

**DIRECTORATE OF AUDIT
GOVERNMENT OF N.C.T. OF DELHI
4TH LEVEL, C-WING, DELHI SECTT,
I.P. ESTATE, NEW DELHI-110002**

Sub: - Audit report of the office of Executive Engineer (Construction) Drainage-II, Delhi Jal Board, Govt. of NCT of Delhi, Delhi Gate STP Phase-II, Opp. Delhi Secretariat, I.P. Estate, New Delhi-110002.

Audit on the accounts of Executive Engineer (Construction) Drainage-II, Delhi Jal Board, Govt. of NCT of Delhi, Delhi Gate STP Phase-II, Opp. Delhi Secretariat, I.P. Estate, New Delhi-110002 for the financial years 2022-23 and 2023-24 has been conducted by the Compliance Audit Party - Delhi Jal Board comprising of Sh. Inder Mohan, Sr.AO/IAO and Sh. Ajeet Kumar, AAO from 18.06.2024 to 27.06.2024 in eight (08) working days. The accounts were reviewed purely on test check basis.

AIMS AND OBJECTIVES

The Executive Engineer (Construction) Drainage - II, Delhi Jal Board, Govt. of NCT of Delhi, Delhi Gate STP, Phase-II, Opposite Delhi Secretariat, I.P. Estate, New Delhi-110002 comes under the control of Chief Engineer (Drainage) Project-I, DJB, GNCTD, Varunalaya Phase-II, Jhandewalan, New Delhi and Superintending Engineer (Drainage) Project-I, DJB, GNCTD, Varunalaya Phase-I, Jhandewalan, New Delhi. This Division name is Executive Engineer (Construction) Drainage-II. The Executive Engineer is the head of the Division with three Sub-Divisions, Accounts Branch and Establishment Branch.

The General functions & objectives of this Division are to construct Sewage Treatment Plants, Sewage Pumping Stations and providing and laying sewer lines, rising mains, peripheral sewer line etc. under the jurisdiction of this Division.

HOO/DDO's/AAO/CASHIERS

The following officers/officials have served as Head of Office (HOO)/Drawing & Disbursing Officer (DDO)/Assistant Accounts Officer/Cashier during the period 2022-23 & 2023-24

S. No.	Name of the Head of Office	From - To
1	Sh. Rajiv Sharma	01.04.2022 to 25.09.2023
2	Sh. O.P. Sharma	26.09.2023 to 24.10.2023
3	Sh. Sanjay Kumar	25.10.2023 to till date

S. No.	Name of the AAO	From - To
1	Sh. Kumar Rajesh	01.04.2022 to 25.04.2022
2	Sh. Pushpender	26.04.2022 to 20.08.2023
3	Sh. Dipender Kumar	21.08.2023 to till date

S. No.	Name of the Cashier	From - To
1	Sh. Rohit Kumar, Junior Assistant (working as Accounts Assistant)	01.04.2022 to till date

BUDGET ALLOCATION AND EXPENDITURE FOR THE YEAR 2022-23 AND 2023-24

Year	Capital (Rs. in Lakhs)			Revenue (Rs. in Lakhs)		
	Budget allotted	Expenditure	Balance	Budget allotted	Expenditure	Balance
2022-23	11095.12	4122.38	6972.74	279.56	234.74	44.82
2023-24	11168.56	10581.76	586.80	328.10	278.51	49.59

VACANCY STATEMENT

Group	Sanctioned Posts	Filled Posts	Vacant Posts
A	1	1	0
B	11	7	4
C	25	12	13
TOTAL	37	20	17

STATUTORY AUDIT

The statutory audit of the office of Executive Engineer (Construction) Drainage-II, Delhi Jal Board, Govt. of NCT of Delhi, Delhi Gate STP Phase-II, Opp. Delhi Secretariat, I.P. Estate, New Delhi-110002 has been conducted by AG (Audit), Delhi up to the financial year 2023-24.

MAINTENANCE OF RECORDS

The maintenance of records of the office of Executive Engineer (Construction) Drainage-II, Delhi Jal Board, Govt. of NCT of Delhi, Delhi Gate STP Phase-II, Opp. Delhi Secretariat, I.P. Estate, New Delhi-110002 for the period 2022-23 & 2023-24 was found satisfactory subject to observations made in Current Audit Report.

OLD AUDIT REPORT

This was the first audit of the Division by the Directorate of Audit, Govt. of NCT of Delhi.

CURRENT AUDIT REPORT (2022 - 2024)

During the course of current audit, 13 audit memos + 01 record memo highlighting various shortcomings/recoveries to the tune of Rs.29,80,967/- were issued. No Record Memo was settled on the spot. Therefore, all the 14 (fourteen) memos have been converted into 10 Paras and 04 TAN which are incorporated in Current Audit Report.

DETAILS OF CURRENT RECOVERY (AUDIT PERIOD 2022-2024)

Memo No.	Total Recoveries (In Rs.)	Amount Recovered	Balance (in Rs.)	Para. No.
02	29,78,207/-	-----	29,78,207/-	02
08	2,760/-	-----	2,760/-	07
Total	29,80,967/-	-----	29,80,967/-	

The internal audit report has been prepared on the basis of information furnished and made available by the office of Executive Engineer (Construction) Drainage-II, Delhi Jal Board, Govt. of NCT of Delhi, Delhi Gate STP Phase-II, Opp. Delhi Secretariat, I.P. Estate, New Delhi-110002. The Directorate of Audit, GNCT of Delhi disclaims any responsibility for any misinformation and of non-information on the part of auditee.

03/07/2024
(INDER MOHAN)
Inspecting Audit Officer
Compliance Audit Party - DJB

23/c

EE (C) DR-II, Delhi Jal Board,
Govt. of NCT of Delhi,
Delhi Gate STP Phase-II,
Opp. Delhi Secretariat,
I.P. Estate, New Delhi-110002.

Audit Report - 2022-23 & 2023-24

PART - I

OLD AUDIT REPORT

NIL

21/c

EE (C) DR-II, Delhi Jal Board,
Govt. of NCT of Delhi,
Delhi Gate STP Phase-II,
Opp. Delhi Secretariat,
I.P. Estate, New Delhi-110002.

Audit Report - 2022-23 & 2023-24

PART - II

CURRENT AUDIT REPORT

(2022-2024)

CURRENT AUDIT REPORT **(2022-23 and 2023-24)**

Para No.01: Slow progress of works

(Ref. Audit Observation Memo No. 01 dated : 24.06.2024)

Section 29.1 (2 & 3) of CPWD Works Manual, 2014 stipulates that the time allowed for carrying out the work as entered in the contract shall be strictly observed by the contractor and the work shall be proceeded with all due diligence on the part of the contractor throughout the stipulated period of contract (time being deemed to be the essence of the contract).

During scrutiny of work list of Executive Engineer (Construction) Drainage-II, Delhi Jal Board, Govt. of NCT of Delhi for the financial years 2022-23 and 2023-24, it was noticed that below mentioned works were to be completed in 15 to 36 months but were not accomplished even after delay up to 960 days. These works were to be completed from October, 2021 to April 2024 however, not finished within the stipulated period of time. Therefore, the benefits of works could not be availed by the people. Details of slow progress and non-completion of works are given below:

S. No.	Work Order No.	Estimated Cost	Name of the work and location	Tendered cost	Name of the Contractor	Date of commencement of work	Stipulated Date of Completion of work	Actual Date of completion of work	Physical progress of work if not completed	Total Payment made against the work	Delayed (in days)
1	07(2018-19)	173.00 lakhs	Consultancy Services for construction of 60 MGD WWPS at Kilokari including allied appurtenant works. P/L rising main upto Okhla WWTP & 10 years O&M	90.39 lakhs	M/s. STUP Consultant Pvt. Ltd.	28.02.2019	27.02.2022	Work in progress	75%	58.11 lakhs	825
2	03 (2019-20)	10839.00 lakhs	363.68 MLD (80 MGD) Sewage Pumping Station and other related associated/ allied appurtenant works on Design, Build and Operative Basis at Maharani Bagh, New Delhi.	7045 lakhs +GST Civil - 2925.89 lakhs E&M - 2963.82 lakhs O&M - 1155.28 lakhs	M/s. GSJ Enve Ltd.	16.10.2019	15.10.2021	Work in progress	65%	1441.16 lakhs	960
3	01 (2022-23)	17704.00 lakhs	Construction of interceptor sewer from Barapullah drain to Batla House Phase-II SPS and construction of 35 MGD SPS at Batla House Phase-II including its rising main upto Okhla WWTP on Design, Build & Operation (DBO) basis	12939 lakhs Civil -10676 lakhs E&M - 1683 lakhs O&M - 580 lakhs	JV-M/s. Tirupati Cement Products & M/s. Rehman Builders Private Limited	16.04.2022	15.07.2023	Work in progress	75%	7485.76 lakhs	322
4	02 (2022-23)	7300.00 lakhs	Construction of 272.36 MLD (60 MGD) Sewage Pumping Station and other related/ associated appurtenant works on Design, Build & Operation Basis at Kilokari, New Delhi.	6482.79 lakhs Civil - 2613.71 lakhs E&M - 3005.47 lakhs O&M - 863.61 lakhs	M/s. Jainco Buildcon Private Limited	16.04.2022	15.04.2024	Work in progress	42%	934.49 lakhs	47

It is evident from the above data that though, the stipulated date of completion of these works has been exhausted, these are not completed as of date.

Audit is of the view that authorities of the Division should take all necessary proactive decisions and direct the agencies for completion of work as soon as possible so that the benefits of works may be given to public.

The Division may look into the matter and take necessary action for imposing of penalty clause for delay as mentioned in the contract agreement under intimation to audit.

Para No.02: Short-deduction of statutory deductions amounting to Rs.29.78 lakhs
(Ref. Audit Observation Memo No. 02 dated : 24.06.2024)

As per Sl. No. 7 (i) of Circular No. 65/39/2018-DOR dated 14.09.2018, Department of Revenue, Ministry of Finance, Govt. of India regarding for deductions and deposits of TDS by the DDO under GST & section 51 of CGST Act, 2017:

(i) The DDO shall prepare the bill based on the expenditure sanction. The expenditure sanction shall contain the (a) Total amount, (b) net amount payable to the contractor/Supplier/Vendor and (c) the 2% TDS amount of GST.

Further as per section 194C of Income Tax Act, any person responsible for paying any sum to any resident (hereinafter in this section referred to as the contractor for carrying out any work (including supply of labour for carrying out any work) in pursuance of a contract between the contractor and a specified person shall, at the time of credit of such sum to the account of the contractor or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct an amount equal to—

- (i) One percent where the payment is being made or credit is being given to an individual or a Hindu undivided family;
- (ii) Two per cent where the payment is being made or credit is being given to a person other than Hindu undivided family.

And as per order no 17(10)/BOCW/PG/Lab./05/207 dated 16.08.2005 & Section 3 of the Building and Other Construction Workers' Welfare Cess Act, 1996 provides for the levy of cess at a rate of one per cent of the cost of construction incurred by an employer engaged in any construction work. The cess is to be collected by the local authority or the State Government and paid to the Building and Other Construction Workers Welfare Board constituted under the Act.

Further, as per section 2(d) "The Building and Other Construction Work" means the constructions, alteration, repairs, maintenance or demolition, streets, roads etc.

During scrutiny of records of Executive Engineer (Construction) Drainage-II, Delhi Jal Board, Govt. of NCT of Delhi, it was observed that the Division had made short deduction of TDS, TDS on GST and Labour Cess from the Contractor's bill as per details at Annexure attached:

It is evident from the data that the Division had short deducted taxes of Rs.29,78,207/- (TDS - 2022389/- + GST - 44622/- + Labour Cess - 911196/-) from the Contractor's bill. As per above mentioned order/circular/IT Section 194 C, these deductions should be deducted from the bills of the Contractor. It seems that undue favour was given to Contractor's due to non-deduction of above taxes.

Head of Office may therefore be advised to recover short deduction of taxes amounting to Rs.29,78,207/- (ANNEXURE-I) after due verification of facts and figures under intimation to audit. Other cases may also be reviewed on the similar lines.

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Para No. 03: Huge delay in award of work.

(Ref. Audit Observation Memo No. 04 dated : 24.06.2024)

A tender for the work - Construction of 272.36 MLD (60 MGD) Sewage Pumping Station and other related associated appurtenant works on Design, Build & Operate (DBO) basis at Kilokri, New Delhi was invited in the month of November, 2021 at an estimated cost of Rs.72,29,00,000/- and the same was awarded to M/s. Jainco Buildcon Private Limited vide work order No. 02 (2022-23) dated 01/04/2022 at a tendered cost of Rs.64,82,79,870/- mentioning the scheduled completion date as 31/03/2024. The details of works are as under:

S. No.	Work Order No. & Date	Tendered Amount (in Rs.)	Date of opening of tender	Date of award of work	Time taken for scrutiny of tender document and award of work
1	02 dated 01/04/2022	648279870/-	17/11/2021	01/04/2022	135 days

Further, as per para 20.3.1 [(1) & (2)] of CPWD Work Manual, 2014, top priority should be given to decide the award the work on receipt of Tenders. In order to minimize chances of delay, the time table as laid down in Appendix 23 should be observed for processing the tenders by different authorities. The above time schedule should be observed to strictly and if any officer is unable to follow the same, he should invariably give reasons for the same while forwarding the tenders to the authorities competent to accept it. The time relating has the following provisions relating to time schedule for scrutiny of tenders:

S. No.	Classification of tenders maximum time allowed for scrutiny and CW Board	Maximum time allowed for scrutiny and disposal in days					CW Board (if concerned)
		AE	EE	FO	SE	CE	
1.	Tenders within the powers of AE to award	07	--	--	--	--	--
2.	Tenders within the powers of EE to award	--	15	--	--	--	--
3.	Tenders to be accepted by SE	--	07	--	15	--	--
4.	Tenders to be accepted by CE	--	07	03	05	20	--
5.	Tenders to be approved by ADG/DG/CW Board	--	07	03	05	15	15

It is evident from the above details that maximum 45 days may be taken in awarding a work but records suggest that this tender was approved by CEO on 02/03/2022 after 105 days of inviting tender on 17/11/2021 and letter of intent was issued to the agency on 05/03/2022. As the work was related to construction of 272.36 MLD (60 MGD) Sewage Pumping Station and other related associated appurtenant works, the above mentioned time schedule should have been adhered to avoid the failure of the objective/purpose for which the work was initiated.

The Division may look into the matter and take necessary action under intimation to audit.

Para No.04: Expenditure on advertisements worth Rs.5.16 lakhs.

(Ref. Audit Observation Memo No. 05 dated : 25.06.2024)

a. Avoidable Expenditure of Rs.5.16 lakhs for publication of NIT in News Papers

As per instructions in Section 4.12 of CPWD Manual, 2019 (introduced in February 2019) and CPWD Manual 2022 (introduced in July, 2022) under the heading "Publicity of Tenders", "all tenders of any amount shall be invited through e-tendering system. Notices for all the works, respective of their value, shall be published on the website www.tenderwizard.com.cpwd or as instructed from time to time. Once published on the website, the tender notices will also become available on www.eprocure.gov.in through system link. In exceptional cases, if press publicity is required to be given apart from website publicity, written permission shall be obtained from next higher authority".

During the scrutiny of records relating to press publicity of NIT in News Papers of the Division, it was observed that division authority has incurred an amount of Rs.5,16,056/- on publicity of NIT in News Papers, which was in contravention of the CPWD instructions.

In response to the audit observation, vide No.DJB/EE(C)DR-II/2024-25/761 dated 27.06.2024, the Division has replied that the tender notices of all the works was invited through e-tendering system as well as through press release in different newspapers. The Public Relation wing of DJB was dealt regarding publication of NIT as per practice and norms of DJB. The press releases of NIT's / Notices is for wide publicity and healthy competition in tendering process as per guidelines. After approval of draft NIT by the competent authority, the NIT's/Notices sent to PR department for publication in newspaper as per policy of DJB and further approval from competent authority, the same release in different newspapers.

Since, the Division has not followed the instructions of CPWD Manual, 2019, reply is not tenable. The Division may look into the matter and take necessary action as per CPWD Manual, 2019 under intimation to audit.

b. Incorrect payment to advertising agencies

Test check of the records relating to advertisement made by the Division through various newspaper agencies revealed that in the rate contract agreement made by the DAVP, Govt. of India with the newspaper agencies, there were two rates mentioned in the letter issued to these agencies i.e. agreed rates and net rates. The net rates were after agencies discount of 15 per cent to DAVP and the same are less than the agreed rates.

Examination of the records for the year 2022-24 disclosed that the Division was making the payment to the various newspaper agencies on agreed rates and not on the net rates. On scrutiny of the bills furnished by the newspaper agencies to the Division, it was noticed that the Division had not availed 15 per cent discount which leads to avoidable payment of Rs.77408/-. Instances are given in the table below:

1

S. No.	Name of Advertisement Agency/ Media House	Amount Paid (2022-24)	Amount of rebate not given by the Agency/Media House (15%)
1	Amar Ujala Ltd.	62412/-	9362/-
2	Jagran Prakashan Ltd.	187108/-	28066/-
3	Bennet Coleman & Co. Ltd.	266536/-	39980/-
	TOTAL	516056/-	77408/-

In response to the audit observation, vide No.DJB/EE(C)DR-II/2024-25/761 dated 27.06.2024, the Division has replied that as per advertising rate contract agreement between the publisher and BOC, the net rates after the agency discount @ 15% are mentioned only for the BOC department (Bureau of Outreach & Communication) and additional discount of 10% for UPSE and SSC advertisement. It is further submitted by the Division that the newspaper rates for different financial years are being circulated by the office of Dy. Director (PR), DJB and accordingly the payment of all the advertisement bill on account of publication of NITs/Public Notices etc. are being cleared from divisional offices. The payment to advertising agencies mentioned in the observation memo was also made as per the rates accepted and circulated by the office of Dy. Director(PR), DJB.

Since, the advertising agencies offers discount of 15% for any advertisement through M/s. Shabdarth, the reply is not tenable. The Division may look into the matter and take necessary action under intimation to audit.

Para No.05: Non-utilization of funds to the tune of Rs.7653.85 lakh

(Ref. Audit Observation Memo No. 06 dated : 25.06.2024)

As per provisions contained under section 48 and 49 of the CPWD Manual, 2014, every Department while finalizing the annual action plan should keep in mind that the budget provision should be scrupulously prepared and there should not be over allocation leading to unnecessary large savings. Similarly, the funds allocated should be utilized fully under the budget heads for providing for facilities/services included in the annual action plan. The targets fixed for execution of work in financial year should be fully achieved.

A test check of the records relating to total budget and actual expenditure during the period 2022-23 and 2023-24 under the head "Revenue" and "Capital" revealed the following:

Year	Budget allocated (Capital)	Expenditure (Capital)	Excess (+) / Savings (-)	% of Excess/ Savings
2022-23	11095.02 lakhs	4122.38 lakhs	6972.64 lakhs	(-) 62.8
2023-24	11168.56 lakhs	10581.76 lakhs	586.80 lakhs	(-) 5.3
TOTAL (A)	22263.58 lakhs	14704.14 lakhs	7559.44 lakhs	(-) 34.0
Year	Budget allocated (Revenue)	Expenditure (Revenue)	Excess (+) / Savings (-)	% of Excess/ Savings
2022-23	279.56 lakhs	234.74 lakhs	44.82 lakhs	(-) 16.0
2023-24	328.10 lakhs	278.51 lakhs	49.59 lakhs	(-) 15.1
TOTAL (B)	607.66 lakhs	513.25 lakhs	94.41 lakhs	(-) 15.5
TOTAL (A+B)	22871.24 lakhs	15217.39 lakhs	7653.85 lakhs	(-) 33.5%

From the above table, it is gathered that out of the total allocation of Rs.22871.24 lakh, an amount of Rs.15217.39 lakh was incurred for execution of works and for other

expenditures under various heads and there were savings worth Rs.7653.85 lakh. The overall percentage of savings was 33.5%.

As per rule 62(2) of General Financial Rules, 2017, the savings as well as provisions that cannot be utilized should be surrendered to the Government immediately they are foreseen without waiting till the end of the year. No savings should be held in reserve for possible future excesses.

Budget and Expenditure statement of the audit period showed huge savings to the extent of 5.3% to 62.8% in the Capital outlay which were not surrendered well in time. Saving is the indication of either non-implementation/non-execution of various schemes/works or over-estimation of expenditure. Thus the division needs to frame the budget proposal in a more realistic manner so as to utilize the allocated funds fruitfully. Therefore, due to improper planning, the division could not spend the budget which defeat the very purpose for which the amount was allotted.

The Division therefore did not realize that they will not be in a position to extract the funds available with them during the financial years 2022-23 and 2023-24. Had they anticipated the same, the funds could have been surrendered well in time so that the same could have been utilized by some other Division / Project of DJB in the GNCTD.


The Division may look into the matter and take necessary action under intimation to audit.

**Para No.06: Short recoveries of liquidated damages amounting to Rs.12.92 crore
(Ref. Audit Observation Memo No. 07 dated : 26.06.2024)**

The work for Construction of interceptor sewer from Barapullah drain to Batla House Phase-II SPS and const. of 35 MGD SPS at Batla House Phase-II including its rising main up to Okhla WWTP on DBO basis was awarded to M/s. Tirupati Cement Products and M/s. Rehman Builders Pvt. Ltd. on 01st April, 2022 at the tendered cost of Rs.129.39 crores. The stipulated date of start of work was 16th April, 2022. The completion period of the project was 15 months. The work as started on 16th April, 2022 & construction was to be completed on 15th July, 2023.

Another work for 363.68 MLD (80 MGD) Sewage Pumping Station and other related associated/ allied appurtenant works on Design, Build and Operative Basis a Maharani Bagh, New Delhi was awarded to M/s. GSJ Invo Ltd. on 30th September, 2019 at the tendered cost of Rs.70.45 crores. The stipulated date of start of work was 16th October, 2019. The completion period of the project was 24 months. The work as started on 16th October, 2019 & construction was to be completed on 15th July, 2023.

As per clause 8, sub-clause 8.7.4 of the contract agreement of the above mentioned works, the liquidated damages for delay in completion of works shall be 1/2% (half percent) per week of delay or part thereof limited to maximum of 10% of the contract price excluding the cost of O&M Works.



Audit scrutiny of running bills revealed that the Division has been withholding payment at 10% of the amount paid after the scheduled date of completion for delay in works, instead of 1/2% of the contract price per week of delay which will be subject to maximum of 10 percent of contract price. This has resulted in short withholding of liquidated damages as calculated below:

Name of the work	Contract Price excluding O & M costs	Stipulated Date of Completion	Delay in months from SDOC up to March, 2024	Penalty @ 2% per month for the period mentioned in col.04	Maximum Penalty to be withhold as per CA provisions (10% of Contract Price as per Col. 2)	Penalty withheld (up to the last Running Account Bills presented in the Division)	Short levy of penalty (Col.06 minus Col.07)
1	2	3	4	5	6	7	8
Construction of interceptor sewer from Barapullah drain to Battla House Phase-II SPS and construction of 35 MGD SPS at Battla House Phase-II including its rising main up to Okhla WWTP on Design, Build & Operation (DBO) basis	Rs.123.59 crores	15.07.2023	08 months	Rs.19.77 crores	Rs.12.36 crores	Rs.3.85 crores	Rs.8.51 crores
363.68 MLD (80 MGD) Sewage Pumping Station and other related associated/ allied appurtenant works on Design, Build and Operative Basis a Maharani Bagh, New Delhi.	Rs.58.89 crores	15.10.2021	29 months	Rs.33.00 crores	Rs.5.89 crores	Rs.1.48 crores	Rs.4.41 crpres
TOTAL							Rs.12.92 crores

In the above said works, delay in execution has already exceeded 08 months and 29 months (work still in progress), warranting a penalty of 10% on the contract price of Rs.123.59 crores and Rs.58.89 crores excluding O & M costs.

In response to the audit observation, vide No.DJB/EE(C)DR-II/2024-25/759 dated 27.06.2024, the Division has replied that it has withheld Rs.5,33,56,742/- from the running bills of the agencies mentioned in the observation memo. The file for grant of extension of time has already been moved by the Division for approval of the competent authority. As and when the approval for extension of time will be received, the amount which was withheld by the Division will also be released to the agency. Therefore, the Division is waiting for the approval of extension of time by the competent authority. On receipt of approval, audit may be informed accordingly. If no approval for extension of time was allowed then the Division will deduct the penalty as per the contract agreement conditions/ provisions.

Since, the matter is yet to be finalized, the Division may take necessary action as per contract agreement with the agencies under intimation to audit.



Para No.07: Excess payment of Non-Productivity Linked Bonus for Rs.2760/-
(Ref. Audit Observation Memo No. 08 dated : 26.06.2024)

Vide office order No.10 dated 21.10.2022 and order No.08 dated 10.11.2023, Office of Assistant Commissioner (LW) and Office of the Dy. Director (L.W.), Delhi Jal Board, Varunalaya "B" Building, Karol Bagh, New Delhi-110005 has issued directions to release Non-Productivity Linked Bonus [PLB] (Ad hoc Bonus) for the accounting year 2021-22 and 2022-23 respectively to all the eligible employees in Group "C" and all non-gazetted employees working in Group "B" and including employees of those categories who have drawing higher pay scale under ACP/MACP Scheme but holding lower post without any eligibility wage ceiling and who are not covered by any Productivity Linked Bonus Scheme including employees working on deputations, employees transferred from DDA. Payments of Non-PLB were made on the condition that the payment will be equal to one-month salary as on 31st March, 2022 and 31st March, 2023 subject to maximum of Rs.7000/-. To calculate Non-PLB (Ad-hoc Bonus) for one day, the average emoluments in a year will be divided by 30.4 which will be multiplied by number of days of bonus granted. An illustration was also made which clarifies that taking the calculation of ceiling of monthly emoluments of Rs.7000/- where actual average emoluments exceeds out to $Rs.7000 \times 30 / 30.4 = Rs.6908/-$.

During test check of records for the financial years 2022-23 and 2023-24, it has been observed that the Division had paid Non-Productivity Linked Bonus to its staff considering the amount of Rs.7000/- instead of Rs.6908/- in contravention of the office order No.10 dated 21.10.2022 and order No.08 dated 10.11.2023 issued by the Headquarter, Delhi Jal Board. The details are as under:

S. No.	Employee Code	Employee Name with Designation	Amount paid (in Rs.)	Amount admissible (in Rs.)	Extra Payment of Bonus (in Rs.)
1	20009290	Sobran Singh, Field Assistant	14000/-	13816/-	184/-
2	20009453	Amarjeet Singh, Field Assistant	14000/-	13816/-	184/-
3	20009723	Rajender Singh, Field Assistant	14000/-	13816/-	184/-
4	20015862	Kuldeep Singh, Sr. Assistant	14000/-	13816/-	184/-
5	20016437	Ajay Kumar, Sr. Assistant	14000/-	13816/-	184/-
6	20019434	Rohit Kumar, Jr. Assistant	14000/-	13816/-	184/-
7	400115193	Vipin Singh Chauhan, Field Assistant	14000/-	13816/-	184/-
8	20015228	Rajesh, Field Assistant	14000/-	13816/-	184/-
9	20011884	Kunwar Pal Singh, Field Assistant	14000/-	13816/-	184/-
10	20007506	Lalit Kumar Guliani, JE (Civil)	14000/-	13816/-	184/-
11	20020009	Dhanu Prasad, JE (Civil)	7000/-	6908/-	92/-
12	20020101	Jogindra, PCAMR	7000/-	6908/-	92/-
13	20020102	Vaibhav Kumar Singh, JE (Civil)	7000/-	6908/-	92/-
14	20018200	Ashish, PCAMR	14000/-	13816/-	184/-
15	20007144	Dharmendra Kumar Bhardwaj, Draftman Grade II	14000/-	13816/-	184/-
16	20017063	Gulab Singh, Chowkidar	7000/-	6908/-	92/-
17	--	Mohd. Wahid, ex-Chowkidar	7000/-	6908/-	92/-
18	20016574	Pushpender	7000/-	6908/-	92/-
		TOTAL	210000/-	207240	2760/-

Head of Office may therefore be advised to recover Rs.2760/- after due verification of facts and figures under intimation to the audit. Other cases may also be reviews on the similar cases.

**Para No.08: Non-observation of terms and conditions of Work Order/Agreement
(Ref. Audit Observation Memo No. 11 dated : 27.06.2024)**

Circular issued by Delhi Jal Board vide No. F.15/DJB/M(WS)/2016/1066-1201 dated 21.07.2016 (Point No. 7) stipulates that "Cases where extension of time [EOT] to complete the work was required, the contracting agency shall apply for grant of extension at least 30 days prior to the stipulated date of completion. The case for grant of same shall be put up to the Competent Authority immediately by Executive Engineer so that EOT is granted before the expiry of completion date."

Record reveals that this procedure has not been followed by the Division. As per progressive report of various works provided by the Division for the year 2022-2023 and 2023-2024, it was noticed that the reported works were not completed within the stipulated time and status of work was shown as still in progress as on date. The details of works are as under:

S. No.	Work order No./Contractor name	Name of the work	Date of Commencement of work	Stipulated dated of completion of work
1.	07/2018-2019 M/s. Stup Consultant Pvt. Ltd.	Consultancy Service for construction of 60 MGD WWPS at Kilokari including allied appurtenant works, P/L rising main up to Okhla WWTP & 10 years O & M	28.02.2019	27.02.2022
2.	03/2019-2020 M/s. GSI Envo Ltd.	363.68 MLD(80MGD) Sewage Pumping Station and other related associated/allied appurtenant works on Design, Build & Operate basis at Maharani Bagh, New Delhi.	16.10.2019	15.10.2021
3.	01(2022-23) JV-M/s Tirupati Cement Products-M/s Rehman Builders Private Limited	Construction of interceptor sewer from Barapulla drain to Battla House Phase-II SPS and Construction of 35 MGD SPS at Battla House Phase-II including its rising main up to Okhla WWTP on DBO Basis.	16.04.2022	15.07.2023
4.	02 (2022-23) M/s Jainco Buildcon Private Limited	Construction of 272.36 MLD (60 MGD) sewage pumping station and other related/associated appurtenant works on Design, Build & Operation basis at Kilokari, New Delhi.	16.04.2022	15.04.2024

No records/ information regarding grant of EOT was made available to audit. As per tender clause, if the contractor encounters physical conditions which are unforeseeable, gives such a notice and suffers delay and or incurs cost due to these conditions, the Contractor shall be entitled to an extension of time for any such delay, if the completion is or will be delayed under Sub Clause 8.4 (Extension of Time for Completion). No payment shall be made by DJB to the Contractor on account of additional cost incurred by the contractor due to unforeseeable physical conditions.

b. Documentary evidence in support of work executed i.e. photographs of the site, before execution, during the execution and after the completion of work, was not available in most of the RA Bills. In the absence of photographs of time frame activities, progress of works could not be ascertained properly.

The Division may look into the matter and take necessary action under intimation to the audit.

Para No.09: Reconciliation of Balances in the Bank Accounts for the Financial Years 2022-23 & 2023-24.

(Ref. Audit Observation Memo No. 12 dated : 27.06.2024)

(A) Financial Year 2022-23.

During scrutiny of records provided by EE (C), DR-II, Delhi Jal Board, it has been observed that following Bank Accounts exists in the Book of Accounts of the Division, details of which are as under:

Bank Balances as on 31-03-2023			
		Debit (in Rs.)	Credit (in Rs.)
1	Corporation Bank (Now UBI A/c No. 510101006106217)	581010.19	
2	Corporation Bank (Now UBI A/c No. 510101006070182)	1214654.80	
3	Corporation Bank- 4116		150053617.00
4	Corporation Bank - 4132		50643857.00
5	Corporation Bank- 4194		2543389.00
6	S.B.I.-40465921071	196149.00	
7	S.B.I.-41437543582	17592697.00	
8	Syndicate Bank-60011		6964791.00
9	Syndicate Bank-90231010000120 (Now Canara Bank)	116485.50	
10	Syndicate Bank-12261	21196262.00	
	TOTAL	4,08,97,258.49	21,02,05,654.00

It is requested to provide the following information/clarification:

1. Copy of Bank statements in r/o of all the above mentioned Ledgers.
2. Reconciliation Statements in r/o of Ledgers as mentioned above with Bank Statement.
3. Reason for Credit Balance of Rs.21,02,05,654.00 in r/o Ledgers mentioned above and detailed thereof.
4. Confirmation and detail of closed A/c either at Unit Level or at Head Quarter level and status of Fund transfer to Delhi Jal Board(HQ)Bank Account/Related concerned Bank A/c.
5. Purpose of maintaining each Bank Accounts.

(B) Financial Year 2023-24

During scrutiny of records provided by EE (C), DR-II, Delhi Jal Board, it has been observed that following Bank Accounts exists in the Book of Accounts of the Division, details of which are as under:

Particulars	Opening (Rs.)	Debit (Rs.)	Credit (Rs.)	Debit Closing (Rs.)	Credit Closing (Rs.)
Bank Balances as on 31-03-2024					
SCHEDULE BANK					
SBI A/C 40465921071 (AMRUT)	0.00 CR	111917693.00	110113497.00	1804196.00	--
ALLAHABAD BANK/ INDIAN BANK EMD A/C 50448339804	0.00	373000.00	0.00	373000.00	--
SBI A/C NO.3582	0.00 CR	1067105365.00	1067105365.00	--	--
SBI A/C 41079059243	0.00 CR	36433362.00	36433362.00	--	--
SCHEDULED BANK TOTAL	0.00 CR	1215829420.00	1213652224.00	2177196.00	--

It has been observed that all the Ledgers mentioned above are having zero opening Balance. Further, Closing Balances of Bank for financial Year 2022-23 has not been carried forwarded in the financial year 2023-24.

It is therefore requested to provide the following information/clarification:

1. Reasons for not carry forward of closing balances from the Financial Year 2022-23 to the Financial Year 2023-24.
2. Copy of Bank statement in r/o of all the above mentioned Ledgers.
3. Reconciliation Statements in r/o of all the Ledgers mentioned above with Bank Statement
4. Confirmation and detail of closed A/c either at Unit Level or at Head Quarter level and status of Fund transfer to Delhi Jal Board(HQ)Bank Account/Related concerned Bank A/c.
5. Purpose of maintaining each Bank Accounts.

Para No.10: Non production of Records/Information.

Following records / information has not been provided to audit. The same may therefore be produced to next audit.

1. GAR 6 (TR 5) Receipt Books and its stock registers.
2. MAS Register/Hindrance Register/T&P Register/Dismantle Register.
3. Long term / Short term advance register.
4. Fidelity Bond filled by the Cashier.
5. Spouse information
6. Files pertaining to outsourcing of Staff.
7. Stock Register - Consumable and Non-Consumable.
8. Property Register
9. Penalty Register.
10. MB Stock/Issue Register.
11. Deviation Register of Projects/Works.
12. Contractor Ledger of all projects.


03/07/2024
(INDER MOHAN)
Inspecting Audit Officer
Compliance Audit Party - DJB

ANNEXURE - I

EE (C) DR-II, Delhi Jal Board,
Govt. of NCT of Delhi,
Delhi Gate STP Phase-II,
Opp. Delhi Secretariat,
I.P. Estate, New Delhi-110002.

Audit Report - 2022-23 & 2023-24

S. No.	Name of the work	Name of the agency and agreement no.	Payment Voucher No. & Date	Gross amount of Bill	Taxable Amount	TDS to be deducted @ 2%	TDS deducted by the Division	Short Deduction of tax	GST to be deducted (1%+1%) @ 2%	GST deducted	Short deduction of GST	Labour Cess to be deducted @ 1%	Labour Cess Deducted	Short Deduction of Labour Cess	Total Amount to be recovered (9+12+15)
1	Construction of 11 MGD SPS on DBO basis at Satya Park Naraina Industrial Area Phase-II along with Rising Main	M/s. Mohini Electricals Ltd. - 04 (2018-19)	P 6/2 dated 08.12.22 (14 th RA Bill)	2844490	2844490	56890	50794	6096	0	0	0	28445	25397	3048	9144
2	-do-	-do-	E-11/3 dated 28.03.23 (15 th RA Bill)	3720240	3720240	74405	66433	7972	0	0	0	37202	33216	3986	11958
3	-do-	-do-	100021/P/00336 dated 18.03.24 (16 th RA Bill)	3798647	3798647	75973	67833	8140	0	0	0	37986	33916	4070	12210
4	-do-	-do-	100021/P/00361 dated 31.03.24 (16 th RA Bill)	1399750	1399750	27995	24996	2999	0	0	0	13998	12498	1500	4499
5	Construction of 272.36 MLD (60 MGD) Sewage Pumping Station and other related/ associated appurtenant works on Design, Build and Operate	M/s. Jainco Buildcon Private Limited - 02 (2022-23)	100021/P/100072 dated 07.07.23 (1 st RA Bill)	2568422	2568422	51368	28008	23360	0	0	0	25684	22932	2752	26112

9/c

EE (C) DR-II, Delhi Jal Board,
Govt. of NCT of Delhi,
Delhi Gate STP Phase-II,
Opp. Delhi Secretariat,
I.P. Estate, New Delhi-110002.

Audit Report - 2022-23 & 2023-24

	basis at Kilokari, New Delhi.																			
6	-do-	-do-	100021/P/ 100072 dated 09.10.23 (2 nd RA Bill)	18848152	18848152	376963	318717	58246	0	0	0	188482	168287	20195	78441					
7	-do-	-do-	100021/P/ 00192 dated 07.11.23 (3 rd RA Bill)	11765808	11765808	235316	192247	43069	0	0	0	117658	105052	12606	55675					
8	-do-	-do-	100021/P/ 00234 dated 27.12.23 (4 th RA Bill)	18327016	18327016	366540	300839	65701	0	0	0	183270	163634	19636	85337					
9	-do-	-do-	100021/P/ 00290 dated 07.02.24 (5 th RA Bill)	11880000	11880000	237600	192143	45457	0	0	0	118800	106071	12729	58186					
10	-do-	-do-	100021/P/ 00331 dated 12.03.24 (6 th RA Bill)	15840000	15840000	316800	182857	133943	0	0	0	158400	141429	16971	150914					
11	-do-	-do-	100021/P/ 00357 dated 30.03.24 (7 th RA Bill)	7880000	7880000	157600	140714	16886	0	0	0	78800	70357	8443	25329					
12	-do-	-do-	100021/P/ 00358 dated 30.03.24 (8 th RA Bill)	4188093	4188093	83762	74787	8975	0	0	0	41881	37394	4487	13462					
13	Construction of interceptor sewer from Barapullah drain to Balla House	JV-M/s. Tirupati Cement Products - M/s. Rehman	P-5 dated 08.02.2023 (1 st RA Bill)	24607750	24607750	492155	439424	52731	0	0	0	246077	219712	26365	79096					

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21	-do-	-do-	Bill) P-100021/ P/00337 dated 20.03.24 (9 th RA Bill)	72763646	72763646	1455273	1299351	155922	0	0	0	727636	649675	77961	233883
22	-do-	-do-	P-100021/ P/00364 dated 31.03.24 (10 th RA Bill)	57546825	57546825	1150937	1027622	123315	0	0	0	575468	513811	61657	184972
23	-do-	-do-	P-100021/ P/00365 dated 31.03.24 (11 th RA Bill)	69460605	69460605	1389212	1240368	148844	0	0	0	694606	620184	74422	223266
24	Shifting of Ring Road Trunk Sewer in Pragati Maidan	M/s. AIPPL- VISPL Consortium - 03 (2017- 18)	P-1 dated 01.09.22 (21 st RA)	20823503	20823503	416470	371848	44622	416470	371848	44622	208235	185924	22311	111555
			TOTAL	850448161	850448161	17008963	14986574	2022389	416470	371848	44622	8504481	7593285	911196	2978207

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PART - III

TEST AUDIT NOTES

(2022- 2024)

**TEST AUDIT NOTES
(2022-23 and 2023-24)**

TAN No.01: Non maintenance of Bill Register

(Ref. Audit Observation Memo No. 03 dated: 24.06.2024)

As per Section 10.1 (1) of CPWD Manual, 2014, the payments made in Divisional Offices are made on receipt of the bills from the various Sub-Divisions. A consolidated record of all the bills received from Sub-Divisions in respect of works/supplies should be maintained in one register known as Register of Bills in the Divisional Office in the form given at Appendix-12

Further as per Section 10.1 (2) of CPWD Manual, 2014, the bills should be entered in the register strictly in order of receipt i.e. the bills received first should be entered before the bills received afterwards. The payment of the bills should also be made strictly in order of their receipt. In no case a bill received afterwards should be given priority over the bills that have been received before, except under the written orders of the Divisional Officer.

Further as per Section 10.1 (3) of CPWD Manual, 2014, the Divisional Accountant should ensure that the register is properly maintained and kept up-to-date in the Accounts Branch. The register should be submitted to the Executive Engineer every week for his perusal and he will record in the register cases in which these instructions have not been followed.

During examination of the records, it was noticed that the Division has not maintaining the Bill Register which is violation of Section 10.1 of CPWD Manual, 2014.

In the absence of the same, it is not clear as to how the settlement of payment records were ensured.

Necessary steps may be taken to maintain the Bill Register as per CPWD Manual and compliance be shown to audit.

TAN No.02: Improper maintenance of Pay Bill Registers/ECRs.

(Ref. Audit Observation Memo No. 09 dated : 27.06.2024)

During test check of Pay Bill Registers/ECRs for the period from 2022-23 and 2023-24, the following shortcomings have been noticed:

1. The mandatory page counting certificate is not recorded in the PBRs/ECRs on the first page which is also required to be countersigned by the DDO concerned
 2. Monthly entries in PBRs/ECRs have not been verified and signed by the D.D.O. for its correctness.
- h

3. Bill Numbers are not mentioned in PBRs/ECRs against each entries, without bill number, identification of Bill cannot be ascertained.
4. GAR-18, Abstract of Pay bill was not prepared.
5. No Column for GPF Advance/Withdrawal were found in PBR/ECR.
6. No proper columns for payment of Arrears, Leave Travel Concession, Leave Encashment, Children Education Allowance was found in PBR/ECR.

Actually, columns in the ECR are not matched with Pay Bill Register[PBR] (GAR-17). Bill No., other detail of GPF, Aadhar No., NPS Accounts, Abstract of bill are not found in ECR maintained in the Division of Delhi Jal Board. Other details like columns for details of Employee, detail of Arrear, if any, GPF advance/GPF withdrawn and other related information are missing. DDO's signature column was not found in ECR.

Necessary steps may be taken to remove the above said discrepancies in maintenance of PBR/ECR under intimation to the audit.

TAN No.03: Discrepancies in maintenance of Service Books.

(Ref. Audit Observation Memo No. 10 dated : 27.06.2024)

During test check of Service Books provided by the office of EE(C) DR-II, Delhi Jal Board, following deficiencies are observed:-

- (i) **Entry of Aadhar Number** was not made in most of the Service Books as per the instructions circulated by Pr. Secretary (Finance), Govt. of NCT of Delhi vide No.F.3(03)/2015/T-I/Pr. AO/2017-26 dated 10/09/2015.
- (ii) **Verification and communication of qualifying service after 18 years of service or 5 years before retirement** - As per rule 32 of CCS (Pension) Rules, on completion of 18 years or 5 years before the date of retirement, whichever is earlier, verification of services of the Government servant concerned should be completed and a certificate of verification should be issued to him/her in the prescribed form (Form 24). However, the services of Government Servant were verified in any case.
- (iii) **'Home Town' declaration** under LTC scheme is to be kept in the Service Book. However, entry for home town declaration was not found in most of the Service Books.
- (iv) **GPF Account Number** is to be entered on the right hand top of page 01 by means of a rubber stamp as soon as the official is admitted to GPF. This number was not found mentioned in some of the Service Books.
- (v) **Practical guidelines on the maintenance of Service Book** - Instructions/guidelines contained on the inner cover pages of the printed Service Book should be followed. In addition, name of the employee was to be written both in English and in Hindi on the outer cover. Reference to the original documents verified to be made for (i) Date of Birth (ii) Educational Qualification (iii) Technical Qualifications and (iv) Caste Certificate for SC/ST/OBCs. These guidelines were not followed in most of the Service Books.
- (vi) **Annual Verification of Service** - Verification of Services will be completed annually along with pay slip for the month of April every year and certificate of verification

- will be recorded in the Service Book after ensuring correctness of the entries. This was not done in most of the Service Books.
- (vii) **In case of Transfer** – Certificate will be recorded for the period up to the date for which pay is drawn by the office, even if it is part of the month / year. The new office should verify whether certificate has been recorded correctly and agrees with LPC. This certificate was not found recorded in most of the Service Books.
 - (viii) **Leave-Account** – It was observed that the leave account of none of the employees was maintained in prescribed Form-2 under Rule-15 of CCS (Leave) Rules, 1972. In many Service Books, cuttings, over-writings & use of fluid was seen over various entries of the Leave account. Leave records in Service Books not found signed by the HOO. Entries should be clear and orders in respect of Special Leave should be pasted in the Service Books.
 - (ix) **Photograph** – Vide GID below SR 197, a photograph of the Government servant is to be affixed on the right hand corner of the Service Book. However, in several cases, the photographs were not affixed or was very old.
 - (x) **First page of the Service Book**, having details of the employee, should be filled up properly and completely. However, it was observed that impression of Finger Prints, Caste, identification marks etc. was not found in most of the Service Books.
 - (xi) Orders of pay fixation on promotion and up-gradation were not found written or pasted in the Service Books.
 - (xii) Entries of verification of Character and Antecedents of the employees, were not found in the Service Books.
 - (xiii) Documents in r/o declaration of nominees in gratuity & pension were not found attached in the Service Books.

Necessary steps may be taken to remove the above said discrepancies in maintenance of Service Books under intimation to the audit.

TAN No.04: Improper Maintenance of Cash Book.

(Ref. Audit Observation Memo No. 13 dated : 27.06.2024)

While scrutiny of the Cash Book provided by Executive Engineer (C), DR-II, Delhi Jal Board for the period 01-04-2022 to 31-03-2024, it has been observed that the Division is not maintaining the Cash Book properly as per Receipt & Payment rules although cash transactions are being done in the Division. Details of cash transactions are as under:

Date	Particulars	Vch Type	Vch No.	Debit	Credit
01.04.2022	Dr Opening Balance				00.00
17.05.2022	Cr Other Income (Cost of duplicate I. Card and RTI Fee received)	Receipt	01 to 04	160.00	
17.05.2022	Dr Other Income (Amount Deposited)	Payment	01		160.00
01.06.2022	Cr Medical Subscription (Cost of medical subscription received)	Receipt	05	12000.00	
02.06.2022	Dr Medical Subscription (Amount Deposited)	Payment	02		12000.00
15.06.2022	Cr Other Income (Cost of RTI Fees)	Receipt	--	250.00	
15.06.2022	Dr Other Income (Amount Deposited)	Payment	03		250.00

10.08.2022	Cr	Other Income (Cost of RTI Fees)	Receipt	07	10.00	
10.08.2022	Dr	Other Income (Amount Deposited)	Payment	04		10.00
16.12.2022	Cr	Other Income (Cost of RTI Fees)	Receipt	08	20.00	
16.12.2022	Dr	Other Income (Amount Deposited)	Payment	05		20.00
28.12.2022	Cr	Other Income (Cost of RTI Fees)	Receipt	09	10.00	
28.12.2022	Dr	Other Income (Amount Deposited)	Payment	06		10.00
--	Cr	Other Income (Cost of RTI Fees)	Receipt	10	10.00	
16.12.2022	Dr	Other Income (Amount Deposited)	Payment	07		10.00
01.04.2023	Dr	Opening Balance				00.00
11.05.2023	Cr	Medical Subscription (Cost of medical subscription received)	Receipt	11	12000.00	
11.05.2023	Dr	Medical Subscription (Amount Deposited)	Payment	01		12000.00

It has been observed that receipts entries of amount mentioned above were entered on the Receipt Side whereas on the Payment side, challans were pasted instead of making proper entries of Payment required under Receipt and Payment Accounts. Other shortcomings are as under:

- Page counting certificate not recorded:** Page counting certificate which is required to be given on the first page of the cash book, has not been recorded. It should be given under signature of the HOO/DDO.
- Transactions/Entries not signed by the DDO:** Each and every transaction/entry in the cash book should be signed by the HOO/DDO. However, the entries were not signed.
- Certificate of Physical verification of cash certificate was not recorded:** Rule 13(4) of Receipt & Payment Rules, 1983 provides that at end of each month, the Head of Office should verify the cash balance in Cash-book and record a signed and dated certificate to that effect. In regard to any discrepancy noticed therein the instructions contained in the GFR should be followed. It has been observed that the no certificate was recorded in the Cash Book as prescribed in the R & P Rules. The certificate is normally, be in the following form:

"Certified that cash amounting to Rs. (Rupees only) has been physically verified and found correct as per the balance recorded in the cash book".

Necessary steps may be taken to remove the above said discrepancies in maintenance of Cash Book under intimation to the audit.



(INDER MOHAN)
Inspecting Audit Officer
Compliance Audit Party - DJB