

10

**DIRECTORATE OF AUDIT  
GOVT. OF NCT OF DELHI  
4<sup>th</sup> LEVEL, "C" WING, DELHI SECRETARIAT,  
NEW DELHI - 110002**

**Sub: - Audit report of EE (EAP)-II, Delhi Jal Board, Jhandewalan, New Delhi for the 2022-23 & 2023-24.**

Audit on the accounts of EE (EAP)-II, Delhi Jal Board, Jhandewalan, New Delhi for the financial years 2022-23 & 2023-24 has been conducted by the Audit Party comprising of Sh. Kundan Singh Bisht, A.O. and Sh. Hari Ram, A.A.O. from 24.06.2024 to 03.07.2024 in 08 (eight) working days. The accounts were reviewed purely on test check basis.

**AIMS AND OBJECTIVES**

This division was created vide Office Order no. 276 dated 10.10.2019 issued from the office of AC(T) approved by the CEO, DJB. However, the division came into existence in October, 2021. This division has been entrusted with the External Aided Projects (EAP) assisted by JICA in the command of Chandrawal WTP as detailed under:-

DJB is carrying out the project at Chandrawal WTP command area as top priority project through JICA funding. The estimated cost of this project is Rs. 2018 crores & for this, Delhi Jal Board (DJB) has received ODA Loan from Japan International Cooperation Agency (JICA) towards the cost of DWSIP in Chandrawal WTP command area (Loan Agreement No. ID -P225 dated Oct. 2012). The project cost will be funded through ODA Loan from JICA to the tune of 85% and balance 15% cost will be shared by Government of NCT of Delhi. The Agreement for this purpose was signed between JICA and MoUD, GOI, where Delhi Jal Board is the Executing Agency. The detail of works presently in progress in this division is as under:


**Package-1: (Construction of 477 MLD WTP at Chandrawal)**

The work of Package-1 has been awarded to M/s L&T Ltd. on 24.07.2019 at a total cost of Rs.599 Crores including 2 years DLP and 14 years O&M. This plant shall be constructed in lieu of existing Chandrawal Phase -I of capacity 35 MGD and Chandrawal Phase-II of capacity 55 MGD. The work is in progress and present progress is about 70%. The work is likely to be completed by December 2024.

**Package-2: West(Improvement of Water Supply System)**

The work of Package-2 has been awarded to M/s JWIL Infra Ltd. on 15.02.2023 at a total cost of Rs.658 crore. The CAPEX period is 3 years including O&M during construction for 2 years 8 months. Thereafter, the contractor will carry out O&M for 10 years. The major areas covered under this package broadly consists of Shastri Nagar, Anand Pravat, Rajinder Nagar, Shadipur, Patel Nagar, Naraina etc. The work is likely to be completed by 28.02.2026. Present Progress is about 25%

**Package -3: Central (Improvement of Water Supply System)**

The tender for Package-3 has been re-invited (4th time) on 17.01.2023 and received on 27.03.2023. Three bidders participated in the tender process. The financial bids were opened on 14.06.2023.



The case has been concurred in Finance Wing of DJB and Work Advisory Committee (WAC) has recommended to put up the case before Delhi Jal Board for award of work in next Board Meeting. However, it was observed that the GNCTD share has been increased from its original share. The proposal has been sent to UD Deptt. GNCTD for obtaining specific Administrative Approval & Expenditure Sanction (AA/ES) from GNCTD for its increased share for the whole project.

#### H.O.D/H.O.O/DDO's/CASHIERS

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

S. No.	Head of the Department	Designation	Period
01	Sh. P.Krishnamurthy	CEO, DJB	01.04.2022 to 30.06.2023
02	Sh. A. Anbarasu	CEO, DJB	01.07.2023 to 31.03.2024

S.No.	Head of Office	Designation	Period
01	Sh. Parveen Kumar Gupta	Ex. Engg.(C)	01.04.2022 to 31.03.2024

S.No.	DDO	Designation	Period
01	Sh. Parveen Kumar Gupta,	Ex. Engg.(C)	01.04.2022 to 31.03.2024

S.No.	Cashier	Designation	Period
01	NIL	N/A	01.04.2022 to 31.03.2024

#### BUDGET ALLOCATION AND EXPENDITURE FOR THE YEAR 2022-24

##### REVENUE

S. No.	Year	Budget allotted	Expenditure	Balance	(Rs. In lakh) Savings
1.	2022-23	NIL	NIL	NIL	NIL
2.	2-23-24	NIL	NIL	NIL	NIL

##### CAPITAL

S. No.	Year	Budget allotted	Expenditure	Balance	(Rs. In lakh) Savings
1.	2022-23	9894.52	6540.55	3353.97	33.90%
2.	2023-24	14355.16	8032.47	6322.69	44.04%

#### VACANCY STATEMENT

S. No.	Group	No. of posts sanctioned	No. of posts filled	No. of posts vacant
1	Nil	Nil	Nil	Nil
2	Nil	Nil	Nil	Nil
3	Nil	Nil	Nil	Nil
	<b>TOTAL</b>	Nil	Nil	Nil

Entire staff in this Division has been deployed on diverted capacity.



## STATUTORY AUDIT

The statutory audit of **EE (EAP)-II, Delhi Jal Board, Jhandewalan, New Delhi**, has not been conducted by AG (Audit), Delhi till date.

## MAINTENANCE OF RECORDS

The maintenance of records of **EE (EAP)-II, Delhi Jal Board, Jhandewalan, New Delhi**, for the period 2022-23 & 2023-24, was found satisfactory subject to observations made in Current Audit Report.

## OLD AUDIT REPORT

The audit of **EE (EAP)-II, Delhi Jal Board, Jhandewalan, New Delhi** has been done first time by Directorate of Audit, Govt. of NCT of Delhi. Hence, there is no outstanding old para.

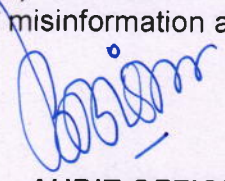
## CURRENT AUDIT REPORT (2022 - 2024)

During the course of current audit, **06** Audit Observation Memos and 01 Audit Record Memo, highlighting various shortcomings/irregularities were issued. Three Audit Observation Memo have been settled/dropped on the spot. Therefore, **remaining 04 Audit Memos, including 01 Record Memo, have been converted into 02 Paras and 01 TAN, which have been incorporated in Current Audit Report.**

## DETAILS OF CURRENT RECOVERY (AUDIT PERIOD 2022-2024)

Memo No.	Total Recovery ( Rs.)	Amount Recovered (Rs.)	Balance (Rs.)	Para. No.
	Nil	Nil	Nil	
	Nil	Nil	Nil	

The Internal Audit Report has been prepared on the basis of information furnished and made available by **EE (EAP)-II, Delhi Jal Board, Jhandewalan, New Delhi**. The Directorate of Audit, GNCT of Delhi disclaims any responsibility for any misinformation and of non-information on the part of auditee.

  
AUDIT OFFICER  
Compliance Audit Party (DJB)



**PART – I**

**OLD AUDIT REPORT**

**N I L**



6

# **PART – II**

## **CURRENT AUDIT REPORT**

**(2022-2023  
&  
2023-24)**



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

**Para No. 01 : Award of work at abnormally below the Estimated Cost.**

**(Audit Observation Memo No. 02 Dated.27.06.2024)**

As per **Section 2.5 of CPWD Manual**, the Technical Sanction provides a guarantee that the proposals are technically sound and that the estimates are accurately prepared and are based on adequate data. The estimates of the works were prepared by the Technical Expert Engineers of the division on the basis of prevailing Delhi Schedule of Rates. However, it was noticed that tenders were accepted much below than the estimated cost, which raises questions towards the quality & quantity of the works, awarded by the Division and also towards a very casual approach of the Technical Expert Team while preparing the estimates of the works.

Test check of records, provided by the Unit, in r/o the work awarded and executed by the Division during the period 2022-23 reveals that the following tender has been awarded more than 25 % below the Justified Cost:-

S. No	Name of work	Justified cost (Rs.)	Tender cost (Rs.)	Below%
1.	Reconstruction of Garage & Servant Quarters in Bungalow NO. E-1 & E-2 of Chandrawal Water Works.  Work Order No. 02 (2022-23)	3098297.76	2056178.74	33.64

Therefore, a detailed justification for awarding of work, **abnormally below (more than 25%)** the Justified Cost/ incorrect calculation of the Estimated Cost, may be furnished to the Audit.

**Para No.02: Irregularities in making payment to hired MS Water Tankers.**

**(Audit Observation Memo No.: 06 Dated: 01.07.2024)**

As per Circular No. DJB/ACE(M)-11/2022/9678 dated 30.03.22, regarding revised rates for hiring of MS water Tankers, the revised rates were applicable with the Special Conditions (S.No.1 to 7) & Contract Conditions (S.No. 1 to 31).

**Special conditions (S.No. 1 to 7):**

**S. No. 1:-** DJB shall install App based GPS tracker on hired MS/SS tankers on its own cost and monitor through App/application. The GPS application should generate MIS report in such that the number of trips and kilometer travelled on daily basis can be generated for making payment.



**Contract Conditions (S.No.1 to 31):**

**S. No.30:-** The payments to the agency shall be made as per the kilometer travelled and recorded in GPS Tracker.

On test check of records provided by the Unit in r/o hired MS Water Tankers, it was observed that, payments were made as per revised rates on the basis of Log Sheet while the payments were to be made on the basis MIS Report of GPS Tracker. Hence the Unit has not adhered to the requisite conditions. The information regarding such payments, in r/o two vehicles is given as under:-

**Vehicle No: DL1LAL2546**

S.No.	Report Date	No. of Trips as per Tracker	No. of Trips as per Log Sheet
1	01.10.23	14	7
2	02.10.23	14	7
3	03.10.23	12	6
4	04.10.23	14	AB
5	05.10.23	14	7
6	06.10.23	14	7
7	07.10.23	12	6
8	08.10.23	12	6
9	09.10.23	12	6
10	10.10.23	12	6
11	11.10.23	0	AB
12	12.10.23	06	3
13	13.10.23	12	6
14	14.10.23	12	6
15	15.10.23	14	7
16	16.10.23	12	6
17	17.10.23	12	6
18	18.10.23	6	3
19	19.10.23	10	5
20	20.10.23	4	2
21	21.10.23	10	5
22	22.10.23	10	5
23	23.10.23	10	5
24	24.10.23	4	2
25	25.10.23	10	5
26	26.10.23	12	6
27	27.10.23	12	6
28	28.10.23	12	6
29	29.10.23	12	6
30	30.10.23	10	5
31	31.10.23	12	6

**Vehicle No: DL1LAL2557**

S.No.	Report Date	No. of Trips as per Tracker	No. of Trips as per Log Sheet
1	01.10.23	14	7

2	02.10.23	14	7
3	03.10.23	14	7
4	04.10.23	14	7
5	05.10.23	14	7
6	06.10.23	14	7
7	07.10.23	14	7
8	08.10.23	14	7
9	09.10.23	14	7
10	10.10.23	14	7
11	11.10.23	0	AB
12	12.10.23	8	4
13	13.10.23	14	7
14	14.10.23	14	6
15	15.10.23	14	7
16	16.10.23	14	7
17	17.10.23	14	7
18	18.10.23	8	7
19	19.10.23	8	7
20	20.10.23	4	4
21	21.10.23	14	2
22	22.10.23	14	7
23	23.10.23	14	7
24	24.10.23	12	7
25	25.10.23	14	6
26	26.10.23	14	6
27	27.10.23	10	6
28	28.10.23	12	5
29	29.10.23	12	6
30	30.10.23	12	6
31	31.10.23	12	6

In response to Audit Observation Memo No. 06, dated 01/07/2024, the Unit submitted a reply dated 02/07/2024 wherein it was informed that the erroneous data in MIS Report is seen in few tankers and that is too, only in the month of October, 2023. Further, payment to the vendors, in such cases, has been made on the basis of Log Sheet (for less number of trips). The Division has further informed that the Circular containing old/previous rates for hiring Water Tankers is not traceable in the Division.

Apart from the above, it has also been also observed that, the Division has been hiring the Water Tankers since August, 2023, but Work Orders are being given on monthly basis. **Further the Division has not finalized/executed any tender for hiring the Water Tankers and the same are being hired on the rates fixed vide Circular No. DJB/ACE(M)-11/2022/9678 dated 30.03.2022.**

Therefore, all the payments, which have been made on the basis of Log Sheet, may be reviewed and the amount payable to the vender may be recalculated on the basis of Old Rates and the amount of overpayment, so detected, may be recovered from the vendors, under intimation to the Audit. **Further, tender for hiring of Water Tankers may be finalized/executed at the earliest.**





2

**PART - III**

**TEST AUDIT NOTES**

**(2022- 2023**  
**&**  
**2023-24)**



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

**TAN No. 01: Non-surrender of savings**

**(Audit Observation Memo No. 07 Dated.02.07.2024)**

As per rule 62(1) of GFRs, 2017, Departments shall surrender all the anticipated savings noticed in the grants or appropriation controlled by them by the dates prescribed before the close of the financial year. The funds provided during the financial year and not utilized before the close of that financial year shall stand lapsed at the close of the financial year.

Further rule 62(2) of the GFRs, 2017 states that the savings, as well as the provisions that cannot be profitably utilized, shall be surrendered to the Govt. immediately they are foreseen without waiting till the end of the year. No savings shall be held in reserve for possible future excesses.

On perusal of information provided by Department, it has been observed that the Department has not utilized the budget granted to its full extent thereby resulting in 33.90% & 44.04% saving under Capital Head in the financial years 2022-23 & 2023-24 respectively.. Even, the funds are not found surrendered to the Govt. in time before the close of the financial year. The details are as under:

Financial Year	Head	Budget Allotted (Rs. In Lakh)	Funds used (Rs. In Lakh)	Savings (Rs. In Lakh)	% of savings/ unutilised funds
2022-23	Capital Expenditure	9894.52	6540.55	3353.97	33.90
2023-24	Capital Expenditure	14355.16	8032.47	6322.69	44.04

The department may, therefore, take necessary steps to follow the rules/instructions issued for surrender of savings and show the compliance to the next Audit.

