

**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 (SDW) - VI, Delhi Jal Board, WSTP Keshopur, New Delhi-110018.

Audit on the accounts of Executive Engineer (SDW) - VI, Delhi Jal Board, WSTP Keshopur, New Delhi-110018 for the financial year 2023-24 has been conducted by the Compliance Audit Party - Delhi Jal Board comprising of Sh. Inder Mohan, Sr.AO/IAO and Sh. Anil Kumar, AO from 30.12.2024 to 10.01.2025 (10 working days). The accounts were reviewed purely on test check basis.

AIMS AND OBJECTIVES

Brief Activity of the division: EE(SDW)-VI Division at Keshopur is sewage disposal work division of Delhi Jal Board in West Delhi. Most of the sewage of West Delhi is Trapped, Pumped and treated by this division. This division has both Sewage treatment plants and sewage pumping station. List of which are as follow:

A) Sewage Treatment Plants:

S. No.	Name of sewage treatment	Capacity	Status
1.	Keshopur STP Phase-I	12 MGD	Operational
2.	Keshopur STP Phase-II	20 MGD	Under Up-gradation, Partially operational
3.	Keshopur STP Phase-III	40 MGD	Under Up-gradation, Partially operational
4.	Nilothe STP Phase-I	40 MGD	Under Up-gradation, Partially operational
5.	Nilothe STP Phase-II	20 MGD	Operational
7.	Sawda Ghevra	6.6 MLD	Under Construction
8.	Raj Niwas	50 KLD	Work awarded, construction yet to start

B) Sewage Pumping Stations:

S. No.	Name of sewage	Capacity	Status
1.	Uttam Nagar	06 MGD	Operational
2.	Jeewan Park	15.5 MGD	Operational
3.	Sayyad Nangloi	40 MGD	Operational
4.	Possangipur	11 MGD	Operational
5.	Punjabi Bagh	07 MGD	Operational
6.	Satya Park	11 MGD	Under
7.	Ranholla	5.5 MGL	Under
8.	Kamruddin Nagar	5.5 MGD	Under

Apart of above other major works look after by this division are as follows:

- Deployment of 200 Nos. specially fabricated tailor made sewer cleaning machines for cleaning of sewer lines in narrow street/lanes in Delhi;
- O & M for the work of design & construction of interceptor sewers along Najafgarh, supplementary and Shahdara drains for abatement of pollution in Yamuna river for Delhi Jal Board Package-2.

HOO/DDO's/A AO/CASHIERS

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

S. No.	Name of the Head of Office	From - To
1.	Sh. Sunil Dixit	April, 2023 to March, 2024

S. No.	Name of the AAO	From - To
1.	Sh. Niranjana Jha	April, 2023 to March, 2024

S. No.	Name of the Cashier	From - To
	NIL	

BUDGET ALLOCATION AND EXPENDITURE FOR THE YEAR 2023-24

Year	Capital (Rs. in Lakhs)			Revenue (Rs. in Lakhs)		
	Budget allotted	Expenditure	Balance	Budget allotted	Expenditure	Balance
2023-24	16095.41	13308.06	2787.35	14617.53	11666.34	2951.19

VACANCY STATEMENT

Group	Sanctioned Posts	Filled Posts	Vacant Posts
A	1	1	0
B	27	10	17
C	178	116	62
TOTAL	206	127	79

STATUTORY AUDIT

The statutory audit of the office of Executive Engineer (SDW) - VI, Delhi Jal Board, WSTP Keshopur, New Delhi-110018 has been conducted by AG (Audit), Delhi up to the financial year 2022-23.

MAINTENANCE OF RECORDS

The maintenance of records of the office of Executive Engineer (SDW) - VI, Delhi Jal Board, WSTP Keshopur, New Delhi-110018 for the period 2023-24 was found satisfactory subject to observations made in Current Audit Report.

OLD AUDIT REPORT

There were 15 (fifteen) outstanding audit paras with the outstanding NIL recoveries in respect of Executive Engineer (SDW) - VI, Delhi Jal Board, WSTP Keshopur, New Delhi-110018. No reply has been submitted by the Division and therefore, 15 (fifteen) paras along with NIL recovery have been incorporated in Part-I Old Report of the Current Audit Report.

S. No.	Year	Total Para's	Total Recovery	Para Settled	Para no. of Settled Para's	Outstanding Para's with para No.	Balance Recovery
1	2022-23	15	NIL	Nil	--	15 (01, 02, 03, 04, 05, 06, 07, 08, 09, 10, 11, 12, 13, 14 & 15)	NIL
	TOTAL	15	NIL	Nil	--	15	NIL

CURRENT AUDIT REPORT (2023 - 2024)

During the course of current audit, 19 audit observation memos including 01 requisition memo highlighting various shortcomings/recoveries to the tune of Rs.56,86,836/- were issued. No observation memo was settled on the spot. Therefore, all the 19 (nineteen) observation memos including 01 (one) Requisition Memo along with recovery amount of Rs.56,86,836/- have been converted into 14 Paras and 05 TAN which are incorporated in Current Audit Report.

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DETAILS OF CURRENT RECOVERY (AUDIT PERIOD 2023-2024)

Memo No.	Total Recoveries (in Rs.)	Amount Recovered	Balance (in Rs.)	Para. No.
03	16,606/-	--	16,606/-	02
05	1,40,061/-	--	1,40,061/-	04
06	13,72,863/-	--	13,72,863/-	05
14	15,27,552/-	--	15,27,552/-	09
15	26,29,154/-	--	26,29,154/-	10
Total	56,86,836/-	--	56,86,836/-	

The internal audit report has been prepared on the basis of information furnished and made available by the office of Executive Engineer (SDW) - VI, Delhi Jal Board, WSTP Keshopur, New Delhi-110018. The Directorate of Audit, GNCT of Delhi disclaims any responsibility for any misinformation and of non-information on the part of auditee.

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11-02-2025

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

PART – I

OLD AUDIT REPORT

(2022-23)

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GOVT. OF NCT OF DELHI : DELHI JAL BOARD
O/o THE ACCOUNTS OFFICER (BUDGET & ACCOUNTS)
VARUNALAYA PHASE-II, KAROL BAGH,
NEW DELHI 1100052

No. DJB/AO(B&A)/Compliance Audit /2024/ 500 / Dated: 14/06/24.

Subject: Compliance Audit report in r/o Delhi Jal Board, GNCTD, Varunalaya Phase-2,
Jhandewalan, Karol Bagh, New Delhi for the period 2018-19 to 2022-23

In reference to the letter received from the O/o Directorate of Audit, Govt. of NCT of Delhi, Delhi Sachivalaya vide No. F.No.37(01)/LFA/2018-23/2860-2861 dated 31.05.2024, Compliance Audit Report division wise is hereby enclosed.

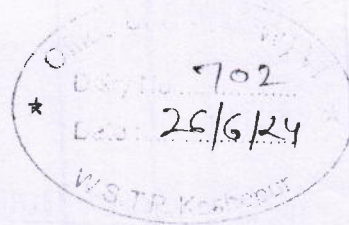
In this connection, you are requested to take immediate action to furnish the reply with suitable documents as asked in the said compliance report to Audit party on top priority under intimation to this office.

Encls: as above

Sd/-
Accounts Officer (B&A)

EE (SDD) - VI.
Copy for kind information to:

1. Member (Fin.)
2. Director (F&A)
3. Jt. Director (F&A)-II
4. Dy. Director (F&A)-I
5. Inspecting Officer (Compliance Audit)



Accounts Officer (B&A)

AE-I / AAO

For urgent compliance

26/6/24

Page no. 176 to 193

Head of Account	Total Budget Allotted	Funds used during the year	Savings	% of savings/ un-utilized funds
ages to M/R	31.36	19.01	12.35	39.38%
ther Estt. Expdr	4.79	3.59	1.20	25.05%
il & Soap	11.25	5.50	5.75	51.11%
rinting Stationary	0.60	0.45	0.15	25.00%
omt. Consm.	0.66	0.52	0.14	21.21%
ele. Telex	0.71	0.23	0.48	67.60%
ostage & Tele	0.05	0.03	0.02	40.00%
ther Expenses	0.77	0.35	0.42	54.54%
&M (SPS)	70.64	20.19	50.45	71.42%
tores & Spares Consumption	2.28	0.00	2.28	100%

It is clear from the above statement that division has not been done proper planning at the time of incurring expenditure throughout the year.

Necessary steps may be taken to maximum utilize of budget or surrender the budget within time so that budget may be utilized by another division.

11. EE(SDW)-VI, Keshopur (Sewerage Bulk)

PARA NO. 01

(Ref Audit Memo No.1 Dated:- 27-09-2023)

Sub : Bank Reconciliation Statement for the Financial Year 2022-23

During the Scrutiny of records provided, it has been observed that Total 12 (Twelve) Bank Accounts are being operated in the office of EE SDW -VI, WSTP, Delhi Jal Board, Keshopur, New Delhi-110018 out of which 4 (Four) are showing Credit Balance :-

		Bank Balance	
		EE(SDW)-VI - (From 1-Apr-2006)	
		1-Apr-22 to 31-Mar-23	
		Closing Balance	
S.NO.	Particulars	Debit	Credit

1	Canara Bank-4783		
2	CORPORATION BANK-019633		41243303.00
3	Corporation Bank- 4116		99550358.00
4	Syn. Bank-60011-R.Jhasi		938438870.00
5	Allahabad Bank EMD A/c 50448339804		25242183.00
6	Corporation A/C 173	2368600.00	
	Corporation Bank A/c	27001587.14	
7	No.026401601000586	173941.25	
8	Pension Bank A/c.		
9	S.B.I.-41430248890	15598.00	
11	S.B.I.-41437543785	6738480.00	
12	Syndicate Bank A/c 12261	1912279.00	
13	Syndicate Bank A/c81 /101-790	20395986.00	
		531141.27	
	Grand Total	59137612.66	1104474714.00

EE division office provided the reconciled copy of 3 Banks i.e. Corporation A/C 173, Corporation Bank A/c No.026401601000586, Syndicate Bank A/c 12261 where in time barred cheques payable on account of Contractor TDS, CGST are showing pending for payment. As per Bank Rule, The cheque validity period refers to a time period is considered a valid instrument of transaction. Beyond this set period of time the cheque will be considered invalid or stale. The validity period of cheques is 3 Months, from the date of issuing. Necessary action may be taken with regarding to the time barred cheques and adjustment entries are required to be made in the books of accounts after confirmation of account whether it was paid earlier or still payable to avoid any penalty at the later stage.

As reported by division that Bank at S.No.8 accounts is not operated in this division and wrongly selected in the head of pension a/c instead of pension expenses in divisional tally and rectified for the same. Necessary rectification entries in the relevant account needs to be rectified under intimation to Audit.

Remaining 8 Accounts (including un-operative accounts/Centralized Bank, Centralized EMD A/c, newly opened child account, EE©SDW-NW) as mentioned above at S.No.1,2,3,4,5,9,11,13 are required to reconciled with DJB Head Quarter on urgent basis for correctness of balances of Bank Accounts under intimation to Audit.

PARA NO. 02

(Ref : Audit Memo No.2 Dated:- 27-09-2023)

Sub : Long Terms/Short Terms Advance

During the Scrutiny of records provided by EE SDW -VI, WSTP, Delhi Jal Board, Keshopur, New Delhi-110018, it has been observed that following Long Terms Advances/Short Terms Advances paid to Employees/Contractor are lying unsettled for the long period, detail as under :-

Particulars	Debit
Advances to Employees	
Leave Travel Advance	
Medical Advance	4,50,906.00
	56,85,165.00

Tour & Travel Advance	2,74,581.00
Grand Total	64,10,652.00

Reason for the non-settlement of Advances to Employees was called for alongwith recovery detail/settled case if any, reply is awaited. Since the Advances granted to employee or contractor are required to be settled within stipulated time as per terms and conditions of Loan/Advance granted. Necessary action may be taken for the settlement of old Loans/Advances after the due verification/confirmation of accounts as per terms and conditions of Loan/Advances granted and necessary adjustment entries with the other Divisions/HQ may also be made after approval of Competent Authority under intimation to Audit.

PARA No. 3

(Ref Audit Memo No.3 Dated:- 27-09-2023)

Sub : Adjustment Long Terms/Short Terms Advance with Interest on Loan to Employees.

During the Scrutiny of records provided by EE SDW -VI, WSTP, Delhi Jal Board, Keshopur, New Delhi-110018, it has been observed that following Long Terms Advances/Short Terms Advances(credit Balance) has been adjusted to Interest on Loan to Employees :-

Particulars (Loans to Employees)	Credit Balance
Computer Loan	15410.00
Cycle Loan	525.00
House Building Loan	23256.00
Motor Car Loan	12456.00
Motor Cycle Loan	308908.00
Grand Total	360555.00

Records/Broad sheet alongwith Interest calculation of above said Loans and reasons for non-settlement of Loan Accounts, if any, was called for and Division reported that All the loans given to employees has already been adjusted but in advertently not in entered in Tallyt erp 9.3, now the same has been corrected. As per Receipt & Payment, broadsheet should be maintain by DDO concerned but as working culture of DJB same was not maintained in DJB, Now due approval from competent authority will be taken & same should be maintain henceforth.

It is absolute necessary to adjust the Loan Balances received from the concerned employee with the concerned Loan A/c correctly so that NOC for re-payment of Loan and Interest recovered from employees can be issued on time in settlement of Loan A/c. Necessary action may be taken to maintain the relevant requisites record and adjust the said amount with justification after the due verification of records under intimation to audit.

PARA No. 4

(Audit Memo No.4 Dated:- 27-09-2023)

Sub : Loss Rs. 18,11,724/- on account of not availing 15% Rebate on Advertisement

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

During the scrutiny of records provided by EE SDW -VI, WSTP, Delhi Jal Board, Keshopur New Delhi-110018 regarding expenditure incurred on Advertisement, it has been observed that Releasing Orders of various advertisements in r/o tender/notices etc. to the tune of Rs. 1,06,99,597/- are issued directly to the Media/News Papers agencies through the PR Department of Delhi Jal Board instead of Shabdarth (An advertisement agency of Government of NCT of Delhi).

Agency discount/rebate of 15% on DAVP rates is not available to DJB being non-advertising agency, whereas it is available to Shabdarth being an advertisement agency of Govt. of NCT Delhi Division has released the Payment to the concerned media agencies/New Paper Agencies directly during the Financial Year 2022-23. Some Advertisements for tender notice are published in All Edition (All India) of Newspaper whereas same tenders are also published on Government e-platform, extra expenditure is being spent on All India advertisement.

Name of Advertisements Agencies/Media House	Amount Paid (F.Y. 2022-23)	Amount of rebate not given by the Agency/ Media House (15%)
AMAN TOUR & TRAVEL Total	62412.00	9362
Amar Ujala Publications Ltd Total	488631.00	73295
BENNETT, COLEMAN & CO. LTD. Total	2432818.00	364923
BHASKAR PRAKASHAN PVT. LTD. Total	14943.00	2241
CMYK PRINTECH LTD. Total	120015.00	18002
DAINIK BHASKAR GROUP Total	240690.00	36104
Front Row Media Pvt. Ltd. Total	66150.00	9923
Front Row Private Limited Total	35280.00	5292
Hindustan Media Ventures Ltd Total	741164.00	111175
HT MEDIA LIMITED Total	2241603.00	336240
JAGRAN PRAKASHAN LTD Total	1385943.00	207891
Punjab Kesari Delhi Total	45716.00	6857
Punjab Kesari the Hind Samachar Total	35326.00	5299

Sahara India Mass Comm. Total	2538.00	381
THE INDIAN EXPRESS LTD Total	2765061.00	414759
THG Publishing Pvt.Ltd. Total	1375605.00	206341
Vaibhav Publications P Ltd Total	23202.00	3480
Vir Arjun Newspapers Pvt. Ltd. Total	1063.00	159
	1,20,78,160/-	18,11,724
TOTAL		

Reason for Non publishing the Advertisement through Shabdārth was called for, reply is awaited. The expenditure may be got regularized from the Competent Authority under intimation to audit.

PARA No.5

(Audit Memo No.5 Dated:- 29-09-2023)

Sub : Theft of OLMS system at outlet of 40 MGD STP Keshopur.

During the Scrutiny of records provided by Executive Engineer (SDW-VI), WSTP, Delhi Jal Board, Keshopur, New Delhi – 110018, it has been observed that the information of theft of OLMS system was conveyed by Aaxis Technologies Pvt Ltd. on 02/01/2022. In this connection, a FIR No.WD-VP-000955 dated 30/08/2022 has been lodged in e-Police Station (Vikaspuri West). The following information were called :-

1. Security provisions at the site of OLMS system.
2. Inquiry Report alongwith action taken, if any.
3. Record and approval pertaining to write-off of expenditure of stolen OLMS system.
4. The theft of OLMS system was reported by Aaxis Technologies Pvt Ltd. on 02/01/2022. However, FIR for theft was lodged on 30/08/2022. The reasons and justification for lodging FIR after 08 months of theft may be elucidated to the audit.
5. The OLMS system was stolen on 02/01/2022 and new OLMS system was installed on 16/09/2022. How, the online monitoring for measurement of treated effluent parameters like BOD, TSS, CAD, Ammonia etc. was done with effect from 02/01/2022 to 16/09/2022.

Since the reply is awaited, In absence of reply Audit Team is not in position to ascertain the irregularities.

PARA No.6

(Audit Memo No.6 Dated:- 29-09-2023)

Sub : Installation of new OLMS system at outlet of 40 MGD STP Keshopur without inviting e-tenders.

During the Scrutiny of records provided by Executive Engineer (SDW-VI), WSTP, Delhi Board, Keshopur, New Delhi - 110018, it has been observed that a Work Order No.32 dated 09/09/2022 for Rs.29,50,000/- for installation of new Online Monitoring System for Measurement of treated effluent parameters like BOD, TSS, CAD, Ammonia etc has been issued and payment made on 12/10/2022 to Aaxis Nano Technologies Pvt. Ltd. without inviting e-tender.

The reasons and justification for awarding the work without inviting e-tender was called for reply is awaited In absence of reply Audit Team is not in position to ascertain the irregularities.

PARA No.7

(Audit Memo No.7 Dated:- 29-09-2023)

Sub : Duties and Taxes (Excess deposit of DVAT Rs.61089 and outstanding GST-Rs.4,25,999/-

During the scrutiny of records provided by the Executive Engineer (SDW-VI), WSTP, Delhi J. Board, Keshopur, New Delhi - 110018 regarding Duties and Taxes, the following discrepancies were noticed

- 1) DVAT (Delhi Value Added Tax) is showing the Debit Balance of Rs.61,089/-, it means the excess DVAT is being deposited with the Trade and Taxes Department, Government of NCT of Delhi.
- 2) GST is showing the credit balance of Rs.4,25,929/-, it means GST has been deducted from the contractor but same has not been deposited with Trade and Taxes Department, Government of NCT of Delhi and Rs.36068/- has been shown receipt and deposited in Corporation Bank A/c 0264016000586.

The following information was called for:-

1. Reason for showing debit balance of DVAT to the tune of Rs.61089/- and status of refund, if applied.
2. Reason for non-deposit for GST Payable to the tune of Rs.4,25,929/- and detail of Rs.36068/- being deposited in Corporation bank.

Division reported that

1. Regarding DVAT division will pursue for excess DVAT deposited with Trade & Taxes Department, Government of NCT of Delhi.
2. Regarding deduction of GST the same was implemented w.e.f. 01-10-2018 vide GST Notification No.50/2018-Central Tax Dt.13-09-2018(copy enclosed). The GST credit balance of Rs.4,25,929 pertains to 2017 & in 2017 TDS of GST was not implemented. So, the recovery pertains to some other recovery & division will look after the credit balance of Rs.4,25,929 & will find the reason of the credit balance & necessary rectification will be made accordingly.
3. Regarding depositing of GST amount Rs.36068/- the entry wrongly entered in tally instead of cgst & SGST & division will find the reason of the credit balance & necessary rectification will be made accordingly.

Division is directed to take necessary action with regard to Deposit of outstanding GST, if any and pursue refund of VAT with Trade and Taxes Department after due verification of records/GST ACT/DVAT ACT and rectification entries under intimation to Audit.

PARA No.8

(Audit Memo No. 08 Dated: 03.10.2023 & Audit Memo No. 14 Dated: 06.10.2023)

Sub: Non-obtaining of Performance Bank Guarantee Rs.19,00,69,250/- & Failure of Division to renew Performance Bank Guarantee/FDR

(A) Performance Security (Rule 171 of GFR 2017): To ensure due performance of the contract, performance security [or Performance Bank Guarantee (PBG) or Security Deposit (SD)] is to be obtained from the successful bidder awarded the contract. Performance security should be for an amount of five (5) to ten (10) per cent of the value of the contract as specified in the bid documents [The value has been reduced to three (3) percent till 31.03.2023 during the Covid Period].

The performance security will be forfeited and credited to the procuring entity's account in the event of a breach of contract by the contractor. This is also a safe guard for recoveries of Compensation/other contingencies occurred on the part of contractor as decided by the Competent Authority. It should be refunded to the contractor without interest, after he duly performs and completes the contract in all respects but not later than 60(sixty) days of completion of all such obligations including the warranty under the contract.

As clause 22(i) of the NIT 22 (2017 -18)- "*The firm shall submit an irrevocable performance Guarantee of 5%(five Percent) of the deployment charges for one year, in addition to other deposit mentioned elsewhere in the contract for his proper performance of the Contract (not withstanding and or without prejudice to any other provision in the Contract) within 7 days of issue of LOI. This period can be further extended by Engineer-in-Charge up to maximum period of 07 days on written request of the Firm stating the reason for delays procuring the guarantee to the satisfaction of Engineer-in-Chief. This guarantee shall be in form of Bank Guarantee from the a schedules bank of India as per the format attached with general conditions of contract*". It is pertinent to mentioned that Bid was invited for 7 years and contract was also awarded for 7 year but Performance Guarantee was called for 5%(five Percent) of the deployment charges for one year which is the violation of GFR 2017. As per GFR Rule 171: Performance security should be for an amount of five (5) to ten (10) per cent of the value of the contract as specified in the bid documents.

As per Resolution No.664/DJB Dated 15-10-2018 approved the proposal as contained in CE(SDW) Letter No.DJB/CE(SDW)/2018/05 Dated 22/08/2018 vide Item No.T-208 regarding Deployment of 200 Nos specially Fabricated Tailor Made Sewer Cleaning Machines for Cleaning of Sewer Lines In Narrow Street/Lanes In Delhi. The Expenditure for each machine shall be Rs.1,90,06,925/- only (500 Mts X 17.35 X Days 313 X 7 Years) for the entire contract period and the total expenditure for deployment of 200 no.s Machine shall be Rs.380,13,85,000/- only.

During the test check of records pertaining to Contract for deployment of 200 Nos. special Fabricated Tailor Made Sewer Cleaning Machines for Cleaning of Sewer Lines In Narrow Street/Lane, Delhi (Contract Period – Seven Years), it has been observed that Performance Bank Guarantee was obtained from the successful bidder. Details of 2 successful contractor out of 200 contractors is as under

S. No.	Work Order No. & date	Name of Vendor	NIT NO.	Contract of hiring period	Amount (Rs)	Performance Bank Guarantee should be obtained @5%.
1	39 dated 22/10/2018	M/s Bhagwati Enterprises	22 (2017-18)	07 years	1,90,06,925	95034
2	80 dated 22/09/2018	M/s Alok & Alok	22 (2017-18)	07 years	1,90,06,925	95034
TOTAL					38013850	190069.

List of 200 successful bidder/Contractor is attached herewith. During the scrutiny of reply submitted by EE(SDW-VI regarding detail of FDR/Performance Guarantee vide letter No.1649 Dated 03-10-2023, it has been observed that names of the 200 successful contractor are not appearing in the list of FDR/Performance Guarantee provided as per record. It revealed that 5% Performance Guarantee to the tune of Rs.19,00,69,250/- (380,13,85,000/- x 5%) has not been obtained from the Contractor.

Division replied as per clause 22(i) of NIT(2017-18) the firm shall submit an irrevocable performance guarantee of 5% of the deployment charges for one year, in addition to other deposit mentioned elsewhere in the contract for his proper performance of the Contract) within 7 days of issue of LOI. Since vendors are members of Dalit Indian Chamber of Commerce and Industry. So, on the request of vendors the PG was deducted from the running bill of vendors till one whole year w.e.f. 26-07-2019 amount to Rs.2,87,29,068/- after taking due approval from competent authority. However, approval regarding waiver of obtaining Performance Guarantee has not been provided. Division is directed to take necessary action for obtaining balance Performance Guarantee as per (Rule 171 of GFR 2017. Similar, other cases may also be reviewed at the level of Head of Office.

(B) As per Central Vigilance Commission in order to safeguard the Government Interest, it would be appropriate to take reasonable amount of Performance Bank Guarantee valid up to warranty period for due performance of the contract. The validity of the Bank Guarantees needs to be carefully monitored and whenever extension in the delivery period is granted, the validity of Bank Guarantee should also be appropriately extended so as to protect the Government Interest.

Test check of records made available to audit it revealed that validity of 9 BG/FDR are expired/time barred and are not renewed, detail as under :-

S.No.	S.No. of Valuable Register	Name of Vendor	FDR/BG No. with date of issue	Name of Issuing Bank	Amount of FDR/BG	Date of Expiry of validity of
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					(In Rs.)	FDR/BG
2		Mohini Electricals	9006211NB032	Canara Bank	988620	31-12-2022
			29-10-2022			
2	4	M/s Va Tech Wabag Ltd.	53070IGL0005222	Union Bank of India	6523075	31-03-2023
3	5	Devraj Enterprises	929893	Union Bank of India	16500	06.06.2023
			08-12-2022			
4	6	Devraj Enterprises	339008	Union Bank of India	7000	15.06.2023
			16-12-2022			
5	7	M/s Va Tech Wabag Ltd.	009NDLG00016422	ICICI Bank	1950027	31-12-2023
			27-12-2022			
6	8	P.K. Electrical	50300733651262	HDFC Bank	27100	07-07-2023
			06-01-2023			
7	10	Premier Engineering Company	15796413	ICICI Bank	7400	31-08-2023
			04-03-2023			
8	11	Premier Engineering Company	15796454	ICICI Bank	25600	24-09-2023
			17-03-2023			
9	13	M/s Va Tech Wabag Ltd.	53070IGL0002723	Union Bank of India	6940599	30.06.2023
			30.03.2023			

Reasons for non-renewal of FDR/BG is not provided, Division may take appropriate action for timely renewal of FDR/BG to safeguard the interest of Government.

PARA No.9

(Audit Observation Memo No.9 Dated:- 04-10-2023)

Sub : Purchase of Soap in violation of DJB order No.DJB/SA(LW)/D-29528 dated 17/05/2022.

During the scrutiny of records provided by the Executive Engineer (SDW-VI), WSTP, Delhi Jal Board, Keshopur, New Delhi – 110018 regarding purchase of soap, it has been observed that the following Work Orders have been issued for purchase of soaps :-

S.No.	Works	Order No.	Name of supplier	Description of item supplied	Amount
1.	13 dated 20/06/2022		M/s Naveen Kumar	25707 Nos Life Buoy Soap (125 gm) @ Rs. 31.20 each	8,02,058/-
2.	14 dated 22/06/2022		M/s Naveen Kumar	42780 Nos Hard Soap (Rin 250 gm) @ Rs.19 each	8,12,820/-
3.	33 dated 13/09/2022		M/s Naveen Kumar	21422 Nos Dettol Soap (75 gm) @ Rs. 31.20 each	6,68,366/-
4	26	Dated	M/s Sanjay Corporation	14916 Ltr Mustard Oil @ 184 P.Ltr	27,44,544/-
	29/08/2022			TOTAL	50,27,788/-

Assistant Commissioner (Labour Welfare), DJB has issued directions vide No.DJB/SA(LW) 29528 dated 17/05/2022 that an allowance of Rs.500/- PM will be given alongwith salary to elig officials instead of Oil and Soap. Further, it was directed to cancel all the work orders, if issued, immediate effect after 01/06/2022. However, Above mentioned work orders were issued 01/06/2022 in violation of instruction issued by the Higher Authorities..

The reasons and justification for awarding the above work and making payment in violation DJB order No.DJB/SA(LW)/D-29528 dated 17/05/2022 was called for with supporting documents Stock Register, if any. Further, effective salary month of start of allowance of Rs.500/- to the elig official was also called for but reply is awaited. In absence of reply Audit Team is not in position ascertain the irregularities

PARA No.10

(Audit Observation Memo No.10 Dated:- 05-10-2023)

Sub : **Irregularities in award of work to M/s Kosmosys Solutions Pvt. Ltd, Authorised Agent of M CBC Corporation(India) Pvt. Ltd. vide Work Order No.55 dated 18/01/2023 for Rs.44,47,656/- for repair/renovation of CCTV system along with 2 Years AMC at IS Package-2**

During the scrutiny of records provided by the Executive Engineer (SDW-VI), WSTP, Delhi Jal Board, Keshopur, New Delhi – 110018 regarding award of work to M/s Kosmosys Solutions Pvt. Ltd, a **Authorised Agent of M/s CBC Corporation(India) Pvt. Ltd. vide Work Order No.55 dated 18/01/2023 for Rs.44,47,656/- for repair/renovation of CCTV system along with AMC at ISP Package-2, The following irregularities have been observed :-**

1. Work for repair/renovation of CCTV system along with 2 Years AMC at-ISP Package-2 has been awarded without calling regular e-tenders.
2. Full justification for procuring of proprietary item/AMC from the particulars firm has not been kept on record.
3. Detail of working and non-working conditions of AMC items has not been provided and how many items covered under the AMC not recorded in the file.
4. Work was awarded on 18/01/2023. As per terms and conditions of the Work Order, the date of start of work shall be reckoned from 10th days of the issue of the work order and the work should be completed within 45 working days. As per records provided by the Executive Engineer (SDW-VI), WSTP, Delhi Jal Board, Keshopur, New Delhi – 110018, the work has not been completed, so far, which is a violation of contract agreement.
5. Hindrance report for the work has not been provided.
6. Proprietary Article Certificate place at page 35/C is not signed/approved by Member(Dr.) and Sr. A.O.

The reasons and justification for above mentioned irregularities was called for with the supporting documents, if any, Division has submitted the followings in support of justification :-

1. The complete CCTV system installed is of M/s CBC make, hence the manufacturer was contacted as per department order. Consequently, the file was process as per department guidelines for proprietary work.

2. The CCTV system installed was of M/s CBC make an email dated 26/11/2022 was sent to the manufacturer to which the manufacturer replied via email dated 28/11/2022 and appointed its sole authorized stm integrator M/s KOSMOSYS to do the work (Annexure-A).
3. List of total equipment installed IC wise along with list of new equipments taken for installation is attached in the file. Moreover, the complete system is covered under AMC work. Copies of supporting documents are enclosed herewith for your kind reference (Annexure-B).
4. Penalty shall be imposed as per contract agreement after completion of work.
5. Hindrance register is attached for kind reference please (Annexure-C).
6. Due approval of Member Drainage is received in noting side copy enclosed for kind reference please (Annexure-D).

Since there are number of manufactures of CCTV, therefore, execution from only one vendor is not justified to avoid procurement through Gem/E-tender at reasonable price. Proprietary Certificate not issued by all the signatory mentioned in the prescribed pro-forma. Efforts should have been made by the division for completion of work on time to achieve the prescribed aim and objective of the work. Necessary action may be taken to rectified the above said irregularities. Compensation for delay in completion of work as per CPWD Manual/Section 29 of CPWD Manual /Section 33.1 Clause 2 of CPWD Manual/Contract/agreement under intimate to Audit.

PARA No.11

(Audit Observation Memo No.11 Dated:- 06-10-2023)

Sub : Award of work at abnormally above the Estimated Cost.

As per Section 2.5 of CPWD Manual, the Technical Sanction provides a guarantee that the proposals are technically sound and that the estimates are accurately prepared and are based on adequate data. The estimates of the work were prepared by the Technical Expert Engineers of the division on the basis of prevailing Delhi Schedule of Rates. However, it was noticed that tenders were accepted much above than the estimated cost, which indicates towards un-realistic approach of the Technical Expert Team while preparing the estimates of the works.

Test check of records provided by the Executive Engineer (SDW-VI), WSTP, Delhi Jal Board, Keshopur, New Delhi – 110018 in r/o the work awarded and executed by the Division during the period 2022-23 reveals that tender has been awarded above the estimated cost. Detail of works which were awarded more than 15% above the Estimated Cost, is given below:

S. No.	Work order No.	Name of the Contractor	Estimated cost	Tendered cost	Above %	Name of the work and location
1	13(2022-23)	M/s Naveen Kumar	6,42,675/-	8,02,058/-	24.80% Above	Procurement of lifebuoy soap for staff under the division EE(SDW-VI)
2	14(2022-23)	M/s Naveen Kumar	6,41,700/-	8,12,820/-	26.68% Above	Procurement of Hard Soap for the staff under the division

						EE(SDW-VI)
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The reasons and justification for awarding of work abnormally above (more than 15%) the estimated cost may be elucidated to the audit with the supporting documents, if any.

Since the Audit observation was towards un-realistic approach of the Technical Expert Team preparing the preliminary estimates of the works and non-considering the recasting of estimates as per section 4.4 of CPWD Manual, the reply submitted by the division is not-tenable. The Technical Evaluation Committee were accepted 23% above the estimated cost without prevailing the option of recasting of estimates.

PARA 12

(Audit Memo No.12 Dated:- 06-10-2023)

Sub : Award of work at abnormally below the Estimated Cost.

As per Section 2.5 of CPWD Manual, the Technical Sanction provides a guarantee that the proposal is technically sound and that the estimates are accurately prepared and are based on adequate data. The estimates of the work were prepared by the Technical Expert Engineers of the division on the basis of prevailing Schedule of Rates. However, it was noticed that tenders were accepted much below than the estimates which raises questions towards the quality & quantity of the works, awarded by the Division and also towards realistic approach of the Technical Expert Team while preparing the estimates of the works.

Test check of records provided by the Executive Engineer (SDW-VI), WSTP, Delhi Jal Board, Kirti Khera, New Delhi - 110018 in r/o the work awarded and executed by the Division during the period 2022-23 revealed that many of the tenders have been awarded below the estimated cost. Detail of works which were awarded at least 25% below the Estimated Cost, is given below:-

Work Order No.	Name of the Contractor	Estimated cost	Tendered cost	below	Name of the work and location
01(2022-23)	M/s Timex Enterprises	23,50,712/-	13,84,992/-	41.08% below	Replacement of various capacity ACBs alongwith allied works at 2 MGD STP Keshopur
24(2022-23)	M/s Premier Engineering Co.	14,47,936/-	9,46,755/-	34.61% Below	Repair/Renovation of the motor operating system of Raw sludge and Return sludge pump house at 4 MGD, STP Keshopur
29(2022-23)	M/s P.K. Electricals	13,61,443/-	9,81,465/-	27.91% Below	Supply/Installation/Testing & Commissioning of Internal LED lighting system alongwith allied work etc. at Sayyad Nangloi Sewage P/Station
40(2022-23)	M/s P.K. Electricals	9,85,649/-	6,88,601/-	30.14% Below	Procurement of air circuit breaker for L&T make under EE(SDW)VI
71(2022-23)	M/s P.K. Electricals	16,16,704/-	11,04,822/-	31.66% Below	Supply/Installation/Testing & Commissioning of Steel tubular electric pole with LED street light arrangements at Sayyad Nangloi SPS

The reasons and justification for awarding of work abnormally below (more than 25%) the estimated cost was called for reply is awaited.

Since the Audit observation was towards un-realistic approach of the Technical Expert Team in preparing the preliminary estimates of the works and non-considering the recasting of estimates as per section 4.4 of CPWD Manual, the reply submitted by the division is not-tenable. The Technical Evaluation Committee were accepted the tender 27.91% to 31.66% below the estimated cost without prevailing the option of re-casting of estimates/Quality SOP.

PARA 13

(Audit Memo No.13 Dated:- 06-10-2023)

Sub : Abnormal delay in Execution/Completion of work and Extension of time/Compensation for Delay.

During the test check of progress reported/status reports provided by the Executive Engineer (SDW-VI), WSTP, Delhi Jal Board, Keshopur, New Delhi - 110018 in respect of the following 05 works, it is observed that there is a delay in completion of these work for more than 03 months or the work is still in progress.

S. No.	Name of the work and location	Tender Cost & work order No.	Name of the Contractor	Date of Commencement of work	Stipulated date of completion of work	Date of completion of work
1.	Replacement of ACB's and allied woks at 40 MGD aeration plant at STP Keshopur	7,56,003/- W.O. No.- 12(2022- 23)	Auro Green Products	18/06/2022	01/08/2022	30/11/2022
2.	Hiring of super sucker machine for desilting of various sumps at Uttam Nagar & Jeevan Parks SPS	5,40,000/- W.O. No. 18(2022- 23)	Para Builders	04/07/2022	27/08/2022	22/12/2022
3.	S/I/T/C of 350 mm dia sluice valves of pumps set no.1, 2 & 6 for Uttam Nagar SPS	5,84,100/- W.O.No.- 41(2022- 23)	Deepak Enterprises	23/10/2022	22/11/2022	10/04/2023
4.	Repair/Renovation of CCTV system alongwith	44,47,656 / W.O.No. 55(2022-	Kosmosya Solutions	18/01/2023	13/03/2023	Work in progress

35

3

AMC at ISP Package	23)	Pvt. Ltd.			(60% completed)
5. Repair/Rewinding of 75 KW KEC make motor installed at Punjabi Bagh, SPS	2,16,825/- W.O.No. 76(2022-23)	A.S. Enterprises	28/03/2023	12/05/2023	Work in progress (50% completed)

Reason for delay in Execution/Completion of with the supporting document / extension time/compensation etc. was called for, reply is awaited. Division may take necessary action with regards provision of delay completion of works/ Compensation for delay competition of work as per CPW Manual/Section 29 of CPWD Manual /Section 33.1 Clause 2 of CPWD Manual/Contract/agreement und intimate to Audit.

Para 14 Accumulation of unserviceable stores

(Ref. Audit Record Memo No. 11 Dated: 03/10/2023)

As per information provided to audit, it was observed that following unserviceable items are lying in the store of Executive Engineer (SDW-VI), WSTP, Delhi Jal Board, Keshopur, New Delhi - 110018 as on 31.03.2023; -

S. No.	Details of Machinery/ Equipments	Quantity/Weight	Year of purchase	Current status and action
1.	M.S./CI Scrap	8019.00 Kg	Scrap	Shall be disposed through bidding by MSTC/NIT
2.	DI Scrap	4500.00 Kg	Scrap	-do-
3.	Aluminium Scrap	14.00 Kg	Scrap	-do-
4.	Copper Scrap	30.90 Kg	Scrap	-do-
5.	Tata Truck (Diesel)	01 No.	2003	Shall be disposed through bidding by MSTC/NIT as per "Vehicle Scrapping Policy" launched by Govt.

6.	Maruti Gypsy (Petrol)	01 No.	1994	-do-
7.	Royal Enfield Motorcycle (Petrol)	01 No.	1998	-do-

With the passage of time, these items are losing their residual value/rusting of metal items. If these items have completed their useful life and can't be used, necessary action may be taken to condemn the above unserviceable items as per Government Guidelines/e-auction under intimation to audit.

Para 15. Effluent Water and Management of sludge

(Ref. Audit Record Memo No. 12 Dated: 03/10/2023)

As per information provided to audit in reply to Audit Record Memo No.12 dated 03/10/2023 regarding records related to Effluent water and management of sludge, it is observed that 65351 KL of Effluent water is supplied to MCD @ Rs.4/- per KL by O/o Executive Engineer (SDW-VI), WSTP, Delhi Jal Board, Keshopur, New Delhi - 110018 and Rs. 5,64,504/- are due from agency i.e. MCD for the supply of effluent.

Necessary action may be taken to recover the payment of Rs. 5,64,504/- from MCD for the supply of effluent under intimation to the audit.

TAN No. 1

(Audit Memo No. 15 Dated:- 09/10/2023)

Subject:- Improper maintenance of Pay Bill Registers.

During the test check of Pay Bill Registers for the period from 2022-23, the following irregularities have been noticed:-

1. The mandatory page counting certificate is not recorded in the PBR's on the first page which is also required to be countersigned by the DDO concerned
2. Monthly entries in PBRs have not been verified and signed by the D.D.O. for its correctness.
3. Bill Number are not mentioned in PBR against each entries, without bill number identification of Bill cannot be ascertained.
4. GAR-18, Abstract of Pay bill is not prepared.
5. No Column for GPF Advance/Withdrawal were found in PBR
6. No proper column Payment of Arrear, LTC, LE, CEA was found found in PBR.

Columns in the ECR maintained in division instead of PBR are not matched with Pay Bill Register (GAR-17). Bill No., Other detail of GPF, Aadhar No., NPS Accounts, Abstract of bill are not found in ECR maintained in Delhi Jal Board, it does not give the detail of Employee, detail Arrear, GPF advance/GPF Withdrawn and other relevant information. DDO signature column not found in ECR. ECR columns may be built-in at par with columns contained in PBR. Necessary action may be taken in this regards.

TAN No.2

(Audit Memo No. 16 Dated: 09.10.2023)

Subject : Discrepancies in maintenance of Stock Registers.

During the test check of the Stock Register maintained at O/o Executive Engineer (SDW-V) WSTP, Delhi Jal Board, Keshopur, New Delhi - 110018 following discrepancies have been noticed:

1. The mandatory page counting certificate duly signed by the HOO was not recorded on the first page of Stock Registers.
2. Consumable and non consumable stock register should be maintained separately. On scrutiny of Stock register it is noticed that Division not maintained non consumable and consumable stock register separately.
3. Rule 213(1) and 213(2) of GFRs, 2017 stipulates that physical verification of fixed assets (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 non consumable Stock register for the year 2022-2023, it has been observed that physical verification has not been undertaken by the Division till date.
4. As per guideline for maintaining the non-consumable stock register entry for non-consumables item should be made as placement to the concerned branch and in stock register the progressive total should be maintained. On scrutiny of non-consumable stock register, it has been noticed that in most of items issuing to concerned branch/unit of the non consumable goods not shown in register and balance progressive total also not shown.
5. During test checked of stock register it is noticed that Division maintained per year new stock register but previous year closing balance of non consumable items not taken as opening balance in current year.
6. Cost of items should be mentioned stock register for use at the time of condemnation as when required. During test checked of stock register it is noticed that items voucher no., cost and vendor name not mentioned in stock register.
7. Signature of Branch in charge should be made after issuing the consumable & non consumables goods on prescribed column but during test check of stock registers, it is noticed that in most of items shown as no issued or signature not made by branch in charge after issuing /placement the goods to the concerned branch at non consumable register.
8. The Annual Store Return on obsolete form has not been provided to the audit.

Necessary action may be taken to maintain the proper Stock Registers as per norms.

TAN No.3

(Audit Memo No. 17 Dated: 09.10.2023)

Sub: Discrepancies in maintenance of Service Books.

During the test check of Service Books of the employees of O/o the Executive Engineer (SDW-VI), WSTP, Delhi Jal Board, Keshopur, New Delhi - 110018 the following discrepancies have been noticed:

1. Non-inclusion of Aadhaar (Unique Identification) number in Service Book of Government Servant - As per DOPT O.M.No.Z-20025/9/2014-Estt.(AL) dated 3rd November, 2014, it has been made compulsory for the departments to ensure that the Service Books of all employees have an entry of the employees' Aadhaar Number. However, it has been observed that Aadhaar Number has not been recorded in most of service books.

2. Common Nomination Form not used - Common Nomination Form for Gratuity, General Provident Fund and Insurance under the relevant rules has been introduced by the DOPT and it is obligatory on part of the Government Servant to fill common nomination form in Form 1 and submit to the Head of Office or authorized gazetted officer. However, the same was not found attached/pasted in most of the service books which were test checked by the audit.

3. In the service book of the female govt. officers/officials, child care leave account should be maintained separately but at the time of scrutiny of service book of female govt. officers/officials child care leave account found not maintained in some of cases and leave account and other relevant entries in most of the service book have not been maintained properly.

4. Photograph of the every officials needs to be updated in every 5 Years. However, the same was not found in most of the service books.

Necessary action may be taken to remove the above mentioned discrepancies in the maintenance of Service Books.

TAN No.4

(Audit Memo No 18 Dated: 09.10.2023)

Sub:- Non-Maintenance of Cash book.

While scrutiny of the records provided by O/o the Executive Engineer (SDW-VI), WSTP, Delhi Jal Board, Keshopur, New Delhi - 110018 for the period 01-04-2022 to 31-03-2023, it has been observed that the Division is not maintaining the cash book which is mandatory as per receipt & payment rules although cash transactions are being done in the division.

The division has produced the Cash Book which contained the receipts entries of amount on the Receipt Side whereas on the payment challan is pasted on Payment side instead of proper entries of Payment required under Receipt and Payment Accounts. Necessary action may be taken to maintain the proper Cash Book as per norms.

TAN No.5

(Audit Memo No. 19 Dated: 09.10.2023)

Subject : Non deduction of income tax on average basis

As per the Income Tax Act, every employer should deduct income tax at source on average basis in monthly installments on the salaries disbursed by him/her, final adjustments being made from the last salary payable before the end of March. Further, any excess or deficit arising out of previous deduction can be adjusted by increasing or decreasing the amount of subsequent deductions during the same financial year.

During scrutiny of the Pay Bill Registers and Income Tax records for the audit period, it has been observed that in most of the cases, tax has not been deducted on average basis and maximum amount of

annual tax has been found deducted in the last quarter. Some of the instances for the financial year 23 are as under:

S. No.	Name	Months											
		03/22	04/22	05/22	06/22	07/22	08/22	09/22	10/22	11/22	12/22	01/23	02
1	Sh. Sh. Prem Shankar, S/I	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	25000	1.
2	Sh. Parveen Kumar Gupta, ACE	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000	13.
3	Sh. Radhey Shyam, Beldar	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	22000	21.
4	Sh. Kuldeep Singh, Elect.-II	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	20000	261
5	Sh. Kanwar Pal, S/I	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	20000	888

Necessary action may be taken to deduct the Income Tax as per the Income Tax Act which stipulates that every employer should deduct income tax at source on average basis in monthly installment on the salaries disbursed by him/her, final adjustments being made from the last salary payable before the end of March. Further, any excess or deficit arising out of previous deduction can be adjusted by increasing or decreasing the amount of subsequent deductions during the same financial year.

12. EE(SDW)-VII, NSTP Corination Pillar, Delhi-09 (Sewerage Bulk)

PARA 01:- Deployment of Skilled/Unskilled Workers without using GEM Portal.

(Ref.: Audit Memo No.-01 Dated: 01.01.2024)

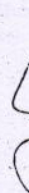
As per rule 149 of the General Financial Rules, 2017, the procurement of goods and services by Ministries / Departments will be made mandatory for goods and services available on GeM.

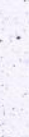
During the test check of records pertaining to hiring of Skilled/Unskilled Worker on outsourced basis, it has been observed that during the audit period, SDW -VII, DJB has

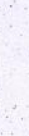
Annexure- "A"

Sector	Name	(i) No. of preliminary objection memo issued (Observation + Record Memo).	ii) No. of objection on settled on the spot	Remaining paras included in current report.		Recovery Detected				Recoveries effected on the spot	Remaining Recoveries			
				PARA	TAN	Personal recoveries	Reconciliation based recoveries	Estimated/assumptive recoveries	Contractor/firm based recoveries		Personal recoveries	Reconciliation based recoveries	Estimated/assumptive recoveries	Contractor/firm based recoveries
Water Bulk	EE(C)Plant WWII	12	0	11	1	0	0	0	0	0	0	0	0	0
Water Bulk	EE(E&M)-I	12	0	11	1	0	0	0	0	0	0	0	0	0
Water Bulk	EE(E&M)-II	12	0	11	1	0	0	0	0	0	0	0	0	0
Water Bulk	EE(E&M) WC-I	7	0	7	0	0	0	0	0	0	0	0	0	0
Water Bulk	EE(E&M) WC-TYR S.Vihar	10	0	5	4	0	0	0	895090	0	0	0	0	895090
Water Bulk	EE(E&M)-III	10	0	9	1	0	0	0	0	0	0	0	0	0
Water Bulk	EE(E&M) WC-II/TYR	10	0	6	3	0	0	0	323440	0	0	0	0	323440
Sewerage Bulk	EE(SDW)-II	13	1	7	5	12361	0	0	0	11010	1351	0	0	0
Sewerage Bulk	EE(SDW)-IV	14	0	11	3	0	0	0	0	0	0	0	0	0
Sewerage Bulk	EE(SDW)-V	11	0	10	1	0	0	0	0	0	0	0	0	0
Sewerage Bulk	EE(SDW)-VI	31	0	15	5	0	0	0	0	0	0	0	0	0

Maintenance	EE (North west)-I	20	0	14	1	0	0	0	0	0	0	0
Maintenance	EE (North west)-II	10	0	10	0	0	0	0	0	0	0	0
Maintenance	EE (North west)-III	18	0	14	0	0	0	0	0	0	0	0
Maintenance	EE(SW)-II	14	1	17	0	0	0	0	0	0	0	0
Maintenance	EE(WEST-I)	16	0	16	0	0	0	0	0	0	0	0
Head Quarter.	Delhi Jal Board	41	0	7	0	0	0	0	0	0	0	0
TOTAL		504	6	330	53	86532	0	0	1223568	11010	2	0






[illegible]

PART – II

CURRENT AUDIT REPORT

(2023-2024)

CURRENT AUDIT REPORT (2023-24)

Para No. 01: Discrepancies in opening/closing balances of Bank Accounts operated in the Division for the Financial Year 2023-24.
(Ref. Observation Memo No. 02 dated: 02.01.2025)

During scrutiny of records provided by the office of EE (SDW)-VI, Delhi Jal Board, WSTP Keshopur, New Delhi-110018, it has been observed that following Bank Accounts Ledger exists in the Book of Accounts of the Division for the year ending 31st March, 2023, details of which are as under:

Banks Balances as on 31-03-2023			
		Debit (in Rs.)	Credit (in Rs.)
1	Allahabad Bank EMD A/c 50448339804	23,68,600.00	
2	Canara Bank-4783		4,12,43,303.00
3	Corporation Bank A/C 173	2,70,01,587.14	
4	Corporation Bank - 019633		9,95,50,358.00
5	Corporation-4116		93,84,38,870.00
6	Corporation Bank A/c No. 026401601000586	1,73,941.25	
7	Pension Bank A/c	15,598.00	
8	SBI - 41430248890	68,17,440.00	
9	SBI - 41437543785	19,12,279.00	
10	Syndicate Bank-60011-R.Jhansi		2,52,42,183.00
11	Syndicate Bank A/c 12261	2,07,46,486.00	
12	Syndicate Bank A/c 81/101-790	5,31,141.27	
	TOTAL	5,95,67,072.66	110,44,74,714.00

However, none of the above mentioned accounts/ledger exists in the records produced to audit for the financial year 2023-24 except for the bank accounts at Sr. No. 01 & 08 (Allahabad Bank EMD A/c 50448339804 & SBI - 41430248890). Closing balance of one new bank account - SBI A/c No. 8581 (Revenue Receipt) along with the other two accounts i.e. Allahabad Bank EMD A/c 50448339804 & SBI - 41430248890 were reproduced as under:

Particulars	Opening (Rs.)	Debit (Rs.)	Credit (Rs.)	Debit Closing (Rs.)	Credit Closing (Rs.)
Bank Balances as on 31-03-2024					
SCHEDULE BANK					
Allahabad Bank EMD A/c 50448339804		6,65,766.00	6,54,500.00	11,266.00	--
SBI A/C No. 8890	0.00 CR	232,88,97,562.00	232,95,61,543.00	--	6,63,981.00
SBI A/C No. 8581 (Revenue Receipt)		85,173.00	85,423.00	--	250.00
SCHEDULED BANK TOTAL	0.00 CR	232,96,48,501.00	233,03,01,466.00	11,266.00	6,64,231.00

It has been observed that the Ledger mentioned above for the year ending 31st March, 2024 is having zero opening Balance. Further, Closing Balances of Banks in the financial Year 2022-23 has not been brought forward in the financial year 2023-24.

The Division was requested to provide the following information/clarification:

1. Reasons for not carrying forward of closing balances in Banks from the Financial Year 2022-23 to the Financial Year 2023-24.
2. Copy of Bank statements in r/o of all the above-mentioned Bank Ledgers except for the bank account No. - SBI A/C No. 8890.
3. Copy of the Reconciliation Statement in r/o of Bank Ledgers mentioned above matched with the Bank Statement.
4. Reasons for **Credit Balance** of Rs.110,44,74,714.00 in r/o four Bank Account Ledgers mentioned above for the year ending 31st March, 2023 and details thereof.
5. Confirmation and details of closed Bank Accounts 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 Bank Ledgers for the year ending 31st March, 2023 which were not carried forwarded in the financial year 2023-24. Copy of certificate issued in this regard, if any, may also be provided.
6. Purpose of maintaining the Bank Account mentioned above.

In response to the requisition memo No. 01 (U) dated 30.12.2024, the Division has only provided the copy of five (05) bank reconciliation statements in respect of Syndicate Bank A/c 12261, Allahabad Bank EMD A/c 50448339804, Corporation Bank A/c No. 026401601000586, Corporation Bank A/C 173 and Syndicate Bank A/c 81/101-790 **for the financial year 2022-23**. However, copy of bank statements for these five (05) bank accounts have not been provided to audit. Therefore, in the absence of the bank statements, the "Balances as per Bank" mentioned in the bank reconciliation statements of these five (05) bank accounts could not be verified in audit. **For the financial year 2023-24**, the Division has only provided the copy of un-reconciled bank reconciliation statement in respect of State Bank of India A/c No. 8890.

Regarding confirmation and details of closed Bank Accounts 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 Bank Ledgers for the year ending 31st March, 2023 which were not carried forwarded in the financial year 2023-24, the Division has submitted that the confirmation is awaited at HQ Level, when any information received from HQ, then it will be provided to audit.

No reply for the observation memo No. 02 dated 02.01.2025 has been furnished to audit.

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**".

Since complete information/records have not been provided to audit, the Division may look into the matter and take necessary action to provide the remaining records/information along with reconciliation statement of the balances in the bank accounts to the audit.

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**Para No. 02: Excess payment of Non-Productivity Linked Bonus for Rs.16,606/-
(Ref. Observation Memo No. 03 dated: 02.01.2025)**

Vide office 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] (Ad hoc Bonus) for the accounting year 2022-23 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, 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 $\text{Rs.7000} \times 30 / 30.4 = \text{Rs.6908/-}$.

During test check of records for the financial year 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.08 dated 10.11.2023 issued by the Headquarter, Delhi Jal Board. Therefore, the Division has released extra payment of Rs.16,606/- to its staff during the financial year 2023-24. The details of payments are enclosed in **Annexure-I**.

Reasons for making the excess payment of Rs.16,606/- were called for through observation memo dated 02.01.2025, however, no reply was furnished to audit.

Since, the order No.10 dated 21.10.2022 and order No.08 dated 10.11.2023 are very much clear to pay Rs.6,908/- instead of Rs.7,000/- on account of Non-Productivity Linked Bonus [PLB] (Ad hoc Bonus) for the accounting years 2022-23, necessary steps may be taken to recover Rs.16,606/- from the officers/officials after due verification of facts and figures under intimation to audit. Other similar cases, if any, may also be reviewed on the same lines and recovery may be made under intimation to audit.

**Para No. 03: Non-adjustment of Medical Advances amounting to Rs.7.38 lakhs
(Ref. Observation Memo No. 04 dated: 02.01.2025)**

Policy of DJB 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.

During scrutiny of the Ledger Account of Medical Advance, it was observed that the Division had sanctioned Medical Advances amounting to Rs.7,37,840/- to its officers/officials/various Hospitals, however, the same had not been found adjusted as on 31st March, 2024. Hence, delay was noticed ranging from three months to more than nine

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months for settlement of Medical Advances against the stipulated period of 30 days (one month). The details are as under:

Sl. No.	Name of the Officer/Official/Hospital	Date of Advance	Amount (in Rs.)
1	Action Cancer Hospital for treatment of Sh. Inderjeet (P-12677)	06.06.2023	280620
2	Action Cancer Hospital for treatment of Sh. Laljeet Yadav	23.12.2023	157220
3	Action Cancer Hospital for treatment of Sh. Laljeet Yadav (Emp Code 20015634)	26.12.2023	300000
		TOTAL	737840

The Division may therefore look into the matter and take necessary action to adjust the medical advances amounting to Rs.7,37,840/- at the earliest under intimation to audit.

Para No. 04: Discrepancies in Contract Agreement No. 08 (2010-11) [Work Order No. 13 (2010-11)] in favour of M/s. VA Tech Wabag Ltd., Chennai.

(Ref. Observation Memo No. 05 dated: 03.01.2025)

Name of Work	Const. of 11 MGD pumping station, rising main and other related works on design, build and operate basis at Possangipur, Janak puri, New Delhi.	
Total cost of work	Details of works. i) Cost of civil work ii) Mechanical work iii) Electrical work iv) Instrumental work v) Total cost of O & M for 10 years Total Contract Price	Rs.36018522/- Rs.40940287/- Rs.14345525/- Rs.4793053/- Rs. 65000900/- Rs.161099287/- (Actual Total Contract Price comes to Rs.161098287/-)
Name of the Contractor	M/s VA Tech Wabag Ltd., Chennai.	
Contract Agreement No.	08 (2010-11)/EE@ DR. II Volume I [Work Order No. 13 (2010-11)]	
Date of start as per Contract Agreement	17.01.2011	
Actual cost of the project	Rs.161099287/-	
Date of completion as per Contract Agreement	i) Construction period including 3 months trial &: 18 months. ii) Defect liability period 12 months after successful commissioning and completion of trial & run period. iii) O & M Period 120 months after defect liability period. iv) Total contract period 150 months.	

During test check of the files/records pertaining to the Contract Agreement No. 08 (2010-11), following discrepancies have been observed:

a. Performance Bank Guarantee

As per letter of intent dated 17.01.2011 and corrigendum dated 18.01.2011 read as "Further separate performance security for an amount equal to 10 % of total O&M cost - Rs.6,50,00,900/- for operation and maintenance period (10 years) shall be submitted six months prior to expiry of the defect liability period as per terms and conditions of NIT. "

The Contractor was therefore liable to submit performance guarantee amounting to Rs.65,00,090/- with DJB in compliance to the provisions of the contract agreement. **However, no performance bank guarantee for Rs.65,00,090/- has been found available in the contract files/documents produced to audit.**

b. Reserve Fund (Clause 5.3.3. of Contract Agreement)

As per clause 5.3.3. of Contract Agreement, there shall be a reserve fund created and maintained by DJB to support the cost of making major maintenance, repairs, and replacements to the facility, in accordance with the repair and replacement plan required by this clause.

However, record reveals that no documents / files related to reserve fund have been made available to audit for further examine and verification.

c. Retention Money (Clause 5.3.4. of Contract Agreement)

As per point 5, DJB shall retain a total sum equivalent to three months O & M Total Charges due for payment to the Contractor in 3rd, 6th and 9th months. This amount of 03 months O & M charges shall be kept by DJB till the end of 10th year or for any extended period mutually agreed upon. Moreover, this amount of 03 months retention money shall (annually) be increased, depending upon enhancement and / or escalation. DJB reserves its right to deduct dues or liquidated damages, if required, from this retention and shall not consider any interest over this retained amount irrespective of period, circumstances and reasons thereof.

However, record reveals that no documents / files related to retention money disposals prior to release of payment to the Contractor for 3rd, 6th and 9th months have been made available to audit for further examine and verification.

d. Non recovery of TDS (GST) Rs.140661/- (Clause 5.3.5. of Contract Agreement)

As per this clause, the contractor shall be responsible for paying **all taxes associated with carrying out of services**, notwithstanding the provisions of any clause of these conditions of contract for operation and maintenance, the DJB shall be entitled to withhold or deduct from payment to the contractor any amount it is required by law to so withhold/deduct.

As per Notification No. 52 of Central Tax dated 13.09.2018 by Central Board of Indirect Taxes, it was decided that the TDS on GST would be made operational w.e.f. 01.10.2018 @ 02% which is to be deducted from the payments made to the firms if the

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gross amount to be paid to the vendors is equal to or more than Rs.2,50,000/-. Similar notifications have also been issued by respective State Governments.

During the financial year 2023-24, the Division has made total payments of Rs.7032848/- to the Contractor, however, no TDS (GST) has been found deducted from the bills paid during this period. The details are as under::

S. No.	Billing month	Gross Payment made (in Rs.)	TDS (GST) as per audit @ 02% (in Rs.)	As per Division	Recovery of TDS (GST) [in Rs.]
1	1/23	396778	7936	0	7936
2	2/23	396778	7936	0	7936
3	3/23	396778	7936	0	7936
4	4/23	396778	7936	0	7936
5	5/23	396778	7936	0	7936
6	6/23	396778	7936	0	7936
7	7/23	396778	7936	0	7936
8	8/23	396778	7936	0	7936
9	9/23	396778	7936	0	7936
10	10/23	396778	7936	0	7936
11	October 2022 to March, 2023 (Escalation Bill)	3065068	61301	0	61301
Total		7032848	140661	0	140661

e. Sub Contracts (Clause 5.6.4. of Contract Agreement)

As per this clause, the Contractor shall not delegate its representatives nor subcontract any part of the services to be provided by him without prior written consent of the DJB.

Record reveals that the main contractor, M/s. VA Tech Wabag Ltd. has hired manpower services from 02 (two) sub-contractors namely M/s. Jupiter Administrative - Security Ser. Pvt. Ltd. and M/s. JV HR Management Private Limited for execution of the contract. However, formal approval has not been found obtained from the competent authority / found in the records produced to audit prior to engagement as sub-contractors.

The Division may therefore look into the matter and submit reasons for non-compliance of the terms and conditions of the contract agreement, remove the above mentioned discrepancies, submit the required documents and also take necessary action to recover TDS (GST) for Rs.1,40,661/- after due verification of facts and figures under intimation to audit. Other similar cases of short recovery of TDS (GST), if any, may also be reviewed on the same lines and compliance be shown to audit.

Para No. 05: Discrepancies in Contract Agreement No. 05 (2011-12) [Work Order No. 09 (2011-12)] in favour of M/s. Veolia Water (India) Pvt. Ltd, New Delhi.

(Ref. Observation Memo No. 06 dated: 06.01.2025)

Name of Work	Design, Construction, Supply, Installation, Testing, Commissioning, Trial Run, Operation and Maintenance for 1+10 (one plus ten) years of 20 MGD sewage treatment plant and other related associated/allied appurtenant works on Design, Build and Operate basis at Nilothi Phase-II, Delhi.	
Total cost of work	Details of works.	
	a.	Cost of civil work Rs.64,40,00,000/-
	b.	Cost of E&M work Rs.83,95,00,000/-
	c.	Total Construction Cost Rs.148,35,00,000/-
	d.	Cost of O&M Rs.51,56,00,000/-
	e.	Cost of sludge handling component Rs.61,59,00,000/-
	f.	Total Cost of the Project Rs.261,50,00,000/-
Name of the Contractor	M/s. Veolia Water (India) Pvt. Ltd., New Delhi.	
Contract Agreement No.	05 (2011-12) [Work Order No. 09 (2011-12)]	
Date of start as per Work Order	23.03.2012	
Actual cost of the project	Rs.261,50,00,000/-	
Date of completion as per Work Order	a.	It shall be 24 months (21 months for Construction + 3 months for trial run and commissioning) inclusive of monsoons, from the commencement date.
	b.	Defect liability will be for a period of 12 months after successful commissioning and completion of test and trial run period.
	c.	O&M period shall be 120 months after defect liability period.

During test check of the files/records pertaining to the Contract Agreement No. 05 (2011-12) provided to audit, following discrepancies have been observed:

a. During the financial year 2023-24, the Division has paid Rs.25,90,000/- @ Rs.2,15,833.30 per month to the Contractor on account of estimated CIF value of the imported components, however, the actual amount of expenditure incurred during the year for this purpose has not been found in the records/enclosed with the bills/made available to audit.

b. Similarly, during the financial year 2023-24, the Division has paid Rs.9,06,500/- @ Rs.75,541.70 per month to the Contractor on account of estimated value of Custom Duty on imported components, however, the actual amount of expenditure incurred during the year for this purpose has not been found in the records/enclosed with the bills/made available to audit.

c. Scrutiny of the "Fixed Part" of Operation and Maintenance Charges for this work reveals that there is a component in the name of "Reserved Fund for major maintenance & repair" amounting to Rs.3,11,503/-. The accounting treatment for this fund of Rs.3,11,503/- along with the supporting documents wherein the amount was kept has not been made available to audit.

d. As per work order No. 09 dated 22.02.2012, performance security for an amount equal to 10% of total O&M cost of Rs.86,65,00,000/- shall be submitted 60 days prior to the expiry of the defect liability period. However, no performance security for an enormous amount of Rs.8,66,50,000/- for the O&M period has been found in the records/made available to audit.

e. As per Notification No. 52 of Central Tax dated 13.09.2018 by Central Board of Indirect Taxes, it was decided that the TDS on GST would be made operational w.e.f. 01.10.2018 @ 02% which is to be deducted from the payments made to the firms if the gross amount to be paid to the vendors is equal to or more than Rs.2,50,000/-. Similar notifications have also been issued by respective State Governments.

During the financial year 2023-24, the Division has made total payments of Rs.6,86,43,162/- to the Contractor, however, no TDS (GST) works out to Rs.13,72,863/- has been found deducted from the bills paid during this period. The details are as under:

S. No.	Particulars of the Bill	Date of Payment	Gross Amount of the Bill (in Rs.)	Taxable Amount (in Rs.)	GST to be deducted (1%+1%) @ 2% [in Rs.]	GST deducted	Short deduction of GST (in Rs.)
1	O&M cost for January, 2023	08.06.2023	5362064	5362064	107241	0	107241
2	O&M cost for December, 2022	08.06.2023	5541630	5541630	110833	0	110833
3	O&M cost for November, 2022	08.06.2023	5606831	5606831	112137	0	112137
4	O&M cost for March, 2023	29.03.2024	5801627	5801627	116033	0	116033
5	O&M cost for October, 2023	29.03.2024	5787043	5787043	115741	0	115741
6	O&M cost for September, 2023	29.03.2024	5909333	5909333	118187	0	118187
7	O&M cost for February, 2023	30.03.2024	4939879	4939879	98798	0	98798
8	O&M cost for August, 2023	29.03.2024	6119508	6119508	122390	0	122390
9	O&M cost for July, 2023	29.03.2024	6272325	6272325	125447	0	125447
10	O&M cost for June, 2023	29.03.2024	5688489	5688489	113770	0	113770
11	O&M cost for May, 2023	29.03.2024	5989056	5989056	119781	0	119781
12	O&M cost for April, 2023	29.03.2024	5625377	5625377	112508	0	112508
	TOTAL		68643162	68643162	1372863	0	1372863

The Division may therefore look into the matter and submit reasons for non-compliance of the terms and conditions of the contract agreement, remove the above mentioned discrepancies, submit the required documents and also take necessary action to recover TDS (GST) for Rs.13,72,863/- after due verification of facts and figures under intimation to audit. Other similar cases of short recovery of TDS (GST), if any, may also be reviewed on the same lines and compliance be shown to audit.

Para No. 06: Non-utilization of allocated budget of Rs.57.39 crores
(Ref. Observation Memo No. 11 dated: 06.01.2025)

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 financial year should be fully achieved.

In response to requisition memo No. 01(D) dated 30.12.2024, the Division has provided information relating to total budget and actual expenditure during the period 2023-24 under the head "Revenue" and "Capital" which reveals the following:

Year	Budget allocated (Capital)	Funds Received during the year (Capital)	Expenditure (Capital)	Excess (+) / Savings (-) against allocated budget
2023-24	16095.41 lakhs	13308.06 lakhs	13308.06 lakhs	2787.35 lakhs
Year	Budget allocated (Revenue)	Funds Received during the year (Revenue)	Expenditure (Revenue)	Excess (+) / Savings (-) against allocated budget
2023-24	14617.53 lakhs	11666.34 lakhs	11666.34 lakhs	2951.19 lakhs
TOTAL (Capital + Revenue)	30712.94 lakhs	24974.40 lakhs	24974.40 lakhs	5738.54 lakhs

From the above table, it is gathered that out of the total allocation of **Rs.307.13 crores**, an amount of **Rs.249.74 crores** were incurred for execution of works and for other expenditures under various heads and there were savings worth **Rs.57.39 crores**.

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 some savings 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 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 budgets available with them during the financial year 2023-24. Had they anticipated the same, the budgets 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.

Para No. 07: Expenditure on advertisements worth Rs.25.26 lakhs.
(Ref. Observation Memo No. 12 dated: 06.01.2025)

a. Avoidable Expenditure of Rs.25.26 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.25,26,160/- on publicity of NIT in News Papers, which was in contravention of the CPWD instructions.

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

b. Loss of Rs.3.79 lakhs on account of not availing 15% rebate on advertisement

As per the information provided by the office of EE (SDW)-VI, Delhi Jal Board, WSTP Keshopur, New Delhi-110018., it has been observed that the Division has incurred Rs.25,26,160/- 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 not availing 15% discount/rebate. The details are as under:

S. No.	Name of Advertisement Agency/ Media House	Amount Paid	Amount of rebate not given by the Agency/Media House (15%)
1	M/s. HT Media Ltd.	320229.00	48034.00
2	M/s. Indian Express Pvt. Ltd.	242551.00	36383.00
3	M/s. Indian Express Pvt. Ltd.	242551.00	36383.00
4	M/s. Bennett Coleman & Co. Ltd.	411768.00	61765.00
5	M/s. Hindustan Media Ventures Limited	57685.00	8653.00
6	M/s. Punjab Kesari, Delhi	9482.00	1422.00
7	M/s. Amar Ujala Publication Limited	58478.00	8772.00
8	M/s. Bennett Coleman & Co. Ltd.	411788.00	61768.00
9	M/s. Punjab Kesari Group	3815.00	572.00
10	M/s. Hindustan Media Ventures Limited	55744.00	8362.00
11	M/s. THG Publishing Pvt. Ltd.	275121.00	41268.00
12	M/s. Amar Ujala Publication Limited	58478.00	8772.00
13	M/s. HT Media Ltd.	320229.00	48034.00
14	M/s. Hindustan Media Ventures Limited	58241.00	8736.00
	TOTAL	2526160.00	378924.00

Since, the Division has not availed the discount of 15% which works out to Rs.3.79 lakhs on the publication of advertisements and also published the advertisements directly through the agencies instead of taking the services of M/s. Shabdarth, the matter may be taken up with the PR Section, DJB(HQ) for necessary action under intimation to the audit.

Para No. 08: Short receipt of Performance Bank Guarantee - Rs.12.61 crores.
(Ref. Observation Memo No. 13 dated: 07.01.2025)

Name of Work	O & M agreement for the work of design and construction of interceptor sewers along Najafgarh, Supplementary and Shahdara drains for abatement of pollution in Yamuna river for Delhi Jal Board Package-2
Name of the Contractor	M/s. Pratibha Mosinjstroi Consortium (M/s. PMC), Mumbai.
O&M start date	07.06.2021
Total value of the work	Rs.692,78,99,000/- (Construction Price - Rs.512,66,47,904/- + O&M Cost - Rs.180,12,51,096/-)
Completion period	11 years
Contract agreement No.	06 (2021-22)
Performance Guarantee @ 3% for O&M cost	Rs.5,40,37,533/- (3% of Rs.180,12,51,096/-)

During test check of the records pertaining to Contract Agreement No. 06 (2021-22) in respect of the above stated work, it was noticed that point No. 5 of the "Detailed Letter of Acceptance (DLOA) dated 22.07.2011 states that, "Performance bank guarantee (PBG)/(Security Deposit[SD]) - You are requested to furnish Bank Guarantee (BG) in line with the provision of clauses no. 42.0 & 43.0 of Special Conditions of Contract."

Further point No. 43.1 of point No. 43 - Special Conditions of Contract - Performance Bank guarantee for operation and maintenance of the system (O&M PBG) states that the Contractor, at least 30 days in advance on successful commissioning of the entire system, shall submit to EIL a Performance Bank Guarantee (O & M PBG) towards operation and maintenance of the entire system for the period of 11 years as mentioned in

the bidding document, for an amount equivalent to 10 % of the estimated Operation and Maintenance Contract Value for a period of 11 years towards faithful performance of the Contract during this period, in an approved format included in the bidding document, from a nationalized scheduled bank in India. The O & M PBG shall be given in favor of **"Delhi Jal Board, payable at New Delhi."**

The Division has, however, provided the records for receipt of PBG for 3% of Rs.180,12,51,096/- i.e. for Rs.5,40,37,533 only and hence, instead of obtaining PBG for the value of Rs.18,01,25,110/- (10% of Rs.180,12,51,096/-), less amount of PBG by Rs.12,60,87,577/- has been received in the Division which is in contravention of the terms and conditions of the Contract Agreement.

The Division may therefore look into the matter and submit the reasons for non-obtaining of performance guarantee from the Contractor @ 10% of the O&M cost as per terms and conditions of the Contract Agreement, obtain PBG of Rs.12,60,87,577/- and show the compliance to audit.

Para No. 09: Non recovery of Rs.15.28 lakhs due to sale of treated effluent water to MCD along with electricity charges of MCD Effluent Pump House.

(Ref. Observation Memo No. 14 dated: 07.01.2025)

During the course of audit, it has been observed that the Division has been supplying treated effluent (unfiltered water supply) water from Keshopur STP to MCD parks through Effluent Pump House at Keshopur STP and accordingly raising the claims in favour of Director (Horticulture), West Zone, MCD and Executive Engineer (E&M) - I, SDMC, Tilak Nagar, New Delhi-18 on regular basis for both the purposes.

From the financial years 2023-24 onwards, the Division has raised claims/bills on tri-monthly basis to both the Departments, however, these Departments are taking very casual approach on this matter. None of the claims/bills were settled till 30th September, 2024 which results in stacking of huge amount of arrears w.e.f. 01.01.2019. Record reveals that both the Departments have not paid an amount of Rs.10,90,036/- towards sale of treated effluent water as on 30th September, 2024 and Rs.4,37,516/- towards electricity bill as on 30th September, 2024. The details of the last bills raised by the Division are as under:

• For sale of treated effluent water

Bill No. and Date	Bill for the period	Previous Reading	Current Reading	Difference (K.L.)	Rate per Kilolitre (in Rs.)	Total Amount (in Rs.)
12 dated 01.10.2024	01.07.2024 to 30.09.2024	267801	272509	4708	4/-	18,832/-
Total Amount						18,832/-
Arrears (01.01.2019 to 30.06.2024)						10,71,204/-
Total Amount payable with Arrears (A)						10,90,036/-

• Electricity bill of MCD Effluent Pump House (B)

Bill No. and Date	Bill for the period	Previous Reading	Current Reading	Difference	P.F.	KVAH	Rate (in Rs.)	Amount (in Rs.)
11 dated 01.10.2024	01.07.2024 to 30.09.2024	234	238	04	0.75	427	10/-	4,270/-
Total								4,270/-
Additional 20% Administrative charges								854/-
Total								5,124/-
Arrears (01.01.2019 to 31.06.2024)								4,32,392/-
Total Amount payable with Arrears (B)								4,37,516/-

Total amount payable with Arrears in respect of sale of treated effluent water and for electricity bill of MCD Effluent Pump House as on 30th September, 2024 works out to Rs.15,27,552/-.

The Division may therefore take urgent necessary action to recover Rs.15,27,552/- for sale of treated effluent water and for electricity bill of MCD Effluent Pump House from the concerned agency and show compliance to the audit.

Para No. 10: Discrepancies in Contract Agreement No. 47 (2022-23) [Work Order No. 50 (2022-23)] in favour of M/s. Ayyappa Keshopur Treatment Pvt. Ltd, Delhi.

(Ref. Observation Memo No. 15 dated: 08.01.2025)

Name of Work	Augmentation/up-gradation of existing STPs at Najafgarh (5 MGD), Keshopur Ph-II (20 MGD) & Ph-III (60 MGD) under Pkg-2 of liquid stream on latest Parameters of BOD/TSS as 10/10 mg/ltr without TKN removal NH ₃ <8, P<1, e-coli form<230 MPN & Odour Control including Operation and Comprehensive Maintenance of 12 years.	
Name of the Contractor	M/s. Ayyappa Keshopur Treatment Pvt. Ltd, Delhi.	
Contract Agreement No.	47 (2022-23) [Work Order No. 50 (2022-23)]	
Date of start as per Work Order	19.01.2023	
Actual cost of the project	Rs.567,84,00,000/-	
Date of completion as per Work Order	a.	It shall be 11 months and trial run period shall be 03 months.
	b.	Interim Operation period shall be 12 months.
	c.	Operation and Comprehensive Maintenance period shall be 11 years after completion of interim operation period.

During test check of the files/records pertaining to the Contract Agreement No. 47 (2022-23) provided to audit, following discrepancies have been observed:

a. In-consistency in Contractor's documents

Delhi Jal Board and M/s. Ayyappa Keshopur Treatment Private Limited have entered into a Concession Agreement No. 47 (2022-23) on 19.01.2023. Record reveals that vide resolution No.1316 (Item No. T-416) in the 163rd meeting which was held on 10.10.2022, DJB has resolved to accord the approval for award of work in favour of JV of M/s. Ayyappa Infra Projects (P) Limited – Khilari Infrastructure Pvt. Ltd. Accordingly, letter of award dated 27.10.2022 was also issued in favour of M/s. Ayyappa Infra Projects (P) Limited – Khilari Infrastructure Pvt. Ltd. Original Performance Bank Guarantee (PBG) for an amount of Rs.4.80 crores and thereafter the extended PBG was also submitted by

M/s. Ayyappa Infra Projects (P) Limited (Applicant). Notably, the labour engagement details of ESI and PF in the running account bills of operation and maintenance and other contractual documents are in the name of M/s. Ayyappa Infra Projects (P) Limited. However, work order No. 50 (2022-23) dated 19.01.2023 and the Concession Agreement No. 47 (2022-23) dated 19.01.2023 was found executed by DJB with M/s. Ayyappa Keshopur Treatment Private Limited. No approval/relevant documents from the Competent Authority have been found attached in the Contract Agreement which elaborates any connection between M/s. Ayyappa Infra Projects (P) Limited and M/s. Ayyappa Keshopur Treatment Private Limited. In case of any violation of terms and conditions of the Concession Agreement by the Contractor, how DJB charged the penalties/liquidated damages from the PBG submitted by M/s. Ayyappa Infra Projects (P) Limited could not be ascertained in audit.

b. Short-deduction of statutory deductions amounting to Rs.26.30 lakhs

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 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 or 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 (SDW)-VI, Delhi Jal Board, it was observed that the Division had deducted TDS 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.26,29,154/- (TDS - 17,52,771/- + Building Cess - 8,76,383/-) while releasing the payments in the audit period i.e. in the financial year 2023-24 to the Contractor. It seems that undue favour was given to Contractor's due to short deduction of above taxes.

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c. Non-compliance of electricity consumption clause (Clause 9.4 of the Contract Agreement)

Point No. 04 of the Work Order No. 50 (2022-23) dated 19.01.2023 under the head "Electricity Consumption" states that the firm will maintain the limits of power consumption below the guaranteed (Quoted) Per MGD electricity consumption for treatment purpose at each Sewage Treatment Plant (STP) and associate Infrastructure at each STP throughout the contract period. In case of consumption of electricity goes beyond power guarantee (quoted) as mentioned in the Work Order, DJB will recover twice the excess power consumption rate as on date of billing cycle.

Further, as per point No. 05 of the above-mentioned Work Order under the heading "Penalties for not achieving KPIs", it was mentioned that 0.1% per parameter per day on monthly Operation & Maintenance charges post augmentation/upgradation will be deducted.

However, during examination of the running account bills of the Contractor for Operation and Maintenance charges, paid during the financial year 2023-24 for the total value of Rs.10,76,66,667/- and other relevant records, no evidence of actual electricity consumption or penalties imposed for non-achievement of the guaranteed consumption has been found in any of the running account bills of the Contractor produced to audit. Absence of records on actual electricity consumption makes it difficult to determine whether the guaranteed consumption level was met, and if not, what penalties for consumption of electricity beyond power guarantee and what penalties for not achieving KPIs should have been imposed.

The Division may therefore look into the matter and submit reasons for non-compliance of the terms and conditions of the contract agreement, remove the above mentioned discrepancies, submit the required documents and also take necessary action to recover statutory taxes amounting to Rs.26,29,154/- after due verification of facts and figures under intimation to audit. Other similar cases of short recovery of statutory taxes, if any, may also be reviewed on the same lines and compliance be shown to audit.

Para No.11: Delay in condemnation of items/vehicles

(Ref. Observation Memo No. 16 dated: 09.01.2025)

Vide record memo No. 01(O) dated 30.12.2024, the Division has requested to provide the details of obsolete/unserviceable/condemned items lying in the Division for condemnation to the audit.

Accordingly, the Division has submitted the list of obsolete/unserviceable/condemned items lying in the Division for condemnation, however, the disposal of these items is still pending. Moreover, the value of these condemned items has not been provided to audit. The details are as under:

Wm.

Sr. No.	Name of the item	Quantity/Weight
1	M.S./C.I. Scrap	3350 kg.
2	DI Scrap	5050 kg.
3	Copper Scrap	32.90 kg.
4	Aluminium Scrap	14 kg.
5	Lead Batteries	02 Nos.

In addition to above, vide audit requisition memo No. 01 (H) dated 30.12.2024, information regarding vehicle in the Division was also called for and accordingly, the Division has informed the details of unused vehicles in the Division as per detail below:

S. No.	Vehicle No.	Make/Model Name	Type of fuel Diesel/ Petrol/CNG)	Date of Purchase	Cost of Vehicle	Total expenditure on the vehicle since purchase	Date from which the vehicle not in use
1	DL-1LE-5158	Tata Truck	Diesel	2003	Not available	Not available	Before 2018
2	DL-4-CC-2220	Maruti Gypsy	Petrol	1994	Not available	Not available	Before 2018
3	DL-1SL-6361	Royal Enfield Motorcycle	Petrol	1998	Not available	Not available	2018

Since, the Government Vehicles/other articles were to be condemned as and when it was declared obsolete/unserviceable, no documents/records for fixing of reserve price/scrap value/ sale value have been provided to the audit. This is a lapse on the part of Division as the scrap value of condemned vehicles/articles are a valuable resource that can be utilized to offset the cost of new vehicles/articles, purchases and other regular expenses. Long delay causes a decrease in the scrap value of items.

The Division may therefore take necessary steps to dispose off obsolete/unserviceable/condemned items and vehicles at the earliest and show the compliance to audit.

Para No. 12: Slow progress of works - Abnormal delay in execution/completion of work

(Ref. Observation Memo No. 17 dated: 09.01.2025)

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 thethe 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. 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. In all cases, a copy of the letter granting extension of time will be endorsed to the concerned Audit/Accounts Officer.

During scrutiny of work list provided by the office of Executive Engineer (SDW)-VI, Delhi Jal Board for the financial year 2023-24, it was noticed that below mentioned works were to be completed in 06 to 18 months but were not accomplished even after delay up to 1354 days. These works were to be completed between January, 2019 to January, 2024, however, not finished within the stipulated period of time. 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.	CA No.	Estimated Cost (Rs. in lakhs)	Name of Contracts / tender in force	Value of contract/ tender (Rs. in lakhs)	Name of Agency/ firm	Date of commencement of work	Stipulated date of completion	Actual date of completion	Physical progress of work if not completed	Total payment made against the work	Delayed (in Days) [up to 31.03.24]
01	08(2022-23)	145.12	Providing, laying and jointing Treated Effluent Water Rising Main including installation of Pump Sets and allied works from Keshopur STP for rejuvenation of Paschim Vihar Lake in DDA District Park. (E&M)	CAPEX = 136.21	M/s. Rehman Builders Pvt. Ltd.	23/05/22	23/11/22	Work in progress	95%	68.86%	495 days
02	47 (2-21-22)	43817.00	Augmentation/up-gradation of existing STPs at Najafgarh (5 MGD), Keshopur Phase II (20 MGD) & Phase III (60 MGD) under Package-2 of liquid stream on latest parameters of BOD/TSS as 10/10 mg/l without TKN removal NH ₃ <5, P<1, e-coliiform< 230 MPN and odour control.	CAPEX = 12750.00	M/s. Ayyappa Keshopur Treatment Pvt. Ltd.	01/03/23	31/01/24	Work in progress	87%	64.00%	60 days
03	03 (2022-23)	2158.00	Construction of 6 MLD STP and other associated/ allied appurtenant work on Design, Build and Operate basis at 7620 EWS housing complex developed by DUSIB at Savda Ghewra along with O&M (Deposit Work) (E&M)	CAPEX = 770.24	M/s. Ayyappa Infra Projects Pvt. Ltd.	26/08/22	25/11/23	Work in progress	10%	NIL	128 days
04	03 (2018-19)	3966.00	Construction of 11 MGD SPS on DBO basis at Satya Park Naraina Industrial Area Phase-II along with Rising Main. Part 1: Construction of 11 MGD SPS on DBO Basis along with rising main. Part 2: Construction of approach road through Naraina DTC bus depot (E&M)	CAPEX = 713.00	M/s. Mohini Electricals Pvt. Ltd.	18/01/19	17/07/20	Work in progress	98.5%	78%	1354 days
05	01 (2022-23)	574.17	Construction of 5.50 MGD waste	CAPEX = 246.25	M/s. GCKC Projects	07/04/22	06/04/23	Work in progress	NIL	NIL	361 days

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23)		water pumping station (WWPS) at Nangloi WTP for Kamruddin Nagar Group of Colonies in Mundka Assembly Constituency AC-08, Delhi on DBO basis with 10 years O&M (E&M part)		and Works Pvt. Ltd.			gross			
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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. In one case (Sr. No. 05) [CA No.01-2022-23], physical progress work has been shown as "NIL" which shows that the work has not been started as on 31st March, 2024. Moreover, in all cases, records/documents for approval of extension of time / deductions of penalties for delay in completion of work as per terms and conditions of the Contract Agreement have not been provided to audit.

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.

The Division may therefore look into the matter and submit the reasons for non-completion of work/slow progress of work, take necessary action for completion of all the works without further delay and also impose penalty for delay as mentioned in the terms and conditions of the contract agreement under intimation to audit.

Para No. 13: Non revalidation of FDR/Bank Guarantee.

(Ref. Observation Memo No. 19 dated: 09.01.2025)

Vide requisition memo No. 01 (G) dated 30.12.2024, information was sought regarding FDRs / Bank Guarantees submitted by the agencies or Contractors in the Division as on 31st March, 2024 in the prescribe proforma. Accordingly, the Division has provided the details which are elaborated as under:

S. No.	Name of Vendor/supplier(M/s)	FDR/BG No.	Name of the issuing Bank	Amount of FDR/ BG (Rs.)	Date of expiry of validity
1.	M/s. Devraj Enterprises	929893	Union Bank of India	16,500	06.06.2023
2.	M/s. PK Electricals	20300733651262	HDFC Bank	27,100	07.07.2023
3.	M/s. Premier Engineering Company	15796413	ICICI Bank	7,400	31.08.2023
4.	M/s. PK Electricals	50300767290285	HDFC Bank	1,08,000	17.09.2023
5.	M/s. Deepak Enterprises	396789	Punjab & Sind Bank	12,399	21.09.2023
6.	M/s. Deepak Enterprises	396790	Punjab & Sind Bank	17,967	21.09.2023
7.	M/s. AS Enterprises	802196	Punjab & Sind Bank	21,700	23.11.2023
8.	M/s. AS Enterprises	802403	Punjab & Sind Bank	40,000	23.02.2024
9.	M/s. Total Hydra Solution Pvt. Ltd.	921462	Union Bank of India	6,700	18.03.2024
10.	M/s. Total Hydra Solution Pvt. Ltd.	921461	Union Bank of India	36,900	18.03.2024
11.	M/s. Mohini Electricals Ltd.	900621INBG032	Canara Bank	9,88,620	30.06.2023
12.	M/s. Mohini Electricals Ltd.	900621INBG032	Canara Bank	9,88,620	31.03.2024
13.	M/s. VA Tech Wabag Ltd.	53070IGL0002723	Union Bank of India	60,40,599	31.12.2023

Above Data reveals that validity of all the FDRs/Bank Guarantee has been expired and the Division has not been taking any action either to revalidate the same or to return the same to the Contractors, if the work has been completed. This lapse raises concerns

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about the Divisions' oversight and management of Contractors guarantee for various works.

The Division may look into the matter and take immediate necessary efforts to revalidate / return these FDRs/Bank Guarantees under intimation to the audit.

Para No. 14: 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 for the financial year 2023-24 except for the bank account No. SBI A/c No. 8890.
- b. Reconciliation Statements in r/o of Bank Ledgers as mentioned in the records for the financial year 2022-23 except Syndicate Bank A/c 12261, Allahabad Bank EMD A/c 50448339804, Corporation Bank A/c No. 026401601000586, Corporation Bank A/C 173 and Syndicate Bank A/c 81/101-790 for the financial year 2022-23.
- 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.110,44,74,714.00 in r/o four Bank Account Ledgers of the financial year 2022-23.
- 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. GAR 6 (TR 5) Receipt Books and its stock register.
- h. Expenditure Control Register
- i. Fidelity bond filled by the Cashier
- j. Spouse information (partially).
- k. Property Register.
- l. Dead Stock Register/Condemnation Files/Registers.
- m. Stock Register (Consumable/Non-Consumable).
- n. T&P Register
- o. Security Deposit Register, Performance Guarantee Register, EMD Register
- p. Valuable Register
- q. Penalty Register.

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11-02-2025

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

PART - III

TEST AUDIT NOTES

(2023- 2024)

TEST AUDIT NOTES
(2023-24)

TAN No. 01: Non maintenance of Contractor's Ledger
(Ref. Observation Memo No. 07 dated: 06.01.2025)

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 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. 08 dated: 06.01.2025)

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.

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.

[Signature]

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: Discrepancies in maintenance of Service Books
(Ref. Observation Memo No. 09 dated: 06.01.2025)

During test check of Service Books provided by the Office of EE (SDW)-VI, Delhi Jal Board, WSTP Keshopur, New Delhi-110018, 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. Leave records in Service Books not found signed by the HOO. 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 were 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.
- (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.

TAN No. 04: Improper maintenance of Pay Bill Registers/ECRs.
(Ref. Observation Memo No. 10 dated: 06.01.2025)

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

- a) 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.
- b) Monthly entries in PBRs/ECRs have not been verified and signed by the D.D.O. for its correctness.
- c) Bill Numbers are not mentioned in PBRs/ECRs against each entry, without bill number, identification of Bill cannot be ascertained.
- d) GAR-18, Abstract of Pay bill was not prepared.
- e) No Column for GPF Advance/Withdrawal were found in PBR/ECR.
- f) No proper columns for payment of Arrears, Leave Travel Concession, Leave Encashment, Children Education Allowance was found in PBR/ECR.
- g) Gross total of all relevant columns has not been carried out in the PBRs/ECRs for income tax purposes.
- h) Cuttings/over-writings are not initiated by the HOO/DDO after correction.
- i) 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, 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.

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. 05: Shortcomings in maintenance of Cash Book
(Ref. Observation Memo No. 18 dated: 09.01.2025)

On test-check of the cash book provided to audit by the office of EE (SDW)-VI, Delhi Jal Board, WSTP Keshopur, New Delhi-110018 for the financial year 2023-24, following shortcomings have been observed:

1. Page counting certificate which is required to be given on the first page of the cash book, has not been recorded. It should be given under signature of the HOO/DDO.
2. Each and every transaction/entry in the cash book should be signed by the HOO/DDO. However, the entries were not signed.
3. As per Rule 13 (4) of Receipt & Payment Rules, 1983 provides that at end of each month, the Head of Office should verify the cash balance in Cash-book and record a signed and dated certificate to that effect. In regard to any discrepancy noticed therein, the instructions contained in the General Financial Rules should be followed. However, it has been observed that this certificate has not been recorded in the Cash Book. The certificate is normally, be in the following form:
"Certified that cash amounting to Rs. (Rupees only) has been physically verified and found correct as per the balance recorded in the cash book".
4. Entries made in the cash book regarding remittance of receipts to the accredited bank for credit into Government Account should be attested by the Head of Office after verifying them with reference to the bank's receipt recorded on the pay-in-slip/challans. When the credit appears in the receipt scroll from the bank, the actual date of realisation of the cheque or draft should be indicated by cheque drawing D.D.O.s against the original entry in the cash book so as to keep track of outstanding items. However, it has been observed that date of credit appears in receipt scroll and its realization was not recorded in cash-book.
5. It has also been observed that cash received on account of Duplicate I. Card fees, Deposits of treated water, RTI fees, Medical subscription amount etc. was deposited by the Division after almost 5-6 days instead of depositing the same in the Govt. Account either on the date of receipt of cash or on the next day.
6. Whenever any cash is received by a cashier, it is the duty of the cashier to issue TR-V as a token of acknowledge of receipt of cash. Receipt of cash should be recorded on the receipt side of the cash book by giving TR-V number as a reference. However, it has been observed that TR-V No. has not been mentioned on the receipt side of the cash book.

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


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