

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

Sub: - Audit report of the office of Executive Engineer (Project) Water - I, Delhi Jal Board, Room No. 511, 5th Floor, Phase-I, Varunalaya, Jhandewalan, Delhi-110005.

Audit on the accounts of Executive Engineer (Project) Water - I, Delhi Jal Board, Room No. 511, 5th Floor, Phase-I, Varunalaya, Jhandewalan, Delhi-110005 for the financial years 2022-23 and 2023-24 has been conducted by the Compliance Audit Party - Delhi Jal Board comprising of Sh. Inder Mohan, Sr.AO/LAO and Sh. Anil Kumar, AO from 24.09.2024 to 07.10.2024 in eight (08) working days. **The accounts were reviewed purely on test check basis.**

AIMS AND OBJECTIVES

The office is a project division and dealing in works related to water supply project i.e. PPP Project MNWS Pvt. Ltd., replacement of water mains and providing / installation of the water meter.

HOO/DDO's/AAO/CASHIERS

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

S. No.	Name of the Head of Office/DDO	From - To
1	Sh. Mathew George	01.04.2022 to 30.04.2022
2	Sh. Raj Kumar Jain	01.05.2022 to 30.06.2022
3	Sh. K.K. Harit	01.07.2022 to 31.05.2023
4	Sh. Sudesh Jain	01.06.2023 to 31.03.2024

S. No.	Name of the AAO	From - To
1	Sh. Alok Sinha	01.04.2022 to 22.08.2023
2	Sh. Dharmender	23.08.2023 to till date

S. No.	Name of the Cashier	From - To
1	Smt. Sonam Sharma, Jr. Assistant	01.04.2022 to 31.03.2024

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

Year	Capital (Rs. in Lakhs)			Revenue (Rs. in Lakhs)		
	Budget allotted	Expenditure	Balance	Budget allotted	Expenditure	Balance
2022-23	1704.66	957.75	746.91	714.57	572.66	141.91
2023-24	2516.51	994.49	1522.02	645.34	510.86	134.48

VACANCY STATEMENT

Group	Sanctioned Posts	Filled Posts	Vacant Posts
A	02	01	01
B	10	06	04
C	13	05	08
TOTAL	25	12	13

STATUTORY AUDIT

The statutory audit of the office of **Executive Engineer (Project) Water - I, Delhi Jal Board, Room No. 511, 5th Floor, Phase-I, Varunalaya, Jhandewalan, Delhi-110005** has been conducted by AG (Audit), Delhi up to the financial year 2019-20.

MAINTENANCE OF RECORDS

The maintenance of records of the office of **Executive Engineer (Project) Water - I, Delhi Jal Board, Room No. 511, 5th Floor, Phase-I, Varunalaya, Jhandewalan, Delhi-110005** for the period 2022-23 & 2023-24 was found satisfactory subject to observations made in Current Audit Report.

OLD AUDIT REPORT

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

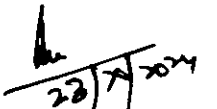
CURRENT AUDIT REPORT (2022 - 2024)

During the course of current audit, 17 audit observation memos including 01 requisition memo highlighting various shortcomings/recoveries to the tune of Rs.1,57,87,660/- were issued. No Record Memo was settled on the spot. Therefore, all the 17 (seventeen) observation memos including 01 (one) Requisition Memo have been converted into 13 Paras and 04 TAN which are incorporated in Current Audit Report.

DETAILS OF CURRENT RECOVERY (AUDIT PERIOD 2022-2024)

Memo No.	Total Recoveries (in Rs.)	Amount Recovered	Balance (in Rs.)	Para. No.
05	5428900/-	-----	5428900/-	04
09	10356000/-	-----	10356000/-	06
10	2760/-	-----	2760/-	07
Total	15787660/-	-----	15787660/-	

The internal audit report has been prepared on the basis of information furnished and made available by the office of **Executive Engineer (Project) Water - I, Delhi Jal Board, Room No. 511, 5th Floor, Phase-I, Varunalaya, Jhandewalan, Delhi-110005.** The Directorate of Audit, GNCT of Delhi disclaims any responsibility for any misinformation and of non-information on the part of auditee.


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

PART – I

OLD AUDIT REPORT

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FF (Project) W - I, Delhi Jal Board,
Room No. 511, 5th Floor, Phase-I,
Varunapaya, Jhandewalan,
Delhi-110005.

Audit Report - 2022-23 & 2023-24

NIL

PART – II

CURRENT AUDIT REPORT

(2022-2024)

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

Para No. 01: Non forfeiture of earnest money deposit, performance guarantee and already recovered security deposit totaling to Rs.8.11 crores on de-termination of the work/contract.

(Ref. Observation Memo No. 02 dated: 30.09.2024)

Name of Work	Supply installation and 7 years maintenance of 15 mm size amr/non-amr water meters confirming to IS:779:1994 or ISO 4064:1993 standard with ISI/EEC/OIML/mud certification mark with protection class of ip68" complete in all respect in Delhi.		
Total cost of work in two Sub-Heads	Sub Head "A" Sub Head "B" TOTAL PACKAGE COST (A+B)	Supplies of Material Installation and 7 years O&M	Rs.126,82,75,000 Rs.24,17,25,000 Rs.151,00,00,000
Name of the Contractor	M/s SPML Infra Ltd.		
Contract Agreement No.	02 (2013-14)		
Date of start as per Contract Agreement	11.04.2013		
Actual cost of the project	Rs.151,00,00,000/-		
Date of completion as per Contract Agreement	The work shall be completed within 24 months for supply and installation and 7 years maintenance thereafter.		
Date of determination of the Contract by Delhi Jal Board	Notice of final action dated 28.11.2019 regarding termination of contract under clause 3(i, ii, iii, iv) of the Contract Agreement.		
Total payment made to the Contractor	Rs.70,51,12,653/- up to 35th Running Account Bill as per details mentioned in Contract Agreement.		

During test check of the files/records pertaining to the contract agreement no. 02(2013-14), it has been observed that the Contractor has not completed the above stated work in time and therefore, vide office letter no. F.2(57)/SE(Project)/W-II/2019/1341A dated 28.11.2019, the competent authority of the Board i.e. Superintending Engineer (Project) Water-II who was also the Engineer-in-Charge for the aforesaid work under the contract agreement, for and on behalf of CEO, Delhi Jal Board (DJB), has determined the agreement with the mentioned terms and conditions under clause 3 (When Contract can be determined) i.e. under clause 3(i) (ii) (iii) and (iv) and (xii) of the Contract Agreement.

As per the de-termination letter dated 28.11.2019, read with clause 3(xii)(a) of the Contract Agreement, it was ordered that "upon determination, **forfeit the earnest money deposit, security deposit already recovered and performance guarantee** which stands absolutely forfeited to the Government and shall be absolutely at the disposal of Government".

However, record reveals that the Division has not forfeited the earnest money deposit, performance guarantee deposited by the Contractor and security deposit already recovered from the running account bills. The bifurcation of the deposits is as under:

Details of deposits	Amount (in Rs.)	Remarks
Earnest Money	20,00,000	In DJB EMD account No.90231010012261 at Syndicate Bank, Rani Jhansi Road branch, New Delhi.
Security Deposit @ 10% deducted from the Running Account (RA) bills of the Contractor (from 1 st RA to 35 th RA)	7,07,72,591	As per Annexure-I
Performance Guarantee	83,00,000	Validity and claim period was up to 29.06.2021 and claim till 29.06.2022
Total amount of Deposits	8,10,72,591	

The Division may therefore take necessary steps to forfeit the Earnest Money Deposit, Security Deposit and Performance Guarantee amounting to **Rs.8,10,72,591/-** as per terms and conditions of the termination letter dated 28.11.2019 and deposits of the same in the Government Account under intimation to audit.

Para No. 02: Reconciliation of Balances in the Bank Accounts for the Financial Years 2022-23 & 2023-24.

(Ref. Observation Memo No. 03 dated: 30.09.2024)

(A) Financial Year 2022-23

During scrutiny of records provided by the office of EE (Project) W - I, Delhi Jal Board for the financial year 2022-23, it has been observed that following Bank Accounts exists in the Book of Accounts of the Division, details of which are as under:

Bank / Cash in Transit Balances as on 31-03-2023		
	Debit (in Rs.)	Credit (in Rs.)
1 Cash in Transit	1,24,984.00	
2 Allahabad Bank EMD A/c 50448339804	53,04,974.00	
3 Corporation Bank 026401601000534	10,07,349.90	
4 Corporation Bank - 142	12,64,809.39	
5 Corporation Bank - 4115	5,95,24,076.00	
6 Corporation Bank - 4116		8,54,46,919.00
7 Corporation Bank - 4131		5,78,94,145.00
8 Corporation Bank - 91		86,42,943.92
9 Corporation Bank - 92	4,99,868.00	
10 Corporation Bank - 93	20,64,536.00	
11 Corporation Bank - 94	46,35,220.50	
12 State Bank of India A/c No. 41437543898	5,90,192.00	
13 State Bank of India - 60011 - R. Jhansi		1,86,042.00
14 Syndicate Bank A/c 12261	1,46,49,100.00	
15 Syndicate Bank A/c 27/265	40,395.64	
TOTAL	8,97,05,505.43	15,21,70,049.92

Division was requested to provide the following information/clarification:

1. Copy of Bank statements in r/o of all the above mentioned Ledgers.
2. Reconciliation Statements in r/o of Ledgers as mentioned above.
3. Reasons for Credit Balance of Rs.15,21,70,049.92 in r/o four Ledgers mentioned above and details thereof.
4. Confirmation and details of closed A/c, if any, either at the Division Level or at the Head Quarter level and the status of Fund transfer to Delhi Jal Board(HQ) Bank Account/Related concerned Bank A/c.
5. Reasons for debit balance of Rs.1,24,984/- in "Cash in Transit" Ledger.
6. Purpose of maintaining each Bank Accounts mentioned above.

(B) Financial Year 2023-24

During scrutiny of records provided by the office of EE (Project) W - I, Delhi Jal Board for the financial year 2023-24, it has been observed that following Bank Accounts exists in the Book of Accounts of the Division, details of which are as under:

[Signature]

Particulars	Opening (Rs.)	Debit (Rs.)	Credit (Rs.)	Debit Closing (Rs.)	Credit Closing (Rs.)
Bank / Cheques in Transit Balances as on 31-03-2024					
SCHEDULE BANK					
Allahabad Bank/Indian Bank EMD A/c 50448339804		3104500.00	3100000.00	4500.00	
Cheques in Transit		394989.00	457968.00		62979.00
State Bank of India A/c No. 3898	0.00 CR	231768562.00	231752597.00	15968.00	
91 (ESCROW A/c) New A/c No. 510101006071227		94103210.37	5500000.00	88603210.37	
93 (ESCROW A/c) New A/c No. 510101006071243		29132019.00	126964542.00		97832523.00
94 (ESCROW A/c) New A/c No. 510101006071251		4096931.00	4014214.00	82717.00	
SCHEDULED BANK TOTAL	0.00 CR	362600211.37.00	371789321.00	88706392.37	97895502.00

Above details reveals that all the Ledgers mentioned above are having zero (0) Opening Balances which means that the Closing Balances of Banks/Cheques in Transit in the financial Year 2022-23 has not been brought forwarded in the financial year 2023-24.

Division was requested to provide the following information/clarification:

- Reasons for not carry forward of closing balances from the Financial Year 2022-23 to the Financial Year 2023-24.
- Copy of Bank Statements in r/o of all the above mentioned Ledgers.
- Reconciliation Statements in r/o of Ledgers as mentioned above.
- Reasons for Credit Balance of Rs.9,78,95,502/- in r/o two Ledgers mentioned above and details thereof.
- Confirmation and details of closed A/c, if any, either at the Division Level or at the Head Quarter level and the status of Fund transfer to Delhi Jal Board(HQ) Bank Account/Related concerned Bank A/c.
- Purpose of maintaining each Bank Accounts mentioned above.

No reply has been submitted by the Division in response to the observation memo dated 17.09.2024.

Moreover, since, new bank accounts are opened by the Board in the financial year 2023-24, previous years bank accounts, opened and shown in the Bank Account Ledgers up to the financial year 2022-23, becomes "non-operative".

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

Para No. 03: Non adjustment of Medical and Other Advances amounting to Rs.8.44 lakhs

(Ref. Observation Memo No. 04 dated: 30.09.2024)

As per provisions under note 4 below rule 120 of Receipt and Payment Rules, advances should be adjusted within one month of their drawl.

Further, DJB policy for sanction of medical advance stipulates that for settlement of advance, the employees must be required to submit the adjustment bill within a period of one month from the date of discharge from the hospital.

On scrutiny of the records for the audit period 2022-23 and 2023-24 which was maintained at the office of EE (Project) W - I, Delhi Jal Board, it has been observed that

Medical and Other Advances for Rs.5,02,961/- and 3,41,455/- totaling to Rs.8,44,416/-, sanctioned to various staff members/DJB's Counsel, were unadjusted as on 31.03.2024. It was also noticed that:

- a. As per ledger for Other Advances, closing balance was shown as Rs.7,25,954/- (Debit) as on 31.03.2023, however, this amount has not been brought forward in the Financial Year 2023-24 as on 01.04.2023 and opening balance was shown as zero (0) in the records produced to audit for the financial year 2023-24.
- b. As on 31.03.2024, closing balance under the head "Other Advance" was shown as Rs.3,41,455/- (Debit).

Since, the Division has not been maintaining the Bill Register, hence, all the details for advance payments have been taken from the Ledgers for the financial years 2022-23 and 2023-24.

Vide this observation memo dated 30.09.2024, HOO was requested to furnish the reasons to audit:

- (i) for not taking the closing balances of the financial year 2022-23 of Rs.7,25,954/- (Debit) under the head "Other Advances" as opening balance in the financial year 2023-24;
- (ii) for non-adjustment of both Medical and Other Advances of Rs.8,44,416/- (Rs.5,02,961/- + Rs.3,41,455/-) shown as closing balance as on 31.03.2024.

HOO has also been requested to furnish the records for the difference amount under the head "Other Advances" of Rs.3,84,499/- (Rs.7,25,954/- minus Rs.3,41,455/-) for scrutiny of audit.

No reply has been submitted by the Division to audit on the above said observations.

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

**Para No. 04: Short levy of statutory deductions amounting to Rs.54.29 lakhs
(Ref. Observation Memo No. 05 dated: 30.09.2024)**

As per Sl. No. 7 (i) of Circular No. 65/39/2018-DOR dated 14.09.2018 issued by Department of Revenue, Ministry of Finance, Govt. of India regarding deductions and deposits of TDS by the DDO under GST & Section 51 of CGST Act, 2017, it was clarified that the DDO shall prepare the bill based on the expenditure sanction and the expenditure sanction shall contain the (a) Total amount, (b) net amount payable to the Contractor/Supplier/Vendor and (c) the 2% TDS amount of GST.

As per section 194C of Income Tax Act, any person responsible for paying any sum to any resident (hereinafter in this section referred to as the contractor for carrying out any work including supply of labour for carrying out any work) in pursuance of a contract between the contractor and a specified person shall, at the time of credit of such sum to

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the account of the contractor or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct an amount equal to—

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

It is also clarified herein that if any amount representing GST in an invoice is indicated separately, then TDS will be levied on value excluding such GST.

Further, order No. 17(10)/BOCW/PG/Lab./05/207 dated 16.08.2005 & Section 3 of the Building and Other Construction Workers' Welfare Cess Act, 1996 provides for the levy of cess at a rate of one per cent of the total cost of construction incurred by an employer engaged in any construction work. The cess is to be collected by the local authority or the State Government and paid to the Building and Other Construction Workers Welfare Board constituted under the Act. Section 2(d) "The Building and Other Construction Work" means the constructions, alteration, repairs, maintenance or demolition, streets, roads etc.

During scrutiny of records of office of Executive Engineer (Project) W - I, Delhi Jal Board, it was observed that the Division had deducted TDS, TDS on GST and Building Cess from the Contractor's bill in contravention of the provisions contained in the aforesaid Acts. The details are enclosed at **Annexure - II**.

It is evident from the data that the Division had made short deduction of taxes of Rs.54,28,900/- (TDS - 16,437/- + TDS on GST - 54,01,417/- + Building Cess - 11,046/-) while releasing the payments in the audit period i.e. in the financial years 2022-23 and 2023-24 to the Contractors engaged for various works. It seems that undue favour was given to Contractor's due to short deduction of above taxes.

The Division may therefore look into the matter and take necessary steps to recover the taxes amounting to Rs.54,28,900/- after due verification of facts and figures under intimation to audit. Other similar cases may also be reviewed on the same lines under intimation to audit.

Para No. 05: Discrepancies in award of work due to non-compliance of requirement of Registration in DJB.
(Ref. Observation Memo No. 08 dated: 30.09.2024)

Name of Work	Re-boring of 02 nos. tube well at F and I-Block, Malviya Nagar (AC-43).
Amount put to tender	Rs.12, 15, 573
Contractor's enhancement	@ 5.86% below
Total cost	Rs. 11,44, 340/-
Completion period	15 days
Contract Agreement No.	01 (2022-23)
Head of Account	Distribution Main and Reservoir

During test check of the files pertaining to contract agreement no. 01(2022-2023) in respect of the above stated work, it has been observed that the Division has awarded the work valued at Rs.11,44,340/- during the financial year 2022-23 to an **unregistered Contractor** M/s RNK Infra Pvt. Ltd. violating the DJB's terms and conditions of NIT No. 01(2022-23) dated 12.04.2022 (tender ID: 2022_DJB_22048_1) which reads as under:

"On behalf of DJB, EE (Project) Water-I invite online percentage rate tender from the **Registered Contractors in appropriate class of DJB** who have executed similar nature of work."

Further, as per instructions mentioned in the NIT to bidders at part A (Technical) of the Bid Document, the bidders were asked to submit scan copy of Registration certificate while uploading the tender. However, the same has not been uploaded by M/s. RNK Infra Pvt. Ltd.

Vide noting dated 19.04.2022, the Contractor M/s. RNK Infra Pvt. Ltd. had been declared qualified in technical bid without having registration in DJB and finally, the vender was awarded the work order no. 01 (2022-23) vide letter No. DJB/EE (Project) W-I/2022/1262 to 1275 dated 26.05.2022.

Reasons for awarding of the work contract to the unregistered Contractor was called for, however, no reply was furnished to audit.

The Division may therefore look into the matter and take necessary action for regularization of expenditure incurred on this work under intimation to audit.

Para No. 06: Non recovery of remuneration of DJB delegates amounting to Rs.1.04 crores from M/s. MNWS Pvt. Ltd.

(Ref. Observation Memo No. 09 dated: 01.10.2024)

Name of Work	Pilot project for improving the efficiency of water distribution network under Malviya Nagar UGR command area.
Total Capital Cost	Rs.171.62 cr. (including road restoration cost of Rs.83.94 cr. in two years and gross O&M payment on the basis of negotiated gross operator rate at Rs.10.64/- per Cum billed and paid volume for 12 years, the actual payment for this Gross O&M payment shall be lined to achievement of committed technical, commercial, energy efficiencies and other KPIS.
Completion period	12 years
Contract Agreement No.	03 (2012-13)
Name of the Contractor	M/s. Malviya Nagar Water Services Pvt. Ltd. (MNWS)

As per Article 21 of the contract agreement No. 03(2012-13), DJB had to assign the officers as delegates, empowered to act as per DJB regulations. These delegates were to be exclusively assigned to the operator to enable the operator to fully exercise its rights and perform its obligations under the contract. However, DJB did not provide these delegates exclusively to the operator, but the Officers assigned with other duties, have been performing the duties of DJB delegates on MNWS project from time to time and as per article 21(i)(d), the cost of salaries and other benefits paid by DJB to such delegates as per their service conditions, shall be reimbursed by the operator to DJB.

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During test check of the files pertaining to contract agreement no. 03(2012-2013) in respect of the above stated work, it has been observed that the Division had made the recoveries of remuneration of DJB Delegates M/s. Malviya Nagar Water Services Pvt. Ltd. only up to 30.09.2021 and thereafter, no amount has been recovered w.e.f. 01.11.2021 to 30.09.2024 from the Contractor which works out to Rs.1,03,56,000/-. The details of the pending recoveries are enclosed at **Annexure – III**.

Reasons for non-recovery of **Rs.1,03,56,000/-** from the Contractor M/s. Malviya Nagar Water Services Pvt. Ltd. has been called for, however, no reply was furnished to audit.

The Division may therefore take necessary steps to recover Rs.1,03,56,000/- from M/s. Malviya Nagar Water Services Pvt. Ltd. after due verification of facts and figures under intimation to audit. Other similar cases may also be reviewed on the same lines under intimation to audit.

**Para No. 07: Excess payment of Non-Productivity Linked Bonus for Rs.2760/-
(Ref. Observation Memo No. 10 dated: 01.10.2024)**

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

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

Reasons for making the excess payment of Rs.2760/- was called for from the Division, however, no reply has been furnished to audit.

The Division may therefore take necessary steps to recover the excess payment of Rs.2760/- from the officers/officials after due verification of facts and figures under

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intimation to audit. Other similar cases may also be reviewed on the same lines under intimation to audit.

Para No. 08: Non - Maintenance of Cash Book.
(Ref. Observation Memo No. 11 dated: 01.10.2024)

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.*

However, scrutiny of the record reveals that Cash Book has not been maintained by the DDO of the Office of EE (Project) W - I, Delhi Jal Board, Room No. 511, 5th Floor, Phase-I, Varunalya, Jhandewalan, Delhi-110005 during the audit period as required under Receipt and Payment Rules although cash transactions are being done in the Division in the form of receipts on account of RTI Fees, refund of unspent TA Advance, charges for lost ID Card and receipts on account of annual charges for medical subscription. One Register has been produced to audit wherein challans for deposits of receipts were pasted instead of making proper entries of receipts as well as for payments/deposits as required under Receipt and Payment Rules.

Therefore, in the absence of Cash Book, actual receipts and deposits of cash during the audit period could not be ascertained. Non-maintenance of cash book is a lapse on the part of DDO of the Division and chances of embezzlement of funds cannot be ruled out.

The Division may therefore look into the matter and maintain Cash Book as per Receipt and Payment Rules under intimation to Audit.

Para No. 09: Non-utilization of budget to the tune of Rs.25.45 crores
(Ref. Observation Memo No. 14 dated: 04.10.2024)

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

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In response to requisition memo No. 01(D) dated 24.09.2024, the Division has provided information relating to total budget and actual expenditure during the period 2022-23 and 2023-24 under the head "Revenue" and "Capital" which reveals the following:

Year	Budget allocated (Capital)	Expenditure (Capital)	Excess (+) / Savings (-)	% of Excess/ Savings
2022-23	1704.66 lakhs	957.75 lakhs	746.91 lakhs	(-) 43.8
2023-24	2516.51 lakhs	994.49 lakhs	1522.02 lakhs	(-) 60.5
TOTAL (A)	4221.17 lakhs	1952.24 lakhs	2268.93 lakhs	(-) 53.8
Year	Budget allocated (Revenue)	Expenditure (Revenue)	Excess (+) / Savings (-)	% of Excess/ Savings
2022-23	714.57 lakhs	572.66 lakhs	141.91 lakhs	(-) 19.9
2023-24	645.34 lakhs	510.86 lakhs	134.48 lakhs	(-) 20.8
TOTAL (B)	1359.91 lakhs	1083.52 lakhs	276.39 lakhs	(-) 20.3
TOTAL (A+B)	5581.08 lakhs	3035.76 lakhs	2545.32 lakhs	(-) 45.6

From the above table, it is gathered that out of the total allocation of **Rs.55.81 crores**, an amount of **Rs.30.36 crores** was incurred for execution of works and for other expenditures under various heads and there were savings worth **Rs.25.45 crores**. The overall percentage of savings was **45.6%**.

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

Budget and Expenditure statement of the audit period showed savings to the extent of **19.9% to 60.5%** in the Revenue and Capital outlay which were not surrendered will in time. Saving is the indication of either non-implementation/non-execution of various schemes/works or over-estimation of expenditure. Thus the division needs to frame the budget proposal in a more realistic manner so as to utilize the allocated funds fruitfully. Therefore, due to improper planning, the division could not spend the budget which defeat the very purpose for which the amount was allotted.

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

Since, the Division needs to frame the budget proposal in a more realistic manner so as to utilize the allocated funds fruitfully, the matter may be looked into by the authorities of the Division for careful framing and utilization of budget in future under intimation to the audit.

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Para No. 10: Expenditure on advertisements worth Rs.89.67 lakhs.
(Ref. Observation Memo No. 15 dated: 04.10.2024)

a. Avoidable Expenditure of Rs.89.67 lakhs for publication of NIT in News Papers

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

During the scrutiny of records relating to press publicity of NIT in News Papers of the Division, it was observed that division authority has incurred an amount of Rs.89,67,261/- on publicity of NIT in News Papers, which was in contravention of the CPWD instructions.

b. Loss of Rs.13.45 lakhs on account of not availing 15% rebate on advertisement

As per the information provided by the office of Office of EE (W) C-III (Now EE[Project]-V), Delhi Jal Board, OHT, Ashok Vihar, Delhi-110052, it has been observed that the Division has incurred Rs.89,67,261/- on Advertisements for publication of tender notices/NITs (Notice Inviting Tender). The department has made the payment directly to the concerned Advertisement Agency/Media House.

Newspaper publication/Media Houses provides 15% discount/rebate to Government department on DAVP rates for publication of Advertisement, however, no rebate/discount was found provided to Delhi Jal Board on the Advertisements by Media House/ Advertisement Agency.

As per letter No.F.44(3)/2015-16/DIP/Advt./2015-16/14-18 dated 28.10.2015 addressed to HODs of all Departments, Autonomous Bodies, Boards, Corporations of Govt. of NCT of Delhi, it was mentioned that the Directorate of Information and Publicity, Govt. of NCT of Delhi has registered a Society titled "Shabdarth". Since, 12.08.2015, the "Shabdarth" started releasing day-to-day tenders/notices published by various departments/autonomous bodies of GNCTD.

Shabdarth receives 15% rebate on Advertisements in Print media, however, the Division, instead of publishing the advertisements through Shabdarth, publish the same directly through the Advertisement agencies and therefore 15% discount/rebate has not been availed. The details are enclosed at **Annexure-V**.

The Division may therefore look into the matter and take necessary action in consultation with the PR Section, DJB(HQ) under intimation to the audit.



Para No. 11: Slow progress of works - Abnormal delay in execution/completion of work

(Ref. Observation Memo No. 16 dated: 07.10.2024)

As per Section 29 of CPWD Manual, 2014, the work shall be proceeded with all due diligence on the part of the contractor throughout the stipulated period of the contract (time being deemed to be the essence of the contract). The time allowed for carrying out the work as entered in the contract shall be strictly observed by the Contractor and shall be reckoned from theth day (as mentioned in the NIT) after the date on which the letter of acceptance is given to the Contractor. If an extension of time has been granted by the competent authority for genuine hindrances, he should re-schedule the milestones appropriately for the work. The tender accepting authority shall review the progress of work each month with all the concerned disciplines including the Contractor. In all cases, a copy of the letter granting extension of time will be endorsed to the concerned Audit/Accounts Officer.

During scrutiny of the latest monthly progress report of work provided by the office of office of EE (Project) W - I, Delhi Jal Board, for the financial years 2022-23 and 2023-24, it was noticed that below mentioned works were to be completed in September, 2021 to June, 2022, but were not finished within the stipulated period of time and delay was noticed up to 914 days. Therefore, the benefits of works could not be availed by the people. Details of slow progress and non-completion of works are given below:

S. No.	Work Order No.	Name of Contracts / tender in force	Value of contract/ tender (Rs. in lakhs)	Name of Agency/ firm	Date of commencement of work as per work order	Stipulated date of completion as per work order	Actual date of completion	Physical progress of work if not completed	Total payment made against the work (Rs. in lakhs.)	Delayed (in Days) (up to 31.03.24)
01	01 (2019-20)	Replacement of 1500 mm dia old PSC West Delhi water main emanating from Haiderpur WW-II with MS lined & coated pipe	5072.83	M/s. Tirupati Cement Product	18.12.19	17.06.22	Work in progress	95%	2838.14	653 days
02	03 (2012-13)	Supply installation and 07 years maintenance of 15 mm size AMR/N on AMR water meters conforming IS:779:1994 OR ISO 4064:1993 standard with ISI/ EEC / OMIL/MID certification mark with protection class of IP68 complete in all respect in Delhi PKG-II	10100.00 (O&M Rs.3410.81 + supply of material Rs.6689.19)	M/s. L&T Ltd.	13.05.13	Supply & installation - 30.09.14 O&M completion - 29.09.21	Work in progress (O&M)	89.78%	10242.49	914 days

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

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

Records/documents for non-completion of work/slow progress of work mentioned in this observation was called for, however, no reply has been furnished to audit.

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

Para No. 12: Non adjustment of Mobilization Advance of Rs.10.24 lakhs (Dr) in the name of M/s SPML.
(Ref. Observation Memo No. 17 dated: 07.10.2024)

During scrutiny of records and while reviewing the Trial Balance for the financial year 2022-23, it was noticed that there is a mobilization advance for Rs.10,23,951/- (Dr.) lying unadjusted in the name of M/s SPML.

Further, on scrutiny of the ledger (2022-23) provided to audit, it was observed that this balance of Rs.10,23,951/- has been lying unadjusted since long i.e. from the year 2006. No other details/agreement/payment vouchers/running bills regarding payment of mobilization advance to M/s. SPML has been provided to audit.

Reasons for non-adjustment of the pending mobilization advance of Rs.10,23,951/-, as per the terms and conditions of the agreement, from the payments made to Contractor i.e. M/s SPML was called for, however, no reply has been furnished to audit.

The Division may look into the matter and take necessary action to settle the long pending mobilization advance under intimation to the audit. Other similar cases may also be reviewed and necessary action may be taken under intimation to the audit.

Para No. 13: Non-production of records/information.

During the period of conducting the audit, following records/information has not been provided to audit. The same may be produced before the next audit for scrutiny.

- a. Copy of Bank statements in r/o of Bank Ledgers shown in the records for the financial year 2022-23 and 2023-24.
- b. Reconciliation Statements in r/o of Bank Ledgers as mentioned in the records for the financial year 2022-23 and 2023-24.
- c. Confirmation and detail of closed A/c either at Unit Level or at Head Quarter level and status of Fund transfer to Delhi Jal Board(HQ) Bank Account/Related concerned Bank A/c in respect of financial years 2022-23 and 2023-24.
- d. Purpose of maintaining each Bank Accounts up the financial year 2022-23 and in the financial year 2023-24.
- e. Reasons for Credit Balance of Rs.15,21,70,049.92 in r/o four Ledgers for the FY 2022-23 and Credit Balance of Rs.9,78,95,502/- in r/o two Ledgers for the FY 2023-24 mentioned in this report.
- f. Reasons for not carry forward of closing balances in bank accounts from the Financial Year 2022-23 to the Financial Year 2023-24.

- g. Fixed Assets/Immovable Property Register
- h. Contractor's Ledger
- i. Details of Deposit Works
- j. Bank FDR's/Bank Guarantee Register
- k. Condemnation Files
- l. Spouse Information (partially)
- m. Consumable and Non-consumable Stock Registers.



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

ANNEXURE- I

Details of Security Money deducted from the running account bills of the Contractor.

Running Accounts Bill Numbers	Security deducted (in Rs.)
1	0
2	2151312
3	2673216
4	4151220
5	2508690
6	6499885
7	4899556
8	1310974
9	9418294
10	0
11	3758499
12 th and 13 th	10360318
14	2861011
15	1908101
16	2410079
17	7003055
18	463626
19	686415
20	533841
21	225776
22	239905
23	315764
24	153040
25	114005
26	337891
27	325653
28	410495
29	223198
30	655090
31	841809
32	387315
33	380803
Abstract of 28 to 33 rd bill balance	1301764
34	628023
35	633968
Total	7,07,72,591

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ANNEXURE - II

S. No.	Name of the work	Name of the agency and agreement no.	Payment Voucher No. & Date (No. of RA Bill)	Gross amount of Bill	Taxable Amount	TDS to be deducted @ 2% / 10%	TDS deducted by the Division	Short Deduction of tax	GST to be deducted (1%+1%) @ 2%	GST deducted	Short deduction of GST	Building Cess to be deducted @ 1%	Building Cess Deducted	Short Deduction of Building Cess	Total Amount to be recovered (9+12+15)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	Improving the efficiency of water Distribution Network under Malviya Nagar UGR command area	M/s Malviya Nagar Water Services Pvt Ltd 03.12012-13	OSM bill for month of March, 2022	10884245	13884245	217685	217685	0	217685	0	217685	0	0	0	217685
2	-do-	-do-	OSM bill for month of April, 2022	13027716	13027716	260555	260555	0	260555	0	260555	0	0	0	260555
3	-do-	-do-	OSM bill for month of May, 2022	8278722	8278722	165574	165574	0	165574	0	165574	0	0	0	165574
4	-do-	-do-	Water Tanker Bill for month of Feb. 2022 to March, 2022	607352	607352	12147	12147	0	12147	0	12147	0	0	0	12147
5	-do-	-do-	OSM bill for month of June, 2022	10422173	10422173	208444	208444	0	208444	0	208444	0	0	0	208444
6	-do-	-do-	Water Tanker Bill for month of April, 2022 to May, 2022	682291	682291	13646	13646	0	13646	0	13646	0	0	0	13646
7	-do-	-do-	OSM bill for month of July, 2022	10884245	10884245	217685	217685	0	217685	0	217685	0	0	0	217685
8	-do-	-do-	OSM bill for month of August, 2022	10884245	10884245	217685	217685	0	217685	0	217685	0	0	0	217685
9	-do-	-do-	OSM bill for month of September, 2022	10422173	10422173	208443	208443	0	208443	0	208443	0	0	0	208443
10	-do-	-do-	OSM bill for month of October, 2022	10884245	10884245	217685	217685	0	217685	0	217685	0	0	0	217685
11	-do-	-do-	OSM bill for month of November, 2022	11418370	11418370	228367	228367	0	228367	0	228367	0	0	0	228367
12	-do-	-do-	OSM bill for month of December, 2022	11913649	11913649	238273	238273	0	238273	0	238273	0	0	0	238273

13	-do-		Water Tanker Bill for month of June 2022 to July 2022	1034495	1034495	20690	20690	0	20690	0	20690	0	20690
14	-do-		Water Tanker Bill for month of August, 2022	537982	537982	10760	10760	0	10760	0	10760	0	10760
15	-do-		OSM bill for month of January, 2023	11913649	11913649	238273	238273	0	238273	0	238273	0	238273
16	-do-		OSM bill for month of February, 2023	10427811	10427811	208556	208556	0	208556	0	208556	0	208556
17	-do-		OSM bill for month of March 2023	11913649	11913649	238273	238273	0	238273	0	238273	0	238273
18	-do-		OSM bill for month of April 2023	11418530	11418530	228371	228371	0	228371	0	228371	0	228371
19	-do-		OSM bill for month of May 2023	11913649	11913649	238273	238273	0	238273	0	238273	0	238273
20	-do-		Water Tanker Bill for month of September, 2022 to December, 2022	2136934	2136934	42739	42739	0	42739	0	42739	0	42739
21	-do-		OSM bill for month of June 2023	11418370	11418370	228367	228367	0	228367	0	228367	0	228367
22	-do-		OSM bill for month of July 2023	11913649	11913649	238273	238273	0	238273	0	238273	0	238273
23	-do-		162 dated 30.10.23 - RA Bill No. 30th	14978430	14978430	299569	299569	6000	299569	293568	6000	146784	15000
24	-do-		OSM bill for month of August, 2023	11913649	11913649	238273	238273	0	238273	0	238273	0	238273
25	-do-		OSM bill for month of September, 2023	11418370	11418370	228367	228367	0	228367	0	228367	0	228367
26	-do-		Water Tanker Bill for month of January 2023 to March 2023	1397407	1397407	27948	27948	0	27948	0	27948	0	27948

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27	-do-	O&M bill for month of October, 2023	11913649	11913649	238273	238273	0	238273	0	238273	0	238273
28	-do-	O&M bill for month of November, 2023	11418370	11418370	228367	228367	0	228367	0	228367	0	228367
29	-do-	O&M bill for month of December, 2023	11913649	11913649	238273	238273	0	238273	0	238273	0	238273
30	-do-	Water Tanker Bill for month of April, 2023 to May, 2023	952327	952327	19046	19046	0	19046	0	19046	0	19046
31	-do-	Water Tanker Bill for month of June, 2023 to September, 2023	1991583	1991583	39832	39832	0	39832	0	39832	0	39832
32	-do-	O&M bill for month of January, 2024	11913649	11913649	238273	238273	0	238273	0	238273	0	238273
33	Conditional assessment of existing water lines in Defence Service Enclave (Sainik Farms) under EE (Project) W-1	1st and final RA bill	155570	155570	1556	1319	0	0	0	1556	1319	474
34	Construction of damage/deteriorated pump house of Sheikh Sarai Phase-II BP5 near Bhagat Singh College in Greater Kailash Constituency	1st RA Bill	1568370	1568370	31367	26583	4784	0	0	15684	1329	7177
35	Construction of recharge pits for the defunct tube wells in Malviya Nagar AC-43 under PPP Malviya Nagar	1st and final RA bill	2030066	2030066	20301	18126	2175	0	0	20301	18126	4350
36	Construction of recharge pits for the defunct tube wells in Greater Kailash AC-50 under PPP Malviya Nagar	1st and final RA bill	1686805	1686805	16868	15061	1807	0	0	16868	15061	3414
37	Construction of recharge pits for the defunct tube wells in Mehrauli AC-45 & Chaitarpur AC-46 under PPP Malviya Nagar	1st and final RA bill	1338259	1338259	13383	11949	1434	0	0	13383	11949	2868
38	Re-boring of 01 No tube well near College of Vocational Studies, Sheikh Sarai Phase-II, New Delhi (AC-50)	1st and final RA bill	853596	853596	17072	17072	0	0	0	8536	8536	0
39	Re-boring of 02 Nos tube well at Hauz Khas and Begumpur in Malviya Nagar Constituency (AC-43)	1st and final RA bill	1368967	1368967	27179	27379	0	0	0	13690	13690	0
		TOTAL	293750860	293750860	582291	580474	16437	5694985	293568	5401417	239802	5428900

ANNEXURE - III

A. Recovery of DJB Delegates (01.11.2021 to 30.09.2022) from M/s. MNWS Pvt. Ltd.

S. No.	Name of the Delegate	Post of the Delegate	Posting	Period	Months	Co-efficient	Average salary/month (in Rs.)	Total Amount (in Rs.)
1	Sh. Ashok Kumar	AI	Partly	1.11.21 to 31.12.21	2	0.5	128000	128000
				1.1.22 to 30.6.22	6	0.5	132000	396000
2	Sh. Hari Om Aleena	AI	Partly	1.7.22 to 30.9.22	3	0.5	98000	135000
3	Sh. Vaibhav Jain	AE	Partly	1.11.21 to 31.12.21	2	0.5	129000	129000
				1.1.22 to 30.9.22	9	0.5	146000	657000
4	Sh. Rakesh Kaushik	Ex. ZRO	Partly	1.11.21 to 28.2.22	4	0.5	48077	96000
5	Sh. Radhey Shivam Bhatnagar	Addl. ZRO	Full	1.3.22 to 30.9.22	7	1	99000	693000
							Total (a)	2234000

B. Recovery of DJB Delegates (01.10.2022 to 30.09.2024) from M/s. MNWS Pvt. Ltd.

S. No.	Name of the Delegate	Post of the Delegate	Posting	Period	Months	Co-efficient	Average salary/month (in Rs.)	Total Amount (in Rs.)
1	Sh. Vaibhav Jain	AF(C)	Partly	1.10.22 to 31.12.22	3	0.5	150000	450000
				1.1.23 to 31.3.23	3	0.5	134000	462000
				1.4.23 to 30.11.23	8	0.5	138000	1264000
				1.12.23 to 30.3.24	6	0.5	169000	1014000
2	Sh. Hari Om Aleena	AF(C)	Partly	1.10.22 to 31.3.23	6	0.5	110000	660000
				1.4.23 to 30.11.23	8	0.5	111000	888000
3	Sh. Radhey Shivam Bhatnagar	ZRO	Full	1.10.22 to 28.2.23	5	0.5	105000	525000
4	Sh. Suresh Kumar Aleena	AF(C)	Partly	1.2.24 to 30.9.24	8	0.5	118000	944000
5	Sh. Shashikant Yadav	AF(C)	Partly	1.5.24 to 30.9.24	5	0.5	149000	745000
6	Sh. Rakesh Kumar	ZRO	Full	1.12.23 to 30.9.24	10	0.5	117000	1170000
							Total (b)	8122000
							TOTAL (a) + (b)	10356000

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ANNEXURE - IV

S. No.	Employee Code	Name of the Employee and Designation	Amount paid (in Rs.)	Amount admissible (in Rs.)	Extra Payment of Bonus (in Rs.)
1	20019757	Hemanth Bhardwaj, Jt. Asstt.	14000	13816	184
2	20017747	Karan Singh, Field Asstt.	14000	13816	184
3	40016118	Pappu, Field Asstt.	14000	13816	184
4	40016666	Sarwan Kumar, Field Asstt.	14000	13816	184
5	20008344	Sarawati Bisht, SO	7000	6908	92
6	20016427	Vikram Walia, Sr. Asstt.	7000	6908	92
7	20019400	Hariom Meena, AE (Civil)	7000	6908	92
8	40009492	MC Joshi, DM-II	14000	13816	184
9	20019285	Sonam Sharma, Jr. Asstt.	14000	13816	184
10	20015700	Lala Ram, F. Asstt.	14000	13816	184
11	20017774	Naresh Kumari, F. Asstt.	14000	13816	184
12	20019002	Dinesh Kumar, Sr. Asstt.	14000	13816	184
13		Kapil, Jr. Asstt.	14000	13816	184
14	20008995	Sunita Yadav, ASO	7000	6908	92
15	20020067	Krishan Kumar, PCAMR	7000	6908	92
16	20020062	Dhiraj, Field Asstt.	7000	6908	92
17	20020187	Vinod Kumar Mishra, Jr. Asstt.	7000	6908	92
18	20019665	Ankit Tomar, JE (Civil)	7000	6908	92
19	20019872	Raghav Maheshwari, JE (Civil)	7000	6908	92
20	20020063	Durvesh Kumar, PCAMR	7000	6908	92
		TOTAL	210000	207240	2760

ANNEXURE-V

S. No.	Name of Advertisement Agency/ Media House	Amount Paid	Amount of rebate not given by the Agency/Media House (15%)
	Year 2022-23		
1	M/s. Jagran Prakashan Ltd.	177520	26628
2	M/s. HT Media	1203136	180470
3	M/s. THG Publishing	812262	121839
4	M/s. Bannett Coleman & Co.	941024	141154
5	M/s. Amar Ujala Ltd.	256255	38438
6	M/s. Action India	4049	607
7	M/s. Hindustan Media Ventures Ltd.	321635	48245
8	M/s. Hamara Samachar	2688	403
9	M/s. Millenium Post	22050	3308
10	M/s. Punjab Kesri	13394	2009
11	M/s. Indian Express	727647	109147
	Year 2023-24		
1	M/s. Jagran Prakashan Ltd.	345452	51818
2	M/s. HT Media	1280916	192137
3	M/s. THG Publishing	275121	41268
4	M/s. Bannett Coleman & Co.	411768	61765
5	M/s. Amar Ujala Ltd.	175434	26315
6	M/s. Hindustan Media Ventures Ltd.	232408	34861
7	M/s. Times Group	1235304	185296
8	M/s. Millenium Post	44100	6615
9	M/s. Indian Express	485098	72765
	TOTAL	8967261	1345088

A.

PART - III

TEST AUDIT NOTES

(2022- 2024)

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

TAN No. 01: Non maintenance of Contractor's Ledger **(Ref. Observation Memo No. 06 dated: 30.09.2024)**

Para 10.2 of CPWD Works Manual stipulates that the accounts relating to contracts should be kept in CPWD form 43 as Contractor's Ledger and separate folio or set of folios should be reserved for all the transactions with each Contractor and it should be written up and maintained up to date. It further stipulates that Divisional Accountant is responsible for correctness of entries in the Ledger.

Test check of the records for the period 2022-23 to 2023-24 revealed that the Contractor's Ledger was not maintained in the Division. It could, therefore, not be verified in the audit as to whether all the transactions viz. advance payments and secured advances were made in terms of provisions of the codes/manual/contracts. Besides liabilities, if any, of the Contractor and abstract of transactions relating to works could not be ascertained.

Divisional Accountant has been advised to maintain the Contractor's Ledger in the Division for monitoring the payments of advances and secured advances made to the Contractor as per CPWD Work Manual and compliance shown to the audit party.

TAN No. 02: Non maintenance of Bill Register **(Ref. Observation Memo No. 07 dated: 30.09.2024)**

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

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

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

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

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

The Division may therefore take necessary steps to maintain the Bill Register as per CPWD Manual and compliance be shown to next audit.

TAN No. 03: Improper maintenance of Pay Bill Registers/ECRs.
(Ref. Observation Memo No. 12 dated: 03.10.2024)

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

1. The mandatory page counting certificate is not recorded in the PBRs/ECRs on the first page which is also required to be countersigned by the DDO concerned.
2. Monthly entries in PBRs/ECRs have not been verified and signed by the D.D.O. for its correctness.
3. Bill Numbers are not mentioned in PBRs/ECRs against each entries, without bill number, identification of Bill cannot be ascertained.
4. GAR-18, Abstract of Pay bill was not prepared.
5. No Column for GPF Advance/Withdrawal were found in PBR/ECR.
6. No proper columns for payment of Arrears, Leave Travel Concession, Leave Encashment, Children Education Allowance was found in PBR/ECR.
7. Gross total of all relevant columns has not been carried out in the PBRs/ECRs for income tax purposes.
8. Cuttings/over-writings/use of white fluids were noticed on some of the pages of PBRs/ECRs which are not initiated by the HOO/DDO after correction.
9. Past information of employees who have been transferred into the unit (required to be entered from LPC) were not found recorded in the PBR. This information is required for calculation of Income Tax, GPF contribution, etc.

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

The Division may therefore take necessary steps to remove the above mentioned discrepancies in maintenance of Pay Bill Registers/ECRs under intimation to the audit.

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TAN No. 04: Discrepancies in maintenance of Service Books.
(Ref. Observation Memo No. 13 dated: 03.10.2024)

During test check of Service Books provided by the office of EE (Project) W - I, Delhi Jal Board, Room No. 511, 5th Floor, Phase-I, Varunalaya, Jhandewalan, Delhi-110005., following deficiencies are observed:

- (i) **Entry of Aadhar Number** was not made in most of the Service Books as per the instructions circulated by Pr. Secretary (Finance), Govt. of NCT of Delhi vide No.F.3(03)/2015/T-I/Pr. AO/2017-26 dated 10/09/2015.
- (ii) **Verification and communication of qualifying service after 18 years of service or 5 years before retirement** - As per rule 32 of CCS (Pension) Rules, on completion of 18 years or 5 years before the date of retirement, whichever is earlier, verification of services of the Government servant concerned should be completed and a certificate of verification should be issued to him/her in the prescribed form (Form 24). However, the services of Government Servant were verified in any case.
- (iii) **'Home Town' declaration** under LTC scheme is to be kept in the Service Book. However, entry for home town declaration was not found in most of the Service Books.
- (iv) **GPF Account Number** is to be entered on the right hand top of page 01 by means of a rubber stamp as soon as the official is admitted to GPF. This number was not found mentioned in some of the Service Books.
- (v) **Practical guidelines on the maintenance of Service Book** - Instructions/guidelines contained on the inner cover pages of the printed Service Book should be followed. In addition, name of the employee was to be written both in English and in Hindi on the outer cover. Reference to the original documents verified to be made for (i) Date of Birth (ii) Educational Qualification (iii) Technical Qualifications and (iv) Caste Certificate for SC/ST/OBCs. These guidelines were not followed in most of the Service Books.
- (vi) **Annual Verification of Service** - Verification of Services will be completed annually along with pay slip for the month of April every year and certificate of verification will be recorded in the Service Book after ensuring correctness of the entries. This was not done in most of the Service Books.
- (vii) **In case of Transfer** - Certificate will be recorded for the period up to the date for which pay is drawn by the office, even if it is part of the month / year. The new office should verify whether certificate has been recorded correctly and agrees with LPC. This certificate was not found recorded in most of the Service Books.
- (viii) **Leave-Account** - It was observed that the leave account of none of the employees was maintained in prescribed Form-2 under Rule-15 of CCS (Leave) Rules, 1972. In many Service Books, cuttings, over-writings & use of fluid was seen over various entries of the Leave account. Entries should be clear and orders in respect of Special Leave should be pasted in the Service Books.
- (ix) **Photograph** - Vide GID below SR 197, a photograph of the Government servant is to be affixed on the right hand corner of the Service Book. However, in several cases, the photographs were not affixed or was very old.
- (x) **First page of the Service Book**, having details of the employee, should be filled up properly and completely. However, it was observed that impression of Finger Prints, Caste, identification marks etc. was not found in most of the Service Books.
- (xi) **Orders of pay fixation on promotion and up-gradation** were not found written or pasted in the Service Books.

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(xii) Entries of verification of Character and Antecedents of the employees, were not found in the Service Books.

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

The Division may therefore take necessary steps to remove the above mentioned discrepancies in maintenance of Service Books under intimation to the audit.


23/7/2024

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