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**DIRECTORATE OF AUDIT
GOVERNMENT OF N.C.T OF DELHI
4TH LEVEL, C-WING, DELHI SACHIVALAYA: NEW DELHI**

Audit Report of Office of Dy. Director (Hort.) South, Delhi Jal Board, Jal Sadan, Lajpat Nagar, New Delhi -110024 for the period 2022-23 and 2023-24.

INTRODUCTION

The Compliance Audit Report of Office of Dy. Director (Hort.) South, Delhi Jal Board, Jal Sadan, Lajpat Nagar, New Delhi -110024 for the period 2022-23 and 2023-24 was conducted by the field Audit Party comprising of Sh. Arbind Kumar, Inspecting Audit Officer (On leave from 09.12.2024 to 13.12.2024) and Sh. Vinay Arora, AAO (On leave from 03.12.2024 to 06.12.2024). The audit conducted during 09 working days between 03.12.2024 to 16.12.2024.

AIMS & OBJECTIVES: -

The Aims and objectives of Division - Office of Dy. Director (Hort.) South, Delhi Jal Board, Jal Sadan, Lajpat Nagar, New Delhi -110024 is – Irrigation work for plantation of tree nursery potted plant, Horticulture work at S.T.P., S.P.S., WTP & BPS, jungle clearance, tree plantation, surface dressing flowering, decoration of residential colony & Office Complex under DJB.

HOO/DDO/Accountant/Cashier

The following officers/officials have been served as HOO/DDO/Accountant during 2022 -2023 and 2023-2024: -

Head of the Office (Smt./Shri/Ms.)				
S. No.	Name of the Officer	Designation	Period	
			From	To
1.	Sh. Bhupal Singh	Dy. Director (H)	01.04.2022	31.03.2024
List of D.D.O (Smt./Shri/Ms.)				
S. No.	Name of the Officer	Designation	Period	
			From	To
1.	Sh. Bhupal Singh	Dy. Director (H)	01.04.2022	31.03.2024

List of Accountant

S. No.	Name of the Officer	Designation	Period	
			From	To
1.	Smt. Satyawati	AAO	01.04.2022	31.03.2023
2.	Sh. Anuj Pathak	AAO	01.04.2023	Sept. 2023
3.	Sh. Jogender Yadav	AAO	Oct. 2023	Till date

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Budget & Expenditure of the Department for the period: 2022-23 & 2023-24

Revenue		(Rupees in Lakh)	
Year	Budget	Expenditure	Balance Amt.
2022-23	1118.08	943.30	174.78
2023-24	842.09	749.32	92.77

Capital		(Rupees in Lakh)	
Year	Budget	Expenditure	Balance Amt.
2022-23	629.50	197.71	431.79
2023-24	295.26	71.05	224.21

Vacancy Statement: As on 31.03.2024

S. No.	Name of the post	No. of Sanctioned posts	Filled	Vacant
1	Group – 'A'	1	0	1
2	Group – 'B'	2	0	2
3	Group – 'C'	97	56	41
Total		100	56	44

Statutory Audit:-

The Statutory audit of Office of Dy. Director (Hort.) South, Delhi Jal Board, Jal Sadan, Lajpat Nagar, New Delhi -110024 has been conducted by AG (Audit) Delhi up to March 2024.

Maintenance of Records:-

The maintenance of record of Office of Dy. Director (Hort.) South, Delhi Jal Board, Jal Sadan, Lajpat Nagar, New Delhi -110024 for the period 2022-23 and 2023-24 was found satisfactory subject to the observations made in the Current Audit Report.

Old Audit Reports & Recoveries :-

S.No.	Period	Details of outstanding paras			Outstanding Para Numbers
		Opening balance	Paras settled	Para Settled Nos.	
No old Para outstanding for settlement as Directorate of Audit, GNCT Delhi conducted					

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as this is 1st Audit of **Office of Dy. Director (Hort.) South, Delhi Jal Board, Jal Sadan, Lajpat Nagar, New Delhi -110024.**

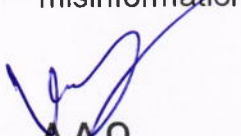
Current Audit Report :

During the course of current audit, **11** Observation Memos including record memo were issued for the period 2022-23 and 2023-24. **No memo** has been settled on the spot. Out of **11** remaining observation Audit Memos, **10** Audit Memos have been converted in to **10 paras** and **01** into **TANs**.

Details of Current Recovery:-

S.No.	Memo No.	Details of Recoveries [Amount in Rupees]			Incorporated in Para No.
		Raised	Recovered/regularized on Spot	Balance	
1.	4	63315	0	63315	3
2.	5	12696	0	12696	4
3.	8	2000	0	2000	7
4.	10	5000	0	5000	9
Total		83011	0	83011	

Internal Audit report for the period 2022-23 and 2023-24 has been prepared on the basis of information furnished and made available by **Office of Dy. Director (Hort.) South, Delhi Jal Board, Jal Sadan, Lajpat Nagar, New Delhi -110024**. The Directorate of Audit, GNCT of Delhi disclaims any responsibility for any misinformation and / non-information on the part of auditee.


A.A.O.
INSPECTING AUDIT OFFICER
Compliance Audit – Delhi Jal Board

PART-I

OLD AUDIT REPORT

NIL

Dr.

PART-II

CURRENT AUDIT

REPORT

(2022-23 and 2023-24)

Ans

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DIRECTORATE OF AUDIT GOVERNMENT OF N.C.T OF DELHI,
4TH LEVEL, C-WING, DELHI SACHIVALAYA:NEW DELHI

PARA 01 :- Bank Reconciliation Statement for the Financial Year 2022-23 & 2023-24.

(Ref. Audit Memo No. 1 Dated: 05.12.2024)

(A) Financial Year 2022-23.

During the Scrutiny of Book of Accounts provided by **Dy. Dir (Hot.) South, DJB, Jal Sadan, Lajpat Nagar, New Delhi-110024**, it has been observed that following Bank Ledgers/Cheque Ledger are exists in the Book of Accounts of the Division, detail as under:-

Table – “A”

Particulars	Opening (Rs.)	Debit (Rs.)	Credit (Rs.)	Closing Debit (Rs.)	Closing Credit (Rs.)
Allahabad Bank EMD A/c 50448339804	4,70,700.00 Dr	-	-	4,70,700.00	-
Canara Bank- 4783	1,46,95,202.00 Cr	-	-		1,46,95,202.00
Corp Bank- 595	33,62,619.94 Dr	-	-	33,62,619.94	-
Corp Bank- 185	19885.10 Dr	-	-	19885.10	-
Corp Bank- 4116	72,70,36,741.00 Cr	-	-		72,70,36,742.00
SBI A/C No. 414375543649	46,76,716.00 Dr	100.00	70,60,956.00		23,84,140.00
Syn. Bank-60011-R Jhasi	1,17,74,196.00 Cr	-	-		1,17,74,196.00
Syn. Bank-89/863	4,05,545.00 Dr	-	-	4,05,545.00	-
Syn. Bank - 12261	13,59,645.00 Dr	-	-	13,59,645.00	-
TOTAL	74,32,11,027.96 Cr	100.00	70,60,956.00	56,18,395.04	75,58,90,280.00

It was requested to provide the following information: -

1. Copy of Bank statement in r/o of above Ledgers.
2. Reconciliation Statements in r/o of Ledgers as mentioned above with Bank Statement.
3. Reason for huge Credit Balance of Rs. **75,58,90,280.00** in r/o Ledgers mentioned above and detailed thereof.
4. 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.
5. Purpose of maintaining each Bank Accounts.

The department should take necessary action to reconcile the above said bank Ledger A/cs and necessary entries may also be incorporate in the concerned Leder account in order tally with the concerned Bank Statement. If adjustments have been incorporated at DJB(HQ) then necessary account may be updated/completed in the Division Ledger Account to match with the Bank Statements. If any cheque issue entry is more than three months old, then necessary reverse/Transfer Entry may be made in the Books of Accounts to reconcile Bank statements for the Financial Year 2022-23.

(B) Financial Year 2023-24

During the Scrutiny of Book of Accounts provided by Dy. Dir (Hot.) South, DJB, Jal Sadan, Lajpat Nagar, New Delhi-110024, it has been observed that following Bank Ledgers/Cheque Ledger are exists in the Book of Accounts of the Division, detail as under:-

Table – “B”

Particulars	Opening (Rs.)	Debit (Rs.)	Credit (Rs.)	Debit Closing (Rs.)	Credit Closing (Rs.)
Bank/Cheque-in-Transit Balance as on 31-03-2024					
SCHEDULE BANK					
SBI A/C NO. 3649	0.00	10,07,81,518.00	9,74,12,363.00	33,69,155.00	
TOTAL	0.00	10,07,81,518.00	9,74,12,363.00	33,69,155.00	

It has been observed that all Ledgers mentioned above having zero opening Balance and Closing Balance of Bank and Cheque Ledgers for financial Year 2022-23 has not been carried forwarded to financial year Financial Year 2023-24. Therefore, it is requested that provide following information to audit.

1. Reason for non-carry forward of closing balances (As per Table- A above) of Financial Year 2022-23 to Financial Year 2023-24 (Table –B)
2. Copy of Bank statement in r/o of above Ledgers.
3. Reconciliation Statements in r/o of Ledgers as mentioned above with Bank Statement
4. Reason for Debit Balance of **Rs.33,69,155/-** in r/o Ledgers mentioned above and detailed thereof.
5. 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.
6. Purpose of maintaining each Bank Accounts.

The Division has not commented on confirmation of balance and the non-carry forwarding of balances from the Financial Year 2022-23 to 2023-24.

The Department/Division may look into the matter and necessary action for smooth functioning and better budget control/Expenditure etc. and carry forwarded all the balances of previous F.Y. 2022-23 to 2023-24. Reconcile all the above said bank Ledger A/cs concerned with the Division and necessary entries may also be incorporated in the concerned Ledger account in order tally with the concerned Bank Statement. If adjustments have been incorporated at DJB(HQ) then necessary account may be updated/completed in the Division Ledger Account to match with the Bank Statements. If any cheque issue entry is older than three months, then necessary reverse/Transfer Entry may be made in the Books of Accounts to reconcile Bank statements for the Financial Year 2023-24.

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PARA 02 :- Unsettled Advances Paid to Employees/Staff of Rs. 32,56,311/-.

(Ref. Audit Memo No. 2 Dated: 05.12.2024)

(A) Financial Year 2022-23**(i) Loan/Advance to Employees:-**

During the Scrutiny of records/Ledgers provided by Dy. Dir (Hot.) South, DJB, Jal Sadan, Lajpat Nagar, New Delhi-110024, it has been observed that following Loan/ **Advances to Employees** were paid to Employees for the LTA, Medical, Festival and Motorcycle loan are lying unsettled for the long time, detail as under :-

Table – “A”

Advances to Employees			
S.NO.	Particulars	1-Apr-22 to 31-Mar-23	
		Closing Balance	
		Debit	Credit
1	Leave Travel Advance	4,230.00	
2	Imprest Advance	15,000.00	
3	Medical Advance	26,17,017.00	
4	Tour & Tavel Advance	74,200.00	
5	Total	27,10,447.00	

Reason for the non-settlement of Advances to Employees explained to audit. It was requested to provide the Records/Broad sheet along with Interest calculation of above said motorcycle loan and reasons for non-settlement of Advances explain to Audit.

(B) Financial Year 2023-24

PARTICULARS	OPENING (Rs.)	DEBIT (Rs.)	CREDIT (Rs.)	DEBIT CLOSING (Rs.)	CREDIT CLOSING (Rs.)
ADVANCES TO EMPLOYEES					
MEDICAL ADVANCE	0.00	5,45,864.00	0.00	5,45,864.00	0.00
Total	0.00	5,45,864.00	0.00	5,45,864.00	0.00

In view of above it has been observed that closing balances of Advance exists in Books of Accounts and Advance register is not same. Further unsettled advance/loan elaborated in Table – A (for the Financial Year 2022-23 has not been carried forwarded to Book and Accounts as mentioned in Table-B for the Financial

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Year 2023-24. reason for above differences in Books of account and Advance register explain to audit.

Division Should take necessary action for settlement of above advances and if already settled necessary entry should be made in ledger and shown to next audit.

PARA 03 :- Short-deduction of statutory deductions Labour Cess amounting to Rs.63315/- during the financial year 2022-2023.

(Ref. Audit Memo No. 4 Dated: 06.12.2024)

As per 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 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.

Further, as per 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 DD(H) South, Delhi Jal Board, Jal Sadan Lajpat Nagar, it was observed that the Division had not deducted Labour Cess **whereas Division had included 1% labour cess in justified rate of estimated cost of work.** Some details of Labour Cess not deducted from the Contractor's bills are given below:

S. N o.	Name of the work	Name of the agency and Work Order no.	Payment Voucher No. & Date	Gross amount of Bill	Labour Cess to be deducted @ 1%	Labour Cess Deducted	Total Amount to be recovered (9+12+15)
1	Digging of Pits & preparation of Bed for plantation under Green Action Plan.	M/s Vivek Const. Co. 02/22-23	1st & final Bill MB No. 27243/80	543982	5440	0	5440
2	Development of Road side green belt at 16 mgd STP Okhla.	M/s Garden Glow 15/22-23	1st & final Bill M.B. 28853/23 28.03.2024	555481	5555	0	5555
3	Development of Garden at Chit Ranjan Park	M/s Garden Glow 16/22-23	2 nd & final Bill M.B. 27242/072 28.03.2024	533591	5336	0	5336
4	Maintenance of existing Garden at Jal Vihar	M/s Pal Construction Co. 20/22-23	2 nd & final Bill M.B No. 28088/31 28.03.2024	476621	4766	0	4766
5	Maintenance of the potted plant of greater Kailash Nursery & Jal Vihar	M/s Pal Construction Co. 19/22-23	2 nd & final Bill M.B No. 27978/056 28.03.2024	702096	7021	0	7021
6	Maintenance of existing Garden at Grater Kailash	M/s PLCC 22/ 22-23	2 nd & final Bill M.B No.	445240	4452	0	4452

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	B.P.S. & Mehrauli STP Vasant Kunj		28088/30 28.03.2024				
7	Clearing of Jungle at STP Okhla abended area and digester S/ Holder near sludge beds	M/s Royal Hindon Associate 27/22-23	Ist& final Bill 28853/19	457784	4578	0	4578
8	Maintenance of compensatory Tree plantation against STP Kondli, Project at New 30 mgd STP Okhla	M/s Vivek Construction Co. 28/22-23	Ist& final Bill 28853/77	443843	4438	0	4438
9	Maintenance of existing Garden at Jal Sadan B.P.S	M/s Pal Construction Co. 31/22-23	2 nd & final Bill M.B No. 28088/29 28.03.2024	466964	4670	0	4670
10	Development of Garden by Land scapping at ESI B.P.S Okhla, Ph-I	M/s PLCC 21/ 22-23	2 nd & final Bill M.B No. 27538/90 28.03.2024	243886	2439	0	2439
11	Maintenance of compensatory Tree Plantation at 124 M.G.D W.W.T.P Okhla Ph-I	M/s Vivek Const. Co. 23/22-23	Ist& final Bill MB No. 28853/36	452179	4522	0	4522
12	Maintenance of Existing Garden at 16 MGD STP Okhla	M/s Dalip Kumar 49/22-23	Ist& final Bill M. B. No. 28052/70	396495	3965	0	3965
13	Clearing of jungle at STP Okhla (Abended Area)	M/s Dharu Builders 07/23-24	Ist& final Bill M. B. No. 27978/52	354352	3544	0	3544
14	Providing and laying Extend/Repairing of CPVC net work for irrigation at STP Okhla	M/s Shivpriy Projects 04/23-24	Ist& final Bill M. B. No. 27978/	258946	2589	0	2589
							63315

Head of Office may therefore be advised to recover short deduction of labour cess amounting to Rs.63,315/- after due verification of facts and figures under intimation to audit. Other cases may also be reviewed on the similar lines

PARA 04: Excess payment of Non-Productivity Linked Bonus for Rs.12696/-

(Ref. Audit Memo No.05 dated: 06.12.2024)

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, Varunalaya "B" Building, Karol Bagh, New Delhi-110005 has issued directions to release Non-Productivity Linked Bonus [PLB] (Adhoc 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

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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.7000x30/30.4=Rs.6908/-.

During test check of records for the financial years 2022-23 and 2023-2024 it has been observed that the Division had paid Non-Productivity Linked Bonus 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. Details are as under :

Bill Code and Bonus period	Total No. of official paid to Bonus @ Rs. 7000/-	Eligible Bonus Amount @Rs. 6908/-	Excess amount paid & Recovery should be made	Remarks
Exgratia payment/ 2021-2022	76*7000 = 532000/-	76*6908=525008/-	6992/-	Details of recovery attached as Annexure- "A"
Exgratia payment/ 2022-2023	62*7000= 434000	62*6908=428296/-	5704/-	Details of recovery attached as Annexure- "B"
		Total	12696/-	

Necessary steps may be taken to recover excess payment of Non-Productivity Linked Bonus amounting to **Rs. 12696/-** for the after due verifications of facts and figures mentioned above.

PARA 05 :- Award of work on abnormally below rates in comparison to the estimated cost.

(Ref. Audit Memo No.06 dated: 06.12.2024)

As per Instructional Order issued by Member (WS) vide No. F.3/DJB/M (WS)/2w021/3313 dated 01.12.2021 regarding abnormally below rates – the contractor generally in maintenance division gives the plea of low rates as its idle labour and surplus material available with him. This concept is not convicting every time and therefore strict supervisor at the level of AEE/EE concerned and Senior Officers are required for ensuring quality of such work. It has been observed that no letter issued to contractor regarding justification for the abnormality of rates of the above said work orders. No proper justification was given for abnormal rates are recorded on the file while processing/recommending the case.

As per Para of SOP No. 5/3 CPWD Works Manual 2022 reg. Justification of Tenders (Refer Para no. 3) the Justification Statement is prepared for checking the

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reasonability of rates before opening of financial bid based on the market rates of material and labour etc. The major items of the entire Schedule costing at least 90% of the overall estimated cost put to tender are analyzed, to work out the justified percentage on this basis the items to be considered for analysis of rates are selected with items having the highest estimated amount, and then next lower amount in the descending order and soon, till at least 90% of the estimated cost put to tender is reached, however, examination of records relating to award of tender by Division DD(H) South, DJB, Jal Sadan, Lajpat Nagar, New Delhi-110024, revealed that in the following cases, agreements executed and work orders were awarded to the contractors at the rates very lower than the estimated cost. Some examples of 45.99% to 61.99% below of tender amount from estimated cost is as under:-

Sl.No	Work Order No. & Date	Name of the work	Name of the contractor	Estimated cost/ Amt. put to tender (in ₹)	Contractor Quoted in Tender Amount (in ₹)	Tendered Amount Below estimated cost
1	28/04.11.2022	Maintenance of compensatory Tree plantation against STP Kondli, Project at New 30 mgd STP Okhla.	M/s Vivek Construction Co.	9,34,800/-	4,43,843/-	52.52%
2	27/27.10.2022	Clearing of Jungle at STP Okhla abended area and digester S/ Holder near sludge beds	M/s Royal Hindon Associate	948715/-	464870/-	51%
3	23/23.09.2022	Maintenance of compensatory Tree Plantation at 124 M.G.D W.W.T.P Okhla Ph-I	M/s Vivek Const. Co.	932520/-	452179/-	51.51%
4	49/31.03.2023	Maintenance of Existing Garden at 16 MGD STP Okhla	M/s Dalip Kumar	825859/-	396495/-	51.99%
5	07/28.11.2023	Clearing of Jungle at STP Okhla (Abended Area)	M/s Dharu Builders	937125/-	580923/-	61.99%
6	03/05.09.2023	Supply of Shrubs Plants and plantation under Green Action Plan	M/s Brij Garden	964420/-	447974/-	53.53%
7	12/16.03.2024	Maintenance of Existing Garden at 16 MGD STP Okhla & near main gate green Belt water body area.	M/s Dharu Builders	929415/-	501977/-	45.99%
8	48/31.03.2023	Maintenance of Existing Garden at WTP Okhla Plant & Residential Complex Garden area	M/s Dalip Kumar	8,92,892/-	4,28,677/-	51.99%
9	08/28.11.2023	Maintenance of exist sting Garden at Jal Vihar	M/s Dharu Builders	4,86,627/-	2,29,493/-	52.84%
10	49/31.03.2023	Maintenance of Existing Garden at 16 MGD STP Okhla	M/s Dalip Kumar	8,25,859/-	3,96,495/-	51.99%

As per the table above, there was huge variation between the estimated cost and tendered amount ranging between 45.99% to 61.99% which raises questions towards the quality & quantity of the works and also towards un-realistic approach of the Technical Expert Team while preparing the estimates of the works. The above

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estimates of the works were prepared by the technical expert engineers of the division on the basis of prevailing Delhi Schedule of Rates. Such type of unreasonable variations can be attributed to either wrong assessment of rates or sketchy estimates were prepared in casual manners.

Division should take necessary action to prepare the estimates of the works at the latest DSR.

PARA 06: Non-utilization of funds to the tune of Rs.923.55 lakhs.

(Ref. Audit Memo No.07 dated: 09.12.2024)

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 facilities/services included in the annual action plan. The targets fixed for execution of work in the financial year should be fully achieved.

During the test check of records relating to total budget and actual expenditure during the period 2022-23 and 2023-24 under the head "Revenue" and "Capital" revealed the following:

Year	Budget allocated(Capital)	Expenditure (Capital)	Excess (+) / Savings (-)	% of Excess/ Savings
2022-23	629.50 lakhs	197.71 lakhs	431.79 lakhs	(-) 68.59
2023-24	295.26 lakhs	71.05 lakhs	224.21 lakh	(-) 75.94
TOTAL(A)	924.76 lakhs	268.76 lakhs	656.00 lakhs	(-) 70.94
Year	Budget allocated (Revenue)	Expenditure (Revenue)	Excess (+) /Savings (-)	% of Excess/Savings
2022-23	1118.08 lakhs	943.30 lakhs	174.78 lakhs	(-) 15.63
2023-24	842.09 lakhs	749.32 lakhs	92.77 lakhs	(-) 11.02
TOTAL(B)	1960.17 lakhs	1692.62 lakhs	267.55 lakhs	(-) 13.65
Total A+B	2884.93 lakhs	1961.38 lakhs	923.55 lakhs	(-) 32.01%

From the above table, it is gathered that out of the total allocation of Rs. 2884.93 lakhs, an amount of Rs. 1961.38 lakhs was incurred for execution of works and for other expenditures under various heads and there were savings worth Rs. 923.55 lakhs. The overall percentage of savings was 32.01%.

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.

The Budget and Expenditure statement of the audit period showed huge savings to the extent of 68.59 % to 75.94 % in the 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

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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 defeats 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.

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

PARA 07 :-Discrepancies noticed in the work - Supplying of Trees & Shrubs for plantation under Green Action Plan {Work Order No.03 dt. 10.06.2022}} and short deduction of Rs. 2000/- on account of labour report.

(Ref. Audit Memo No.08 dated: 10.12.2024)

1. Name of Work :- Supplying of Trees & Shrubs for plantation under Green Action Plan (2022-23)
2. Work Order No. : Work Order No.03 dt. 10.06.2022
3. Name of the Contractor: M/s Flora Valley
4. Estimated Cost : ₹ 9,67,740/-
5. Awarded Cost : ₹ 6,48,289/- (33.01 % below)
6. Justified Cost : ₹ 9,92,298/-(2.53 % above)
7. Time Period : 60 days + 02 Months Maintenance

The work regarding Supplying of Trees & Shrubs for plantation under Green Action Plan was awarded to M/s Flora Valley vide Work Order No.03 dt. 10.06.2022 with the direction to execute the work as per specifications, Terms & Conditions of the Work order within 60 days + 02 Months Maintenance. Audit observed that:-

1. In this case, the tender was accepted much below than the estimated cost/justified cost i.e. (33.01 % below) which raises questions towards the quality & quantity of the works and also towards un-realistic approach of the Technical Expert Team while preparing the estimates of the works. The estimate of the work is prepared by the Technical Expert Engineers of the division on the basis of SOR, prevailing market rate and Delhi Schedule of rates. Such type of unreasonable variations can be attributed to either wrong assessment of rates or sketchy estimates were prepared in casual manners. No reasons/justification for awarding of work abnormally below i.e. 33.01 % below has been recorded on the file.

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2. As per Terms & Condition No. 15 of Work order, the contractor will have to execute the Contract Agreement within 05 days of receipt of the work order. It has been observed that the Division had not entered into the agreement with the contractor within the stipulated period (Date of agreement is 20-08-2022) **whereas stipulated date of start of work is 12.06.2022** and the work has commenced on 29.07.2022. In such case, how the Division ensured compliance of terms and conditions of agreement in event of any breach of contract.
3. As per Circular issued by Delhi Jal Board vide **No. DJB/CEO/2022/D-1338 dated 21-04-2022** " If L-1 is more than 25 % below then the justified cost, the bid will be considered as a bid on unworkable rates. If unworkable rates are received, the L-1 shall have to submit as additional Performance Guarantee i.e difference between the 25 % less amount of justified rate and his quoted rate to Delhi Jal Board and only after the additional Performance Guarantee is submitted the contract would be executed". It has been observed that work order was issued on the rates quoted more than @ 25% below on the amount put to tender. Hence, additional Performance Guarantee (difference between the 25 % less amount of justified rate and his quoted rate) of the awarded value is to be obtained from the contractor. The Division had not recovered/short recovered of P.G from the contractor as required under the provisions of the Contract. Details of short recovery of P.G are as under :

S. No	Work Order No. & Date	Name of the Contractor	Tendered Amount (In ₹)	Amt. put to tender (In ₹)	Awarded % rate below	Total PG to be deducted (PG + Addl. PG) (In ₹)	PG Deducted by the Division (In ₹)	Short recovery of PG (In ₹)
1.	03 dt. 10.06.22	M/s Flora Valley	648289	967740	33.01 % below	87779 (19449+68330) {PG 3% + Addl. PG (33.01%+2.53%)-25%} of tendered amt.	5000	82779
TOTAL							5000	82779

Division should take necessary action to remove the such type of lapses to ensure the quality of work done by contractors.

4. As per clause 19 (D) of Contract Agreement, the Contractor shall submit by 4th and 19th of every month, to the Engineer-in-Charge a true statement showing in respect of the second half of the preceding month and the first half of the current month respectively. In case of non-observation of above conditions, the contractor shall be liable to pay to DJB a sum not exceeding Rs. 1000/- for each default or materially incorrect statement.
5. **Short Recovery of Rs. 2000/- on account of Labour Report.**

During the scrutiny of RA Bill and other relevant records it has been noticed that the Contractor had not submitted the requisite labour reports fortnightly during the execution of work. Total 06 labour reports were to be submitted by the contractor. Hence penalty of Rs. 6000/- is to be levied on the contractor as required under the provisions of the agreement but the Department had levied penalty of Rs. 4000/- only. Details of short recovery of penalty are given below:

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S. No	Work Order No. & Date	Tendered Amount (In ₹)	Schedule/ Actual date of start of the work	Schedule/ Actual date of completion of work	Total No. of Labour Report not completed by the Firm	Penalty 1000/- per labour report (In ₹)	Recovery made by the Division (In ₹)	Short Recovery (In ₹)
1.	03 dt. 10.06.22	648289	12.06.22/ 29.07.22	12.10.22/ 11.10.22	6	6000	4000	2000

Division should take necessary action to recover the Rs. 2000/- on account of non-submission of labour report as per the Terms & Condition of Contract Agreement.

PARA 08 :- Shortcomings in Hiring of Water Tanker for irrigation.

(Ref. Audit Memo No.09 dated: 12.12.2024)

The work regarding hiring of water taker for irrigation at 124 M.G.D.W.W.T.P. Okhla & allied site was awarded to M/s Daksh Enterprises vide Work Order No.40 dt. 04.03.2023 at the tendered cost of Rs 9,72,544/- (1048 trips @ 928 per trip) within 8 months or more than. The schedule/actual date of commencement of work was 06.03.23/10.03.23 and stipulated/actual date of completion was 05.11.23/20.12.23. Audit observed that:-

- 1. Delay in execution of the agreement:** - As per Terms & Condition No. 10 of Work order, the contractor will have to execute the Contract Agreement within 05 days of receipt of the work order. It has been observed that the Division had not entered into the agreement with the contractor within the stipulated period (Date of agreement is 17-04-2023) whereas stipulated date of start of work is 06.03.2023 and the work commenced on 10.03.2023. In such case, how the Division ensured compliance of terms and conditions of agreement in event of any breach of contract.
- 2. Non-submission of Performance Guarantee amounting to ₹ 48,627 :** As per Clause 1 of Agreement/Clauses of Contract, the contractor shall submit an irrevocable Performance Guarantee of 5 % of the tendered value (3 % of the tendered value during the Covid-19). The performance Guarantee shall be initially valid upto 60 days beyond the stipulated date of completion. In case the time for completion of works gets enlarged the contractor shall get the validity of P.G. extended within 30 days of receiving such notice form Engineer-in Charge to cover such enlarged time plus 60 days and the same shall be refunded after successful completion of the work. After recording of the completion certificate for the work by the competent authority, the Performance Guarantee shall be returned to the contractor, without any interest. During the test check of audit, it has been observed that contractor has not submitted Performance Guarantee 5 % of tendered value i.e. ₹ 48,627/-. Reason for non obtaining of Performance Guarantee may be elucidated to audit.
- 3. Non-deduction of recovery of Security Deposit amounting to ₹ 95,491 :** - As per condition No. 13 of NIT No. 08 (2022-23), 10 % Security of billing amount will be deducted which is refundable as per the Terms & Conditions of

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the contract agreement. Further, Clause 1A stipulates that person whose tender may be accepted shall permit Government at the time of making any payment to work done under the contract to deduct a sum at the rate of 10 % of the Gross Amount of each running bill. During the test check of audit, it has been observed that Division had not recovered Security deposit amounting to ₹ 95,491/- from the contractor as required under the provisions of the Contract. Details of recovery of security deposit are as under :-

S. No.	Description	Amount (In Rs.)	Security Deposit to be deducted	Date of payment
1.	Ist R.A. Bill	421312	42131	30.03.2024
2.	IIInd & Final Bill	533600	53360	Payment not made
	Total Amount	954912	95491	

4. **Payment without GPS:** -Circular was issued by DJB on 26.03.2022 to implement Centralized Monitoring System w.e.f. 01-04-2022 and directions were given to all Chief Engineers to get registered all water Tankers in Centralized GPS Monitoring System and the payment will be made only on the basis of distance recorded in GPS Monitoring System. During the test check of the records, it has been noticed that there is no GPS Report available in the file which shows GPS Tracking System is not working in water tanker. Their payment was released on the basis of handwritten visit in area. In absence of GPS Tracker System, the genuineness of providing and watering of irrigation water through tanker of Horticulture features i.e. lawn, tree, shrubs, ground cover etc. at the site of work could not be verified in Audit.
5. **Reason for change of vehicle :-** As per visit sheet of tanker (Details of Trip per day) duly signed by S.O. (H), it has been observed that initially Tanker No. DL-1LAF-3336 was engaged for irrigation of horticulture – lawn, trees etc and it was running during the period 10.03.2023 to 11.04.2023. Thereafter, Tanker No. DL-1LAJ -7753 was running during the period 12.04.2023 to 01.11.2023 and two tankers (No. DL-1LAJ -7753 and DL-1LAJ -6566) were running during the period 02.11.2023 to 20.12.2023 for irrigation. No reason/request for change of tanker by the contractor is available in the record. Approval of competent authority for change of vehicle, if any, may please be provided to audit. Further, It is not clear from the records whether all the tankers having latest fitness certificates, Road tax paid receipt, Insurance and pollution check certificate.

Divisions should take necessary action to remove the above shortcomings under intimation to Audit.

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PARA 09 :- Short recovery amounting to Rs. 5,000/- on account of non-submission of labour report.

As per clause 19 (D) of Contract Agreement, the Contractor shall submit by 4th and 19th of every month, to the Engineer-in-Charge a true statement showing in respect of the second half of the preceding month and the first half of the current month respectively indicating.

- The number of labourers employed by him on the work.
- Their working hours.
- The wages paid to them.
- The accident that occurred during the said fortnight showing the circumstances under which they happened and the extent damage and injury caused by them.
- The number of female workers who have been allowed maternity and the amount paid to them.

In case of non observation of above conditions, the contractor shall be liable to pay to DJB a sum not exceeding Rs. 1000/- for each default or materially incorrect statement.

Test Check of the records/RA Bills provided to audit by the Division DD (H) South, DJB, Jal Sadan, Lajpat Nagar, New Delhi revealed that the Contractor had not submitted the requisite labour reports fortnightly during the execution of work. The Department had not levied penalty on the contractor as required under the provisions of the agreement. Details of short recovery of penalty are given below:

S. No	Work Order No. & Date	Name of the Contractor/ Firm	Tendered Amount (In ₹)	Schedule/ Actual date of start of the work	Schedule/ Actual date of completion of work	Total No. of Labour Reports not complete by the Firm	Penalty @ 1000/- per labour report (In ₹)	Recovery made by the Division (In ₹)	Short Recovery (In ₹)
1.	21 dt. 08.09.22	M/s PLCC	258129	11.09.22/ 22.09.22	10.11.23/ 07.11.23	4	4000	2000	2000
2.	27 dt. 27.10.22	M/s Royal Hindon Associate	464870	29.10.22/ 28.10.22	28.12.22/ 29.11.22	3	3000	2000	1000
3.	04 dt. 22.09.23	The Shivpriy Projects	260236	25.09.23/ 04.10.23	24.11.23/ 26.10.23	2	2000	1000	1000
4.	15 dt. 17.08.22	M/s Garden Glow	558937	20.08.22/ 07.09.22	19.10.22/ 07.10.22	3	3000	2000	1000
Total						12	12000	7000	5000

Division should take necessary action to recover the Rs. 5000/- on account of non-submission of labour report after due verification of facts and figure under intimation to Audit. Other similar cases may also be reviewed at your level.

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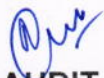
PARA 10 :- Non- maintenance/production of records/information.

(Ref. Record Memos dated: 03.12.2024)

The following records/information for the period 2022-23 and 2023-24 has not been shown /provided to audit:

1. Bank Reconciliation Statements and Bank Statements of Allahabad Bank EMD A/c 50448339804, Canara Bank- 4783, Syn. Bank-60011-R Jhasi, Syn. Bank-89/863, Syn. Bank – 12261, and Corp. Bank A/c No. 595, 185 & 4116
2. Stock Register (Consumable & Non-consumable)
3. Property Register.
4. Dead Stock Register/Condemnation files.
5. Advertisement Register/Files.

The above records/information may be shown to next audit


INSPECTING AUDIT OFFICER
Compliance Audit – Delhi Jal Board

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**DIRECTORATE OF AUDIT GOVERNMENT OF N.C.T OF DELHI,
4TH LEVEL, C-WING, DELHI SACHIVALAYA:NEW DELHI**

TAN 01: Improper maintenance of Pay Bill Registers.

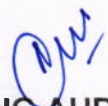
(Ref. Audit Memo No. 03 Dated: 05.12.2024)

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. Incomplete personal information – The mandatory information/details of the officers/officials (which was required to be written on the upper part of each page) were not found filled completely in the PBRs for the period 2022-24.
3. At the close of every financial year horizontal and vertical totals should be squared up. But on scrutiny of PBR it was noticed that total of Gross amount is not done for calculation of Income Tax. The vertical totals should be worked out and shown to audit.
4. 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.
5. Monthly entries in PBRs/ECRs have not been verified and signed by the D.D.O. for its correctness.
6. Bill Numbers are not mentioned in PBRs/ECRs against each entries, without bill number, identification of Bill cannot be ascertained.
7. GAR-18, Abstract of Pay bill was not prepared.
8. No Column for GPF Advance/Withdrawal were found in PBR/ECR.
9. No proper columns for payment of Arrears, Leave Travel Concession, Leave Encashment, Children Education Allowance was found in PBR/ECR.

Actually, columns in the ECR are not matched with Pay Bill Register[PBR] (GAR-17). Bill No., other detail of GPF, Aadhar No., 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.

Necessary steps may be taken to maintain the Pay Bill Register/ECR and compliance be shown to audit.


**INSPECTING AUDIT OFFICER
Compliance Audit – Delhi Jal Board**