

## OVERVIEW

This Report contains one performance audit viz. ‘Schemes for providing Potable Water Supply and Sewerage Facilities in Unauthorized Colonies’ and 10 paragraphs with financial implication of ₹ 264.29 crore relating to excess expenditure on deployment of excess security guards, avoidable payment of income tax and interest thereon, avoidable payment of interest, idling of infrastructure etc.

Some of the major findings detailed in the Report are summarised below.

## PERFORMANCE AUDIT

### Department of Urban development

#### Schemes for providing Potable Water Supply and Sewerage Facilities in Unauthorised Colonies

The Performance Audit covers two schemes namely “Providing potable water supply in unauthorised colonies” and “Providing sewerage facilities in unauthorised colonies” being implemented by Delhi Jal Board, for which funds are provided by the Urban Development Department, Government of National Capital Territory of Delhi in the form of grants-in-aid. The significant audit findings are summarised below.

Grants-in-aid received for development of capital assets were irregularly diverted and utilised for other purposes, without the approval of the Urban Development Department.

*(Paragraph 2.1.6)*

In the absence of a strategic plan to provide piped water supply to all 1,797 unauthorised colonies by December 2018 as envisaged by Government of National Capital Territory of Delhi, only 353 unauthorised colonies were provided piped water supply during 2013-18 and as of March 2018, 567 unauthorised colonies were still dependent on tube-wells/hand-pumps and water supplied through water tankers by Delhi Jal Board for their potable water requirements.

*(Paragraph 2.1.7)*

Works of laying water and sewer lines were planned and executed by divisions in an uncoordinated manner, resulting in expenditure incurred remaining unfruitful and the intended benefits undelivered.

*(Paragraphs 2.1.7.1 and 2.1.8.1)*

Out of 34 works of Phase-I of Sewerage Master Plan for Delhi - 2031, to be completed by 2016, only 11 works were completed by July 2018 with 20 works being in progress and three still at pre-execution stage. Out of 1,797 unauthorised colonies, 1,573 unauthorised colonies (88 per cent) were not provided with sewerage facilities as of March 2018 and sewage generated

by these 1,573 unauthorised colonies flowed into storm water drains and eventually into River Yamuna in its untreated form.

*(Paragraph 2.1.8)*

Delhi Jal Board planned and executed water supply and sewer line works in unauthorised colonies situated on land belonging to Forest Department and Archaeological Survey of India, in violation of the Urban Development Department guidelines for development works in unauthorised colonies.

*(Paragraphs 2.1.7.2 and 2.1.8.2)*

There were deficiencies in preparation and approval of estimates, delay in award and execution of works, selection of ineligible bidders and extension of undue benefit to contractors.

*(Paragraphs 2.1.9 and 2.1.10)*

Out of 657 water tankers used for water supply by Delhi Jal Board, 250 tankers (38 *per cent*) operated without monitoring equipment such as GPS, water level meters/flow meters/chlorine meters etc. as envisaged by the Delhi Jal Board under the Water Tanker Distribution Management System project.

*(Paragraph 2.1.11)*

---

---

**COMPLIANCE AUDIT****Non-recovery of ₹ 61 lakh from the Bank**

Failure of the Department of Food, Supplies and Consumer Affairs to recover unauthorised payment from the Bank resulted in an amount of ₹ 61 lakh remaining un-recouped to Government account. The Department also suffered loss of interest of ₹ 12 lakh.

*(Paragraph 3.1)*

**Irregular award of contracts of ₹ 1.39 crore**

Rejection of tenders on the basis of a minimum service charges criterion which was adopted after receipt of tenders in contravention of GFR provisions and Central Vigilance Commission directions and on the basis of miscalculation of service tax which is a statutory levy and payable as per actuals vitiated the sanctity of the tender system and led to irregular award of contracts amounting to ₹ 1.39 crore.

*(Paragraph 3.2)*

**Excess expenditure of ₹ 1.66 crore on deployment of excess guards**

Engagement of higher number of outsourced security guards, in contravention of Government Orders/ Department of Health and Family Welfare Guidelines resulted in excess expenditure of ₹ 1.66 crore.

*(Paragraph 3.3)*

**Advertisements by the Government of NCT of Delhi**

Non-routing of classified advertisements by Public Sector Undertakings through their administrative departments resulted in non-availing of Directorate of Advertising and Visual Publicity rates; and high expenditure on advertisement of foundation stone-laying ceremony of a project when seen against the estimated cost of the project.

*(Paragraph 3.4)*

**Avoidable payment of income tax of ₹ 49.13 crore and interest of ₹ 48.51 crore thereon**

Due to poor utilisation of its income for its mandated activities and non-payment of tax in time, the Delhi Building and Other Construction Workers' Welfare Board had to pay income tax and interest amounting to ₹ 97.64 crore which should instead have been spent on welfare activities, besides depriving the building and other construction workers from much needed social security and other welfare measures.

*(Paragraph 3.5)*

**Delay in issuing of Supplementary Awards resulted in avoidable payment of interest of ₹ 2.03 crore**

Delay in complying with the procedures laid down in the Land Acquisition Act, 1894, for providing timely compensation to the landowners, resulted in payment of avoidable interest of ₹ 21.07 lakh and interest liability of ₹ 181.84 lakh.

*(Paragraph 3.6)*

**Non-completion of Old Age Homes and also avoidable payment of ₹ 1.30 crore to Delhi Development Authority for extension of time for construction**

Frequent revision in the drawings and design for Rohini Old Age Home has resulted in the Old Age Home being only at the tendering stage even after 21 years of acquiring land. In case of Kanti Nagar Old Age Home, frequent changes of executing agencies have resulted in the Old Age Home not being completed even after 12 years of taking possession of the land. The delay also resulted in avoidable payment of composition fee amounting to ₹ 130.14 lakh to Delhi Development Authority apart from depriving the elderly people of Delhi from the much needed social security of staying in the Old Age Homes.

*(Paragraph 3.7)*

**Affordable Housing projects for urban poor under Basic Services to the Urban Poor - JNNURM**

The sub-mission “Basic Services to the Urban Poor” of the Central Scheme “Jawaharlal Nehru National Urban Renewal Mission” had a component of projects for affordable housing for urban poor. The scheme was initially for a period of seven years from 2005-06 to 2011-12. However, it was extended up to 31 March 2017 for completion of those projects, which had been sanctioned up to March 2012.

The implementation of housing projects suffered from lack of planning from the conceptualization stage itself, as all the 14 housing projects of Delhi State Industrial and Infrastructure Development Corporation Limited and Delhi Urban Shelter Improvement Board were confined to only four districts of Delhi even though 461 of the 675 targeted Jhuggi Jhopri clusters were in the remaining seven districts of Delhi. Also, instead of small clusters evenly spread all over Delhi, housing projects with large number of Dwelling Units were planned.

Delhi State Industrial and Infrastructure Development Corporation Limited and Delhi Urban Shelter Improvement Board executed 14 housing projects with 52,344 Dwelling Units but four of these 14 projects with 24,000 Dwelling Units remained incomplete even after more than one year of closure

of the scheme, resulting in the expenditure of ₹ 755.26 crore incurred on these four projects remaining infructuous.

Further, GNCT of Delhi could identify only 5,483 beneficiaries, out of which only 1,864 beneficiaries were rehabilitated to the dwelling units constructed under the scheme till August 2018. Thus, due to delay in identifying beneficiaries, more than 90 *per cent* of the 28,344 Dwelling Units completed till June 2018 at a cost of ₹ 1,101.36 crore were lying unallotted, unoccupied and vulnerable to deterioration.

The objectives of the scheme remained unfulfilled even after 10 years of launching of the scheme and one year of its closure. This was mainly due to deficiency in planning and execution of the projects and poor progress in identification of beneficiaries.

*(Paragraph 3.8)*

### **Irregularities and deficiencies in procurement of equipment, items and materials for Solid Waste Management under Swachh Bharat Mission**

Deficiencies in procurement of equipment under the Scheme included delay in release of funds to Implementing agencies, utilization of capital grants on hiring of trucks, tippers etc., ordering without ensuring availability of space to store the materials, blocking of funds due to release of full payment as advance without withholding the required 10 *per cent*, non-levy of compensation charges amounting to ₹ 0.86 crore in case of delayed or short supply of materials, and delay in fabrication of truck chassis after their delivery.

*(Paragraph 3.9)*

### **Deprivation of affordable and safe accommodation to working women and blockade of funds amounting to ₹ 97.53 lakh**

Non-construction of Working Women Hostel by the Department of Women and Child Development even after 16 years of taking possession of the land (December 2002) resulted in blockade of funds of ₹ 97.53 lakh besides depriving many working women of safe, dignified and affordable hostel accommodation.

*(Paragraph 3.10)*

