



Press Release

05.07.2024

Directorate of Enforcement (ED), Delhi Zonal Office has conducted search operations on 3-07-2024 at various locations of Delhi, Ahmedabad, Mumbai and Hyderabad in connection with Sewage Treatment Plant corruption case of Delhi Jal Board [DJB].

ED initiated investigations on the basis of FIR registered by ACB, GNCTD, New Delhi against M/s Euroteck Environmental Pvt Ltd. and others under various sections of IPC, 1860 and Prevention of Corruption Act, 1988 alleging scam in DJB in the name of augmentation and upgradation of 10 Sewage Treatment Plants (STPs) at Pappankala, Nilothi [Package 1], Najafgarh, Keshopur [Package 2], Coronation Pillar, Narela, Rohini [Package 3] and Kondli [Package 4]. The 4 tenders valuing Rs. 1943 Crore was awarded to various Joint Venture entities in October 2022. The FIR alleges that only three (03) Joint Venture companies [JVs] participated in all the four tenders. While 2 JVs got one tender each, 1 JV got 2 tenders. The 3 JVs participated in the 4 STP tenders mutually to ensure that each one got the tender. The FIR alleges that the tendering conditions were made restrictive including adoption of IFAS technology to ensure that select few entities could participate in the 4 tenders. The cost estimates initially prepared was Rs. 1546 Crore but was revised during the tender process to 1943 Crore. It is further alleged that the contracts were awarded to 03 JVs at inflated rates which caused substantive loss to the exchequer.

ED investigation revealed that the 4 tenders related to STPs valuing Rs. 1943 Crore were awarded by DJB to 3 JVs. In all the 4 tenders, 2 JVs [out of 3 common JVs] participated in each tender and all the 3 JVs secured the tenders. The costs adopted by DJB for upgradation and augmentation were same though the cost of upgradation is lesser than the cost for augmentation. Further investigations shows that all the 3 JVs submitted the same experience certificate issued from a Taiwan Project to DJB for securing the tenders and the same was accepted without any verifications. Thereafter, all the 3 JVs subcontracted the work related to the 4 tenders to M/s Euroteck Environment Pvt. Ltd., Hyderabad. The verification of the tender documents shows that the initial cost of 4 tenders was about Rs. 1546 Crore which was revised to Rs. 1943 Crore without following due process/ project reports.

During the search operations, Cash amounting to Rs. 41 Lakh, various incriminating documents and digital evidence were found and seized.

Further investigation is under progress.