



## **Press Release**

25.07.2023

Directorate of Enforcement has conducted searches under provisions of PMLA, 2002 at 16 premises in Delhi-NCR, Chennai and Kerala, on officials of Delhi Jal Board (DJB), NBCC and private entities in relation to violation of norms and irregularities in tendering process of DJB. ED is conducting investigation in two separate matters of irregularities in the tendering process of DJB.

ED initiated investigation on the basis of FIR registered by CBI, New Delhi alleging that officials of DJB gave undue advantage to NKG Infrastructure Limited while awarding tender to the company for supply, installation, testing and commissioning of electromagnetic flow meters in connivance with officials of NBCC (India) Limited. M/s NKG Infrastructure Limited managed to secure false performance certificates issued by D. K. Mittal, the then General Manager, NBCC (India) Limited and fabricated deviation statement issued by Sadhan Kumar, the then Project Executive, NBCC (India) Limited for qualifying for technical bid of above said tender in the year 2017. During the tender process, NKG Infrastructure Limited entered into conspiracy with the then Chief Engineer, Jagdish Kumar Arora and his subordinate officers of DJB for qualifying and bagging tender worth Rs 38 Crore.

In the second matter, investigation has been initiated on the basis of FIR registered by Anti-Corruption Branch, GNCTD alleging that DJB awarded a tender for setting up automotive bill payment collection machines (kiosks) at different locations in different DJB offices as decided by the Delhi Jal Board, for facilitating consumers in bill payment. The tender was awarded to Corporation Bank in the year 2012, which was further sub-contracted to Chennai-based private companies namely M/s Freshpay IT Solutions Pvt. Ltd. and M/s Aurrum E-payments Pvt. Ltd. These companies had violated norms as prescribed in the agreement by not depositing the cash payment collections in bank account of DJB, within the prescribed time period. The said contract was initially awarded for 03 years which was extended by DJB from time to time till F.Y. 2019-20 despite continued delay and non-transfer of bill payment amount collected for DJB. Investigation revealed that during demonetization period, cash collections amounting to Rs. 10.40 Crore was not deposited or transferred to DJB and funds collected in year 2019 were reconciled with bill payments of demonetisation period after gap of more than 300 days. Investigation further revealed that total principal loss incurred to Delhi Jal Board during the whole period of the tender is Rs. 14.41 Crore which is still outstanding with private entities namely M/s Freshpay IT Solutions Pvt. Ltd. and M/s Aurrum E-payments Pvt. Ltd and its Director, Rajenderan K. Nair.

During the course of search proceedings, various incriminating documents and digital devices were recovered and seized from the premises of officials of DJB, NBCC (India) Ltd. and Directors of private entities involved. Details of various undeclared properties in the name of Jagdish Kumar Arora were also recovered.

Further Investigation is under progress.