

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

Sub.:- Compliance Audit Report on accounts of Office of the EE (Plg.) W-II, Delhi Jal Board, Phase –I Varunalaya, Jhandewalan, New Delhi for the period 01-04-2022 to 31-03-2024.

INTRODUCTION

The accounts of Office of the EE (Plg.) W-II, Delhi Jal Board, Phase –I Varunalaya, Jhandewalan, New Delhi for the period 01-04-2022 to 31-03-2024 was audited by the audit Party consisting of Smt. Savita Jain, Sr. A.O./IAO and Sh. Anil Kumar Grover, A.O. w.e.f. 25-11-2024 to 04-12-2024. The audit was done purely on a test check basis.

AIMS AND OBJECTIVES OF THE UNIT

- a) Checking of justification of rates : The division deals in checking justification cases of works costing more than 1500 lakhs received from various project and maintenance divisions on water side.
- b) Analysis/approval of rates of non-schedule items: The non-schedule items on water side are analyzed /approved in this division. The analyzed rates are circulated for adoption in department for use in estimation as well as in justification.
- c) Third Party Inspection related works: For quality control and assurance there is department policy for third party inspection of works costing more than one crore. On the request of work/project executing division, Work Orders are issued to TPI agency by this division and payment to TPI Agency is regulated as a %age of work executed; after due verification of quantum of work done by executing division. M/s RITES Ltd (a Govt. of India enterprise) was engaged to carry out third party inspection for a period of 5 years reckoned from 30/05/2014 and further extended up to 30/09/2021

Project Awarded Cost	Rate (IN %)
1-10 crore	0.70
More than 10-50 crore	0.50
More than 50 Crore	0.34

Presently, there is a quality control cell in DJB created for this purpose.

- d) All administrative, technical and RTI related works.
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LIST OF HOD/HOO/DDO/CASHIER DURING THE AUDIT PERIOD 2022-24.

HOO/DDO

S.NO.	Name & Designation	Period
1.	Sh. Vipin Kumar Jain, Executive Engineer (Civil)	14.02.2022 to 30.04.2024
2.	Sh. Munish Kumar, Executive Engineer (Civil)	01.04.2024 till date

Cashier

S.NO.	Name & Designation	Period
NIL (as provided by the Division)		

BUDGET ALLOTMENT AND EXPENDITURE

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

(Amount in Lakh)

Year	CAPITAL			REVENUE			
	Budget Allocated	Expenditure	Balance	Budget/ received	Amt.	Expenditure	Balance
2022-2023	77.60	74.97	2.63	1.39		0.45	0.94
2023-2024	80.02	79.00	1.02	0.67		0.26	0.41

VACANCY POSITION

There is no sanctioned posts in EE (Planning), W-II, all the staff working on diverted capacity.

Sl. No.	Group of Posts	Post Sanctioned	Men in Position (In diverted capacity)
1	A	00	01
2	B	00	03
3	C	00	04

Statutory Audit

Statutory audit of Office of the Office of the EE (Plg.) W-II, Delhi Jal Board, Phase –I Varunalaya, Jhandewalan, New Delhi has been conducted by A.G.C.R.(Delhi) upto 2022-2023 .

Maintenance of Record :-

The maintenance of record Office of the EE (Plg.) W-II, Delhi Jal Board, Phase –I Varunalaya, Jhandewalan, New Delhi for the period 01-04-2022 to 31-03-2024 was found satisfactory subject to observations made in Current audit report and in test audit note.

PART-I A
OLD AUDIT REPORT

The audit of the Office of the EE (Plg.) W-II, Delhi Jal Board, Phase -I Varunalaya, Jhandewalan, New Delhi has been conducted for the First time.

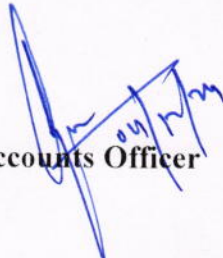


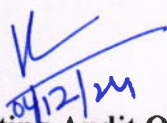
PART-II

CURRENT AUDIT REPORT

During the course of audit, 08 preliminary audit memos including 01 Record Memos i.e. 01 to 01(M) were issued. Out of 08 memos., 01 record memo has been settled. The Division has not submitted the replies of Memos. and remaining 07 memos have been converted into **05 PARAS and 02 TANS** and incorporated in current audit report as part-II.

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


Accounts Officer


Inspecting Audit Officer

PART- 1

(2022-2024)

PART -II
CURRENT AUDIT REPORT
(2022-24)

Audit Para - 01

(Memo No. 07 dated :02/12/2024)

Sub:- Non-adherence to contract /agreement conditions of Third Party Inspection services.

DJB had awarded the work of third Party Inspection (TPI) of several water projects, each costing more than Rs. 1 Crore and located at various sites in Delhi to M/s RITES limited through the Executive Engineer (Planning) W-II at Varunalaya Phase I for initially for 5 years in June 2014 which was further extended upto August 2021.

The scope of the work included: pre-construction testing/checking of input materials, checking of workmanship during the construction and execution phase i/c monitoring action taken on observations and reporting through periodical reports ensuring that the tests are being conducted and work executed as per the specifications of Contract Agreement of individual work for which the inspection is being carried out.

The inspection would be for the entire duration of the projects and ideally agency should be in place in the pre-constriction stage and would function till project completion.

During the test check the payment register and bills for the audit period 2022-23 & 2023-24 related to the third-party inspection of works in DJB assigned to M/s Rail India Technical and Economics Services (RITES LTD.). The following observations have been noticed :-

(A) Non- submission of the monthly inspection report as per agreement clause.

As per Agreement Clause and work order issued by this division, the TPIA i.e. RITES LTD. shall submit complete and comprehensive inspection report monthly (upto 7th of every month) to concerned SE /EE in-charge of the work with copy of reports endorsed to SE (Planning) but in most of the cases, the inspection was not carried out on monthly basis . Some instances are given below: -

S.No.	Name of the work	Period of completion of work	No. of monthly reports required	No. of monthly report submitted	Shortage
1.	P/L internal DI water distribution system in Abul Fazal Enclave Pt-I block A to D in Okhla Constituency (W.O. No. 01 (2021-22)	08 months	08	01	07
2.	P/L/J water distribution system in Swaroop Nagar south Pt-II GT karnal road and Burari Road U/A colonies in AC-05(W.O. No. 31 (2019-20)	06 months	06	01	05
3.	Rejuvenation of 06 no. Water bodies using phytorid treatment technology of capacity	18 months	18	12	06

	400 KLL at various locations (W.O. No. 19 (2019-20))				
4.	Rejuvenation of 06 no. Water bodies using phytoid treatment technology of capacity 150 KLL at various locations (W.O. No. 18 (2019-20))	15 months	15	11	04

Thus, the agency had not submitted the monthly inspection report of the projects resulting in short inspections from 04 to 07 months. In the absence of penalty clause in the agreement, division authorities could not levy penalty on the short inspections.

(B) Non-uploading of photographic evidence on DJB project Management System.

As per contract agreement, photographic evidence of work progress be submitted in the inspection report and the agency shall enter the progress reports in the format of Project Management System (for quality Monitoring) on 1st and 15th of every month during the inspection of works. The project Engineer -in-charge shall verify the entries made. No payment shall be released if the progress has not been entered in the prescribed frequency and in the prescribed format.

On test check of bills provided to audit, no evidence of work progress uploaded on DJB project Management System found available on record and the payment to M/s RITES Ltd. has been made by the division which is non-adherence of terms and conditions of Agreement.

(C) Non-carrying out of the third party inspection of the projects.

As per contract agreement which was executed between DJB and M/s RITES Ltd in 2014 for the appointment of the Third Party Inspection (TPI). The scope of the work for TPI defined that TPIA shall carry out the inspection of all works for which work order is issued on individual basis by EE (Planning). The inspection would be for the entire duration of the projects and ideally agency should be in place in the pre-construction stage and would function till project completion.

Test check of TPI payment register of the division revealed that the work order was issued for the carried out the third party inspection during pre and post construction of the projects. But no inspection was carried out by the TPIA of these works till date in the following works :-

S.No.	Work Order No.	Dated	Name of work
01.	07 (2019-20)	24/06/2019	P/L peripheral and distribution of main for Churiya Mohalla, Balmiki Mohalla etc. At Tughlakabad under EE (South-IV)
02.	04 (2021-22)	31/08/2021	P/L DI water line in Baldev Vihar, U/a in Mundaka constituency (AC-08)

From the above, it is evident that the work orders were issued before 3 to 5 years ago. The status of the works could not be ensured in audit as the execution records were available with the other Divisions. Audit further noticed that EE (Planning), Water II division had no mechanism to ensure current status of the works for which planning division issued work order for TPIA.

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(D) Non-obtaining Extension of Time before making payment to TPI

EE (Plg.)- W-II releases payment to TPIA on the basis of acceptance/approval of inspection reports by the concerned division, however, in most of cases, the stipulated date of completion of works has been lapsed and copy of EOT is not available on records/bills. Details of some such cases are as under :

Sl. No.	Name of work and W.O. number	Date of work order issued for TPI to RITES LTD.	St. Date of Start of work	St. Date of completion	Date of release of payment to RITES LTD.	Amount (in Rs.)
1.	Replacement of 1500 mm dia South Delhi main and 1000 dia Palam main in left out portion from Haidepur WTP to dear Park and Palam reservoir (W.O. 29 (2016-17))	27/09/2016	03/10/2016	02/04/2019	10/08/2022	38172/-
2.	P/L/j of 1300 mm dia feeder main emanating form Palla MBR for Holambi Kalan UGR to replace existing wate main to alipur guest house (W.O. NO. 32 (2018-19))	15/03/2019	22/03/2019	21/09/2020	10/08/2022	108648/-
3.	Construction of 12.4 ml capacity UGR/BPS at Mayapuri New Delhi (W.O. nO. 38 (2016-17))	20/02/2017	14/02/2017	13/08/2018	10/08/2022	64866/-
4.	Replacement of 1000 mm dia PSC Mangol Puri water main from Prashant vihar red light to peeragarhi UGR (W.O. No. 11 (2019-20))	17/09/2019	01/10/2019	31/03/2021	08/06/2022	273188/-
5.	C/S/E and erection and installation commissioning of 5.8 ml capacity UGR /BPS at Rajokari (W.O. No. 05 (2019-20))	06/06/2019	10/06/2019	09/03/2021	10/08/2022	35477/-

Above data shows that date of completion of work as per contract agreement of work has been lapsed 04 to 05 years ago. But the division had released TPI charges for these inspections during the audit period without evidence/approval of EOT which is affect not only violating the provisions but also defeating the achievements fixed for the public interest.

H.O.O / EE (Planning) Water-II must follow the terms and condition of agreement before making payment to the TPIA.



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Audit Para-02

(Audit Memo No. 08 dated: 03/12/2024)

Subject: - Reconciliation of balances in the bank accounts for the financial year 2022-23 and 2023-24

(A) Financial year 2022-23

During the scrutiny of Trial Balance provided by the division, it has been observed that the following bank accounts exists in the books of accounts of the division, details of which are as s under: -

S.No.	Cash and Bank in transit Balance		
		Debit (in Rs.)	Credit (in Rs.)
1.	Allahabad Bank EMD A/c 50448339804	7500.00	-
2	Corporation Bank 140	199141.95	-
3	Syndicate Bank Ac. No. 12261	2000000.00	-
4	Syndicate Bank -24/231	1225.00	-
	TOTAL	2207866.95	-

It was requested to provide the following information/clarification vide audit memo no.08 dt. 03.12.2024 but the information and reply given by the division is incomplete-

1. Purpose of maintaining each bank account
2. Copy of bank statement in r/o all bank account above mentioned Trial balance/Ledger
3. Reconciliation statement in r/o ledgers mentioned above with bank statement
4. Reasons for debit balance of Rs. 22,07,866.95 - in r/o above ledgers and details thereof
5. Confirmation and details of closed accounts either, at unit level or at HQ level and status of funds transferred to DJB (HQ) bank account and related concerned bank account.

(B) Financial year 2023-24

During the scrutiny of Trial Balance provided by the division, it has been observed that the following bank accounts exists in the books of accounts of the division, details of which are as s under: -

S.No.	Cash and Bank in transit Balance			
		Opening Balance	Debit (in Rs.)	Credit (in Rs.)
1.	SBI Account No. 3729	0.00 (Cr)	10598.00	
2.	Non-schedule Bank IU-HO-4115	0.00 (Cr)		7689337.00

It has been observed that all the ledgers mentioned above are having Zero balances. Further, closing balance of Bank for financial year 2022-23 has not been carried forwarded in the FY 2023-24.

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(4)

It was requested to provide the following information/clarification but the division has not replied -

1. Purpose of maintaining each bank account
2. Copy of bank statement in r/o all bank account above mentioned Trial balance/Ledger
3. Reconciliation statement in r/o ledgers mentioned above with bank statement
4. Reasons for not carrying forwarded of closing balance from the financial year 2022-23 to the FY 2023-24.
5. Confirmation and details of closed accounts either, at unit level or at HQ level and status of funds transferred to DJB (HQ) bank account and related concerned bank account.

The H.O.O./ DDO of the division may look into the matter and take necessary action for reconciliation of bank balances with the Headquarter, Delhi Jal Board under intimation to audit.

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Audit Para – 03

(Memo No. 03 dated: 29/11/2024)

Subject:- Status of closing balances in different bank accounts.

As per information provided by the Division for the audit period, it has been observed that the following bank accounts were operative in 2022-23 but the same were inoperative/closed w.e.f. 01/04/2023.

SN	Name of the Bank	Account Number	Closing balance as on 31/03/2023	Status
1	Union Bank of India (previously Corporation Bank) Jhandewalan, New Delhi	510101006070018	1,99,141.95	Closed
2	Canara Bank (previously Syndicate Bank), Rani Jhansi Road, Delhi	90231010000231	1,225.00	Closed
		Total	2,00,366.95	

It has been revealed that there were Closing Balances amounting to Rs. 2,00,366.95 lying in the above Bank accounts and these accounts are inoperative/closed at present.

The amount of Rs. 2,00,366.95 may be deposited in the Govt./ Revenue Account of Delhi Jal Board under intimation to audit

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Audit Para – 04

(Memo No.06 dated: 02/12/2024)

Sub Non- Maintenance of Cash Book.

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

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

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

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



Audit Para – 05

(Memo No. 05 dated: 29/11/2024)

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

The following records/information for the audit periods 2022-23 & 2023-24 have not been provided to Audit: -

1. Reconciliation statements of all bank accounts for the years 2022-23 & 2023-24 except for Corporation Bank A/c 140 and Syndicate Bank 24/231.
2. Bank Statements of all bank accounts for the year 2022-23 & 2023-24 except Corporation Bank A/c 140 and Syndicate Bank 24/231.
3. Work orders register and its related files.

The above records may please be shown to the next Audit.



TEST AUDIT NOTES

TAN – 01

(Memo No.02 dated: 28/11/2024)

Subject: - Shortcomings in maintenance of Service Books.

During the test check of Service Books maintained by the Division, the following shortcomings have been observed:

(1) Service Book to be shown to the official every year

SR-202 stipulates that Service Book is required to be shown to the official every year and his signature obtained in token of his perusal. The Government servant will ensure that his services have duly been verified and certified as such, before affixing his signature. However, it has been observed that the Service Book was shown to none of the official as there was no signature of the official obtained in the Service Book.

(2) Re-attestation of Bio-data

The particulars of each Govt. servant at the first page of Service Book should be re-attested after every five years and fresh photograph should be appended and attested after every ten years. But this has not been followed in any of the case.

(3) Photograph not pasted

Photographs of Sh. Ram Dayal Meena, Driver, Sh. Vijay Kumar Garg, Draftsman, Smt. Jaya, FA not pasted at the first page of Service Book which should be duly attested by the HOO.

(4) Aadhar numbers not mentioned

Aadhar numbers in respect of most of the service books are not mentioned at the first page of services book e.g. Sh. Sh. Saurabh Kr. Duvesh, JE, Sh. Vijay kr. Garg, Draftsman, Sh. Lokesh Gupta, PCAMR etc.

(5) Leave Accounts of most the service books are not prepared in the prescribed proforma as normal ruled register papers are attached for leave account e.g. Sh. Ram Dayal Meena, Driver, Sh. Vijay Kr. Garg, Draftsman, and Entries for leave credited and leave taken are not done in the required/prescribed columns of leave account of Sh. Saurabh Kr. Duvesh, JE, Smt. Jaya, FA, Sh. Manoj Kumar, FA etc.

(6) Service Verification entries have not been done in any of the Service Books. GPF/CPF number at the first page of most of the service books are not mentioned.

Necessary action may please be taken to remove the above shortcomings under intimation to Audit.

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TAN – 02

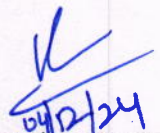
(Memo No.04 dated: 29/11/2024)

Sub. - Shortcomings in Stock Registers.

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

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

Necessary action may please be taken to remove the above shortcomings under intimation to Audit.


04/12/24
Inspecting Audit Officer