditure and pay out there against, are recorded by debit to the Liability/Reserve Account.

### **14. EMPLOYEE'S SCHEMES AND RETIREMENT BENEFITS**

- a. Employee's 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. Amounts contributed towards Gratuity and Pension has been made on actuarial valuation at the yearend basis to meet payment of pension and gratuity to employees after retirement. Separate financial statements of Delhi Development Authority Pension Fund Trust and Delhi Development Authority Gratuity Fund Trust have been drawn up. Investments are made from the respective Trust Fund in approved securities. Payment of pension and gratuity and interest earned on the investments of the funds are adjusted in the respective Trust Fund Accounts.
- c. Liability for Leave encashment is provided on the basis of Actuarial valuation at the year end.
- d. Liability for Post Retirement Medical Benefits is provided on the basis of Actuarial valuation at the year end.

### **15 EARMARKED FUNDS**

Funds entrusted to the authority or grants or assistance provided to the Authority or amount 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 as 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:**

The Authority is the custodian of 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 Ministry of Urban Development, Government of India. 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. Personal Accident Insurance Policy Fund:  
Recovery made from employees for payment of compensation in case of accidental deaths is held in this account.
- c. General Provident Fund:  
Provident Fund Contribution to the fund is held in this Fund Account.
- d. Benevolent Fund:  
Recoveries made from employees for payment of compensation on death during service are held in this account.
- e. Civil Maintenance Work Fund – Housing Scheme, 2010 onwards:  
This represents one-time maintenance charges recovered from the allottees of the Housing Scheme, 2010 onwards for future maintenance of the Colonies.
- f. Electrical Work Maintenance Fund – Housing Scheme, 2014 onwards:  
This represents one-time Electrical Work maintenance charges recovered from the allottees of the Housing Scheme, 2014 onwards for future electrical maintenance of the Colonies.
- g. Yamuna Pollution Penalty Fund:  
This represent amount collected by way of penalty and compensation for dumping any waste in or on the bank of River Yamuna to be utilized for the future execution of projects for cleaning River Yamuna in compliance of directions of Hon'ble National Green Tribunal.,

## **16 SPECIAL RESERVES**

- a. EWS Houses Reserve Fund  
This represents surplus retained for meeting expenditure on construction of houses to the Economically Weaker Section.
- b. 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.
- c. Contingency Reserve Fund  
This represents fund retained for meeting any future contingencies.

Sd/-

Sd/-

Sd/-

Sd/-

**Sr. AO (A/Cs) Main    Dy. CAO (A/Cs)    Dir. (Fin.)/Consultant    Chief Accounts Officer**

Dated: 16.07.2018

Place: New Delhi

**DELHI DEVELOPMENT AUTHORITY**

**ANNUAL ACCOUNTS 2017-18**

**NOTES TO ACCOUNTS**

1. Unexpired Capital Commitment at the year end, in respect of major capital contracts NIL (Previous Year Rs. NIL crore).
2. Contingent Liabilities:
  - a. Claims against the Delhi Development Authority (DDA), not acknowledged as debts, pending in Courts and Arbitration, to the extent ascertained Rs. 3133.93 crore (Previous Year Rs. 2922.25 crore).

Other than above, there are about 4571 court cases as on 31.03.2018 (Previous Year 4290 court cases) against the DDA in General Development Account (GDA) and 15372 court cases (Previous Year 15224 court cases) in Nazul-I & Nazul-II are pending in the different courts of law, amount for contingent liabilities in this regard are not ascertainable.

- b. The Authority was granted recognition as a "charitable institution" under section 12AA of the Income Tax Act, 1961 vide Registration Certificate dated 12.01.2006 with retrospective effect from assessment year 2003-04, being engaged in the public utility services and entitled to claim exemption under section 11 of the Income Tax Act, 1961. However, in the assessments for the assessment years 2003-04 to 2015-16, the Assessing Officer has not allowed the benefit of exemption under section 11 of the Act and taxed its income even though in the opinion of the management, the Authority meets all the conditions stipulated in the said section for exemption under the Income Tax Law.

There is a subsisting demand of Rs. 2632.63 crore in the said assessment years which are disputed in appeals before the Income Tax Appellate Tribunal (for assessment years 2003-04 and 2005-06 to 2013-14) and Commissioner (Appeals) (assessment years 2014-15 & 2015-16). Additionally, special leave petitions were also moved before the Hon'ble Supreme Court for the assessment years 2005-06 to 2009-10 on the issue of time limitation. The petitions have been admitted and are pending disposal.

The Authority has deposited Rs.1646.15 crore (including adjustment of income tax refunds of Rs.3.69 crore) with the Income Tax Authority up to 31.03.2018, against the total demand of Rs. 2632.63 crore to meet the requirement of stay order granted by Assessing Officer and Hon'ble Income Tax Appellate Tribunal, Delhi. Further, if above tax liability is ultimately confirmed, interest and penalty also may entail, as per the provisions of the Income Tax Act, 1961.

Since the demand is under dispute, the Authority has not made any provision in the books of account towards income tax on its income for the year and for the demands

aggregating to Rs. 2632.63 crore for the assessment years 2003-04 and 2005-06 to 2015-16.

Further, in the assessments for the assessment years 2003-04 to 2010-11, demands for Rs.296.83 crore were also raised by disallowing some portions of expenditure which have been set aside in the appellate order of the Commissioner (Appeals). However, the Income Tax Department is in appeal before the Hon'ble Income Tax Appellate Tribunal against the deletions."

- c. Demand due to TDS default of Rs. 0.23 crore appearing on traces on the Income Tax portal, same is in the process of reconciliation with the department.

Since in the opinion of the management, outcome of the liability against DDA is remote, accordingly, no provision regarding the same is considered necessary in the books.

- d. South Delhi Municipal Corporation (SDMC) on its own behalf and on behalf of the East Delhi Municipal Corporation (EDMC) and North Delhi Municipal Corporation (NDMC) had issued a distress warrant dated 10.01.2013 for recovery of Rs. 746.05 crore on account of property tax and interest in respect of 319 properties up to 31.03.2004 and 24 sports complexes up to 31.03.13. Subsequently, NDMC and EDMC also issued separate Distress Warrants dated 22.03.2013 and 25.03.2013 to recover Rs. 272.16 crore and Rs. 110.28 crore, respectively, being their share of dues of the said Rs.746.05 crore. A total sum of Rs. 195.85 crore has been collected by the three Municipal Corporations by attachment of the bank accounts of the Authority. Demands for Rs. 53.75 crore were subsequently raised towards property tax on other properties. Since the Municipal Corporations have not agreed to the above contention of DDA, a writ was filed by the Authority before the Hon'ble Delhi High Court, who has set aside all the demands. As per the Hon'ble Court's directions, the Authority has submitted a bank guarantee amounting to Rs. 50.00 crore with the Registrar of Delhi High Court. The case is pending for decision before the Hon'ble High Court of Delhi.

Above demands are disputed and not acknowledged as debts by the DDA.

Further pursuant to direction of MoUD, DDA has paid Rs. 26.70 crore to the MCDs on account of property tax & service charges, this amount includes Rs.5.36 crore on DDA built up properties and relates to GDA for the period from 2004 to 2016 & Rs.21.34 crore on vacant lands of Nazul-II, for the year 2015-16. These amounts are charged in the respective accounts.

The department has paid Rs. 13.70 crore to MCDs on account of property tax & service charges for the year 2017-18. This amount includes Rs. 9.55 crore on vacant land of Nazul account and Rs. 4.15 crore (including prepaid of Rs. 2.00 Crore) in DDA built up properties. These amounts are charged in the respective accounts.

- e. No provision has been made towards service tax and labour cess claims under contracts awarded prior to the amendment of the respective statutes, bringing such transactions within the ambit of service tax and labour cess.

- f. The Office of Joint Labour Commissioner has vide its notice dated 29.04.2013 has demanded an amount to Rs. 25.34 crore pertaining to the period from 01<sup>st</sup> Jan., 1996 to 31<sup>st</sup> March 2013 towards labour cess for various construction projects in DDA raised on the basis of report submitted by the CAG. DDA has filed written submission against the said demand on which decision is pending before Joint Labour Commissioner. During the year there is no change in the status of the case, accordingly, no provision regarding the same is considered necessary in the books.
  
- g. The Commissioner Service Tax, Delhi vide order dated 30.04.2013 adjudicated and confirmed a demand of service tax of Rs. 949.60 crore on receipts of disposal of undeveloped and developed Nazul II lands and ground rent on GDA, Nazul I & Nazul II for the years from 1.04.2005 to 31.03.2012 treating the same as "Renting of Immovable Properties" and has also raised a demand for interest of Rs. 553.06 crore and imposed penalty of Rs. 845.95 crore on the same. The Authority has challenged the said order before the Customs, Excise and Service Tax Tribunal.

Customs, Excise and Service Tax Tribunal has set aside the above impugned orders and remanded back to the original authority for a fresh decision; vide order dt. 24.04.2017.

Further for the years 2013-14 and 2014-15 commissioner Service Tax, Delhi has vide his order dated 30.09.2016 has raised further demand of Rs. 363.98 crore towards service tax on receipts of disposal of undeveloped and developed Nazul II lands and ground rent on GDA, Nazul I & Nazul II treating the same as "Renting of Immovable Properties" against which Authority filed an appeal before Customs, Excise and Service Tax Tribunal and deposited Rs. 10.00 crore under stay.

- h) Various contracts relating to the Commonwealth Games are still under litigation and pending before different Authorities. However, in the absence of firm determination of outcome of any recovery or liability, no effect of the same has been given in these accounts.
  
- i) During the year DDA has purchased 772 EWS flats for Rs. 75.40 crore from DLF Home developer Pvt. Ltd., however title is yet to be transferred in the name of the DDA. In view of request pending with Govt. of NCT of Delhi for waiver of stamp duty, liability for the same has not provided in the books.
  
- 3. Separate financial statements of "Delhi Development Authority Pension Fund Trust", "Delhi Development Authority Gratuity Fund Trust", have been drawn up. Contribution towards these trusts have been recorded as per the Actuarial Valuation Reports as on 31.03.2018.
  
- 4. Employee Benefits:
  - i) The Authority has got the Actuarial valuation of its Gratuity liability as on 31.03.2018 of Rs. 610.49 crore (Previous Year Rs. 676.55 crore). The contribution towards Gratuity Fund of Rs. 19.21 crore (Previous Year Rs.160.80 crore) for the financial year 2017-18 on the basis of Actuarial Valuation includes the share of Nazul I of Rs.0.05 crore (Previous Year Rs. 0.63 crore) and the share of Nazul II of Rs. 6.68 crore (Previous Year Rs. 73.63

crore). The shares of Nazul I and Nazul II have been transferred to their respective accounts.

ii) The Authority has got the Actuarial Valuation of its Pension liability as on 31.03.2018 of Rs. 5901.86 crore (Previous Year Rs. 5496.12 crore). The contribution towards Pension Fund of Rs. 486.87 crore (Previous Year Rs. 29.23 crore) for the financial year 2017-18 on the basis of Actuarial Valuation includes the shares of Nazul I of Rs.1.22crore (Previous Year Rs. 0.11 crore) and Nazul II of Rs. 169.37 crore (Previous Year Rs. 13.38 crore). The share of Nazul I and Nazul II have been transferred to their respective accounts.

iii) The Authority has got the Actuarial Valuation of its Leave Encashment liability as on 31.03.2018 of Rs. 381.95 crore (Previous Year Rs.434.46 crore). The contribution towards Leave Encashment Fund of Rs. (-)27.60 crore (Previous Year Rs. 64.20 crore) for the financial year 2017-18 on the basis of Actuarial Valuation includes the share of Nazul I of Rs. (-) 0.07 crore (Previous Year Rs. 0.25 crore) and the share of Nazul II of Rs. (-)9.60 crore (Previous Year Rs. 29.40 crore). The share of Nazul I and Nazul II have been transferred to their respective accounts.

iv) The Authority has got the Actuarial valuation of the liability towards Post Retirement Medical Benefits as on 31.03.2018 Rs. 497.85 crore (Previous Year Rs. 514.23 crore), and accordingly employer contribution is provided Rs. (-) 15.57 crore (Previous Year Rs. 51.44 crore), for the financial year 2017-18 on the basis of Actuarial Valuation, which includes the share of Nazul I of Rs. (-) 0.04 crore (Previous Year Rs. 0.20 crore) and the share of Nazul II of Rs. (-) 5.41 crore (Previous Year Rs. 23.55 crore). The shares of Nazul I and Nazul II have been transferred to their respective accounts.

5. Creditors for land includes Rs. 3.82 crore (Previous Year Rs. 3.82 crore) payable to the Ministry of Rehabilitation (MOR) towards land purchased under a package deal for Rs. 30 crore. Full possession of the lands is 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.
6. Suspense account balance, Credit Rs. 23.43 crore (Previous Year Credit Rs. 18.93 crore) is on account of non availability of correct information/ physical challans from the parties in respect of housing and other receipts, which are pending for reconciliation.
7. During the year, Grant from Urban Development Fund Rs. 132.52 crore (Previous Year Rs. 2.50 crore) has been given to Delhi PWD for construction of flyovers, Rs. 37.21 crore (Previous year NIL ) given to Delhi Jal Board and Rs. 35.89 crore (Previous year NIL ) given to NDMC .
8. EWS Housing Reserve Fund :
  - i) EWS Housing Reserve Fund balance as at 31.03.2018 is Rs. 791.76 crore, determined as per provisions of section 11(2) of Income Tax Act 1961. These funds are invested in accordance with the provisions of the section 11(5) of the Income Tax Act, 1961.

ii) Contingency Reserve Fund at the year ended 31.03.2018 is Rs. 1150.45 crore, against this fund investment of Rs. 1102.00 crore, other Bank balance Rs.1.02 crore and accrued interest thereon.

**9. Earmarked Funds:**

i) The total amount of the UDF Fund for the year ended 31.03.2018 is Rs. 5214.62 crore and against this fund the assets of Rs. 5140.77 crore comprises of investment of Rs. 4869.49 crore, bank balances of Rs. 79.91 crore, Accrued Interest of Rs. 191.37 crore. The difference between assets and liabilities results is under - utilization of fund amounting to Rs. 73.85 crore, which is recoverable from General Development Account Fund, Delhi Development Authority. Shortfall will be made good in the next Financial Year 2018-2019.

ii) The total amount of the General Provident Fund for the year ended 31.03.2018 is Rs. 1421.01 crore. and against this fund the assets of Rs. 1484.00 crore comprises Investment of Rs.1411.87 crore, bank balance of Rs. 37.73 crore, Accrued Interest of Rs. 37.40 crore. Difference between assets and liabilities results is over-utilization of fund amounting to Rs. 62.99 crore, which is payable to General Development Account Fund, Delhi Development Authority.

iii) The total amount of the Leave Encashment Fund for the year ended 31.03.2018 is Rs.369.95 crore and against this fund the assets Rs. 527.24 crore comprises Investment of Rs. 502.65 crore, bank balance of Rs. 14.17 crore and accrued interest on investment of Rs.10.41 crore. The difference between assets and liabilities results is over-utilization of fund amounting to Rs. 157.29 crore which is payable to General Development Account Fund, Delhi Development Authority.

iv) The total amount of the PRMS Fund for the year ended 31.3.2018 is Rs. 478.01 crore and against this fund the assets is total of Rs. 564.49 crore comprises Investment Rs. 534.57 crore, bank balance of Rs. 19.69 crore and Accrued Interest of Rs. 10.23 crore. The difference between assets and liabilities results is over-utilization of fund amounting to Rs. 86.48 crore. which is payable to General Development Account Fund, Delhi Development Authority.

v) The total amount of the DDA Staff Benefit Fund for the year ended 31.3.2018 is Rs. 0.37 crore. against this fund the assets is total of Rs. 0.28 crore comprises Investment Rs. 0.10 crore, bank balance of Rs. 0.16 crore and Accrued Interest of Rs. 0.02 crore. The difference between assets and liabilities results is under-utilization of fund amounting to Rs. 0.09 crore. which is receivable from General Development Account Fund, Delhi Development Authority. This is for the benefit of serving DDA employees, their family members and dependents as defined in DDA Medical Attendance Rules,

vi) The total amount of the Civil Work Maintenance Fund for the year ended 31.3.2018 is Rs. 500.53 crore and against this fund the assets is total of Rs. 464.65 crore comprises investment Rs. 443.00 crore and Accrued Interest of Rs. 21.65 crore. The difference between assets and liabilities results in under-utilization of fund amounting to Rs.

35.88 crore which is recoverable from General Development Account Fund, Delhi Development Authority. Shortfall will be made good in the next Financial Year 2018-2019.

vii) The total amount of the Electrical Work Maintenance Fund for the year ended 31.3.2018 is Rs. 60.01 crore and against this fund the assets is total of Rs. 46.81 crore comprises investment Rs. 45.00 crore and Accrued Interest of Rs. 1.81 crore. The difference between assets and liabilities results in under-utilization of fund amounting to Rs. 13.20 crore which is recoverable from General Development Account Fund, Delhi Development Authority. Shortfall will be made good in the next Financial Year 2018-2019.

viii) The total amount of the Yamuna Pollution Penalty Fund for the year ended 31.3.2018 is Rs. 5.76 crore and against this fund the assets is total of Rs. 5.76 crore comprises investment Rs. 5.23 crore, bank balance of Rs. 0.23 crore and Accrued Interest of Rs. 0.30 crore.

10. In compliance of directions of Hon'ble National Green Tribunal, DDA has opened a saving Bank account under the name of "DDA-Yamuna Pollution Penalty Account." The amount of penalty/ compensation for dumping any waste in or on the bank of River Yamuna is being deposited in this account and shall be utilized for execution of projects for cleaning River Yamuna - Refer Schedule - B.
11. Party wise and age wise detail of sundry debtors as on 31<sup>st</sup> March 2018, duly reconciled is not readily available. However DDA has adopted the practice of receiving the entire lease premium and ground rent along with interest at the time of freehold of the property, therefore in the opinion of the management there is no doubtful debts.
12. The opening stock of Inventories as on 01.04.2017 does not include 57 built up houses, the Possession Letters of which are issued in the current year. These stocks have been included in the current financial year through prior period items amounting to Rs.7.44 crore.
13. 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) Rule, 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.
14. During the current year DDA has provided interest expense of Rs.108.25 crore for the current year and Rs. 40.51 crore for earlier years as payable to Nazul II on the outstanding balance, at the average Bank rates announced by Reserve Bank of India from time to time.

15. DDA has purchased 333 flats under bailout package, out of which 45 flats are capitalized as Staff Quarters, 86 flats are sold and the balance 202 flats are held as stock with DDA.
16. Valuation of finished Inventory: During the year 2016-17, there was change in accounting policy No. 6 regarding valuation of inventories of finished stocks (other than Built up units acquired / purchased from external sources), which are now valued at lower of cost or net realizable value. Hitherto, Finished Stock of Built up Units comprising of Housing Stock were valued at standard cost at which same is expected to be sold and other inventories were valued at cost.  
Due to practical difficulties in applying the revised policy such stocks are continued to be valued as per earlier accounting policy. This change in valuation of Finished Stock of Built up Units comprising of Housing Stock and developed land has been applied for the housing units completed and land developed from 01.04.2016 onwards.
- ii). Land Premia in respect of Nazul-II Lands: During the year 2016-17, there was change in accounting policy 11 (B) regarding Land Premia in respect of Nazul-II Lands appropriated for various Schemes under General Development Account, which as per changed policy is to be booked as expenditure by credit to deferred liability account for the land cost at the Pre Determined Rates (PDR) as prescribed under the Nazul rules applicable, on the date of start of construction of the project. This deferred liability is being updated based on prevalent Pre Determined Rates (PDR) applicable at the year end, till the completion of the project. This deferred liability account is being transferred to Nazul-II account on completion of construction of the project at the then Pre Determined Rates (PDR) as prescribed under the Nazul rules.  
Hitherto, these were appropriated for various Schemes under General Development Account as expenditure by credit to Nazul -II Account on completion of construction of the properties at the pre determined rates as prescribed under the Nazul Rules. Land Premia is being paid to Nazul-II, in three consecutive equal yearly installments from the year in which scheme are completed.  
Due to practical difficulties in applying the revised policy on running work in progress under the existing schemes, management has decided to apply this changed policy on the schemes awarded from 01.04.2016 onwards.
17. Value of the work in progress at the year end is arrived at after adding 15% overheads on the net construction payments made to contractors. This is consistently being followed by the DDA.
18. In the absence of availability of some of the certificates regarding interest accrued at the year end for some of the investments, interest accrued in such cases has been calculated provisionally on the basis of outstanding balances and terms of interest.
19. 26AS Statement of TDS last available near the date of finalization has been reconciled and accounted for:

20. Delhi Development Authority Post Retirement Medical Scheme Fund Trust, Delhi Development Authority Leave Encashment Fund Trust and Delhi Development Authority General Provident Fund Trust have been created on 01.02.2017. However, investments related to them, are still in the name of Delhi Development Authority and Bank accounts are yet to be opened in the name of the Trusts, therefore, related investments & Bank balances are not yet transferred to the respective trusts and same have been disclosed in the balance sheet of General Development Account and continued to allocate to specific funds as per fund based accounting.
21. Previous year figures have been regrouped / reclassified wherever necessary to conform to this year's classification.
22. Schedules 'A' to 'O' form an integral part of the Annual Accounts.
23. The consolidated details of Investment and Bank balances of General Development Account, Nazul-I, Nazul-II, Delhi Development Authority Pension Fund Trust and Delhi Development Authority Gratuity Fund Trust, are furnished in Annexure-P.

Sd/-

Sd/-

Sd/-

Sd/-

**Sr. AO (A/Cs) Main    Dy. CAO (A/Cs)    Dir. (Fin.)/Consultant    Chief Accounts Officer**

Dated: 16.07.2018

Place: New Delhi

## Delhi Development Authority

## Details of Investments and Bank balances as on 31 March 2018

Head of Account	General Development Account												Nazul-II Account				Rs. In crores			Schedule-P Total		
	GDA General Invest	GDA General Fund	Contingency reserve Fund	Yamuna Pollution Fund	Leave Encashment Fund	Post Retirement Fund	General Medical Benefit Fund	EWS Provident Fund	Civil Work Maintenance Fund	Electric al Maintenance Fund	Restoration of Siri Forest area Fund	Sub Total Of GDA	Cash Bal.	NA-II General Investment	Escrow (EWS)	Urban Heritage Fund	Escrow (HRD)	Invest (Sports)	Sub total Nazul II	Pension Fund Trust	Gratuity Fund Trust	
Fds	4,789.49	1.15	1,082.00	5.23	-	45.37	-	863.00	0.10	443.00	45.00	1.07	7,275.41	-	7,540.99	64.80	0.25	0.35	3.00	56.59	7,665.98	-
Govt. Securities	-	-	-	153.00	692.40	137.00	-	-	-	-	-	982.40	-	-	-	-	-	-	748.25	148.96	1,879.61	
State Govt. Securities	80.00	-	20.00	-	10.00	249.30	47.50	-	-	-	-	406.80	-	325.00	-	-	-	325.00	396.47	120.27	1,248.54	
Mutual Funds	-	-	-	96.25	178.50	117.21	-	-	-	-	-	391.56	-	-	-	-	-	-	203.20	89.70	684.86	
Commercial Paper	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Money Market Debenture & Bonds	-	-	-	106.40	246.30	155.00	-	-	-	-	-	507.70	-	-	-	-	-	-	330.17	72.00	909.87	
LLC/Other Insurance cos.	-	-	-	137.00	-	77.86	-	-	-	-	-	214.86	-	-	-	-	-	-	4,041.95	188.84	4,445.65	
Total	4,869.49	1.15	1,102.00	5.23	502.65	534.57	1,411.87	863.00	0.10	443.00	45.00	1.07	9,779.13	-	7,885.99	64.80	0.25	0.35	3.00	56.59	7,990.98	5,720.04
Cash in Hand	-	0.03	-	-	-	-	-	-	-	-	-	0.03	-	-	-	-	-	-	-	-	0.03	
Saving Banks	79.91	97.24	1.02	0.23	14.17	34.73	19.69	2.69	0.17	-	0.01	249.86	2.45	430.10	-	-	-	430.10	59.45	65.66	807.52	
Grand Total	4,949.40	98.42	1,103.02	5.46	516.82	1,446.60	554.26	865.69	0.27	443.00	1.08	10,029.02	2.45	8,296.09	64.80	0.25	0.35	3.00	56.59	8,421.08	5,779.49	
																					24,921.47	

\* Remittances in transit has been excluded to find out the Saving Account balance of General Investment.

Sd/-  
Sr. AO A/cs (Main)  
Dy. CAO (A/Cs)

Sd/-  
Dir. (Fin)/Consultant

Sd/-  
Chief Accounts Officer



# **NAZUL Account-I**

## **Annual Accounts**

### **2017-18**



**DELHI DEVELOPMENT AUTHORITY**



**DELHI DEVELOPMENT AUTHORITY**  
**ANNUAL ACCOUNTS FOR THE YEAR 2017-18**  
**NAZUL ACCOUNT - I**  
**BALANCE SHEET AS AT 31ST MARCH, 2018**

LIABILITIES		ASSETS	
Sr. No.	Head of Account	Sr. No.	Head of Account
I	Accumulated surplus funds payable to govt. under clause 9 of Nazul Agreement 1937	5	22.39
II	Amount received from other account	22.81	22.81
III	Sundry Creditors	214.70	214.70
IV	Excess of Assets over Liabilities as per Last Balance sheet	0.38	0.38
V	Excess of Income over Expenditure during the year - Part I	(29.21)	(26.01)
VI	Amount transferred to Accumulated receipts under Nazul Agreement	0.12	0.06
	Total	(1.15)	(3.26)
		218.20	288.68
			TOTAL
			218.20
			208.68

Sr. AO (A/Cs) Main	Sd/-	Dy. CAO (A/Cs)	Sd/-	Dir. (Fin.)/Consultant	Sd/-	Sd/-	Sd/-	Chief Accounts Officer
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DELHI DEVELOPMENT AUTHORITY  
ANNUAL ACCOUNTS FOR THE YEAR 2017-18  
NAZUL ACCOUNT -I  
INCOME & EXPENDITURE FOR THE YEAR ENDING 31ST MARCH, 2018

(Amount in Cr.)

Sr. No.	Head of Account	Expenditure			Income		
		Expenditure 2017- 18	Expenditure 2016- 17	Sr. No.	Head of Account	Income 2017-18	Income 2016-17
I	Accumulated expenditure on Land & works as on 01.04.2017	19.94	19.94	I	Receipts from disposal of Land-premia	0.12	0.06
II	Expenditure on Land and Works	-	-	II	Land transferred from L & DO		
III	Excess of Income over Expenditure(Part-I)	0.12	0.06	III	Interest in Investment		
				IV	Accumulated expenditure on land & works as on 31.3.2018	19.94	19.94
<b>Total</b>		<b>20.06</b>	<b>20.06</b>	<b>Total</b>		<b>20.06</b>	<b>20.06</b>
IV	Cost of Administration			V	Revenue		
i) Officers	1.31	1.49	a) Ground Rent		0.77	1.97	
ii) Estt.	2.83	2.84	b) Other Receipt		0.09	0.40	
iii) Other Charges	0.72	0.58	c) Damages		1.75	0.08	
iv) Pension Contribution	1.22	0.11	d) Prior Period Income		-	29.39	
v) Gratuity Contribution	0.05	0.63	e) other Nazul Revenue		1.07	0.25	
vi) Leave Encashment Contribution	(0.07)	0.25					
vii) Post Retirement Medical Scheme	(0.04)	0.20					
viii) New Pension Scheme	0.01	0.01					
Less: Estt. Charges recovered from works	2.14	1.90					
V Payment of Nazul Revenue to govt.	0.01	0.01					
VI Depreciation	0.03	0.04					
VII Misc. Expenditure incurred on maintenance of various Schemes	8.62	9.53					
VIII Prior Period Expenses	1.37	-					
IX Excess of Income over Expenditure (Part II)	(10.23)	18.30					
		<b>3.68</b>	<b>32.09</b>	<b>Total</b>		<b>3.68</b>	<b>32.09</b>

Sd/-  
Chief Accounts Offi

Sd/-  
Dir.(Fin.)/Consultant

Sd/-  
Dy. CAO (A/Cs)

Dated : 16.07.2018  
Place : New Delhi

DELHI DEVELOPMENT AUTHORITY  
ANNUAL ACCOUNTS FOR THE YEAR 2017-18  
NAZUL ACCOUNT - I

RECEIPT AND PAYMENT ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2018

(Amount in Cr.)

Sr. No.	Head of Account	Receipts			Payment		
		Revised Estimate (in Crones)	Actual Receipts before adjustment (2017-18)	Adjustment	Actual Receipts (2017-18)	Actual Receipts (2016-17)	Sr. No.
I	Revenue from works and Dev. Schemes						I
	a) Premia	4.44	0.12	-	0.12	0.06	Share cost of administration
	b) Ground Rent	10.16	0.77	-	0.77	1.89	Less: Estt. Charges received from works
	c) Other Receipts	0.25	0.69	-	0.69	0.40	
II	Damages	1.58	4.77	(4.15)	0.62	1.71	II Expenditure on works and Dev. Schemes
III	Other Nazul Revenue						III Misc. Expenditure
	a) Revenue from Agriculture land, Other Land						-
	b) Other Revenue						-
IV	Delhi Master Plan						IV Payment of Nazul Revenue
V	New Master Plan for Delhi						0.01
VI	Land trans. From L&DO Gram Sabha						0.01
VII	Interest from Investment						-
VIII	Development and Construction of Lakes around Delhi						-
IX	Debt Receipts						-
	Total	17.47	6.83	(4.15)	2.68	4.31	Total
							13.18
							14.78

Sr. No.	Head of Account	Receipts			Payment		
		Revised Estimate (in Crones)	Actual Receipts before adjustment (2017-18)	Adjustment	Actual Receipts (2017-18)	Actual Receipts (2016-17)	Sr. No.
X	[DEPOSITS & ADVANCES]						XI DEPOSITS & ADVANCES
i)	Suspense Account						i) Suspense Account
	a) Investment - cash balance						a) Investment - cash balance
	b) Investment accounts						b) Investment accounts
	b) Other Suspense items						b) Other Suspense items
ii)	Deposits						ii) Deposits
	iii) Advance(HBA)						iii) Advance(HBA)
	iv) P.L.A.						iv) P.L.A.
v)	Amount received from other accounts(BGDA)						
	Total DEPOSITS & ADVANCES	17.75	-	10.00	10.00	12.00	TOTAL DEPOSITS & ADVANCES
	TOTAL RECEIPTS	35.22	6.83	5.85	12.68	16.31	TOTAL PAYMENTS
	OPENING BALANCE	9.05	2.87	2.87	1.26	2.45	CLOSING BALANCE
	GRAND TOTAL	35.27	9.76	5.85	15.55	17.57	GRAND TOTAL
							15.55
							17.57

Sd/-

Sr. AO (A/Cs) Main

Sd/-

Chief Accounts Officer

Sd/-

Dir. (Fin.)/Consultant

Sd/-

Dated : 16.07.2018  
Place : New Delhi

DELHI DEVELOPMENT AUTHORITY  
NAZUL ACCOUNT-I

**SCHEDULE - Q**

**STATEMENT OF SUNDAY DEBTORS AS ON 31.03.2018**

(Amount in Crore)

Sr. No.	Particulars	2017-18	2016-17
I	Premia (for lease of land payable by the lessee)	0.93	0.93
II	Ground Rent (Payable by the lessee of lease land)	-	1.37
III	Other Receipts (Staff Quarters)	-	-
IV	Damages levied for unauthorised occupation of Nazul I and /Properties	105.54	104.41
V	Other Nazul Receipts	0.28	0.29
VI	Land transferred to L&D/Gaon sabha	0.00	0.00
	Total	108.25	108.50

DELHI DEVELOPMENT AUTHORITY  
NAZUL ACCOUNT-I

STATEMENT OF PROPERTY AS ON 31.03.2018

SCHEDULE-R

(Amount in Crore)

Sr. No.	Particulars of Property	Opening Balance	Additions	Total	Depreciation	Closing Balance
I	Motor Vehicles	0.07	-	0.07	0.01	0.06
II	Furniture	-	0.05	0.05	0.01	0.05
III	Other Office equipment	-	0.03	0.03	0.00	0.03
IV	Survey and Drawing instruments	-	0.00	0.00	0.00	0.00
V	Staff Quarters	-	0.26	0.26	0.01	0.25
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.	-	0.00	0.00	0.00	0.00
VIII	Providing Parking arrangement at Ajmeri Gate	-	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>0.42</b>	<b>-</b>	<b>0.42</b>	<b>0.03</b>	<b>0.40</b>

**DELHI DEVELOPMENT AUTHORITY  
NAZUL ACCOUNT-I**

**SCHEDULE-S**

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

(Amount in Crore)

Particulars	2017-18	2016-17
Transfer of funds upto 31.03.2017	48.34	45.08
Add: Amount transferred during the year under	1.15	3.26
<b>(A) BALANCE</b>	<b>49.49</b>	<b>48.34</b>
Total Expenditure incurred on Old Delhi Master Plan/ Zonal Plan up to 31.03.2017	23.02	21.37
Add: Expenditure during 2017-18	1.57	1.65
Less: Receipts on a/c of Sale Proceeds during the year		
<b>Net Expenditure on Delhi Master Plan/Zonal Plan(a)</b>	<b>24.59</b>	<b>23.02</b>
Total Expenditure incurred on New Delhi Master Plan/ Zonal Plan up to 31.03.2017	2.50	2.50
Add: Expenditure during 2017-18	-	-
Less: Receipts on a/c of Sale Proceeds during the year		
<b>Net Expenditure on Delhi Master Plan/Zonal Plan(b)</b>	<b>2.50</b>	<b>2.50</b>
<b>(B) TOTAL EXPENDITURE (a+b)</b>	<b>27.09</b>	<b>25.52</b>
Balance carried forward to Balance Sheet (A-B)	22.39	22.82

DELHI DEVELOPMENT AUTHORITY  
NAZUL ACCOUNT-I

SCHEDULE-T

STATEMENT OF SUNDAY CREDITORS AS ON 31.03.2018

(Amount in Crore) )

Particulars	2017-18	2016-17
Administration Pay & other charges	0.18	0.38
<b>Total</b>	<b>0.18</b>	<b>0.38</b>



# **NAZUL Account-II**

## **Annual Accounts**

### **2017-18**



**DELHI DEVELOPMENT AUTHORITY**



## ANNUAL ACCOUNTS FOR THE YEAR 2017-18

## NAZUL ACCOUNT -II

## RECEIPTS AND PAYMENT ACCOUNT FOR THE FINANCIAL YEAR ENDING 31.03.2018

Sr. No.	Head of Account	Receipts		Payments		
		Actual Receipts 2017-18	Actual Receipts 2016-17	Sr. No.	Head of Account	Actual Expenditure 2017-18
I-C	Receipts from Disposal of Developed Land Premium	388.76	323.96	1-C	Payment to Delhi Admin. (L&B Dept.) for Acquisition of Land	139.78
					AMOUNT OF COURT ATTACHMENT	37.23
					AMOUNT OF ENHANCED COMPENSATION	2.29
					Payment to Special Rehabilitation Package	-
II-C	Receipts from Disposal of Undeveloped Land Premium	281.47	471.44	2-C	Expenditure on Development of Land	411.25
					Master Plan & Other Concomitant Schemes	713.79
					Sports Complexes	70.86
					Total expenditure on D/o land 2-C	1,195.98
III-C	Ground Rent and Other Receipts	216.76	470.32	3-C	CNG-2010 Expenditure	-
	Grants from Central Govt. - CNG 2010	-	-		Expenditure on C/O Roads other than those in Schemes	-
	Receipts from disposal of CNG Flats	-	-		-	-
IV-C	Miscellaneous Receipts					-
(a)	Composition Fee	15.23	19.95	4-C	Expenditure on Building other than those included in the Development Schemes	-
					-	-
(b)	Interest from investments		-			-
	Interest on Nazul II investment	695.35	947.77		Payment to MCDs	9.56
	Interest on Sports Investment	4.08	6.52			-
	Interest on Escrow EMS	3.99	4.87			-
	Interest on Escrow FAR	0.51	0.31			-
	Interest on HRD	0.01	0.02			-
	Interest on UHF	0.03	0.03			-
(c)	Other Misc. Receipts	48.96	174.66	5-C	Share Cost of Admin. Charges	251.08
	Interest from Urban Heritage A/c	-	-		Deduct Estt. Charges	62.65
	Sports Complex	56.46	60.90		Net Share Cost	188.43
	E.M.S.Fund	-	-		Interest on Loan (ways and means advances)	-
	Interest on EMS Fund	-	-		Refund of Premia	22.30
	IV C Total	824.61	1,215.01			704.04
V-C	Adhoc increase / Adhoc cut made by Delhi Administration	-	-	7-C	Less: Adhoc cut made by Delhi Admin.	-
i)	Loan from Central Govt. (ways & means advances)	-	-		Grants given to AAI	-
					Amount paid to DMRC	-
						13.50
	Total	1,631.60	2,480.73		Total	1,595.41
VI-C	Debit Receipt				8-C Debit. Repayment	2,372.04
i)	Loan from Central Govt. (ways & means advances)	-	-	1)	Repayment of Loan to Central Govt.	-

Sr. No.	Head of Account	Actual Receipts 2017-18	Actual Receipts 2016-17	Sr. No.	Head of Account	Actual Expenditure 2017-18	Actual Expenditure 2016-17
ii)	Amount received from other accounts	-	1,874.00	ii)	Amount paid back to other accounts	-	1,896.00
<b>VII-C Deposits &amp; Advances</b>							
i)	Suspense Account:	-	-	9-C	Deposits and Advances	-	-
a)	Investment - Cash Balance Investment Account	9,727.95	12,226.11	a)	Investment - Cash Balance Investment Account	8,229.01	10,147.95
b)	Investment A/c Sports	56.05	79.38	b)	Investment A/c Sports	56.61	56.05
c)	Escrow encashment	61.00	57.00	c)	Investment Escrow Account	64.81	61.00
d)	HRD Encashment	0.25	0.22	d)	HRD Investment	0.26	0.24
e)	Escrow FAR Encashment	3.00	3.00	e)	Escrow FAR Investment	3.00	3.00
f)	Urban Heritage Award Fund Encashment	0.35	0.30	f)	Urban Heritage Award Fund Investment	0.38	0.35
ii)	Funds from Escrow Account (GHS) for Construction of EWS Houses	-	-	ii)	Fund from Escrow Account (GHS) for Construction of EWS Houses	-	-
iii)	Receipt in Urban Heritage Fund	-	0.00	iii)	Urban Heritage Fund disbursement	-	-
iv)	Other Suspense Account	-	-	iv)	Other Suspense Account	-	-
v)	Deposits	-	-	v)	Deposits	-	-
vi)	Amount received from Revolving Fund	1,199.30	1,136.94	vi)	Amount paid to Revolving Fund	1,199.30	1,136.94
vii)	Amount received from GDA	404.56	-	vii)	Amount paid to GDA	3,056.99	902.13
	Amount Received from PRMS Fund	27.00	-		Amount paid to Leave Encashment Fund	5.00	
	Amount Received From Gratuity Fund Trust	125.06	-		Amount Paid to Gratuity Fund Trust	125.06	
	Receipts from Pension Fund	536.27	-		Amount Paid to Pension Fund Trust	547.77	-
	<b>TOTAL DEPOSITS &amp; ADVANCES</b>	<b>12,149.79</b>	<b>13,502.95</b>		<b>TOTAL DEPOSITS &amp; ADVANCES</b>	<b>13,288.19</b>	<b>12,307.65</b>
	<b>TOTAL RECEIPTS</b>	<b>13,772.39</b>	<b>17,857.68</b>		<b>TOTAL PAYMENTS</b>	<b>14,883.62</b>	<b>16,575.69</b>
	<b>OPENING BALANCE</b>	<b>1,541.33</b>	<b>259.34</b>		<b>CLOSING BALANCE</b>	<b>430.10</b>	<b>1,541.33</b>
	<b>GRAND TOTAL</b>	<b>15,313.72</b>	<b>18,117.02</b>		<b>GRAND TOTAL</b>	<b>15,313.72</b>	<b>18,117.02</b>

Sd/-

**Chief Accounts Office**

Dir.(Fin.)/Consultant

Sr. AO (A/Cs) Main Dy. CAO (A/cs)

Sd/-

Dated : 16.07.2018

Place : New Delhi

# **Pension Fund Trust**

## **Annual Accounts**

### **2017-18**



**DELHI DEVELOPMENT AUTHORITY**



## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Delhi Development Authority Pension Fund Trust

We have audited the accompanying financial statements of Delhi Development Authority Pension Fund Trust, which comprise the Balance Sheet as at March 31, 2018, and the Income and Expenditure Account for the year then ended, and a summary of significant accounting policies and notes to accounts.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view:

- a) In the case of the Balance Sheet, of the state of affairs of the Trust as at March 31, 2018;
- b) In the case of the Income and Expenditure Account, of the Excess of Income over Expenditure for the year ended on that date.

For RA & Company  
Chartered Accountants  
FRN: 022935N

Sd/-  
(CA. Rashid Ali)  
M.No. 507153  
Partner

DELHI DEVELOPMENT AUTHORITY PENSION FUND TRUST  
BALANCE SHEET AS ON 31ST MARCH, 2018

### (Amount in Cr.)

As per our Report Attached  
For RA AND COMPANY  
Chartered Accountants

54 (CA Rashid Ali)  
Partner M. No. 507153  
FRN: 022935N  
Place: New Delhi  
Date : 16.07.20

DELHI DEVELOPMENT AUTHORITY PENSION FUND TRUST  
INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

EXPENDITURE	For the Year ended 31.03.2018		For the Year ended 31.03.2017		INCOME AMOUNT	For the Year ended 31.03.2018 AMOUNT	For the Year ended 31.03.2017 AMOUNT
	AMOUNT	AMOUNT	AMOUNT	AMOUNT			
Miscellaneous Expenditure	0.01		0.00	0.00	Interest earned on Investments	441.68	422.04
Prior Period Adjustment	0.05		11.84	11.84	Prior Period Adjustment	-	-
Premium on purchase of Investment	-		-	-			
Loss on sale of Investment	441.62		410.28	410.28			
Excess of Income over Expenditure							
	<b>441.68</b>		<b>422.04</b>				
					<b>441.68</b>		<b>422.04</b>

As per our Report Attached  
 For RA AND COMPANY  
 Chartered Accountants

(CA Rashid Ali)  
 Partner  
 M. No. 507153  
 FRN: 022935N

Place: New Delhi  
 Date : 16.07.2018

Sr. AO (A/CS Main)	Dy. CAO (A/CS)	Dir. (Fin.)/Consultant
Sd/-	Sd/-	Sd/-
(Chief Account Officer)	Trustee	
As per our Report Attached		
For RA AND COMPANY		
Chartered Accountants		

For the Year ended 31.03.2018	For the Year ended 31.03.2017	(Amount in Cr.)
EXPENDITURE	INCOME	
AMOUNT	AMOUNT	
Miscellaneous Expenditure	0.01	Interest earned on Investments
Prior Period Adjustment	0.05	0.00
Premium on purchase of Investment	-	11.84
Loss on sale of Investment	441.62	410.28
Excess of Income over Expenditure	<b>441.68</b>	<b>422.04</b>
	<b>441.68</b>	<b>422.04</b>

(Amount in Cr.)

PENSION FUND TRUST ACCOUNT					
RECEIPTS & PAYMENT ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018					
HEAD OF ACCOUNT	RECEIPTS		PAYMENT		
	2017-18	2016-17	HEAD OF ACCOUNT	2017-18	2016-17
Pension Fund			Pension Fund		
Opening Balance	-		154.07	63.19	542.88
Encashment of Pension Fund	137.08	139.42	Investment Disbursement	502.15	442.06
Interest of Pension fund Investment	146.78	53.18	Payment to Delhi Development Authority	212.12	-
Received from Leave Encashment Fund Trust	-	126.41	Payment to Post Retirement Medical Scheme Fund Trust	-	-
Receipt from Post Retirement Medical Scheme Fund Trust	20.11	118.62	Payment to Leave Encashment Fund Trust	-1.22	-
Receipt from General Provident Fund Trust	26.05	29.74	Misc. Exp.	0.01	-
Receipt from Gratuity Fund Trust	-0.59	108.78	Payment to NA II	536.27	-
Received From Delhi Development Authority	351.78	0.88	Inter Unit	140.16	-
Receipt From Urban Development Fund	3.32	538.68	2.03	2.03	-
Receipt From Contingency Fund	0.15	-	972.32	1,452.59	986.97
Received From NA II Inter Unit	547.77	1,372.61	Closing balance	59.44	139.42
	146.16	2.03		1,512.03	1,126.39
	1,512.03	1,126.39			

Sd/-

(Chief Account Officer)  
Trustee

Place: New Delhi  
Date : 16.07.2018

Sd/-

Dy. CAO (A/Cs)

Sd/-

Dir. (Fin.)/Consultant

**FINAL ACCOUNTS 2017-18**

**DELHI DEVELOPMENT AUTHORITY PENSION FUND TRUST**

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

**1 Significant Accounting Policies**

- A. The Financial Statements are prepared under Historical Cost Convention.
- B. Investments are stated at Face Value.
- C. Interest is recognized on accrual basis.
- D. Premium and Discount on purchase of Investments is adjusted at the time of purchase.

**2 Notes to the Accounts**

Contribution has been recorded to the extent recognized in the accounts of the employer Delhi Development Authority which is based on the latest available Actuarial Valuation Report received as at 31.03.2018

The amount of Interest income on Mutual funds Investments is to be recognised at the time of redemption of Mutual Funds.

The Investments are properly classified as investments in Government Securities, Bonds, Mutual Funds, FDR's and insurance Companies.

Sd/-  
**Chief Accounts Officer  
Trustee**

Place : New Delhi  
Date : 16.07.2018

Sd/-  
Sr. AO (A/Cs) Main      Sd/-  
                            Dy. CAO (A/Cs)

Sd/-  
Dir. (Fin.)/Consultant

# **Gratuity Fund Trust Annual Accounts 2017-18**



**DELHI DEVELOPMENT AUTHORITY**



## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Delhi Development Authority Gratuity Fund Trust

We have audited the accompanying financial statements of Delhi Development Authority Gratuity Fund Trust, which comprise the Balance Sheet as at March 31, 2018, and the Income and Expenditure Account for the year then ended, and a summary of significant accounting policies and notes to accounts.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view:

- a) In the case of the Balance Sheet, of the state of affairs of the Trust as at March 31, 2018;
- b) In the case of the Income and Expenditure Account, of the Excess of Income Over Expenditure for the year ended on that date.

For RA & Company  
Chartered Accountants  
FRN: 022935N

Sd/-  
(CA. Rashid Ali)  
M.No. 507153  
Partner

**DELHI DEVELOPMENT AUTHORITY GRATUITY FUND TRUST**  
**BALANCE SHEET AS ON 31st MARCH, 2018**

LIABILITIES		As on 31.03.2018 AMOUNT	As on 31.03.2017 AMOUNT	ASSETS	As on 31.03.2018 AMOUNT	As on 31.03.2017 AMOUNT
<b>Opening Balance of Fund</b>		676.55		594.64	623.77	611.98
Add: Employer Contribution	19.21			160.80	14.92	14.41
Less: Gratuity disbursements	137.87			132.89	65.66	111.02
Add: Excess of Income over Expenditure	52.60			54.00	0.30	0.30
<b>Balance of Gratuity Fund</b>				676.55		
Payable to General Provident Fund Trust				13.87		
Advance Interest Received				0.47		
Payable to Pension Fund Trust				-		
Payable to Leave Encashment Fund Trust				0.67		
Payable to Delhi Development Authority				46.15		
				<b>737.71</b>		
					<b>704.65</b>	
						<b>737.71</b>

As per our Report Attached  
 For RA AND COMPANY  
 Chartered Accountants

(CA Rashid Ali)  
 Partner  
 M. No. 507153  
 FRN: 022935N  
 Sr. AO (A/cs Main)

Sd/-

(Chief Account Officer)  
 Trustee

Sd/-

Dy. CAO (A/cs)

Place: New Delhi  
 Date : 16.07.2018

**DELHI DEVELOPMENT AUTHORITY GRATUITY FUND TRUST  
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018**

		(Amount in Cr.)	
		For the Year ended 31.03.2018	For the Year ended 31.03.2017
		AMOUNT	AMOUNT
+	Premium on purchase of Investment	0.17	54.17
	Prior Period Items	0.00	-
	Misc. Expenses	0.00	-
	Excess of Income over Expenditure	52.60	52.60
		52.60	52.60
		54.17	54.17

As per our Report Attached  
For RA AND COMPANY  
Chartered Accountants

(CA Rashid Ali)  
Partner  
M. No. 507153  
FRN: 022935N

61

(Chief Account Officer)  
Trustee

Sd/-  
Dir. (Fin.)/Consultant

Sr. AO (A/cs Main)

Dy. CAO (A/cs)

Place: New Delhi  
Date : 16.07.2018

(Amount in Cr.)

GRATUITY FUND TRUST ACCOUNT					
RECEIPTS & PAYMENT ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018			PAYMENT		
HEAD OF ACCOUNT	RECEIPT 2017-18	2016-17	HEAD OF ACCOUNT		2017-18
Gratuity Fund			Gratuity Fund		
Opening Balance		111.02	Investment	46.70	6.22
Receipts from Delhi Development Authority	134.98		Disbursement	137.87	132.89
Receipts from NA II	125.06		Payment to General Provident Fund Trust	8.76	
Receipts from General Provident Fund Trust	-		Payment to Delhi Development Authority	74.13	-
Receipts from Post Retirement Medical Benefit Trust	11.80	24.34	Payment to Urban Development Fund	-	-
Interest of Gratuity Investment	37.55		Payment to Leave Encashment Fund Trust	12.70	4.17
Receipts from Leave Encashment Fund Trust	12.70		Payment to Pension Fund Trust	(0.59)	0.88
Inter Unit Account	55.00		Payment to Post Retirement Medical Benefit Trust	11.80	-
Encashment of Gratuity Fund	48.98	1.61	Payment to NA-II	125.06	-
		25.04	Inter Unit Account	55.00	1.61
			Misc. Expenses	0.00	471.43
		426.07	Closing balance	65.66	111.02
		537.09	256.79	537.09	256.79

Sd/-

(Chief Account Officer)  
Trustee

Sd/-

Sd/-

Dy. CAO (A/cs)

Sd/-

Sd/-

Dir. (Fin.)/consultant

Place: New Delhi  
Date : 16.07.2018

## **DELHI DEVELOPMENT AUTHORITY GRATUITY FUND TRUST**

## **SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

## 1 Significant Accounting Policies

- A. The Financial Statements are prepared under Historical Cost Convention.
  - B. Investments are stated at Face Value.
  - C. Interest is recognized on accrual basis.
  - D. Premium and Discount on purchase of Investments is adjusted at the time of purchase.

## **2 Notes to the Accounts**

Contribution has been recorded to the extent recognized in the accounts of the employer Delhi Development Authority which is based on the latest available Actuarial Valuation Report received as at 31.03.2018

The amount of Interest income on Mutual funds Investments is to be recognised at the time of redemption of Mutual Funds.

The Investments are properly classified as investments in Government Securities, Bonds, Mutual Funds, FDR's and insurance Companies.

Sd/-  
**Chief Accounts Officer**  
**Trustee**

Place : New Delhi  
Date : 16.07.2018

Sd/-

Sd/- Sd/- Sd/-  
Sp. AO (A/Cs) Main Pv. CAO (A/Cs) Dir. (Fin.)/Con

**DELHI DEVELOPMENT AUTHORITY**

**Reply of Final Separate Audit Report of the CAG on the Accounts of DDA for the year 2017-18**

<b>PARA</b>	<b>AUDIT OBSERVATIONS</b>	<b>REPLY BY DDA</b>
<b>A. Nazul-I</b>		
<b>1. Income and Expenditure account</b>		
<b>1.1 Income</b>	<p><b>1.1</b>      <b>Income from Damages            ₹ 1.75 Crore</b></p> <p>A reference is invited to comment no. A.2.1 (a) in SAR of CAG of India on the financial statements of DDA for the year 2016-17 wherein non booking of accrued income in respect of all the damage properties was commented.</p> <p>During the year 2017-18 also, it was noticed that DDA has shown income from damages charges amounting to ₹ 1.75 crore only whereas damage charges for the current year worked out to ₹ 36.65<sup>1</sup> crore. Thus income from damage charges as well as sundry debtors were understated by ₹ 34.90 crore (₹ 36.65 crore - ₹ 1.75 crore).</p> <p>No corrective action has been taken by DDA despite the issue being raised in SAR of DDA in 2016-17.</p>	<p>DDA could account for an income of ₹ 1.75 Crore only as Damage charges during the financial year 2017-18 in respect of unauthorised occupants who have come forward themselves to deposit the Damage Charges. Further, it is submitted that in the Authority Meeting held on 27.03.2008, it was decided that issue of notices should be stopped and a policy paper was demanded by the Hon'ble LG before the Authority. After that, most of the staff of the Damage section was shifted to other sections and this section since then is working at reduced strength. Subsequently, in the Authority meeting dated 12.03.2012, it was decided that the notices for payment of Damage Charges should be issued. However, due to acute shortage of staff in DDA, the Damage section could not be strengthened and as such, assessment of demand as well as notices to the unauthorised occupants could not be issued on yearly basis. Further, it is intimated that reconciliation of the properties occupied by unauthorised occupants is being carried out and thereafter, the income due from damages will be assessed on accrual basis and will be</p>

<sup>1</sup> This amount has been worked out by audit by multiplying total area of Nazul-I properties under unauthorized occupation as provided by DDA in August 2017 with minimum damage charges in residential category (due to non-availability of break up of this area between residential, commercial and industrial), as per damage charges of 2015-16, being the latest available rates of damage charges with DDA. Criteria for working out this figure was different in SAR of 2016-17, hence this figure may not be comparable with figure given in SAR of 2016-17.

		taken into account in the annual accounts of F.Y. 2018-19 accordingly.
B.	<b>Nazul-II</b>	
1.1.	<b>Non-Preparation of Balance Sheet and Income and Expenditure Account</b>	<p>At present, Balance Sheet of Nazul-II and Income &amp; Expenditure Account is not being prepared, only Receipt and Payment Account is prepared. However, DDA has ‘in principle’ agreed to prepare the balance sheet of Nazul -II after completion of land records by 31.03.2020 for which MOHUA has been apprised vide this office letter No.F6(10) 2013-14/A/Cs(M)/DDA/ 373 dated 26.11.2015. The land record is being prepared and the same is being reviewed in the Thematic Meeting by Hon’ble L.G. Accordingly, action for preparation of Balance sheet of Nazul Account –II will be taken after completion of the land record. Further, the work of consultancy regarding preparation of format of Income and Expenditure Account and Balance Sheet of Nazul II, accounting formats for Consolidated Annual Accounts of DDA, preparation of Accounting manual and implementation of revised accounting structure has been awarded to IPAI on 26.06.2018 and the IPAI Team is working on the same and the work is in progress. As per the schedule, the work of preparation of formats and Accounting Manual is likely to be completed by 31.03.2019. The IPAI Team has recently submitted draft format of Income and Expenditure Account and Balance Sheet of Nazul II and the same have been considered by DDA in line with Uniform Format of Accounts for Autonomous bodies and required modifications have been suggested to IPAI for incorporation.</p>
C	<b>General Development Account</b>	
1.1	<b>Balance Sheet</b>	
1.1.1	<b>EWS Houses Reserve Fund</b>	₹ 791.75 Crore
(a)	A reference is invited to comment no. C.1.2 (b) in SAR of CAG of India on the financial statements of DDA for the year ended 2016-17 relating to non-inclusion of overhead expenditure incurred on	It is submitted that DDA has created EWS Houses Reserve Fund from appropriation of surplus funds for identification of unutilised amount u/s 11(2) of the Income Tax Act, 1961 to be carried forward for next five years

construction of EWS houses. During the year 2017-18 also, DDA has not included an amount of ₹ 40.46 crore, being 15 per cent overhead on ₹ 269.73 crore, in expenditure incurred on construction of EWS houses. The same amount viz expenditure including overhead should have also been added to the EWS Fund on account of increase in the value of EWS inventory instead the same has been shown in the Income & Expenditure Account.

Non-observance of the same is against the principle of fund based accounting and full disclosure.

Despite issue being raised in 2016-17, corrective action has not been taken by DDA.

or till the time it is utilized whichever is earlier. EWS houses scheme expenses are also of the same nature of expenses of DDA as in cases of LIG, MIG, HIG housing schemes etc, however just for identification EWS houses expenses are shown separately in the Income and Expenditure Account, therefore, the same are correctly credited/ debited in the Income & Expenditure Account for the year as expenses and income of other schemes.

*In this regard, provisions of Section 11(2) of the Income Tax Act, 1961 states-*

*Where [eighty-five] per cent of the income referred to in clause (a) or clause (b) of sub-section (1) read with the Explanation to that sub-section is not applied, or is not deemed to have been applied, to charitable or religious purposes in India during the previous year but is accumulated or set apart, either in whole or in part, for application to such purposes in India, such income so accumulated or set apart shall not be included in the total income of the previous year of the person in receipt of the income, provided the following conditions are complied with, namely:-*

- (a) such person specifies, by notice in writing given to the Assessing Officer in the prescribed manner, the purpose for which the income is being accumulated or set apart and the period for which the income is to be accumulated or set apart, which shall in no case exceed five years;
- (b) the money so accumulated or set apart is invested or deposited in the forms or modes specified in sub-section (5)).

It is not necessary to follow fund based accounting for the unutilized amount brought forward u/s 11(2) of the Income Tax, 1961 but the client is required to follow the income computation and disclosure standards notified by the Central Government.

Further, it is submitted that neither section 11(2) specifies that assets generated after utilisation of the unutilized amount shall be treated as credit to unutilized amount set apart for utilization in future nor mandates Fund based accounting for designated fund as per para 111 of the technical guide for accounting for non-for-profit organization.

<p><b>(b)</b></p> <p>A reference is invited to comment no. C. 1.2 (a) in SAR of CAG of India on the financial statements of DDA for the year ended 2016-17 wherein it was commented upon that DDA has been maintaining a separate reserve fund for EWS housing. While DDA deducted the expenditure incurred on construction of EWS flats from the EWS fund, the flats so constructed were sold/ put to sale under DDA housing inventory of Lower Income Group (LIG) category and not under the EWS category. As commented upon in previous year, 22577 flats of EWS category were put to sale as LIG flats under Housing Scheme 2014 and 268 flats were put to sale as LIG under Housing Scheme 2017. Therefore, expenditure incurred on construction of these houses should have been charged under LIG category instead of deducting the same from EWS fund. The EWS fund was thus understated to the extent of the expenditure incurred from it for the construction of these flats.</p> <p>Despite assurance given by DDA in previous year, corrective action has not been taken by DDA in 2017-18.</p>	<p>a) EWS houses scheme expenditure is an accounting head created for identification of utilisation of carried forward funds U/s 11(2) of the Income Tax Act. All the housing construction activities of DDA are charitable and covered U/s 12AA.</p> <p>EWS Houses Reserve is GDA's own fund and maintained just for identification, therefore, any adjustment therein do not have any impact on the assets or liability of the GDA. We further submit that EWS houses income is not being shown separately in the annual accounts, therefore, there is no impact on the Balance Sheet or Income &amp; Expenditure account of the GDA.</p> <p>Utilisation/ expenditure of accumulated funds is to be disclosed and not the income out of such fund utilisation.</p> <p>In View of above even if EWS houses have been sold as LIG, expenditure of the same fulfills the condition of utilisation U/s 11(2). Further, since it is not a fund and only a special reserve, we will change the heading from ‘EWS Houses Reserve Fund’ to “EWS Houses Reserve” in financial year 2018-19.</p>
<p><b>1.2 Current Liabilities and Provisions (Schedule-C)</b></p> <p><b>1.2.1 Sundry Creditors for Land</b> <b>₹ 9.82 Crore</b></p> <p>A reference is invited to comment no. 2.2 in SAR of CAG of India on the financial statements of DDA for 2016-17. No liability has been provided by DDA towards interest payable on outstanding principal amount of ₹ 3.82 crore to Ministry of Rehabilitation (MOR) towards purchase of land. Interest payable amount has increased to ₹ 11.86 crore till 31 March 2018. (₹ 1.84 crore up to December 1991 + ₹ 9.64 crore from January 1992 to March 2017 + ₹ 0.38 crore for the current year i.e. 2017-18 calculated at the rate of ten per cent per annum in</p>	<p>DDA has never agreed to the interest liability as there was no default in payment on its part. Some portion of the land/localities which had been transferred to DDA as per package deal were not actually in existence. As such, default cannot be construed on the part of DDA and interest liability is not acceptable to DDA.</p> <p>As regards interest liability on balance payment of ₹ 3.82 Crore, it is intimated that DDA has not defaulted in making payment. The land stands transferred to DDA in the records of MOR but possession in actual is not with DDA. The question of creating liability of interest does not arise as default is not on the part of DDA.</p>

		<p>absence of availability of actual rate of interest).</p> <p>This has resulted in understatement of Current Liabilities by ₹ 11.86 crore, prior period expenses by ₹ 11.48 crore and current year expenses by ₹ 0.38 crore.</p> <p>Comment on this issue is being included in the SAR of DDA since 2015-16 but no corrective action has been taken.</p>
<b>1.3</b>	<b>Current Assets</b>	
<b>1.3.1</b>	<b>Inventories</b>	
(i)	<b>Work in progress (Houses under construction) ₹ 6441.43 Crore</b>	<p>A reference is invited to comment no. 4.2 (b), 4.3 (c) and 3.1 in the SARs of CAG of India for the year 2014-15, 2015-16 and 2016-17 respectively on financial statements of DDA. During the current year 2017-18, DDA incurred an expenditure of ₹ 269.73 crore on construction of EWS houses out of EWS Fund created specifically for the purpose. The assets created by utilizing EWS funds {Work in Progress (WIP) and Finished Stock of EWS houses} have, however, not been shown separately in the Schedule-F of Balance Sheet though investments against EWS Fund, which is another current asset, are being shown separately. EWS Houses (finished stock as well as work-in-progress) constituted a major portion of the total WIP and Finished Stock of built up houses. However, due to non-disclosure of EWS houses under separate head, cumulative amount utilized for construction of EWS Houses could not be verified. Being a material fact, non disclosure of EWS Houses under separate head is against the principle of full disclosure.</p> <p>Comment on this issue is being included in the SAR of DDA since 2014-15 but no corrective action has been taken.</p>
(ii)	<b>Finished Stock Houses Built Up(Sch-F) ₹ 2782.56 Crore</b>	<p>It is submitted that there is no addition in the finished stock of built up SFS/HIG houses during the year. Also as per accounting policy No. 7(a) sale of houses is recognized when possession letter is issued to the allottees. As</p>

	<p>test check of details of 346 cases was conducted by audit vis-a-vis list of vacant flats as submitted by respective zones and it was found that as against these 346 flats, only 49 flats were shown vacant in these zonal reports as on 31 March 2018. This shows that this inventory of 346 flats considered for financial statement was overstated to the extent of 297 numbers of SFS/HIG flats amounting to ₹ 130.37 crore. Thus, inventory net of provision was overstated to the extent of ₹ 111.94 crore (₹ 130.37 crore – ₹ 18.43 crore provisions for cost to complete). This has also resulted in overstatement of reserve and surplus to the same extent.</p> <p>As this test check pertained only to 346 SFS/HIG flats, extent of such overstatement in remaining SFS/HIG flats as well as flats of others categories viz. MIG/LIG/Janta could not be commented upon in audit.</p>	<p>and when possession letter is issued to the allottees, flats are removed from the finished stock inventory. Accordingly, during the year, DDA has reduced the sale of Housing stock based on Possession letter issued during the year from the opening inventory as on 31.03.2017.Hence, there is no overstatement of inventory in Balance Sheet by ₹ 130.37 crore.</p>
1.3.2	<b>Sundry Debtors ₹ 503.32 Crore</b>	<p>DDA is unable to prepare party wise and age wise break-up of the sundry debtors as the records are more than 30 years old. However, the concerned branches have been directed to reconcile the sundry debtors and to speed up the recovery of the same in a time bound manner. Further, it is submitted that the sundry debtors include debtors in respect of Housing, Shops, license fees and water charges. Efforts are being made for recovery of debtors of shops, license fees and water charges by raising demand notices. As regards sundry debtors pertaining to Housing, it is stated that they are mostly allottees of flats on hire purchase basis who have not deposited their instalments as per schedule, however, whenever they apply for conversion of flats from lease hold to free hold, they are required to deposit the unpaid instalments along with due penalty. Thus, such debts are being recovered.</p>
2.	<b>Income and Expenditure Account</b>	
2.1	<b>EWS Houses Reserve Fund</b>	<b>₹ 62.48 Crore</b>
2.1.1		EWS Reserve Fund is DDA's own fund created out of Reserve and surplus of DDA. There is no requirement under any law or under accounting

<p>A reference is invited to comment no. D.1.2 in the SARs of CAG of India on financial statements of DDA for the year 2016-17 in which booking of interest income from investment made out of EWS House Reserve fund in Income and Expenditure Account was pointed out. During the current year 2017-18 also, an income of ₹ 62.48 crore has been booked in Income and Expenditure Account against the principle of fund based accounting.</p> <p>This has resulted in overstatement of income and understatement of deficit by ₹ 62.48 crore.</p> <p>Despite being pointed out in 2016-17, no corrective action has been taken by DDA.</p>	<p>principles to apply fund based accounting for own funds utilised. Special reserve is created just for separate identification and monitoring of utilisation, as such, interest income on this reserve fund has been disclosed at par with interest income on General Investment and income from investment of EWS houses Reserve Fund has been disclosed in Schedule-H as DDA's own income. Since this interest income has been taken in income and expenditure account of DDA, therefore, in order to neutralize the impact of the interest income on EWS reserve fund included in General Revenue Reserve, the same amount has been transferred from General Revenue Reserve to EWS Houses Reserve Fund. This treatment is being consistently followed.</p>
<p><b>2.1.2. Increase/(Decrease) in Stock and Works ₹ 2424.88 Crore</b></p> <p>A reference is invited to comment no. D.2.1 in the SARs of CAG of India on financial statements of DDA for the year 2016-17 in which booking of EWS expenditure in Income and Expenditure Account was pointed out. During the current year 2017-18 also, an income of ₹ 310.19 crore (₹ 269.73 crore direct expenditure plus ₹ 40.46 crore towards overhead at the rate of 15 percent) through increase in WIP has been booked in Income and Expenditure Account against the principle of fund based accounting.</p>	<p>This has resulted in overstatement of income and understatement of deficit by ₹ 310.19 crore.</p> <p>Despite being pointed out since 2015-16, no corrective action has been taken by DDA.</p> <p>EWS houses reserve fund was created from appropriation of surplus funds to comply with provisions of Income Tax Act. In accordance with generally accepted accounting principles, expenses incurred for EWS Houses Schemes are being charged to Income &amp; Expenditure account in the year in which the same are actually incurred.</p> <p>During 2017-18, an amount of ₹ 269.73 crore was incurred on EWS Houses Schemes and consequently Surplus in Revenue account is decreased by ₹ 269.73 crore. To neutralize the impact of the same on 'Surplus in revenue Account', ₹ 269.73 Crore is transferred from 'EWS houses Reserve Fund' to 'Surplus in revenue Account'. Both are reserves of DDA and 'EWS houses Reserve Fund' is nothing but part of general reserve created for identification and to keep track for utilization in future under section 11(2) of the Income Tax Act, 1961. This accounting practice of transferring the expenditure incurred on EWS scheme to Revenue in Surplus account from EWS Houses Reserve Fund is consistently followed.</p> <p>It is further clarified that Work in progress is arrived at after adding 15% of overhead charged on the net cost of construction payments made to contractors irrespective of the categories of houses. Hence, there is no</p>

		overstatement of Income under Increase/Decrease in stocks & Works in Income and Expenditure Account.
<b>2.1.3</b>	<b>License Fees (Schedule G)</b>	<b>₹ 60.81 Crore</b>
(a)	This includes an amount of ₹ 17.12 crore in respect of license fees earned from mobile towers installed on the land belonging to Nazul-II. Therefore, the same should have been booked in the books of Nazul-II instead of GDA. This has resulted in overstatement of Income by ₹ 17.12 crore and understatement of Current Liabilities and Provisions to the same extent.	The necessary rectification entry will be made in the next financial year i.e. 2018-19.
<b>2.2</b>	<b>Expenditure</b>	
<b>2.2.1</b>	<b>Establishment and Administration</b>	<b>₹ 562.09 Crore</b>
	This does not include an amount of ₹ 28.58 crore towards arrears payable to Office Clerk Mate (OCM) effective from 21 December 2017. As the expenditure pertains to current year, the same should have been provided in the books of accounts.	It is submitted that the orders for grant of selection grade to Office Clerk mate w.e.f. 21.12.2017 were issued and circulated on 07.05.2018. As such, provision towards arrears payable could not be made in the annual accounts for the financial year 2017-18. However, the same will be reviewed and the necessary adjustment will be made in the accounts of the next financial year, i.e. 2018-19 through prior period.
<b>2.2.2</b>	<b>Specified Housing Scheme -EWS Houses</b>	<b>₹ 269.73 Crore</b>
	A reference is invited to comment no. D.2.1 in the SARs of CAG of India on financial statements of DDA for the year 2016-17 in which booking of EWS expenditure in Income and Expenditure Account was pointed out. During the current year 2017-18 also, an expenditure of ₹ 310.19 crore (₹ 269.73 crore direct expenditure plus ₹ 40.46 crore towards overhead at the rate of 15 per cent) has been booked in Income and Expenditure Account against the principle of fund based	EWS houses reserve fund was created from appropriation of surplus funds to comply with provisions of Income Tax Act. In accordance with generally accepted accounting principles, expenses incurred for EWS Houses Schemes are being charged to Income & Expenditure account in the year in which the same are actually incurred.  During 2017-18, an amount of ₹ 269.73 crore was incurred on EWS Houses Schemes and consequently Surplus in Revenue account is decreased by ₹ 269.73 crore. To neutralize the impact of the same on ‘Surplus in revenue Account’, ₹ 269.73 Crore is transferred from ‘EWS houses Reserve

<p>accounting. This has resulted in overstatement of expenditure as well as deficit for the year by ₹ 310.19 crore.</p> <p>No corrective action has been taken by DDA despite comment on this issue being raised in SAR since 2015-16.</p>	<p>Fund' to 'Surplus in revenue Account'. Both are reserves of DDA and 'EWS houses Reserve Fund' is nothing but a special reserve and is part of general reserve created for identification and to keep track on the utilization in future to comply the provisions of section 11(2) of the Income Tax Act, 1961. This presentation of transferring the expenditure incurred on EWS scheme to Surplus in Revenue Account from EWS Houses Reserve Fund is consistently followed.</p>
<p><b>3.</b></p> <p><b>Significant Accounting Policies (Schedule N)</b></p> <p><b>3.1</b></p>	<p>As per Uniform Format of Accounts (UFA) for Central Autonomous Bodies prescribed (November 2000) by the Government of India, Ministry of Finance, the entity shall disclose the Accounting Policy in relation to Investments, their cost, depreciation and carrying value – both for long term and current investments. Audit noticed that DDA has made investment of ₹ 24113.92 crore (GDA - ₹ 9779.13 crore, Nazul II - ₹ 7990.98 crore, Pension Fund Trust - ₹ 5720.04 crore and Gratuity Fund Trust - ₹ 623.77 crore) but the accounting policy as per UFA in relation to Investments were not disclosed in the Significant Accounting Policies. Hence, the Significant Accounting Policies are deficient to the extent of non-disclosure of proper accounting policy for investments.</p> <p><b>3.2</b></p> <p><b>Revenue Recognition</b></p> <p>A reference is invited to comment no. C.3, D.2 and E.1.1 in the SARs of CAG of India on financial statements of DDA for 2014-15, 2015-16 and 2016-17 respectively wherein it was pointed out that as per accounting policy, rental income is recognized on accrual basis and ground rent income and service charges are being accounted for as income on cash basis and since the final accounts are being prepared on accrual basis, the ground rent and service charges should also be accounted for on accrual basis and provision should be made for the portion of income where realization is doubtful. As DDA has</p>

	<p>the details of all the allottees from whom ground rent is receivable, the income on account of ground rent can be measured and assessable in terms of money. Thus, to show true and fair view, DDA should book the income on account of ground rent yearly on accrual basis.</p> <p>No corrective action has been taken by DDA despite comment on this issue being included in SAR of DDA since 2014-15.</p>	<p>Accordingly, DDA is following accounting policy no. 7(d) consistently for recognition of ground rent and service charges.</p>
3.3	<p>A reference is invited to comment no. E.1.2 in the SAR of the CAG of India on the financial statements of DDA for the year 2016-17 wherein it was pointed out that interest on loans given from the Urban Development Fund (UDF) Account is recognized and credited to the Fund Account on receipt basis though accounts are prepared on accrual basis. Despite repeated observations, DDA continued to account for interest on government loans on receipt basis. As a result of this, UDF remained understated to the extent of ₹ 5.95<sup>2</sup> crore.</p> <p>Comment on this issue was included in SAR of DDA since 2014-15, however, corrective action has not been taken by DDA.</p>	<p>Regarding recognition of interest on loan disbursed from UDF on receipt basis, it is submitted that the interest on UDF loan is not income of the Authority and does not have any impact on the Income and Expenditure Account of the Authority. As such, interest on loan is being recognized on receipt basis as per accounting policy no. 15.</p>
<b>4.</b> Notes to the Accounts (Schedule –O)		
4.1	<b>Contingent Liabilities</b>	₹ 3133.93 Crore
4.1.1 (i)	This included an amount of ₹ 2,884.87 crore in respect of an arbitration case filed against DDA by M/s Emaar MGF Construction Private Limited. However, as per details provided to Audit, contingent liability in respect of this case worked out to ₹ 2,685.97 crore only. This has resulted in overstatement of contingent liability by ₹ 198.90 crore.	<p>The contingent liability of ₹ 2884.87 Crore in respect of M/S Emaar MGF disclosed in the notes to Accounts has been calculated by adding current year interest @ 18% on the liability of ₹ 2444.81 crore estimated as on 31.03.2018. Moreover, this is only an estimated calculation of interest and the actual liability may differ depending upon the outcome of the arbitration case.</p> <p>Further, it is only a contingent liability disclosed in the Notes to Accounts</p>

<sup>2</sup> Calculated at the rate of 10 per cent per annum (as per guidelines of Ministry of Housing and Urban Affairs for operation of this fund) for current year on total loan amount of ₹ 59.54 crore.

		and as such, there is no impact on the income & Expenditure Account. However, the necessary changes in contingent liability as pointed out by the audit will be made in the next financial year i.e. 2018-19.
(ii)	Contingent liabilities of ₹ 3133.93 crore does not include an amount of ₹ 13.06 crore in respect of a case filed in Hon'ble High Court against M/S Sportina Payce Infrastructure Private Limited. This has resulted in understatement of contingent liability by ₹ 13.06 crore.	The necessary changes in contingent liability will be made in the next financial year i.e. 2018-19. Further, it is only a contingent liability disclosed in the Notes to Accounts and as such, there is no impact on the income & Expenditure Account.
4.1.2	A reference is invited to comment no. F.1.2 in the SAR of CAG of India on financial statements of DDA for 2016-17 wherein non-disclosure of impact due to change in accounting policy No. 6 regarding valuation in inventories was commented upon. This has not been rectified even in 2017-18 as a result of which the value of finished stock created up to 31 March 2016 continues to be valued as per previous policy of valuing this stock at standard cost at which same is expected to be sold which is in violation of Accounting Standard-2 (Valuation of Inventories). Despite being pointed out in 2016-17, corrective action has not been taken by DDA.	In this context, it is submitted that due to voluminous nature of old inventory of finished stocks and practical difficulties being faced, it has been decided to give effect of change in the accounting policy for valuation of inventory for the housing units completed after 01.04.2016. It is pertinent to mention here that no scheme was completed during the year, and accordingly, no impact of change in the accounting policy arises during the year. The fact has been disclosed in the <b>Notes to Accounts point no. 16</b> . Thus, there is no violation of accounting policies.
4.1.3	A portion of the Housing scheme (construction of LIG & EWS Houses including internal development and electrification at sector G-7 & G-8, Narela & Sector 34 & 35, Rohini) containing 8164 LIG flats and 1820 EWS flats was physically completed during the current year 2017-18, however, the same was neither transferred to inventory of Finished Stock (Houses – Built up) nor the fact was disclosed in the notes to the accounts. In absence of costing details, the understatement of Finished Stock and overstatement of WIP could not be quantified in audit.	The Engineering Wing could not forward the costing details of the scheme to the Housing Accounts Cell for finalization of costing. As such, the flats of Pocket IV & V in Sector G-7 & G-8 at Narela could not be taken in the finished stock during the financial year 2017-18.
D	Pension Fund Trust	
1.	Balance Sheet	
1.1	Pending Liabilities	₹ 20.58 Crore
		It is submitted that the orders for grant of selection grade to Office Clerk

	<p>This does not include an amount of ₹ 1.97 crore towards pension arrears payable to Office Clerk Mate (OCM) effective from 21 December 2017 on account of revision of pension of 1184 OCMs. Non-booking of the same has resulted in Understatement of Liabilities and Current Assets in the Balance Sheet of Pension Fund Trust by ₹ 1.97 crore.</p>	<p>mate w.e.f. 21.12.2017 were issued and circulated on 07.05.2018. As such, pending liability towards pension arrears payable could not be booked in the annual accounts for the financial year 2017-18. However, the same will be reviewed and the necessary adjustment will be made in the accounts of the next financial year, i.e. 2018-19 through prior period.</p>
1.2	<p>An investment of ₹ 425.00 crore (UDF - ₹ 80.00 crore, Nazul II - ₹ 325.00 crore and CRF - ₹ 20.00 crore) in the State Government Securities through Pension Fund Trust has not been shown in the Balance Sheet of Pension Fund Trust. Non depiction of the same has resulted in understatement of Assets and Liabilities by ₹ 425.00 crore.</p>	<p>Investments of Contingency Reserve Fund / UDF Fund / Nazul II of ₹ 20.00 Crore / ₹ 80.00 crore / ₹ 325.00 crore in State Development Loans were made through Pension Fund Trust account, as separate CSGL Account for DDA's surplus funds could not be opened owing to time consuming procedural formalities during the financial year 2017-18 which is required for making investment in Government securities. However, till the time, separate CSGL Account for DDA's surplus funds is opened, investments of surplus funds were made through the CSGL Account of DDA Pension Fund Trust with IDBI Bank and these investments will be later on transferred to the CSGL account of DDA's surplus funds. For making investment of surplus funds through DDA pension Fund trust, an amount equivalent to total consideration for investment is transferred from DDA Contingency Reserve Fund / UDF Fund / Nazul II Account to DDA pension Fund trust Account. Further, the investments so made are earmarked to Contingency Reserve Fund / UDF Fund / Nazul II as amount equivalent to total consideration has already been transferred to DDA Pension Fund Trust.</p> <p>Further, it is submitted that separate CSGL Account for DDA's surplus funds has now been opened in December 2018 after consistent follow up with RBI for the same. The process for transfer of securities from the CSGL Account of DDA Pension Fund Trust to the CSGL Account of DDA will be undertaken.</p>

E	Gratuity Fund Trust
1	Balance Sheet
1.1	<p><b>Employers Contribution</b> This does not include an amount of ₹ 14.36 crore in respect of retirement gratuity payable to 846 OCMs due to revision of pay effective from 21 December 2017 Non-booking of the same has resulted in Understatement of Liabilities as well as expenditure by ₹ 14.36 crore.</p>
F	<p><b>General</b></p> <p><b>1. Non Preparation of separate accounts of UDF</b></p> <p>DDA has been maintaining accounts of Urban Development Fund as a custodian on behalf of the Ministry of Housing &amp; Urban Affairs (MoHUA), Government of India (GoI) and loans/grants are disbursed from this fund as per the direction of the MoHUA (GoI) only. As it is a separate entity for DDA, separate sets of financial statements should be prepared. Due to non-preparation of separate set of accounts of UDF, there are transactions which could not find place as per accrual concept of double entry system for example:</p> <ul style="list-style-type: none"> <li>(i) DDA invested ₹ 80.00 crore of UDF through Pension Fund trust for purchase of State Government Securities during the year 2017-18 for a period of two and a half years. However, unamortized premium of ₹ 1.84 crore paid on purchase of investment could not be shown as deferred expenditure.</li> <li>(ii) UDF was having funds of ₹ 4949.40 crore including saving account balance of ₹ 79.91 crore. Due to non-preparation of separate sets of accounts, transactions relating to investments, interest thereon, assets</li> </ul> <p>(i) Urban Development Fund does not pertain to the DDA which is merely the custodian of the fund. This fund is controlled by Ministry of Housing and Urban Affairs, Government of India and any loans/ grants from the fund are disbursed as per the directions of the MoHUA, Government of India.</p> <p>(ii) Regarding depiction of unamortised premium of ₹ 1.84 Crore paid on purchase of UDF investments as deferred expenditure, it is submitted that the premium paid on UDF investments will be amortised from next financial year onwards. However, there is no impact on income and expenditure of DDA, as DDA is maintaining the UDF on behalf of MoHUA.</p> <p>(iii) Moreover, the investments, accrued interest, saving account balance pertaining to UDF have been depicted in Schedule E of the Balance Sheet.</p>

	<p>and liabilities and accrued expenses etc. could not be depicted separately.</p> <p>Thus, for better presentation and to ensure that all the assets and liabilities are properly depicted, Audit is of the opinion that separate sets of accounts should be prepared by DDA for UDF as well.</p>
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Sd/-	Sd/-	Sd/-
CAO, DDA	Dy. CAO (Accounts)	AO (A/C's) Main

<p><b>1 Annexure Adequacy of Internal Audit System</b></p> <p>The Internal Audit of DDA had been conducted by its own Internal Audit Wing headed by Director (Internal Audit). It was observed from the records that DDA has total 212 auditable units under the administrative control of Internal Audit Wing. The internal audit planned to cover 113 auditee units during the year 2017-18, out of which 94 units were covered. Further, it was observed that there was substantial pendency of old outstanding internal audit paras. The number of outstanding para during 2014-15, 2015-16, 2016-17 and 2017-18 were 16105, 16915, 18473 and 19718 respectively. During the last three years, only 852 paras have been settled by DDA. This indicates that adequate efforts have not been made to settle the outstanding paras.</p>	<p>It is intimated that internal audit programmes in DDA are being planned on annual, biennial and triennial basis after considering the work load in each division/unit. The unit having work load more than 15 crore is categorized for audit annually and between 5 crore to 15 crore biennially and for less than 5 crore is categorized triennially. Thus, in three segments i.e. Annually, biennially, and triennially, the plan for auditing all the 213 units was finalized as under:</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td>Annually</td> <td>- 43 units</td> </tr> <tr> <td>Biennially</td> <td>- 83 units</td> </tr> <tr> <td>Triennially</td> <td>- 87 units</td> </tr> </table> <p>As could be seen from the above plan of audit, during the year 2017-18 total units to be audited comes to 113 units (43+41+29). As such, out of the targets of 113 units to be audited, DDA audited 94 units i.e. 83%. As such, the shortfall for the audit is 17% only. However, during the current year 2018-19, efforts will be made to complete the audit of all planned units. Further, efforts are being made for settlement of outstanding audit paras.</p>	Annually	- 43 units	Biennially	- 83 units	Triennially	- 87 units	<p>At present, there is no system of computerization of Accounts and in the absence of the same, DDA is unable to record its transactions on accrual basis as and when these take place. After computerization of DDA's accounts, the accounts will be prepared on the basis of double entry accounting system from the voucher level.</p>
Annually	- 43 units							
Biennially	- 83 units							
Triennially	- 87 units							
<p><b>2 Non Preparation of accounts on accrual basis</b></p>	<p>There are seven Central Accounting Units (CAU) namely CAU (North) Zone, CAU (South) Zone, CAU (East) Zone, CAU (Dwarka) Zone, CAU (Rohini) Zone, CAU (P&amp;CWG) and CAU (Sports). In addition, there are seven accounting units other than CAU viz. Cash (Main), Cash (Housing), Staff Benefit Fund, Medical, Bikaji Cama Place, PAO and Utipec. DDA basically follows the CPWD pattern of preparation of monthly accounts at CAU level. The monthly accounts rendered by the CAUs are posted in the Classified and Consolidated abstracts at headquarter level. The accounts are finalized by conversion of cash basis accounts to accrual basis by the</p>							

	Tax Consultant by passing adjustment entries at the end of year. Thus, DDA does not record its transaction on accrual basis as and when these take place.	At present, there is no system of computerisation of Accounts and in the absence of the same, DDA is unable to record its transactions on accrual basis as and when these take place. After computerisation of DDA's accounts, the accounts will be prepared on the basis of double entry accounting system from the voucher level. Thus, with the implementation of ERP system, DDA will be strengthened for finalization of accounts in-house by its own staff. Further, it is submitted that DDA is in the process of computerisation of accounts for which process for selection of agency has been started and tender has already been invited.
3.	<b>Lack of in House Expertise</b> DDA is dependent upon outside agency for finalization of its Accounts. It is recommended for development of in house expertise for preparation of financial statements by DDA instead of getting it prepared through Tax Consultant as DDA has recently recruited a batch of qualified AAOs. Further, immediate steps are warranted for implementation of some tailor made accounting software system which may help in streamlining of financial and accounting of DDA.	The certificate of physical verification confirming the physical existence of inventories have been furnished by the respective units and accordingly, inventories have been taken in the Annual Accounts. However, item wise physical verification of inventories specifying the quantity and value of inventories as per Rule 192 of GFR will be got done from all the units of DDA and the same will be taken in the annual accounts accordingly in the ensuing year.
4.	<b>Physical Verification</b> As per rule 192 of General Financial Rules (GFR), a physical verification of all the goods and material should be taken at least once in a year and discrepancies, if any, should be recorded in the stock register for appropriate action by competent authority. In absence of item-wise physical verification of goods and material, the quantity and value of inventories had not been reported correctly in the financial statements of DDA. For instance, closing stock of the SFS/HIG category comprised of a total of 1643 flats which were valued at ₹354.35 crore. A test-check of inventory of SFS/HIG flats along-with corresponding corroborations of status of vacant flats with the information furnished by different Zones as well as inclusion of flats in the Housing Scheme 2017, revealed that most of the SFS/HIG flats had been sold out by DDA and only a few flats were	Further, it is submitted that there is no addition in the finished stock houses built up –SFS/HIG during the year. Also as per accounting policy No. 7(a) sale of houses is recognized when possession letter is issued to the allottees. As and when possession letter is issued to the allottees, flats are removed from the finished stock inventory. Accordingly, during the year, DDA has reduced the sale of Housing stock based on Possession letter issued during the year from the opening inventory as on

<p>lying vacant and finished stock of Houses Built-Up was overstated by ₹111.94 crore as has been commented upon in SAR vide comment no. C.1.3.1 (ii). Thus, for reflecting correct picture of inventories in accounts, item-wise physical verification of inventories may be got conducted every year. In absence of item-wise physical verification report of inventory, audit is unable to draw an assurance as to the authenticity and existence of inventories valuing ₹2782.56 crore shown in the Balance Sheet ended as at 31 March 2018.</p>	<p>31.03.2017.Hence, there is no overstatement of inventory in Balance Sheet.</p>
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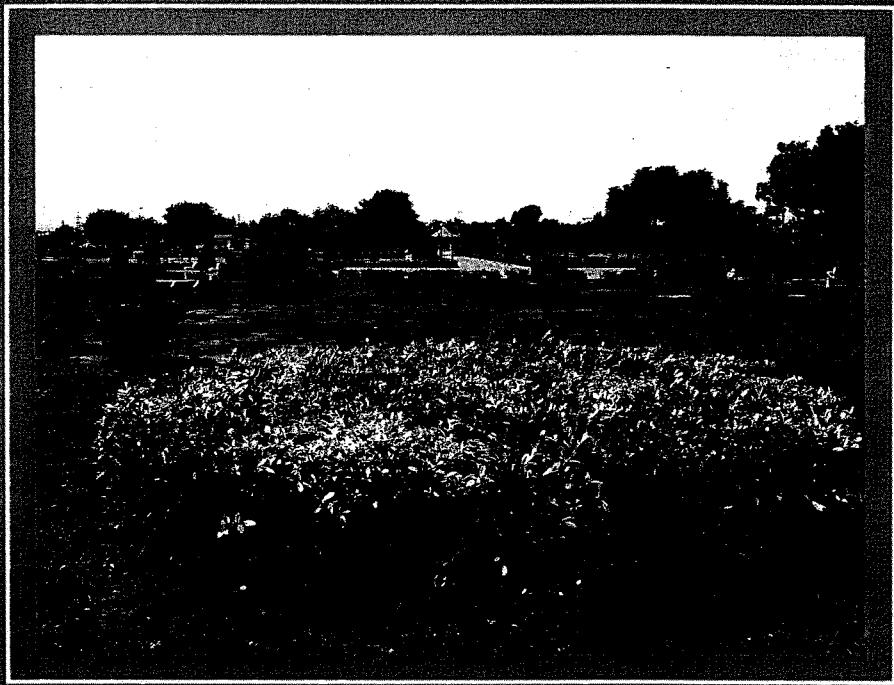
Sd/- CAO, DDA	Sd/- Dy. CAO (Accounts)	Sd/- AO (A/C's) Main
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## NOTES

## **NOTES**

## NOTES





**DELHI DEVELOPMENT AUTHORITY**

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