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**DIRECTORATE OF AUDIT
GOVERNMENT OF NCT OF DELHI
4th FLOOR, DELHI SECTT.
I.P. ESTATE, NEW DELHI**

Sub.:- Compliance Audit Report on accounts of Office of the Executive Engineer (Civil) SDW, North West, Delhi Jal Board, Coronation Pillar, SPS, Shalimar Bagh, Delhi for the period 01-04-2022 to 31-03-2024.

INTRODUCTION

The accounts of **Office of the Executive Engineer (Civil) SDW, North West, Delhi Jal Board, Coronation Pillar, SPS, Shalimar Bagh, Delhi** for the period 01-04-2022 to 31-03-2024 was audited by the audit Party consisting of Smt. Savita Jain, Sr. A.O./IAO and Sh. Anil Kumar Grover, A.O. w.e.f. 03-09-2024 to 13-09-2024. The audit was done purely on a test check basis.

AIMS AND OBJECTIVES OF THE UNIT

The division is maintaining of DJB Staff Quarters, Dispensary, STPs and SPS

LIST OF HOD/HOO/DDO/CASHIER DURING THE AUDIT PERIOD 2022-24.

HOO/DDO

S.NO.	Name & Designation	Period
1.	Sh Anil Kumar Sharma, EE	13/08/2020 to 31/08/2023
2.	Sh. Narender Singh, EE	01/09/2023 to 24/10/2023
3.	Sh. Raj Kumar Malhotra, EE	25/10/2023 to till date

Cashier

S.NO.	Name & Designation	Period
N/A (as per information provided by the Division)		

BUDGET ALLOTMENT AND EXPENDITURE

The details of Allotment of budget and Expenditure incurred for the financial years 2022-2024 are as under:-

(Amount in Lakh)

Year	CAPITAL			REVENUE		
	Budget Allocated	Expenditure	Balance	Budget/ Amt. received	Expenditure	Balance
2022-2023	4390.47	3217.56	1172.91	5.97	3.17	2.80
2023-2024	1659.74	1354.35	305.39	9.81	2.94	6.87

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VACANCY POSITION

ALTHOUGH ALL THE STAFF WORKING ON DIVERTED CAPACITY. SALARY AND OTHER ALLOWANCES HAVE BEEN DRAWN FROM OTHER DIVISION/OFFICE, YET THE DIVISION HAS PROVIDED THE FOLLOWING DETAILS OF STAFF WORKING PHYSICALLY UNDER THEM

SI No.	Post/Group	Post sanctioned	Post Filled	Vacant
1	A	1	1	0
2	B	18	6	12
3	C	128	17	111

Statutory Audit

Statutory audit of Office of the Executive Engineer (Civil) SDW, North West, Delhi Jal Board, Coronation Pillar, SPS, Shalimar Bagh, Delhi has been conducted upto 2017-2018 by AGCR(Delhi).

Maintenance of Record :-

The maintenance of record Office of the Executive Engineer (Civil) SDW, North West, Delhi Jal Board, Coronation Pillar, SPS, Shalimar Bagh, Delhi for the period 01-04-2022 to 31-03-2024 was found satisfactory subject to observations made in Current audit report and in test audit note.

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PART-I A
OLD AUDIT REPORT

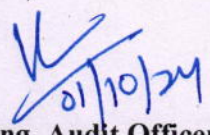
The audit of the Office of the Executive Engineer (Civil) SDW, North West, Delhi Jal Board, Coronation Pillar, SPS, Shalimar Bagh, Delhi has been conducted First time.

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PART-II**CURRENT AUDIT REPORT**

During the course of audit, 10 preliminary audit memos including 01 Record Memos i.e. 01 to 01(L) were issued. Out of 10 memos., 01 record memos has been fully settled. The Division has submitted the replies of all the Memos, and on the basis of replies, no Memo. has been settled and all balance 09 memos have been converted into 07 PARAS and 02 TANS and incorporated in current audit report as part-II.

During the course of current audit, NIL recovery has been pointed out.


Accounts Officer
Inspecting Audit Officer

PART- 1

(2022-2024)

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PART -II
CURRENT AUDIT REPORT
(2022-24)

Audit Para - 01

(Memo No. 02 dated :05/09/2024)

Subject: Award of work abnormally below the estimated cost.

Section 2.5 of CPWD manual stipulates that technical Sanction provides a guarantee that the proposals are technically sound and that the estimates are accurately prepared and are based on adequate data.

Test check of Work Order register for the works awarded and executed by the division for the audit period revealed that majority of the work orders/tenders were awarded much below the estimated cost/justified cost. The details of a few works which were awarded below the estimated cost are as under:

(Amt. in Rs.)

S. No.	CA No. & dated	Estimated cost/Amt. put to Tender	Tendered/ Awarded cost	% of Below estimated cost	% of Justified cost Above the estimated cost	Total variations (in %)
1	2	3	4	5	6	7
01	41 dated 18/08/2022	9029744-	7054036-	21.88%	11.79%	33.67%
02.	49 dated 12/09/2022	2396218-	1847963	22.88%	16.63%	39.51%
03.	62 dated 27/01/2023	2318489-	1708263	26.32%	14.24%	40.56%
04	67 dated 15/02/2023	2463189-	1546883-	37.20%	10.61%	47.81%
05	77 dated 28/03/2023	4926056-	3207454-	34.89%	17.05%	51.94%
06	78 dated 28/03/2023	4874471-	3212276-	34.10%	12.78%	46.88%
07	03 dated 15/06/2023	3352987-	2125123-	36.62%	20.53%	57.15%
08	04 dated 15/06/2023	1034417-	734643-	28.98%	15.90%	44.88%
09	05 dated 20/06/2023	2468215-	1522148-	38.33%	15.36%	53.69%
10	06 dated 30/06/2023	1698595-	1180184-	30.52%	18.60%	49.12%
11	08 dated 11/07/2023	9844418-	5820020-	40.88%	21.62%	62.50%
12.	09 dated 04/08/2023	4825688-	2944007-	38.99%	12.81%	51.80%

The justification rates were above estimated amount/Amount put to tender as mentioned in Col. No. 6 whereas the contractor quoted below the estimated amount/Amount put to tender as mentioned in Col. No. 5. The total deviations were below the justified rate as mentioned in Col. No. 7. The above 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/amount put to tender. Moreover, in today scenarios, although the prices of every commodity are raising spirally yet the tenders were accepted much below the estimated cost. Such type of unreasonable variations can be attributed to either wrong assessment of rates or sketchy estimates were prepared in casual manners. Furthermore, audit could not ensure how the contractor paid minimum wages to the labour engaged for the works.

Division had accepted the tenders with huge variations, may lead to compromise the quality of work. This indicated casual approach of the division while framing estimates. All the similar cases may be reviewed and appropriate action may be intimated to Audit.

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Subject :- Short recovery of Addl. Performance Guarantee of Rs.1518670/-

As per Circular issued by Delhi Jal Board vide No. **DJB/CEO/2022/D-1338 dated 21-04-2022** "If L-1 is more than 25 % below the justified cost, the bid will be considered as a bid on unworkable rates. If unworkable rates are received, the L-1 shall have to submit as additional Performance Guarantee i.e difference between the 25 % less amount of justified rate and his quoted rate to Delhi Jal Board and only after the additional Performance Guarantee is submitted the contract would be executed".

During the test check of record, it has been observed that various work orders were issued on the rates quoted more than @ 25% below on the amount put to tender and justified cost. Hence additional Performance Guarantee (difference between the 25 % less amount of justified rate and his quoted rate) is to be obtained from the contractor. The Division had not recovered/short recovered of P.G from the contractor as required under the provisions of the Contract. Details of some short recoveries of P.G are as under :

(Amount in Rs.)

S. No	Work Order No. & Date	Name of the Contractor/Firm	Amt. put to tender	Awarded Amount	Awarded % rate below	Justified cost % rate above	Total PG to be deducted (PG + Addl. PG)	PG Deducted by the Division	Short recovery of PG
1.	77 dt. 28.03.23	M/s JPS Associates	4926056-	3207454-	34.89 %	17.05%	1117008-	961000-	156008-
2.	78 dt. 28.03.23	M/s JPS Associates	4874471-	3212276-	34.10%	12.78%	910795-	800000-	110795-
3.	03 dt. 15.06.23	M/s Gaurav Jindal	3352987-	2125123-	36.62 %	20.53%	905893-	790000-	115893-
4.	05 dt. 20.06.23	M/s JPS Associates	2468215-	1522148-	38.33%	15.36%	613352-	513000-	100352-
5.	08 dt. 11.07.23	M/s Adesh Const. Co.	9844418-	5820020-	40.88 %	21.62%	3159566-	2475000-	684566-
6.	09dt. 04.08.23	M/s Jain PrakashKaushik	4825688-	2944007-	38.99%	12.81%	1138887-	937000-	201887-
7.	10 dt. 04.08.23	M/s Jain PrakashKaushik	2292020-	1329601-	41.99%	13.54%	622169-	473000-	149169-
					TOTAL		8467670-	6949000-	1518670-

This has resulted into short collection of Performance Guarantee amounting to Rs. 15,18,670/- in contravention of above circular. Furthermore, acceptance of tenders on unworkable rates raised the question mark of quality of works executed by the Contractor. The Division has replied that all the works have been completed and PGB returned as per contract agreement. The Executive Engineer may take care in future while collecting addition performance guarantees per guidelines.

Audit Para – 03**(Memo No. 05 dated: 09/09/2024)**

Subject: Payment of final bills not made within time limit prescribed in CPWD manual.

As per Clause 9 of GCC of CPWD manual provides that final measurement should be recorded within the one month of completion of the work. Final payments for works shall be made:-

- (i) If the tendered value of the work is up to Rs. 1 Crore - 02 months
- (ii) If the tendered value of the work is more than Rs. 1 Crore and up to 10 crores - 03 months
- (iii) If the tendered value of the work exceeds Rs.10 Crore - 06 months

Test check of the progress reports of the works revealed that final payments of some of the works have not been made till date after the lapse of considerable period. Some of the cases are given below:-

S. No.	Name of work	Name of Agency	Stipulated date of Start	Stipulated date of Completion	Actual Date of Completion	Amount of Bill pending (in Rs.)
1.	REPAIR, MAINTENANCE AND STRENGTHENING OF WEAK STRUCTURE OF DIFFERENT CATEGORIES OF STAFF AND DJB DISPENSARIES ON DAY TO DAY BASIS AT KESHOPUR	M/s GAURAV JINDAL	03-04-2023	30-08-2023	17-08-2023	14,66,528/-
2.	REPAIR AND MAINTENANCE OF BUILDING OUTSIDE OF BLOCK IV & V OF TYPE I STAFF QUARTERS AT VARUN KUNJ RITHALA	M/s GAURAV JINDAL	01-04-2023	20-05-2023	11-05-2023	16,01,634/-
3	MAINTENANCE OF STAFF QUARTERS ON DAY TO DAY BASIS REPAIR OF DOOR, WINDOWS, MS JALLI, WATER TANK, WATER, SANITARY FITTING AND OTHER ALLIED WORKS AT RITHALA STAFF QUARTERS	M/s Adesh Construction Co.	26-12-2022	23-06-2023	09-06-2023	11,21,609/-
4.	REPAIR, MAINTENANCE AND STRENGTHENING OF DAMAGED/WEAK STRUCTURE OF BLOCK OF TYPE I(FOUR STOREYS) QUARTERS AT DJB RESIDENTIAL COMPLEX KESHOPUR	M/s Adesh Construction Co.	19-02-2023	19-04-2023	17-04-2023	23,52,598/-

The Competent authority/HOO may take the proper care of CPWD manual that final payments of the works should be made within the prescribed time limit after completion of the work.

Sub: - Loss of Rs. 1316123/- on account of not availing 15% Rebate on Advertisements.

Newspaper publication/media House provided 15% discount/rebate to the Government department agency i.e. 'Shabdarth' (An advertisement agency of Government of NCT of Delhi) at DAVP rates for publication of Advertisement.

During the scrutiny of records provided expenditure incurred on Advertisement by the Division, it has been observed that the payment of 87,74,151/- has been made to different advertising agencies without availing rebate of 15% on DAVP rates. The advertisements were published through PR Department of Delhi Jal Board and payment thereof made by the concerned division.

Details of Payments to the concerned media agencies/New Paper Agencies during the Financial Year 2022-2023 & 2023-24 :

2022-2023

Name of Advertisement Agencies/Media House	Amount Paid in 2022-23)	Amount of Rebate of 15 % not availed by Division
JagranPrakashan LTD.	799689-	119953-
Front Row Media	34608-	5191-
Punjab Kesari	44839-	6726-
VirArjun Newspaper	1043-	156-
	343614-	
Amar Ujala Publications Ltd.		51542-
Bennett Coleman &Co.Ltd	1550834-	232625-
Hindustan Media Ventures Limited	539982-	80997-
Vaibhav Publications	15174-	2276-
The Indian Express Pvt. Ltd.	1609579-	241437-
HT Media	677664-	101650-
THG Publishing Pvt. Ltd.	793864-	119080-
Unique Infosales	90222-	13533-
Sahara India	2490-	374-
Total (A)	6503602-	975540-

2023-2024

Name of Advertisement Agencies/Media House	Amount Paid in 2023-24)	Amount of Rebate of 15 % not availed by Division
JagranPrakashan	84718-	12708-
The Indian Express	237929-	35689-
Loksatya	6476-	971-
Bennett Coleman &Co.Ltd	738837-	110826-
Amar Ujala	114728-	17209-
HT Media	1066231-	159935-
Front Row Media	21630-	3245-
Total (A)	2270549-	340583-

GRAND TOTAL = (A) + (B) = 9,75,540- + 3,40,583- = 13,16,123-

Efforts may be made for availing rebate of 15% on DAVP rates on Advertisements published through PR Department, Delhi Jal Board in order to reduce the expenditure.

Subject:- Non-Utilization of funds to the tune of Rs.1473.28 lakhs.

As per provisions of contained Under Section 4 & 49 of the CPWD manual, every department while finalizing annual action plan should keep in mind that the budget provisions 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 the facilities/services included in the annual action plan. The target fixed for execution of work in financial year should be fully achieved.

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

Further Surrender of savings stipulates that Departments shall surrender to Finance Ministry/deptt., by the dates prescribed by that Ministry/deptt. before the close of the financial year, all the anticipated savings noticed in the Grants or Appropriations controlled by them. The Finance Ministry shall communicate the acceptance of such surrenders as are accepted by it to the Accounts Officer, before the close of the 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. However, it was observed that huge amount of funds i.e. from 18.78% to 100% have been found remained unutilized as per details given below:-

Sr. No.	Head of Account	Budget Allocated(in Lakh)	Expenditure (in Lakh)	Savings (in lakhs)	% of Saving
	<u>2022-2023</u>				
1.	Staff quarters and office accommodation	513.69	340.00	173.69	33.81%
2.	STP, SPS/Rising Main	2606.77	2011.00	595.77	22.85%
3.	Use of Treated Effluent	1100.00	711.22	388.78	35.34%
4.	IT infrastructure	10.01	5.34	4.67	46.65%
5.	Telephone & Telex	1.12	0.59	0.53	47.32%
6.	R&M (Building)	2.27	0.94	1.33	58.59%
7.	R&M (Other)	0.26	0.01	0.25	96.15%
	Total (A)	4234.12	3069.10	1165.02	
	<u>2023-2024</u>				
1.	STP, SPS/Rising Main	790.36	612.00	178.36	22.56%
2.	Use of Treated Effluent	662.47	538.00	124.47	18.78%
3.	IT infrastructure	2.56	0	2.56	100%
4.	Telephone & Telex	1.23	0.17	1.06	86.17%
5.	R&M (Building)	1.26	0.79	0.47	37.30%
6.	R&M (Other)	0.29	0	0.29	100%
7.	Printing & Stationery	1.5	0.45	1.05	70%
	Total (B)	1459.67	1151.41	308.26	
	GRAND TOTAL (A) + (B)	5693.79	4220.51	1473.28	

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The division also did not realize that they will not in a position to extract the funds available with them during the financial year 2022-23 & 2023-24. Had they anticipated the same the fund could have been surrendered well in time so that the same could have been utilized by some other division/project of DJB on the GNCTD.

As per reply of the division, they surrendered some amount in respect of Heads at Sl. No. 1, 2 & 3 of 2022-23 on 22/03/2023 and in respect of Head at Sl. No. 1 of 2023-24 on 30/03/2024. But the amount was partially surrendered for 2022-23 with the remark that no bills are expected upto 31/03/2023, so the division should have surrendered all the savings not expected to be incurred.

As per Rule 62(1) of GFR 2017, the Department shall surrender the unutilized funds before the close of the financial year, all the anticipated savings noticed in the Grants or Appropriation controlled by them. However, in the above mentioned cases, the same was not done in Time.

HOO may take timely action as per GFR and instructions issued in this regard.

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Subject: Purchases made outside GeM.

As per Rule 149 of GFR 2017 and subsequent directions by Finance Department, GNCTD vide OM no. F.20.08.2017/866-873 dated 24/06/2017 read with OM dated 24/08/2017, the procurement of Goods and Services by Ministries or Department will be mandatory for goods or services available on GeM.

During test check of records/Vouchers provided by the Division, it has been observed that the purchases are being made outside GeM without any justification/Non-availability certificate on GeM available in records produced to Audit which is violation of govt. guidelines. Some instances are as follows:

S.No.	Invoice No. with date	Amount (in Rs.)	Items	Name of Agency
1.	30876 dated 14/07/2022	1100/-	stationery items	M/s Lalit Stationers and Books
2.	1535 dated 02/02/2023	520/-	Stationery items	M/s Arora Stationers and Books seller
3.	823 dated 09/02/2023	1747/-	stationery items	M/s Vijay Book Depot & Stationers
4.	953 dated 14/03/2023	1800/-	stationery items	M/s Vijay Book Depot & Stationers
5.	657 dated 16/12/2022	2706/-	stationery/General items	M/s Vijay Book Depot & Stationers
6.	1425 dated 24/11/2022	540/-	stationery items	M/s Arora Stationers and Books seller
7.	428 dated 02/10/2022	2505/-	stationery/General items	M/s Vijay Book Depot & Stationers
8.	1667 dated 02/02/2024	1120/-	stationery items	M/s Garg Stationers
9.	156 dated 29/11/2023	1337/-	stationery/General items	M/s Shree Shyam Traders
10.	157 dated 29/11/2023	1546/-	stationery items	M/s Shree Shyam Traders
11.	233 dated 01/06/2023	2016/-	stationery items	M/s Vijay Book Depot & Stationers
12.	361 dated 10/07/2023	1500/-	stationery items	M/s Vijay Book Depot & Stationers

The division should follow the existing rules/guidelines/GFR and above expenditures not made through GeM may be regularized from the Competent Authority

Audit Para – 07

(Memo No.07 dated: 10/09/2024)

Subject:- Non-production/non-maintenance of records/information.

The following records/information for the audit period have not been provided to Audit:-

1. Trial Balance for 2022-23
2. Details of Bank Accounts operated and its balances in the years 2022-23 and 2023-24
3. Reconciliation of balances in the bank accounts for the year 2022-23 and 2023-24
4. Hindrance Register

The above records may please be shown to next Audit.



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TEST AUDIT NOTES

TAN-01

(Memo No.03 dated: 05/09/2024)

Sub **Improper Maintenance of Cash Book.**

Rule 13 of Receipt & Payment rules provides that all the govt. Officers who are required to (a) receive Government dues and handle cash or (b) perform the functions of drawing and disbursing officers (with or without cheque drawing powers), or both: —

- (i) *Every such officer (referred to in this rule as the Head of the Office) should maintain a cash book in Form G.A.R.3.*
- (ii) *All monetary transactions should be entered in the cash book as soon as they occur and attested by the Head of the Office in token of check*

The division has Rs. 5000/- as Imprest amount and all the cash transactions are being made through Imprest for contingent or day to day expenditure i.e. Computer Consumables, Printing and Stationery, Conveyance, Other Expenses etc. However, during Scrutiny of record, it reveals that Cash Book has not been maintained properly by the Division during the audit period. The Cash Book should be maintained properly for all the payments made through imprest account also.

The division has shown a cash book for Imprest. The same was on a simple ruled register without writing on day to day basis and no certificate at the end month was recorded. The cash book shown was improper in all manners.

Improper maintenance of cash book is a lapse on the part of DDO of the Division. Necessary steps to maintain a cash book properly in accordance with Rule- 13 of Receipt & payment Rules should be taken.

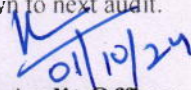
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Sub. :-Shortcomings in Stock Registers.

During the test check of Stock Register maintained by Division, the following shortcomings have been noticed:-

1. Only one Stock register is maintained for both Consumable and Non-consumable items in a simple ruled register. All the items have been shown in register.
2. Rule 213(1) and 213(2) of GFR 2017 stipulates that physical verification of stocks (Non-Consumable items) and verification of Consumable Goods & material should be undertaken at least once in a year and the outcome of the verification recorded in the corresponding register. On scrutiny of stock register, it has been observed that physical verification for the audit period were not undertaken in the register.
3. Page Counting certificate is not recorded at the first page of Stock register.
4. Cutting/overwritings are found at many pages but not attested by the DDO/Incharge in stock register.
5. Amounts of the items purchased are not mentioned in the stock register.

Necessary steps may be taken to remove the above shortcomings and compliance shown to next audit.


01/10/24
Inspecting Audit Officer