DIRECTORATE OF AUDIT
GOVT. OF NCT OF DELHI
4th LEVEL, "C" WING, DELHI SECRETARIAT,
NEW DELHI – 110002

Audit Report of EE (Project)-W Dwarka, Delhi Jal Board, Ashok Vihar, Delhi for the period 2022-23 & 2023-24.

Audit on the accounts of **EE (Project)-W Dwarka, Delhi Jal Board, Ashok Vihar, 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 28.08.2024 to 11.09.2024 **(10 working days)**. The accounts were reviewed purely on test check basis.

AIMS AND OBJECTIVES

Followings are the Aims & Objectives of **EE (Project)-W Dwarka, Delhi Jal Board, Ashok Vihar, Delhi: -**

The Division was created in July, 2009 for execution of ongoing works of Design, Construction, Supply, Installation, Testing and Commissioning with 10 Years O & M of 50 MGD WTP at Dwarka and Laying of MS Clear water mains for supply to various command tanks/reservoirs in Dwarka, Najafgarh, Ujwa and IGI Airport. The said work was completed and commissioned successfully. Now the work for Constructions of CWR/Pump House at Rajokari & Bijwasan and laying of transmission main under Wazirabad WTP is being undertaken by this division.

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. Chander Prakash	Ex. Engg.	01.04.2022 to 31.05.2022
02	Sh. Devendra Kumar Upadhyay	Ex. Engg.	01.05.2022 to till date

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S.No.	DDO	Designation	Period
01	Sh. Devendra Kumar Upadhyay	Ex. Engg.	01.05.2022 to till date

S.No.	Cashier	Designation	Period
	N/A		

BUDGET ALLOCATION AND EXPENDITURE FOR THE YEAR 2022-24

REVENUE

(Rs. In lakh)

S. No.	Year	Budget allotted	Expenditure	Balance	Savings
1.	2022-23	14.49	0.24	14.25	98.34%
2.	2023-24	0.03	0.00	0.03	100%

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CAPITAL

(Rs. In lakh)

S. No.	Year	Budget allotted	Expenditure	Balance	Savings
1.	2022-23	3941.00	3303.08	637.92	16.19%
2.	2023-24	2549.21	2549.21	0.0	0%

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VACANCY STATEMENT

S. No.	Group	No. of posts sanctioned	No. of posts filled	No. of posts vacant
1	A	01	01	Nil
2	B	10	05	05
3	C	15	05	10

STATUTORY AUDIT

The statutory audit of **EE (Project)-W Dwarka, Delhi Jal Board, Ashok Vihar, Delhi** has been conducted by AG (Audit), Delhi, up to the year 2017-2018.

MAINTENANCE OF RECORDS

The maintenance of records of **EE (Project)-W Dwarka, Delhi Jal Board, Ashok Vihar, Delhi**, for the period 2022-23 & 2023-24, was found satisfactory subject to observations made in Current Audit Report.

OLD AUDIT REPORT

The audit **EE (Project)-W Dwarka, Delhi Jal Board, Ashok Vihar, 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, **15** Audit Observation Memos and **01** Audit Record Memo, highlighting various shortcomings/irregularities were issued. One Audit Observation Memo has been settled/dropped on the basis of the reply/documents submitted by the Division. Remaining **15 Audit Memos, including 01 Record Memo, have been converted into 11 Paras and 03 TANs, 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.
03	92128/-	Nil	92128/-	02
Total	**92128/-**	**Nil**	**92128/-**	

The Internal Audit Report has been prepared on the basis of information furnished and made available by **EE (Project)-W Dwarka, Delhi Jal Board, Ashok Vihar, Delhi,** 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

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PART – II

CURRENT AUDIT REPORT

(2022-2023 & 2023-24)

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

PARA NO. 01: - Over allocation of funds leading to unnecessary savings.

(Ref: Audit Observation Memo No. 02, dated 30.08.2024)

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.

A- On scrutiny of Budget Register for the financial year 2022-23, the following is observed:-

1- Under the Head of A/c " **Raw Water Arrangement**", the following amount was allocated:

1st allocation vide letter no.32 to 53 dat.13.04.2022	2nd allocation vide letter no.1070to 128 dt.09.05.2022	3rd allocation vide letter no.177 to 198 dated 19.05.2022	Total
Rs.8.12 lakh	Rs.24.36 lakh	Rs.97.42 lakh	**Rs.129.90 lakh**

From the record it appears that, unnecessary budget provision for above mentioned amount of Rs.129.90 Lakh was made in the Head of A/c "Raw **Water Arrangement**", during the financial year 2022-23. No expenditure was incurred, out of the above mentioned allocated funds, during the period from 01.04.2022 to 02.06.2022 and ultimately the said fund was surrendered on 02.06.2022. Such a huge fund remained unutilised during above mentioned period. If there was no requirement of funds under the said Head of A/c, firstly, no budget provisions should have been made for the same in the Annual Action Plan and in case, fund had been allocated, a prompt action should have been initiated to surrender the same, as soon as it was learnt that the allocated fund was no more required to the Division.

2- Under the Head of A/c **"Non Plan Works",** the following amounts were allocated in the financial year 2022-23: -

S.No.	Particular	1st allocation (Rs.)	2nd Allocation (Rs.)	Total (Rs.)
1.	Repair & maintenance-others	2000/-	5000/-	7000/-
2.	Printing & stationery	6000/-	16000/-	22000/-
3.	Computer consumables	4000/-	10000/-	14000/-
4.	Advertisement	348000/-	975000/-	1323000/-
5.	Travelling & Conveyance	2000/-	6000/-	8000/-
	Total	**362000/-**	**1012000/-**	**1374000/-**

Total amount of **Rs.13,74,000/-** were allocated in two installments and the total amount allocated remained unutilized during the entire financial year 2022-23. It was further observed that, even incurring no expenditure, out of the funds allocated to the Division in 1st installment, 2nd installment of fund was allocated. No correspondence was made by the Division with the Fund Allocating Authority, intimating that there is no requirement of fund in various Heads of Account.

Inspite of the fact that expenditure on advertisement is incurred by Delhi Jal Board Head Quarter on behalf of all Divisions, a huge fund was allocated to the Division for advertisement, which remained unutilized during the entire financial year. This amount should have been surrendered by the Division well in time but the same was not done.

By surrendering the unutilized fund immediately when it comes to learnt that, it is no more required to the Division, the same fund could be utilized for other essential works.

3- As per **Rule 31 of CGA (Receipts and payments) Rules, 1983 says that Government Officers may make such payments, as are authorized to be paid out of permanent advances or imprest, which they are permitted to hold under orders of Competent Authority, issued in terms of rule 90 of the General Financial Rules, 1963/GFR 2017 u/r 322 to 324, subject to recoupment on presentation of bills.**

On scrutiny of Imprest Register it is observed that expenditure on Printing & Stationery, Computer Consumables etc. is being incurred out of the Imprest. Thus, the expenses incurred by the Division, out of imprest, were not in accordance with the ibid rule.

(B) On scrutiny of Budget Register for the financial year 2023-24, the following is observed:-

1- Under the Head of A/c **"Non Plan Works"**, the following amounts were allocated in financial year 2023-24:

S.No.	Particular	Ist allocation	2nd Allocation	Total
1.	Repair & maintenance-others	2000/-	2000/-	4000/-
2.	Printing & stationery	6000/-	6000/-	12000/-
3.	Computer consumables	4000/-	4000/-	8000/-
4.	Advertisement	331000/-	331000/-	662000/-
5.	Travelling & Conveyance	2000/-	2000/-	4000/-
6.	Telephone telex & Fax	10000/-	10000/-	20000/-
	Total	**355000/-**	**355000/-**	**710000/-**

Total amount of **Rs.7,10,000/-** were allocated in two installments and the total amount allocated remained unutilized during the entire financial year 2023-24. It was further observed that, even incurring no expenditure, out of the funds allocated to the Division in 1st installment, 2nd installment of fund was allocated. No correspondence was made by the Division with the Fund Allocating Authority, intimating that there is no requirement of fund in various Heads of Account.

Inspite of the fact that expenditure on advertisement is incurred by Delhi Jal Board Head Quarter on behalf of all Divisions, a huge fund was allocated to the Division for advertisement, which remained unutilized during the entire financial year. This amount should have been surrendered by the Division well in time but the same was not done.

2- On scrutiny of Imprest Register it is observed that expenditure on Printing & Stationery, Computer Consumables etc. is being incurred out of the Imprest. Thus, the expenses incurred by the Division, out of imprests, were not in accordance with the ibid rule.

An Audit Observation Memo (Memo No.-02) was issued to the Division for giving the reasons for irregularities/anomalies/shortcomings. In response the Division replied that, being the involvement of transition time of receiving correspondence from Head Quarter and within Division, it was slightly delayed. The reply furnished by the Division is not convincing/tenable.

The Division is, therefore, advised to look into the matter and take necessary action under intimation to the Audit.

PARA NO. 02: - Short Recovery of TDS of Rs.92128/-.

(Ref: Audit Observation Memo No.: 03, dated 03.09.2024)

Section 194-C of Income Tax Act states that, any person responsible for paying any sum to the resident contractor or sub-contractors for carrying out any work, including the supply of labor, in pursuance of a contract between the contractor and the following: -

The Central Government or any State Government or any Local Authority.

-TDS would be deducted, if the payment for the contractors exceeds Rs.30000/- in a single payment or 1,00,000/- in the aggregate during the financial year.

-If a single payment to a contractor does not exceed Rs.30,000/-. TDS will also be deducted under Sec. 194-C, in which the total payment credited or paid to the contractor during the financial year exceeds Rs.1,00,000/-

-TDS of 1% of the amount will be deducted from any payments or credits made to resident individuals or HUF. TDS of 2% of the amount will be deducted from any payments or credits made to any party other than resident individuals or HUFs.

- If any amount representing GST in an invoice is indicated separately, then TDS will be levied on value excluding such GST.

On scrutiny of the record, pertaining to the work "Construction Supply, Execution/Installation and Commissioning of 9.1 ML Capacity UGR/BPS at Bijwasan i/c modification of CT-4 as MBR, it has been observed that the contractor i.e. M/s Mohini Electricals Ltd., has not indicated the GST separately in the invoice, the Division, instead of deducting the **TDS from the Gross** has deducted it from the Net Amount. Thus, the Division has not deducted the TDS as per rule resulting in short deduction of TDS amounting to **Rs.92128/-**, as under: -

S.No.	Bill No.	TDS as per Unit @2% (Rs.)	TDS as per rules @2% (Rs.) (on gross amount)	Difference amount to be recovered (Rs.)
1.	9th R.A. Bill	101138/-	113269/-	12131/-
2.	10th R.A. Bill	85986/-	96300/-	10314/-
3.	11th R.A. Bill	154687/-	182530/-	27843/-
4.	12th R.A. Bill	112380/-	116571/-	4191/-
5.	13th R.A. Bill	143954/-	161221/-	17267/-
6.	14th R.A. Bill	95984/-	107496/-	11512/-
7.	15th R.A. Bill	73949/-	82819/-	8870/-
	Total	**768078/-**	**860206/-**	**92128/-**

An Audit Observation Memo (Memo No.-03) was issued to the Unit to give the reason for short recovery of TDS. In response the Division furnished a reply stating therein that TDS is being deducted from the contractor's bills as per the CPWD OM dated 30/09/2022 & 30/05/2022, which is not tenable/convincing.

It is, therefore, advised to deduct/recover the TDS from all the payments made to the contractors, as per prevailing rules, under intimation to the Audit.

PARA NO. 03:- Discrepancies/shortcomings in the work "Construction, Supply, Execution, Erection/Installation and Commissioning of 9.1 ML Capacity UGR/BPS at Bijwasan including Modification of CT-4 as MBR."

(Ref: Audit Observation Memo No. 04, dated 03.09.2024)

Work Name: Construction, Supply, Execution, Erection/Installation and Commissioning of 9.1 ML Capacity UGR/BPS at Bijwasan including Modification of CT-4 as MBR."

Work awarded to: M/s Mohini Electrical Limited.

Work Order No & date: 02 (2019-20) 29/05/2019

Estimated Cost (Civil): Rs.7,56,65,806.00

Estimated Cost (E&M): On Item Rate Basis.

Estimated Cost (O&M): On Item Rate Basis.

Quoted Rates (Civil): Rs.9,76,08,889.74

Quoted Rates (E&M): Rs.11,36,00,000.00

Quoted Rates (O&M): Rs.4,55,81,110.00

Negotiated Rates (Civil): Rs.9,45,00,000.00

Negotiated Rates (E&M): Rs.9,70,00,000.00

Negotiated Rates (O&M): Rs.1,35,00,000.00

Date of Start of Work: 10/06/2019

Completion Period: 21 months (18 months for Construction + 3 months for Trial Run & Commissioning) with 10 years O&M including Defect Liability Period.

Date of Completion of Work: 09/03/2021

Actual date of Start of Work: 10/06/2019

Actual date of Completion of Work: Still in progress.

Delhi Jal Board approved a Comprehensive Scheme for construction of UGRs/BPS of 9.1 ML capacity at Bijwasan and 508 ML capacity at Rajokari Village including feeder mains and distribution mains for a total cost of rs.8850.00 lakhs. As per re-appropriation of water supply, Bijwasan and Rajokari UGR will be given supply from Command Tank-4 (CT-4), which will work as an MBR in Dwarka WTP Command. The entire scheme is divided into following Packages to ensure speedy and effective implementation of the scheme: -

1- Construction of 9.1 ML Capacity UGR/BPS at Bijwasan.
2- Construction of 5.8 ML Capacity UGR/BPS at Rajokari.
3- P/L/Jointing Feeder Mains, Distribution Mains for Bijwasan & Rajokari.
4- Ancillary Works.

The instant work is for Construction, Supply Execution, Erection/Installation and Commissioning of 9.1ML Capacity UGR/BPS at Bijwasan, including Modification of CT-4 as MBR. The scope of this work consists of the following:-

(i) Construction of 901 ML Capacity UGR/BPS at Bijwasan Village (Civil and E&N Work).
(ii) 10 Years O&M Work.
(iii) Provision for making modification in CT-4 as an MBR.

(1) As per clause 8.1.2 of General Condition of Contract, Policy in joint names of Contractor and Employer

The policy referred to under sub-clause 8.1.1 shall be obtained in the joint names of the Contractor and the Employer and shall inter alia provide coverage against the following arising out of or in connection with execution of Works, its maintenance and performance of the Contract:

(i) Loss of life or injury involving public, employee of the Contractor, or that of Employee and Engineer-in-Charge.
(ii) Injury, loss or damages to the Works or property belonging to public, Government bodies, local authorities, utility organisations, Contractors, Employer or others.

On examination/scrutiny of the records/information provided by the Division in r/o the above work, the following has been observed: -

8.1.4 Remedy on Contractor's Failure to insure:

If the Contractor fails to effect or keep in force or keep in force or provide adequate cover in the insurance policies mentioned in sub-clause 8.1.1, or any other insurance it might be required to effect under the Contract, then in such cases, the Employer may effect and keep in force any such insurance or further insurance and the cost and **expenses incurred by Employer in this regard shall be deductible from payments due to the Contractor**

or from contractor's Performance Security, Security Deposit or any other guarantees available with the Contractor.

i. Policy Schedule for the Compensation Insurance found enclosed with the various R.A. bills, are not in the joint name of Contractor and Employer.

ii. Fortnightly Reports of some periods of Labour enclosed with the 15th R.A. Bill are as follows:

Labour Engaged	Detail	Period of Report
Skilled	9 Nos.x12 days=108 nos.	16.10.223 to 31.10.23
Unskilled	15 Nos.x12 days=180 Nos.	16.10.223 to 31.10.23
Skilled	6No.x10 days=60 nos.	01.11.223 to 15.11.23
Unskilled	12Nos.x10days=120 Nos.	01.11.223 to 15.11.23
Skilled	9 Nos.x9days=81 nos.	01.11.223 to 15.11.23
Unskilled	18 Nos. x9days=162 nos.	01.11.223 to 15.11.23
Skilled	7 Nos.x10days=70 nos.	01.03.24 to 15.03.24
Unskilled	10 Nos.x 10days=100 nos.	01.03.24 to 15.03.24

Policy schedules of insurance are showing no. of employees 05 in the prescribed column of the format of the schedule while as per labour report mentioned above having more numbers of skilled and unskilled labours on different dates. No other documents are found attached in the file/R.A. Bills to clarify the reason why the less number of workers are there in the policy schedule. Hence it is violation of conditions mentioned in the G.C.C. Hence it is against the welfare of the labours.

(2) Non submission of Monthly Record of labour:

As per Clause 17.7 that the Contractor shall submit by the 4th and 19th of every month, to the Engineering -In- Charge, a true statement showing in respect of the 2nd half of the preceding month and the 1st half of the current month respectively:-

i. The number of labourers employed by him on the work.
ii. Their working hours.
iii. The accidents that occurred during the said fortnight showing the circumstances under which they happened and the extent of damage and injury caused by them, and
iv. The wages paid to them.
v. The number of female workers who have been allowed maternity benefit according to clause 17.9 and the amount paid to them.

Failing which the Contractor shall be liable to pay to Employer a sum not exceeding Rs.1000/-for each default or materially incorrect statement. The decision of Divisional Officer shall be final in deducting from any bill due to the Contract the amount levied as fine and be binding on the Contractor.

On scrutiny of the bill, it was observed that no report, as pointed out above, was found in/with the bill.

25.

(03) Wages to Labour:

This is about Mode of payment of Wages that this department has issued administrative orders dated DLC(CD)/Sre/2011/4429 dated 16.12.2011, JLC(HQ)CLA/2014/5454 dated 04/07.04.2016, F-12(142)02/MW/VII/166 dated 22.05.2015 and 02.05.2016 to all employers/contractors for payment of wages to their workers electronically or through cheque. Digital payments are being adopted and promoted as these are less time consuming, transparent in expenses, user friendly and convenient mode of payment. It is our collective endeavor to promote digital payment. All employees/contractor, may therefore adopt following modes of digital payment of wages to their workers:

(a) Unified Payment interface (UPI)
(b) E-wallet, cards, PoS
(c) Aadhar Enabled Payment system (AEPS)
(d) Unstructured Supplementary Service Data (UESSD)

The Contractor has to make the payments as per the daily minimum wages Act to the labour deployed at site of work. Violation of this Act leads to appropriate action against the Contractor as per letter No. DJB/AC9LW0/2017/D-72949 dated 27/11/2017, issued by Assistant Commissioner (LW).

On scrutiny of bills and files, it was observed that there was no proof or document found in r/o mode of transfer of wages as per instructions to bidders detailed above.

An Audit Observation Memo (Memo No. -04) was issued to the Division for giving the reasons for irregularities/anomalies/shortcomings. In response the division has furnished a reply stating therein as under: -

- The Insurance Policy submitted by the contractor includes only those who are regular workers involved in major and high-risk activities, as they are considered essential for coverage due to the nature of their work.
- Contractor is responsible for paying wages to the workers deployed at the site. As per the contractor's practice, all records and documentation related to wages payments, including the mode of payment, are being maintained by the contractor at site and also periodically checked by the field engineers.

The reply furnished by the Division is not convincing/tenable.

Therefore, it is advised to give the detailed justification/clarification of the above noted irregularities and also to take action as per the observations of the Audit, under intimation to the Audit. It is further advised that, the Division must adhere to all terms & Conditions/guidelines/rules, while executing tenders.

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PARA NO. 04: - **Discrepancies/shortcomings in the work "Construction of RCC Boundary Wall for the land of 9.10 ML Capacity UGR/BPS at Bijwasan."**

(Ref: Audit Observation Memo No. 05, dated 06.09.2024)

Work Name: Construction of RCC Boundary Wall for the land of 9.10 ML Capacity UGR/BPS at Bijwasan.

Work awarded to: M/s Mahesh Chand & Co.

Work Order No & date: 01 (2018-19) 08/08/2018

Estimated Cost (Civil): Rs.63,45,997.00

Justified Cost (Civil): Rs.81,63,491.00

Award Cost: Rs.66,38,547.00 (18.68% below the Justified Cost).

Date of Start of Work: 15/09/2018

Completion Period: 06 months

Date of completion of Work: 14/03/2019

Actual date of Start of Work: 15/09/2018

Actual date of Completion of Work: Foreclosed due to hindrance. P-11 K.D. File

Date of Foreclosure: 15/09/2023

On examination/scrutiny of the records/information provided by the Division, in r/o of the above mentioned work, it has been observed as under: -

01- The above said work was awarded to M/s Mahesh Chand & Co. through e-tendering process. The said work was awarded for Rs.66,38,547.00 against the justified cost of Rs. 81,63,491.00. (18.68% below the Justified Cost). As per Clause No. 07 of the Tender Document, the date of Undertakings must be after the issue of NIT. The Tender Document/NIT was e-Published on **01/03/2018**, whereas the following documents, submitted by the bidder, are dated prior to the date of publish of the Tender Document/N.I.T.: -

Sl. No.	Description of document	Document date
01.	Affidavit confirming that the statements made in the bid and the information given in Annexure referred to above are true in the all respects.	04/02/2018

By not adhering to the provisions of General Financial Rules, along with the terms & conditions of the G.C.C./N.I.T/Tender Documents, while finalizing the tender, an undue favour has been given to the bidder and contract has been awarded to him.

02- As per Clause No. 4.1 General Conditions of Contract, the site shall comprise the real estate described in Special Conditions of Contract in r/o which the right of way shall be provided by the Employer to the Contractor. The Employer shall be responsible to the Contractor: -

(i) Acquiring and providing physical possession of the Site free from all encroachments and encumbrances and free access thereto for the execution of the Contract; and

(ii) Prior environment clearance for the Site as per the Environment Impact Assessment Notification 2006 under the Environment (Protection) Act 1986, wherever applicable.

As per information provided by the Unit, the above said work has been foreclosed w.e.f. 15/09/2023, due to conflict between Indian Oil Corporation Ltd. (IOCL) and DJB for construction of boundary wall in IOCL corridor. Only 85% of the total work has been completed by the contractor.

Department had to ensure, before award of the work, that the site is free from all encroachment/disputes/hindrances. As per record, payment of an amount of Rs.50,66,961.00 has been already made to the contactor. By awarding the work on a site, in which there is a dispute/hindrance, the Department has incurred a wasteful expenditure of Rs.50,66,961.00, as the purpose of the Department could not be served, for which the said tender was awarded.

An Audit Observation Memo (Memo No. -05) was issued to the Division for giving the reasons for irregularities/anomalies/shortcomings. In response the division replied that the bidder had submitted the undertakings on letter head as prescribed in the NIT documents well within the specified time but no supportive document was provided by the Division.

Therefore, it is advised to give the detailed justification/clarification of the above noted irregularities and also to take action as per the observations of the Audit, under intimation to the Audit. It is further advised that, the Division must adhere to all terms & Conditions/guidelines/rules, while executing tenders.

PARA NO. 05: - Discrepancies/shortcomings in the work "Construction of RCC Boundary Wall for the land of 5.8 ML Capacity UGR/BPS at Rajokari."

(Ref: Audit Observation Memo No. 06, dated 06.09.2024)

Work Name: Construction of RCC Boundary Wall for the land of 5.8 ML Capacity UGR/BPS at Rajokari.

Work awarded to: M/s Doaba Construction Co.

Work Order No & date: 04 (2018-19) 20/08/2018

Estimated Cost (Civil): Rs.73,63,150.00

Justified Cost (Civil): Rs.97,76,054.00

Award Cost: Rs.74,41,936.00 (23.88% below the Justified Cost)

Date of Start of Work: 15/09/2018

Completion Period: 06 months

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Date of completion of Work: 14/03/2019

Actual date of Start of Work: 15/09/2018

Actual date of Completion of Work: Foreclosed due to hindrance. – P-11 K.D File

Date of Foreclosure: 04/01/2024

On examination/scrutiny of the records/information provided by the Division, in r/o of the above mentioned work, it has been observed as under:-

01- As per Clause No. 4.1 General Conditions of Contract, the site shall comprise the real estate described in Special Conditions of Contract in r/o which the right of way shall be provided by the Employer to the Contractor. The Employer shall be responsible to the Contractor: -

(iii) Acquiring and providing physical possession of the Site free from all encroachments and encumbrances and free access thereto for the execution of the Contract; and

(iv) Prior environment clearance for the Site as per the Environment Impact Assessment Notification 2006 under the Environment (Protection) Act 1986, wherever applicable.

As per information provided by the Unit, the above said work has been foreclosed w.e.f. 04/01/2024, due to conflict/Court Case between Sh. Krishan Kumar, an individual and DJB for construction of boundary wall. Only 75% of the total work has been completed by the contractor.

It is the Department, which had to ensure, before award of the work, that the cite is free from all encroachment/disputes/hindrances. As per record, payment of an amount of Rs.23,45,527.00 has been already made to the contactor. By awarding the work on a site, in which there is a dispute/hindrance, the Department has incurred a wasteful expenditure of Rs.23,45,527.00, as the purpose of the Department could not be served, for which the said tender was awarded.

An Audit Observation Memo (Memo No. -06) was issued to the Division for giving the reasons for irregularities/anomalies/shortcomings. In response the division has furnished a reply stating therein that all the three sides of the land acquired for construction of UGR were free from all sort of hinderances except the fourth side wherein the case is under Dwarka Court. The reply furnished by the Division is not convincing/tenable.

Therefore, it is advised to give the detailed justification/clarification of the above noted irregularities and also to take action as per the observations of the Audit, under intimation to the Audit. It is further advised that, the Division must adhere to all terms & Conditions/guidelines/rules, while executing tenders.

<u>PARA NO. 06</u>: - Discrepancies/shortcomings in the work "Repair & Renovation of the Office of EE (Dwarka) WTP, EE(EAP)-III & EE(Project) W-V at Over Head Tank, Ashok Vihar, Delhi."

(Ref: **Audit Observation Memo No. 08, dated 06.09.2024)**

Work Name: Repair & Renovation of the Office of EE (Dwarka) WTP, EE(EAP)-III & EE(Project) W-V at Over Head Tank, Ashok Vihar, Delhi.

Work awarded to: M/s Adesh Construction Co.

Work Order No & date: 02 (2022-23) 16/01/2024

Estimated Cost (Civil): Rs.47,09,629.00

Justified Cost (Civil): Rs.51,98,826.00

Award Cost: Rs.38,46,825.00 (26.00% below the Justified Cost)

Date of Start of Work: 13/10/2022

Completion Period: 06 months

Date of completion of Work: 12/04/2023

Actual date of Start of Work: 13/10/2022

Actual date of Completion of Work: 02/02/202

On examination/scrutiny of the records/information provided by the Division, in r/o of the above mentioned work, it has been observed as under: -

01- Technical Bids from following four bidders were received for the above said work: -
(i) M/s Adesh Construction Co.
(ii) M/s Sukhdev Singh
(iii) M/s Moolchand
(iv) M/s New Construction Co.

As per terms & conditions of the NIT, one set of hard copies of Technical Bid was required to be submitted by the bidder to the Division on the following day of submission of the bid. Except M/s Moolchand all other three bidders submitted the hard copies of the Technical Bids in the Division. As per record, Department tried to contact M/s Moolchand telephonically but no response was received from the bidder. **There is no evidence available with the Division in support of the fact that, any attempt was made to contact M/s Moolchand telephonically**. In order to obtain more responsive bids on competitive basis, a proper opportunity must have been given to M/s Moolchand, as he had already submitted all the required documents/papers through online.

02- As per clause 8.1.2 of General Condition of Contract, Policy in joint names of Contractor and Employer:

The policy referred to under sub-clause 8.1.1 shall be obtained in the joint names of the Contractor and the Employer and shall inter alia provide coverage against the following

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arising out of or in connection with execution of Works, its maintenance and performance of the Contract:

i. Loss of life or injury involving public, employee of the Contractor, or that of Employee and Engineer-in-Charge.

ii Injury, loss or damages to the Works or property belonging to public, Government bodies, local authorities, utility organisations, Contractors, Employer or others.

On examination/scrutiny of the records/information provided by the Division in r/o the above work, the following has been observed: -

i. Policy Schedule for the Compensation Insurance found enclosed with **the Ist R.A. bill, not in the joint name of Contractor and Employer.** The copies of policy schedules enclosed with Draft CMB NO.38 do not pertain to this work but for work of "**Construction, Laying, Maintenance of Water Pipelines and Sewer Lines of DJB &mothers". These copies of policy schedules are duly verified by the concerned JE & AE.** No documents are found enclosed with the R.A. Bills to clarify these irregularities.

ii. Labor Reports for the labour deployed on the work for the period w.e.f. 13.10.22 to 15.01.23 do not have: -

-**Number of labors engaged/ employed on contract** means this column found blank.

-Skilled engaged for **02 days in a fortnight**.

-Unskilled engaged for **04 days in a fortnight.**

These reports are duly signed by the concerned JE & AE but not signed by EE.

iii. Labor reports letter heads do not have **Ref. No. and date**.

8.1.4 Remedy on Contractor's Failure to insure:

If the Contractor fails to effect or keep in force or keep in force or provide adequate cover in the insurance policies mentioned in sub-clause 8.1.1, or any other insurance it might be required to effect under the Contract, then in such cases, the Employer may effect and keep in force any such insurance or further insurance and the cost and **expenses incurred by Employer in this regard shall be deductible from payments due to the Contractor or from contractor's Performance Security, Security Deposit or any other guarantees available** with the Contractor.

Reason of the above deficiencies be elucidated to Audit and ensure compliance of the instructions to bidders.

03- Wages to Labour: -

This is about Mode of payment of Wages that this department has issued administrative orders dated DLC(CD)/Sre/2011/4429 dated 16.12.2011, JLC(HQ)CLA/2014/5454 dated 04/07.04.2016, F-12(142)02/MW/VII/166 dated 22.05.2015 and 02.05.2016 to all employers/contractors for payment of wages to their workers electronically or through cheque. Digital payments are being adopted and promoted as these are less time consuming, transparent in expenses, user friendly and convenient mode of payment. It is our collective endeavor to promote digital payment. All employees/contractor may therefore adopt following modes of digital payment of wages to their workers:

i. Unified Payment interface (UPI)
ii. E-wallet, cards, PoS
iii. Aadhar Enabled Payment system (AEPS)
iv. Unstructured Supplementary Service Data (UESSD)

The Contractor has to make the payments as per the daily minimum wages Act to the labour deployed at site of work. Violation of this Act leads to appropriate action against the Contractor as per letter No. DJB/AC9LW0/2017/D-72949 dated 27/11/2017, issued by Assistant Commissioner (LW).

On scrutiny of bills and files, it was observed that there was no proof or document found in r/o mode of transfer of wages as per instructions to bidders detailed above.

04- Employment of Technical Staff & Employee: -

As per **clause 3.8 of DJB Generals Conditions of Contract**, Employment of technical staff and employees of General Condition of Contract (GCC) that the contractor shall employ a qualified engineer(s) for supervision of the Works. The Contractor shall immediately after receiving letter of Acceptance of the tender and before commencement of the, intimate in writing to the Engineer-in –charge: -

i. Name, qualifications, experience, age, address and other particulars along with certificates, of the principal technical representative to be in charge of the work, communicated/submitted to the Engineer –in –Charge and
ii. Approval of the Engineer–in-Charge of this communication in r/o the principal technical representative.

Scrutiny of R.A. Bills, reveals that only a photocopy of degree is enclosed and requisite certificates as mentioned above not found enclosed along with the bills.

05- Non-Availability of Vouchers in R. A. Bills.

Scrutiny of R.A. Bills in r/o the above work reveals that there are many items mentioned in the description of items attached with Ist R.A. Bill & 2nd & Final R.A. Bill but their vouchers are not found along with the bills, which are as follows:

Item No.	Description	Quantity	Rate	Amount
27.	Painting with synthetic **enamel paint** of approved brand	156.95sqm.	55	8632.25
34.	Providing and fixing **Brass 100mm mortice latch** and **lock with 6 levers** without pair of handles(best make of approved quality) for aluminum doors	1.00	449.55	449.55
39.	**Stainless steel(grade 304) wire gauze** of 0.5mm dia wire and 1.4mm aperture on both sides	18.24sqm.	971.55	17721.07
43.	Finishing walls with 100% Premium acrylic	757.86Sqm.	154.45	117051.48

	emulsion paint			
51.	Providing and fixing **white vitreous china flat back half stall urinal of size 580x380x350mm** with white PVC **automatic flushing cistern** with fitting, standard size C.P. brass flush pipe, speaders with unions and clamps(all in C.P. Brass) with waste fitting as per IS:2556, C.I. trap with outlet grating and other couplings in C.P. brass,	02 Each	15115 + 18546	67322.00
56.	Providing and fixing 600x450mm beveled edge **mirror of superior glass**(of approved quality) complete with 6 mm thick hard board ground fixed to wooden cleats with C.P.Brass screws and **washers complete**.	5.0each	1411.15	7055.75
79.	Higher Wattage Decorative ultra slim **polycarbonate LED lighting** fixture with high lumen output environmental friendly, energy, efficient ready to use pack.	5.00 each	2110.00	10550.00
80.	**Ceiling fan**-1050/1200mm	5.00 each	1585.00	7925.00
	Total			236707.10

An Audit Observation Memo (Memo No. -08) was issued to the Division for giving the reasons for irregularities/anomalies/shortcomings. In response the division has furnished a reply as under: -

- As per terms & conditions of the NIT bidder has to submit one set of hard copies of the Technical Bid in the Division on the following day of the bid submission. However, attempts were made to contact the bidder but no response was received.
- The Insurance Policy submitted by the contractor includes only those who are regular workers involved in major and high-risk activities, as they are considered essential for coverage due to the nature of their work. The other workers, such as those engaged on a temporary/daily basis for supporting tasks, are not included in the policy.
- The firm submitted labour Reports on their official letterhead, which were duly attached with R.A. Bills. (But actually, the said reports were neither attached with the R.A. Bills nor were provided by the Division).
- Contractor is responsible for paying wages to the workers deployed at the site. As per the contractor's practice, all records and documentation related to wages payments, including the mode of payment, are being maintained by the contractor at site and also periodically checked by the field engineers.
- The qualification & experience certificates of the Technical Staff employed by the contractor are submitted along with every R.A. Bill. (But actually, the said certificates were neither attached with the R.A. Bills nor were provided by the Division).
- The firm has submitted the vouchers for the main items such as cement & steel.

The reply furnished by the Division is not convincing/tenable.

Therefore, it is advised to give the detailed justification/clarification of the above noted irregularities and also to take action as per the observations of the Audit, under intimation to the Audit. It is further advised that, the Division must adhere to all terms & Conditions/guidelines/rules, while executing tenders.

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PARA NO. 07: - Award of work at abnormally below the Estimated Cost.

(Ref: Audit Observation Memo No. 09, dated 06.09.2024)

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, based on prevailing Delhi Schedule of Rates. However, it was noticed that tenders were accepted much below than the estimated/justified 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 & 2023-24, reveals that the following tender has been awarded more than 25 % below the Estimated/Justified Cost. The detail of the same is given as under: -

S. No	Name of wok	Justified Cost (Rs.)	Tender cost (Rs.)	Below%
1.	Repair & Renovation of the Office of EE(Dwarka) WTP, EE(EAP)-III & EE(Project) W-V at Over Head Tank, Ashok Vihar, Delhi." **Work Order No. 02 (2022-23)**	5198826/-	3846825/-	26.00

An Audit Observation Memo (Memo No.-09) was issued to the Division to give the reasons for awarding work abnormally below 25% of the Justified/Estimated Cost. In response the said Memo the Unit stated that the estimate/justified cost is prepared on the basis of latest DSR and sanctioned technically by the Competent Authority. It has been further stated that, it was approved by the Competent Authority to obtain Additional Performance Guarantee in the cases where Award Cost goes more that 25% below the Justified Cost.

The reply furnished by the Unit is not convincing/tanable. Therefore, a detailed justification for awarding of works **abnormally below (more than 25%)** the estimated cost/ incorrect calculation of the Estimated Cost, may be furnished to the Audit. It is further advised that, the Division should follow the instructions, as given in the CPWD Works Manual, while preparing the estimate of the works.

PARA NO. 08: - Non-surrender of savings.

(Ref: Audit Observation Memo No. 11, dated 06.09.2024)

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 saving under Capital Head in the financial years 2022-23 & 2023-24. 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)	savings/ unutilised funds
2022-23	Revenue Expenditure	14.49	0.24	14.25	**98.34%**
	Capital Expenditure	3941.00	3303.08	637.92	**16.19%**
	TOTAL (A)	**3955.49**	**3303.32**	**652.17**	**16.49%**
2023-24	Revenue Expenditure	0.03	0.00	0.03	**100.00%**
	Capital Expenditure	2549.21	2549.21	0.00	**0.00%**
	TOTAL (A)	**2549.24**	**2549.21**	**0.03**	**0.001%**
	TOTAL (A + B)	**6504.73**	**5852.53**	**652.20**	**10.03%**

From the above table, it is gathered that out of the total allocation of Rs.6504.73 lakhs, an amount of Rs.5852.53 lakhs were incurred for execution of works and for other expenditures under various heads and there were savings worth Rs.652.20 lakhs. The overall percentage of savings was 10.03%.

Budget and Expenditure statement of the audit period showed savings to the extent of 0.0% to 100.00%, in the Revenue and 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 allocated to it, to its full extent, which defeat the very purpose for which the amount was allocated.

The Division therefore did not realize that it 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.

An Audit Observation Memo was issued to the Division to give the reasons for non-utilization of fund to its full extent or non-surrender of funds timely to the Government. In response the Division furnished a replied that as per the prevailing practice of DJB, B & A Section allocates the budget under the head of Capital & Revenue and surrender the budget itself on/before 1st April. The reply of the Division is not convincing/tenable.

Thus, the Division needs to frame the budget proposal in a more realistic manner so as to utilize the allocated funds fruitfully. The Division may, therefore, look into the matter and take necessary action under intimation to the audit.

PARA NO. 09:- Non-maintenance of Cash Book for financial year 2022-23 & 2023-24.

(Ref: Audit Observation Memo No. 12, dated 09.09.2024)

Rule-13 of Receipt & Payment Rules provides that, 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 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.

However, during scrutiny of record it is observed that, cash book has not been maintained by the DDO **of EE(Project) W Dwarka, Delhi Jal Board, Ashok Vihar, Delhi**, for the audit period i.e. 2022-23 & 2023-24. It has been observed from the Ledger of Other Expenses that, Imprest A/c has been utilized for payment/purchase of items by the Division, but Cash Book has not been maintained by the Division. As per information provided by the Division, the amount of Imprest Money utilized & Other Receipt (Cash), during the financial year 2022-23 & 2023-24, is as under:-

Financial Year	Imprest Money Utilized	Other Receipts (Cash)
2022-23	Rs.35,861/-	Rs.300/-
2023-24	Rs.55,497/-	Rs.665/-

As per rule, each entry needs to be entered in the Cash Book and these entries should be signed by the DDO. At the end of each month, balances should be attested by the DDO/HOO.

An Audit Observation Memo was issued to the Unit to give the reasons for non-maintenance of Cash Book. In response, the Division furnished a reply stating therein that the Cash Book is not being maintained as the same is being maintained in Telly & IFMS Software, as per prevailing practice of the Delhi Jal Board. The reply of the Division is not tenable/convincing.

It is, therefore, advised to maintain the Cash Book, as per Receipt and Payment Rules, under intimation to the Audit.

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PARA NO. 10: - Discrepancies/shortcomings in the work "Construction, Supply, Execution, Erection/Installation and Commissioning of 5.8 ML Capacity UGR/BPS at Rajokari."

(Ref: Audit Observation Memo No. 15, dated 10.09.2024)

Work Name: Construction, Supply, Execution, Erection/Installation and Commissioning of 9/1 ML Capacity UGR/BPS at Rajokari."

Work awarded to: M/s Mohini Electricals Limited.

Work Order No & date: 01 (2019-20) 29/05/2019

Estimated Cost (Civil): Rs.6,11,28,489.00

Estimated Cost (E&M): On Item Rate Basis.

Estimated Cost (O&M): On Item Rate Basis.

Justified Cost (Civil): Rs.7,66,64,409.51

Quoted Rate (Civil): Rs.8,10,56,364.00

Quoted Rate (E&M): Rs.7,39,43,624.00

Quoted Rate (O&M): Rs.2,70,00,000.00

Negotiated Rate (Civil): Rs.7,55,85,071.00

Negotiated Rate (E&M): Rs.6,89,52,429.00

Negotiated Rate (O&M): Rs.2,51,77,500.00

Date of Start of Work: 10/06/2019

Completion Period: 21 months (18 months for Construction + 3 months for Trial Run & Commissioning) with 10 years O&M including Defect Liability Period.

Date of completion of Work: 09/03/2021

Actual date of Start of Work: 10/06/2019

Actual date of Completion of Work: Still in progress.

Delhi Jal Board approved a Comprehensive Scheme for construction of UGRs/BPS of 9.1 ML capacity at Bijwasan and 508 ML capacity at Rajokari Village including feeder mains and distribution mains for a total cost of rs.8850.00 lakhs. As per re-appropriation of water supply, Bijwasan and Rajokari UGR will be given supply from Command Tank-4 (CT-4), which will work as an MBR in Dwarka WTP Command. The entire scheme is divided into following Packages to ensure speedy and effective implementation of the scheme: -

1. Construction of 9.1 ML Capacity UGR/BPS at Bijwasan.
2. Construction of 5.8 ML Capacity UGR/BPS at Rajokari.
3. P/L/Jointing Feeder Mains, Distribution Mains for Bijwasan & Rajokari.
4. Ancillary Works.

The instant work is for Construction, Supply Execution, Erection/Installation and Commissioning of 5.8 ML Capacity UGR/BPS at Rajokari. The scope of this work consists of the following:-

(i) Construction of 5.8 ML Capacity UGR/BPS at Rajokari Village (Civil and E&N Work).

(ii) 10 Years O&M Work.

On examination/scrutiny of the records/information provided by the Division, the following has been observed: -

01- Deviation in quantity of agreement items without recording specific reasons.

(i) As per CPWD Works Manual, schedule of quantity of works prepared very judiciously and based on site conditions. Any deviation made in quantity, approval of Competent Authority for deviations in quantity is required with reasons and same should have been recorded in the Deviation Statement.

(ii) Section 4.2.1(2) of CPWD Manual stipulates that detailed estimate should be complete and as comprehensive as possible and should be supported by Drawing Structural Plans, preliminary lay out and detailed drawing and specifications.

(iii) As per section 2.3.4 of CPWD manual, material deviation that significantly alter the scope of work from the original sanction should not be made without the approval of the authority that accorded administrative approval to the work, even though the cost of the same may be covered by saving the other items.

On scrutiny of Work Order No. 01 (2019-20) 29/05/2019 and on comparison of **BOQ and 15th R.A. bill dated 23.11.23 (last R.A. Bill of this work provided),** it was observed that there is a huge deviation in items mentioned in the BOQ and Final RA Bill but no specific reason has been found mentioned for it. In BOQ, 139 items were mentioned but on test check of 15th R.A. Bill, it is revealed that, about 70 items were not taken up/work out, up to 15th R.A. Bill, whereas about 98% work has been completed.

Detail of the items is given as under: -

Description of items	Qty as per schedule (BOQ)	Qty. as per 15th RA bill	Difference in qty	Rate of payment (Rs.)	Excess Amt. due to deviation (Rs.)
Item No.1 Carriage of material By mechanical transport... -Earth-lead of 5km. -Excavated Earth-beyond 5km and up to 10km	1824.00 2553.59	6584.65 50565.28	476065 48011.69	149.17/ cum 10.85/ cum	710146.16 520926.84
Item No. 2 Carriage of material by manual labour including loading, unloading	364.80	1398.73	1033.93	25.24/cum	26096.39
Item No.3 Earth work in excavation by mechanical means...	10398.89	13255.26	2856.37	125.95/cum	359759.80
Item No. 8 Filling available excavated earth....	3714.91	5874.43	2159.52	125.75/cum	271559.64
Item No.9 Extra for every additional lift of 1.5m or part thereof in excavation...	12518.57	18434.08	5915.51	51.75/cum	306127.64
Item No. 11 Poviding and laying in					

Poviding and laying in position cement concrete.... a.1:2:4(1cement:2coarse sand:4graded stone aggregate 20mm nominal size) b. 1:3:6(1 cement:3coarse sand:6 graded stone aggregate 20 mm nominal size)	10.00 205.4	46.16 287.79	36.16 82.39	5481.95/cum 4927.00/cum	198227.31 405935.53
Item No.19 R.C.C. work	10.50	130.59	120.09	6716.30/cum	806560.47
Item No. 20 (a) Centering and shuttering including strutting, propping etc.... Foundation footings...	271.10	383.86	112.76	193.95/sqm	21869.8
Item No.20 (b) Centering and shuttering including strutting, propping etc.. Walls	3191.40	3498.58	307.18	378.60/sqm	116298.35
Item No.20 (c) Centering and shuttering including strutting, propping etc..... Suspended floors, roofs, landings.	1993.39	2017.75	24.36	422.30/sqm	10287.23
Item No.20 (e) Centering and shuttering including strutting, propping etc..... Columns, pillars, piers, abutments, post...	755.29	1010.67	255.38	467.85/sqm	119479.53
Item No. 21 Extra for additional height In centering, shuttering.....	5145.00	7161.71	2016.71	171.50/sqm	345865.77
Item No. 22 Providing and fixing tie bolt.....	1530.00	3072.00	1542.00	268.05/set	413333.10
Item No. 24 Steel reinforcement for R.C.C. work including ... a. Cold twisted bars/Hot rolled deformed bars	383048.46	394758.96	11710.5	56.60/kg.	662814.30
Item No. 25 Add for plaster drip course/groove in plastered surface or molding to R.C.C. projections	50.00	173.21	123.21	34.15/mts.	4207.62
Item No.29 Add for using extra cement in the item of design mix.....	10.00	956.32	946.32	672.75/ quintal	636636.78

Item No.36 Brick work with common burnt clay FPS	250.25	273.41	23.16	5582.85/cum	129298.81
Item No.58 52 cum thick cement concrete flooring	293.13	366.92	73.79	555.25/sqm	40971.9
Item No.66 **10 cm thick mud phaska of damped brick earth on roofs .....**	**3388.62**	**370.57**	**(-)3018.05**	**596.70/sqm**	**(-) 1800870.43**
Item No.68 Providing Gola 75x75mm in cement concrete:1:2:4	107.58	217.60	110.02	153.00mtr.	16833.06
Item No.71 Providing and fixing on wall face ...	35.00	140.80	105.8	236.35/mtr.	25005.83
Item No.73 Providing and fixing uplasticised PVC....	35.00	48.00	13	181.40/each	2358.2
Item No. 75 **12mm cement plaster of mix**	**3442.74**	**643.83**	**(-)2798.91**	**160.35/sqm**	**(-)448805.22**
Item No.76 **15mm cement plaster on the rough side of single**	**2227.99**	**1257.94**	**(-)970.05**	**185.20/sqm**	**(-)179653.26**
Item No.77 12 mm cement Plaster finished with a floating....	100.00	760.59	660.59	214.20/sqm	141498.38
Item No. 78 6 mm cement plaster of mix.	530.24	666.01	135.77	143.80/sqm	19523.73
Item No.81 Distempering with dry distemper of approved brand and	528.24	1075.86	547.62	71.85/sqm	39346.5
Item No.83 Applying one coat of water thinnable	859.48	1147.75	288.27	36.95/sqm	10651.58
Item No.85 Washed stone grit plaster on exterior walls	1033.13	1165.32	132.19	582.60/sqm	77013.89
Item No.86 Forming groove of uniform size... a. 15 mm wide and 15 mm deep groove	100.00	1708.43	1608.43	34.40/mtr.	55329.99
Item No.89 **Structural steel work in single section fixed with or without**....	**5704.84**	**622.07**	**(-)5082.77**	**58.45/kg.**	**(-)297087.91**
Item No. 91 Supplying and fixing shutters of approved make, made of required size....	32.00	56.93	24.93	2316.10/sqm	57740.37
Item No. 93 Extra for providing mechanical device...	35.00	56.93	21.93	724.05/sqm	15878.42

Biswas

Item No.97 **<u>Steel work welded in built up sections/framed work</u>** **a. <u>In strings treads, landings etc.</u>**	**3599.01**	**455.93**	**(-) 3143.08**	**130.10/each**	**(-) 408914.71**
Item No.98 Providing and fixing stainless steel ralling......	133.26	196.37	63.11	472.40/kg.	29813.17
Item No. 137 Providing orange colour safety foot rest of minimum	20.00	32.00	12	327.90/each	3934.80
Total					**3465999.37**

Note: Item Nos. 4, 23, 32, 33, 34, 35, 37, 40, 41, 42, 44, 45, 48, 50, 51, 52, 53, 54, 55, 56, 60, 63, 64, 67, 79, 87,88, 94, 99 to 136 & 138, 139 did not work out, whereas, as per reply furnished by the Division, about 98% work has been completed till the payment of 15th R.A. Bill.

Deviation status above mentioned indicates that steel, cement and brick work has been not done as per requirement of BOQ and there is a huge deviation in the items of the work, but no reason has been recorded by the Division. It also indicates that, as per CPWD rules & regulations mentioned above, neither the work quantity nor the structural plan and detailed drawing was prepared judiciously. It further indicates that, terms of Section 2.3.4 of CPWD manual were not adhered to by the Division, as there is huge material deviation that significantly alters the scope of work from the original sanction.

02- Long delay in completion of the Work.

As per Work Order, the initial date of completion of work was 09/03/2021 & it was further extended by Dehi Jal Board up to 16/10/2022, but the work is still in progress. No action, as per rules, has been taken against the Contractor for such a long delay. Approval of Extension of Time, for delay beyond 16/10/2022, has been not found in the record provided by the Division. Recovery/penalty, as per General Conditions of Contract of DJB, has not been made by the Division.

03- As per clause 8.1.2 of General Condition of Contract, the policy referred to under sub-clause 8.1.1 shall be obtained in the joint names of the Contractor and the Employer and shall inter alia provide coverage against the following arising out of or in connection with execution of Works, its maintenance and performance of the Contract: -

(i) Loss of life or injury involving public, employee of the Contractor, or that of Employee and Engineer-in-Charge.

(ii) Injury, loss or damages to the Works or property belonging to public, Government bodies, local authorities, utility organisations, Contractors, Employer or others.

As per Clause 8.1.4, If the Contractor fails to effect or keep in force or keep in force or provide adequate cover in the insurance policies mentioned in sub-clause 8.1.1, or any other insurance it might be required to effect under the Contract, then in such cases, the Employer may effect and keep in force any such insurance or further insurance and the cost and **expenses incurred by Employer in this regard shall be deductible from payments due to the Contractor or from contractor's Performance Security, Security Deposit or any other guarantees available with the Contractor.**

On examination/scrutiny of the records/information provided by the Division in r/o the above work, the following has been observed: -

(i) Policy Schedule for the Compensation Insurance found enclosed with the various R.A. bills, are not in the joint name of Contractor and Employer.

(ii) Fortnightly Reports of some periods of Labour enclosed with the 15th R.A. Bill are as follows: -

Labour Engaged	Working Hrs.	Period of Report
Skilled	9No.x14 days=126 nos.	16.05.223 to 31.05.23
Unskilled	10 Nos.x14 days=140 Nos.	16.05.223 to 31.05.23
Skilled	10No.x113 days=130 nos.	01.06.223 to 15.06.23
Unskilled	13Nos.x13days=169 Nos.	01.06.223 to 15.06.23
Skilled	13Nos.x13days=169 nos.	16.06.223 to 30.06.23
Unskilled	10Nos. x13days=130 nos.	16.06.223 to 30.06.23

Policy Schedules of insurance are showing no. of **employees as 05** in the prescribed column of the format of the schedule whereas Labour Report shows more numbers of skilled and unskilled labours on different dates. No other documents are found attached in the file/R.A. Bills to state the reason for less number of workers insured as per Policy Schedule. It is violation of conditions of G.C.C. and against the welfare of the labours. It is the responsibility of the Division to safe guard the interest of the labours. In case of any adverse situation occurs, the welfare of the labours may not be compromised with, in any case.

04- Non submission of Monthly Record of labour: -

As per Clause 17.7 that the Contractor shall submit by **the 4th and 19th of every month**, to the Engineering -In- Charge, a true statement showing in respect of the 2nd half of the preceding month and the 1st half of the current month respectively:-

(i) The number of labourers employed by him on the work.
(ii) Their working hours.
(iii) The accidents that occurred during the said fortnight showing the circumstances under which they happened and the extent of damage and injury caused by them, and
(iv) The wages paid to them.
(v) The number of female workers who have been allowed maternity benefit according to clause 17.9 and the amount paid to them.

Failing which the Contractor shall be liable to pay to Employer a sum not exceeding Rs.1000/-for each default or materially incorrect statement. The decision of Divisional Officer shall be final in deducting from any bill due to the Contract the amount levied as fine and be binding on the Contractor.

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On scrutiny of the bill, it was observed that no monthly record of labour on the stipulated dates, as pointed out above, was found in/with the bill.

05- Wages to Labour:

This is about Mode of payment of Wages that this department has issued administrative orders dated DLC(CD)/Sre/2011/4429 dated 16.12.2011, JLC(HQ)CLA/2014/5454 dated 04/07.04.2016, F-12(142)02/MW/VII/166 dated 22.05.2015 and 02.05.2016 to all employers/contractors for payment of wages to their workers electronically or through cheque. Digital payments are being adopted and promoted as these are less time consuming, transparent in expenses, user friendly and convenient mode of payment. It is our collective endeavor to promote digital payment. All employees/contractor may, therefore, adopt following modes of digital payment of wages to their workers: -

(i) Unified Payment interface (UPI).
(ii) E-wallet, cards, PoS.
(iii) Aadhar Enabled Payment system (AEPS).
(iv) Unstructured Supplementary Service Data (UESSD).

The Contractor has to make the payments as per the daily minimum wages Act to the labour deployed at site of work. Violation of this Act leads to appropriate action against the Contractor as per letter No. DJB/AC9LW0/2017/D-72949 dated 27/11/2017, issued by Assistant Commissioner (LW).

On scrutiny of bills and files, it was observed that there was no proof or document found in r/o mode of transfer of wages as per instructions to bidders detailed above. The division has to ensure the compliance of all clauses mentioned in the General Conditions of Contract of DJB related to labor welfare etc. But there seems negligence on the part of the Division in almost all cases.

An Audit Observation Memo (Memo No. -15) was issued to the Division for giving the reasons for irregularities/anomalies/shortcomings. In response the division has furnished a reply as under: -

- The deviations observed between the BOQ and the 15th R.A. Bill are due to changes in site conditions & project requirements that were not initially anticipated.
- The work got delayed due to various hindrances which were recorded in the EOT file.
- The Insurance Policy submitted by the contractor includes only those who are regular workers involved in major and high-risk activities, as they are considered essential for coverage due to the nature of their work. The other workers, such as those engaged on a temporary/daily basis for supporting tasks, are not included in the policy.
- The firm submitted Labour Reports which were enclose with each R.A. Bill. (But actually, the said reports were neither attached with the R.A. Bills nor were provided by the Division).
- Contractor is responsible for paying wages to the workers deployed at the site. As per the contractor's practice, all records and documentation related to wages payments, including the mode of payment, are being maintained by the contractor at site and also periodically checked by the field engineers.

The reply furnished by the Division is not convincing/tenable.

Therefore, it is advised to give the detailed justification/clarification of the above noted irregularities and also to take action as per the observations of the Audit, under intimation to the Audit. It is further advised that, the Division must adhere to all terms & Conditions/guidelines/rules, while executing tenders.

PARA NO. 11: - Irregularities in the work- "Comprehensive Architectural & Engineering Consultancy Services, Design & Project Management Consultancy for Raw Water Intake & Pump House, 636 MLD (140 MHD) Water Treatment Plant at Wazirabad."

(Ref: Audit Observation Memo No. 16, dated: 10.09.2024)

Name of Work: Comprehensive Architectural & Engineering Consultancy Services, Design & Project Management Consultancy for Raw Water Intake & Pump House, 636 MLD (140 MHD) Water Treatment Plant at Wazirabad

Name of Contractor: M/s Arcop Associates Pvt. Ltd

Work Order No. 01 (2022-23) Dated: 19.07.2022

Amount put to Tender: Rs.14,62,00,000/-

Justified Rate: 14,47,54,000/-

Total awarded Cost: Rs.15,77,00,000/-

Completion Period: 42 months

D.O.S. as per work order: 13/06/2022

D.O.C. as per work order: 12/12/2025

Actual D.O.S.: 13/06/2022

Actual D.O.C.: Still in progress.

To build a new Water Treatment Plant (WTP) at Wazirabad, capable of treating ammonia up to level of 10 ppm along with Raw Water Intake and Pump House. For building the above said project an agency namely M/s Arcop Associates Pvt. Ltd was engaged, through e-tender, to provide Comprehensive Architectural & engineering Consultancy Services, Design & Project Management Consultancy for Raw Water Intake & Pump House, 636 MLD (140 MGD) Water Treatment Plant and Clear Water Pump House at Wazirabad.

On scrutiny of records/information provided by the Division, it has been observed that, as per Work Award Letter, total time for completion of the consultancy work was 42 months. Further, as per Tender Document/NIT, the below mentioned time schedule was given to the tasks mentioned against each:-

Sl. No.	Activity (Note: The time for the next stage will start after approval of the previous stage of work)	Time period of completion
01.	Submission of Stage-1 (Site Information Analysis)	20 days
02.	Submission of Stage-2(A) (Conceptual Design)	20 days

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03.	Submission of Stage-2(B) (Preparation of DPR. Detailed BOQ and Estimate)	20 days
04.	Submission of Stage-3(A) (Submission of Draft Tender Document on DBO mode)	30 days
05.	Submission of Stage-3(B) (Submission of final tender documents on DBO mode)	30 days
06.	Call of DBO tender	50 days

The said work was started on 13/06/2022 and is to be completed on 12/12/2025, but, as per information provided by the Division, work up to Stage 2(A) has been completed till date. There has been a considerable delay in execution of work as per given Time Schedule.

Further, as per Clause No. 7.1 Conditions of the Contract, time is the essence of the contract. In case of delays without valid reasons or allowed for under the contract, the consultants shall be liable to pay liquidated damages @ half percent (0.5%) per month of the contract price subject to an aggregate maximum of ten percent (10%) of the Contract Price.

As per R. A. Bills of the said work, no penalty, on account of delay in execution of work, has been recovered from the engaged agency.

An Audit Observation Memo (Memo No. -16) was issued to the Division for giving the reasons for irregularities/anomalies/shortcomings. In response the division has furnished a reply stating therein that the schedule of activities to be performed by the Consultant is mentioned in clause 6.1 of the Contract Agreement stipulates that the consultant shall submit their report in different stages and the time for next stage will be start after approval of the previous stage. Right now, the recommendation of the designated committee to adopt the technology is under submission for approval of the Competent Authority. Without the approval, consultant cannot go ahead with the work of next stage.

The reply of the Division is not convincing/tenable.

Therefore, it is advised to give the detailed justification/clarification of the above noted irregularities and also to take action as per the observations of the Audit, under intimation to the Audit. It is further advised that, the Division must adhere to all terms & Conditions/guidelines/rules, while executing tenders.

Para No. 12: Non-production of Records.

The Unit was requested to provide records/information through various Audit Record Memos. Inspite that, following records/information was not provided to the Audit. The same may therefore be produced to next audit.

1. Information regarding number(s) of Bank Account(s), being maintained by the Division during the financial year 2022-23 & 2023-24.
2. Information regarding Closing Balance of all Bank Accounts as on 31/03/2023 & 31/03/2024, along with Monthly Bank Reconciliation Statements, for the period from 01/04/2022 to 31/03/2024.
3. Information regarding as to whether all Bank Accounts, being operated by the Division up to 31/03/2023, have been closed or not and if not,reasons for the same and if yes,status of the Closing Balance, along with the supportive documents.
4. Purpose of maintaining each Bank Accounts.

PART – III

TEST AUDIT NOTES

(2022- 2023
&
2023-24)

3.

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

TAN No. 01: - Non-filling up of the vacant posts of Group-A, B & C employees.

(Ref: Audit Observation Memo No. 10, dated 06/09/2024)

As per information provided by the Unit/Division, the following sanctioned posts are laying vacant as on date: -

Sl. No.	Group of post	No. of posts sanctioned	No. of posts filled	No. of posts vacant
01.	Group-A	01	01	00
02.	Group-B	15	05	05
03.	Group-C	15	05	10

Therefore, necessary steps may be taken by the Department to fill-up the mentioned vacant posts, under intimation to the Audit.

TAN NO. 02: - Improper maintenance of Pay Bill Register/ECR.

(Ref: Audit Observation Memo No. 13, dated:09.09.2024)

During test-check of **PBR/ ECR** for the audit period **2022-23 &2023-24**, the following discrepancies have been noticed: -

a. The mandatory page counting certificate to be recorded on the first page of the PBR/ECR has not been recorded/signed by Head of Office.

b. The mandatory information/details of the officials (which were required to be written on the upper part of each page) were also not found filled completely in many cases. Details like GPF Number, Address, D.O.B., details of loan/advances/refunds, detail of Govt. Accommodation, spouse information, Aadhar No., PAN No. etc., have not been recorded in the PBR/ECR.

c. Cutting and overwriting noticed in the PBR/ECR and the same have not been attested by the Competent Authority.

d. Past information of employees, who have been transferred into the unit, was not found recorded in the PBR/ECR (required to be entered from LPC). This information is required for calculation of Income Tax, GPF/NPS contribution etc.

e. Signatures of competent authority were not found on entries.

f. Grand total of each employee at the end of the year, required to assess the Income tax liability, was not found in the PBR/ECR.

Therefore, necessary steps may be taken by the Department to remove the above said discrepancies and compliance be shown to the next Audit.

TAN No. 03: - Shortcomings in maintenance of Service Books.

(Ref: Audit Observation Memo No. 14, dated: 09/09/2024)

During the test check of Service Books provided by the Division, the following deficiencies/shortcomings are observed: -

(i) As per instructions circulated by the Pr. Secretary (Finance), Finance Department, Govt. of NCT of Delhi, vide No.F.3(03)/2015/T-I/Pr. AO/2017-26 dated 10/09/2015, entry of Aadhar Number has not been made in Service Books.

(ii) 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 be issued to him in the prescribed form (Form 24). However, it has been observed that the service has not been got verified in any case.

(iii) Under LTC scheme, 'Hometown Declaration' is to be kept in the Service Book of the Govt. Servant. However, it has been seen that Hometown Declaration has not found in Service Book in many cases.

(iv) GPF Account Number is to be entered on the right-hand top of page no. 01 of the Service Book, as soon as the official is admitted to GPF. However, it has been observed that GPF A/c number is not mentioned in any Service Book.

(v) Instructions/ guidelines contained on the inner cover pages of the printed Service Book should be followed. In addition, name of the employee 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.

(vi) Verification of Services will be completed annually along with pay slip for the month of April every year and certificate of verification recorded in the Service Book after ensuring correctness of the entries.

(vii) In case of transfer, a 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.

(viii) Before submitting pension papers to the Pension Sanctioning Authority, verification will be completed for the remaining period of service up to date of retirement.

(ix) 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 are not affixed or are very old.

(x) First page of Service Book, having details of the employee, should be filled up properly and completely. It is observed that many details are formed blank such as Fingerprint, Caste, identification marks etc.

(xi) Order of pay fixation on promotion and up-gradation not found written or pasted in some of the Service Books.

(xii) Entries of verification of character and the antecedents of the employees, not found in the Service Books.

(xiii) Documents in r/o declaration of nominees in gratuity& pension are not found attached in the Service Books.

(xiv) Leave records in Service Books were neither maintained in a proper manner nor found signed by the HOO.

(xv) Forma-3 under Rule 54 (12) i.e., Details of Family has not been found in the Service Book in many cases.

Therefore, necessary steps may be taken by the Department to remove the above said discrepancies and compliance be shown to the next Audit.