

PRESS RELEASE

OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

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CAG Report on Functioning of Delhi Jal Board Submitted in Assembly

In view of the shortage in water supply and inadequacy of sewerage facilities in Delhi, a Performance Audit on functioning of Delhi Jal Board (DJB) was conducted to assess their service delivery and resource management. Report of the Comptroller and Auditor General of India on Performance Audit of 'Functioning of Delhi Jal Board' (Report No. 3 of 2025) has been laid before the Legislature of Delhi on 23 March 2026. The report consists of seven chapters wherein chapter one gives introduction of Audit process and chapters two to seven contain detailed Audit findings.

Chapter 2 on Raw Water Arrangement and Treatment reveals that the shortage in availability of raw water against the assessed requirement increased from 22 *per cent* (2017-18) to 24 *per cent* (2021-22) whereas the shortage in potable water against the assessed requirement increased from 24.2 *per cent* to 25.79 *per cent*. Main reasons for the gap between demand and supply of water was inadequacy of raw water sources, its treatment capacity and failure to augment its supply. In the absence of the flow meters at Water Treatment Plants (WTPs), Reservoirs, water emergencies and borewells, the quantity of water treated at WTPs/extracted from borewells, transmitted to Reservoirs and supplied to consumers could not be measured accurately. Testing of water was not being done as per BIS norms.

Chapter 3 on Water Supply and Distribution System throws light on the problems in the supply network of DJB. During 2017-22, the transmission loss of water increased from 16 *per cent* to 21 *per cent*. The per capita availability of potable water was less than 20 gallons per capita per day (GPCD) in four zones and less than 40 GPCD in eight zones against the requirement of 60 GPCD which highlights the inequitable supply of potable water. Non-Revenue Water (NRW) component was in the range of 51 *per cent* to 53 *per cent* of the average quantity of the water supplied per day which affected the revenues to the tune of ₹4,988 crore.

Chapter 4 on Sewerage Management highlights that the Board did not have reliable figures of water usage and sewage generation in Delhi to effectively address the problem of pollution in River Yamuna. Out of 594 MGD sewage generated, 545 MGD was treated by 35 Sewage Treatment Plants (STPs). Moreover, 212.59 MGD sewerage generated by 1080 unauthorised colonies was dumped into storm water drains in untreated form. Treated effluent released by 25 STPs into Yamuna did not meet the norms prescribed by DPCC. There was also no mechanism to monitor Faecal Coliform bacteria levels in the treated effluent.

Chapter 5 highlights the anomalies in projects/works execution by DJB. There were deficiencies in conceptualisation and planning stages in the selected projects of sewerage and water supply. This led to delay in rehabilitation of Chandrawal WTP and its command area and withdrawal of financing of ₹2,243 crore by Asian Development Bank (ADB) for rehabilitation of Wazirabad WTP and its Command areas under Delhi Water Supply Improvement Investment Programme. Cases of irregularities at estimation, awarding and in execution of works were seen during audit showing violation of NIT conditions and provisions of CPWD Manual.

The dismal Financial Management (**Chapter 6**) by DJB is highlighted by the fact that accounts were submitted for Statutory audit only up to the year 2021-22 and Separate Audit Reports (SARs) on them have opined that they do not depict 'a true and fair picture' of the affairs of DJB. There were shortfalls in revenue receipts over budget ranging between 11.28 *per cent* and 41.71 *per cent*. The excess expenditure over income incurred by DJB (except in 2020-21) was met from earnest money, security deposit withheld and unspent balance of capital funds. The total outstanding loan of DJB and interest to be paid stood at ₹66,595 crore (March 2022). During 2021-22, DJB had billed only 371 MGD (40 *per cent*) of potable water produced. Further, out of 371 MGD, only 244 MGD (66 *per cent*) was billed based on meter readings.

Chapter 7 of the report deals with the findings on Human Resource Management by DJB. There was a mismatch of 3057 staff in IFMS (salary making application) figures and the figures of Persons in position maintained in different wings of DJB. Shortage of regular staff had continuously increased from 23.09 *per cent* to 32.12 *per cent* during Audit period. Cases of irregular appointments in DJB were also noticed violating codal provisions coupled with inadequately planned trainings and failure in implementation of transfer policy.

Audit has made crucial recommendations to improve the functioning of DJB at the appropriate places in the report and also mentioned these in the executive summary. Formulation of a water policy and perspective plan is required for ensuring adequacy of water commensurate with the trend of growth in population of Delhi. Installation of regularly calibrated flow meters at inlet/outlet points of all WTPs, UGRs and Tube wells and conducting water audit is necessary to plug water loss and revenue leakage. Improvements in quality testing laboratories are required to ensure water quality testing as per all the prescribed parameters. Prescribing a schedule for maintenance and upgradation of essential infrastructure for water and sewerage, including GPS

trackers on water tankers is necessary. Expediting collection of outstanding dues with emphasis on large and institutional consumers would improve financial position. Immediate action is required to address the serious shortage of staff in DJB.

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