

INTERNAL AUDIT REPORT OF P.H.DIVISION, MUVATTUPUZHA

PERIOD OF AUDIT: 31/10/2017 TO 17/11/2017

PERIOD COVERED: 01/04/2012 TO 31/03/2017

AUDIT TEAM

1. Sri.S.Sivanandan, Internal Auditor
2. Smt. Rajeswary.R, Divisional Accounts Officer
3. Sri. P.S.Reghu, Head Clerk (HG)
4. Sri. B.Manoj, Head Clerk

PH DIVISION, MUVATTUPUZHA

Part I Introduction

Internal audit of PH Division Muvattupuzha for the Period from 1.4.2012 to 31.3.2017 was conducted during the period from 31.10.2017 to 17.11.2017. The division consists of three sub divisions- Muvattupuzha, Kothamangalam and Piravom.

Incumbency details attached

Part II A

Major Irregularities – Nil

Part II B

Other Irregularities

1. Mandatory certificate to the effect of number of pages is not seen written in any of the registers though required in previous audit.
2. Corrections in cheque memo registers are seen using whitener.
3. Balance column in all memo registers are seen written in pencil even after finalising the accounts.
4. Some cheque issue entries are not authenticated by DAO or EE .
eg., page 113, 114 & 115 of deposit account cheque memo.
5. Several registers are not authenticated by head of office eg., collection register, incumbency register, deposit register, stamp account register DCB register etc.

I. Cheque Memo Register

Following bank accounts are maintained in this division. Balance in each account as on 31.3.2017 and 31.10.2017 are as shown below.

Sl.No	Account no.	Particulars	Balance as on 31.3.2017	Balance as on 31.10.2017
1	65166696359	Salary	2313031	2653022
2	52021264195	Deposit	20730594	879773
3	67242032927	O&M	4766394	13784019
4	67242033125	NRDWP	200726	1763041
5	0714101059412	Canara Bank	46573	46573
	Total		28057318	

Canara bank account is not operating now and an amount of Rs.3534/- is remaining in that account with interest. Interest credited by bank from FD which was encashed or credited in SB account on 13.12.2014 are follows.

Rs.2356580/- during

7/13 Rs.548081/-

8/13 Rs.41428/-

12/13 Rs.1724032/-

6/14 Rs.194773/-

7/14 Rs.43039/-

The details of remittance of these interest in Nominal account may be submitted to audit.

II. Ledger, Incumbency register not updated.

III. Reconciliation of Non operative account is not done since 28.2.2014, 31.3.2014.

As per N.O Reconciliation for 2/14 following amount received from panchayats are not credited by bank.

DD/che No. 677770 dt 26.7.2013 velloor panchayath Rs.36167/-

No. 675733 dt 26.7.2013 Kidangoor panchayath Rs.43167/-

No 568273 & 568274 dt 20.8.2013 Udayampuram panchayat
Rs.75833+ Rs.35833 = Rs.191000/-.

This may be cleared with bank and panchayath authorities. Amount credited by bank but not accounted in cash book as per statement is Rs.109958/- for long period. The date of which is not in the statement. This may be cleared and intimated to audit.

Balance as per bank statement of 7/17 Rs.5083/-

Balance as per cash book of 7/17 Rs.211000/-

As the water charge of street tap from panchayath are remitted directly to head office as reported by Division Authorities, the reconciliation made difficult if the remitting authority is not informed the fact to division.

Account no.6715559639 of salary has the following figures in

reconciliation list D as not presented for payment.

1. Ch. no.215037 dt 5.8.2013 Rs.27321 Secretary KCWWF
2. " 26374 dt 4.4.2014 Rs. 2725 M/s.Standard Electricals
3. " 513407 dt 22.12.2016 Rs. 2200 M/s.Computer store.

Since the validity period of cheque has been expired, these are to be taken in CMR with proper remarks in this regard and intimated to audit.

As per bank reconciliation statement of 3/17 of account no.67242032927 of O&M Rs. 682558/- seen as interest credited by bank. The details of remittance of this amount to NO account may be intimated to audit.

The account no.67242033125 NRDWP reconciliation statement of 3/17 shows interest of Rs.22127/-. Details of transferring this to NO account may be intimated.

Rs. 236109/- as interest in reconciliation of account no.67155596359. The details of remittance of the same in NO account may be intimated to audit.

IV. Cash book

Up to date entry in cash book is not done cash book closed only up to 4/17 after that closing entry and certificate with signature of head office is not seen.

V. Collection Register.

Non operative control register in CB14 is not maintained. Collection remittance register kept instead has no remittance date since 16.2.2016. The receipt No from .. to .. of each date, amount, remittance date and initials of head of office may be recorded in collection register.

VI. Deposit register is not updated. Following deposit amounts of on line remittance seen remained unidentified till date.

23.3.2017 -Rs.115500/-

31.3.2017- Rs.8000/-

31.3.2017 - Rs.67500/-

9.3.2017- Rs.90000/- These are to be properly maintained with adequate details and authentication of head of office.

V/a **CB1/CB2 Register**

This register is not properly maintained. The details of date of receipt of the receipt books from head office, issue date and no. of books to sub divisions and balance with the office was not properly posted in the register.

Cancelled receipts are not seen authenticated by the head of office. eg. Rt no.842006 dt 13.9.2016 CB1 842012 , 139618 dt 12.8.2013 CB2.

Overwriting is seen in Rt no.139774 dt 29.10.2013 of Rs.2180000/-.

VIII. Security deposit register

No mandatory certificate seen in the register

72 numbers of Security deposits are seen idling from 09-10 as per the register up to 2012-13. these may be forfeited and amount remitted into non operative account. List attached. List of SD idling for 2009-10 to 2012-13.

1.	Agt. No.23/09-10	TD No.21835 dated, 23.07.09 of Perumbavur Post office	Rs. 1400	Shibu.P.Varghese
2.	Agt. No.31/09-10	TD No.1109327 dated, 01.08.09 of Head P O, MVPZA	Rs. 20000	Jose Joseph
3.	Agt. No.22/09-10	TD No.1109329 dated, 01.08.09 of Perumbavur Post office	Rs. 800	Jose Joseph
4.	Agt. No.23/09-10	TD No.1109330 dated, 01.08.09 of MVPZA Municipality	Rs. 2200	P.C.Bhaskaran
5.	Agt. No.45/09-10	TD No.1109362 dated, 30.10.09 of Head P O, MVPZA	Rs. 1200	P.K.Regii
6.	Agt. No.46/09-10	TD No.1109369d ated, 10.11.09 of Head P O, MVPZA	Rs. 3600	Jose Joseph
7.	Agt. No.49/09-10	Bank Guarantee No.43-79126 001009 dated, 07.12.09 on Punjab National Bank	Rs. 29600	M/s.GKS & Co.
8.	Agt. No.45/09-10	TD No.205194 dated, 22.01.10 of Sub Post Office, Chemgamand	Rs. 15000	M/s. Breeze ...

9.	Agt. No.72/09-10	TD No.720040 dated, 14.08.08 of Perumbavur Post Office	Rs. 6000	Shibu.P.Varghese
10.	Agt. No.86/09-10	TD No.3450 dated, 19.02.10 of MVPZA P O,	Rs. 13400	Sibi Xavier
11.	Agt. No.88/09-10	TDR No.1137915 dated, 16.2.10 of MVPZA P O,	Rs. 2000	V.R.Sivanandan
12.	Agt. No.103/09-10	TDR No.1109414 dated, 16.3.10 of MVPZA P O,	Rs. 1600	Sibi Xavier
13.	Agt. No.19/10-11	TDR No.1109432 -1000 SDR No.116536 of South Indian Bank MVPZA -1000	Rs. 2000	Manuel George
14.	Agt. No.22/10-11	TDR No.3520 dated. 10.05.10 of Head PO, MVPZA	Rs. 20000	M.V.Paulose
15.	Agt. No.29/10-11	TDR No.15571 dated. 15.05.10 Thalayolaparamb	Rs. 3200	O.Raju
16.	Agt. No.67/10-11	TDR No.11749 dated. 08.07.10	Rs. 2000	Shaji.K.Mathew
17.	Agt. No.73/10-11	TDR No.1109452 dated. 10.07.10 of MVPZA	Rs. 1000	Saju.E.N
18.	Agt. No.82/10-11	TDR No.1109456 dated. 16.07.10 of PO, MVPZA	Rs. 6000	M.V.Paulose
19.	Agt. No.95/10-11	TDR No.1109468 dated. 27.08.10 of Head PO, MVPZA	Rs. 5000	Sibi Xavier
20	Agt. No.96/10-11	TDR No.3588 dated. 03.09.10 of MVPZA PO.	Rs. 3800	Sreejithlal
21.	Agt. No.98/10-11	TDR No. 171054 dated. 08.09.10 of PO, Kothamangalam	Rs. 4400	Sunny Varkety
22.	Agt. No.106/10-11	TDR No.94454 dated. 22.09.10 of PO, Peruva	Rs. 12500	C.E.Madhavan
23.	Agt. No.117/10-11	TDR No.1109484 dated. 01.10.10 of MVPZA PO.	Rs. 5000	Jose Joseph
24.	Agt. No.119/10-11	TDR No.94455 dated. 16.10.10 of PO, Peruva	Rs. 1000	LC.E.Madhavan
25.	Agt. No.144/10-11	TDR No.900770 dated. 21.02.11 of Piravom PO.	Rs. 12000	Babu Thomas
26.	Agt. No.157/10-11	TDR No.1109425 dated. 28.09.10 of MVPZA PO.	Rs. 1400	Jose Joseph
27.	Agt. No.159/10-11	TDR No.1109529 dated. 18.03.11 of MVPZA PO.	Rs. 1000	Jose Joseph
28	Agt. No.160/10-11	TDR No.1109528 dated. 15.03.11 of MVPZA PO.	Rs. 1000	P.K.Regii

29.	Agt. No.5/11-12	Bank Guarantee No.1/11 Canara Bank, Alappuzha	Rs. 44000	M/s. Salethi
30	Agt. No.28/11-12	TDR No.3914 dated. 20.06.11 of MVPZA PO.	Rs. 30000	Sibi Xavier
31.	Agt. No.30/11-12	TDR No.1138031 dated. 28.06.11 of PO, Piravom	Rs. 1600	Jiji Mathew
32.	Agt. No.32/11-12	NSC 66 CC759948	Rs. 1000	Alias K Kuriakose
33.	Agt. No.47/11-12	TDR No.11240448 dated. 08.07.11 of PO, Nellimattom	Rs. 4000	M S Ajayan
34.	Agt. No.53/11-12	TDR No.3943 dated. 11.07.11 of MVPZA PO.	Rs. 10000	M.V. Paulose
		TDR No.3942 dated. 20.06.11 of MVPZA PO.	Rs. 10000	
35.	Agt. No.56/11-12	TDR No.3940 dated. 06.07.11 of PO, MVPZA	Rs. 22000	Sibi Xavier
36.	Agt. No.74/11-12	Deposit A/c No.1137907	Rs. 6000	M.K.Prabhakaran
		Deposit A/c No.1137923	Rs. 1000	
37.	Agt. No.80/11-12	Bank Guarantee No.IIBG0000312 dated, 15.11.11 SBT, Chennai	Rs. 29250	M/s. Hydro Electricals System
38	Agt. No.81/11-12	Bank Guarantee No.IIBG0000311 dated, 15.11.11 SBT, Chennai	Rs. 22000	M/s. Hydro Electricals System
39.	Agt. No.86/11-12	TD No.1109588 dated. 05.12.11	Rs. 3400	Thomas K Joseph
40	Agt. No.97/11-12	TD No.1109593 dated. 31.12.11	Rs. 4400	T.P.Ravi
41.	Agt. No.101/11-12	TD No.1109233 dated. 04.11.08	Rs. 10200	Saju E N
42.	Agt. No.102/11-12	TD No.1109313 dated. 23.07.09	Rs. 12800	Saju E.N.
43.	Agt. No.114/11-12	TD No.1109602 dated. 12.01.12	Rs. 8000	Sibi Xavier
44.	Agt. No.131/11-12	TD No.1138060 dated. 08.02.2012	Rs. 3600	V.R.Sivanandan
45.	Agt. No.12/12-13	TD No.888035 dated. 28.04.12	Rs. 18200	
46.	Agt. No.23/12-13	TD No.3005278dated. 03.05.12	Rs. 16800	Santhoshkumar
47.	Agt. No.20/12-13	TD No.3452 dated. 24.02.10	Rs. 5400	P.C.Bhaskaran
48	Agt. No.26/12-13	TD No.210037 dated. 25.05.12	Rs. 6000	N.C.Alias

49.	Agt. No.32/12-13	TD No.22437 dated. 25.05.12	Rs. 115600	P Y Peeyers
50.	Agt. No.35/12-13	TD No.888037 dated. 30.05.12	Rs. 6000	Shiji George
51.	Agt. No.45/12-13	TD No.4338 dated. 21.06.12	Rs. 2000	M V Mathew
52.	Agt. No.48/12-13	TD No.1109633 dated. 22.05.12	Rs. 1600	P.K.Reggi
		TD No.1109649 dated. 02.07.12	Rs. 400	
53.	Agt. No.49/12-13	TD No.1109656 dated. 17.07.12	Rs. 2000	Sibi Xavier
54.	Agt. No.50/12-13	TD No.1109657 dated. 02.07.12	Rs. 2000	Sibi Xavier
55.	Agt. No.53/12-13	TD No.1109645 dated. 23.06.12	Rs. 2400	Manuel George
56.	Agt. No.55/12-13	TD No.1109646 dated. 23.06.12	Rs. 2000	Manuel George
57.	Agt. No.78/12-13	TD No.12142 dated. 30.07.12	Rs. 6000	Jonidan T Andrews
58.	Agt. No.102/12-13	TD No.67193499952 dated. 24.08.12	Rs. 16250	M/s. Thankudil Electrical works
59.	Agt. No.104/12-13	TD No.1109680 dated. 03.09.12	Rs. 2000	M.V.Paulose
60.	Agt. No.107/12-13	TD No.1109682 dated. 08.09.12	Rs. 6600	Saju E.N
61.	Agt. No.113/12-13	A/c No.1109687 dated. 04.10.12	Rs. 1200	K.M.Jose
62.	Agt. No.118/12-13	TD No.1138104 Piavom PO	Rs. 600	V.R.Sivanandan
63.	Agt. No.119/12-13	TD No.1109647 dated. 14.11.12 MUPZA	Rs. 6800	Manuel George
64.	Agt. No.120/12-13	TD No.4437 dated. 29.11.12 of PO MUPZA	Rs. 16200	Manual George
65.	Agt. No.121/12-13	TD No.1109696 dated. 14.11.12 of MUPZA PO	Rs. 3400	Manual George
66.	Agt. No.129/12-13	TD No.22559	Rs. 3200	Shibi Paulose
67.	Agt. No.128/12-13	TD No.11905 dated. 30.07.12	Rs. 6000	Joniichan
68.	Agt. No.133/12-13	A/c No.9706 dated. 07.01.13	Rs. 1000	Manual George
69.	Agt. No.141/12-13	TD No.952896 dated. 30.01.13 Union Bank of India - 7500 No.952904 - 100	Rs. 7600	Union Electrical Works
70.	Agt. No.142/12-13	TD No.1138126 dated.	Rs. 3600	Jijo Mathew

		05.02.2013 Piravom PO		
71.	Agt. No.152/12-13	Short Deposit Receipt No.952957 dated, 07.03.13 of Union bank of Inida	Rs. 5000	M/s. Union Electrial Engineering
72.	Agt. No.166/12-13	FD No.101-35391 dated. 22.04.2013 of Uniion Bank of Perumbavoor	Rs. 15000	M/s. Union Electrial Engineering

IX. KCWWF

Details of remittance of KCWWF is not seen in the register. 1% of KCWWF to be remitted into Non Operative Account being the cess collection charge 4/12 to 3/17 is to be remitted in Non Operative Account and details may be intimated to audit.

X. Revenue

DCB register is not updated. Huge amount is pending with water charge of street taps. Some panchayaths are remitting only monthly water charge only which is also after a long gap of non remittance. eg. Paingottur Panchayath, Nellikuzhy panchayath. Some others remitted only an amount during 3 years. Eg. Palakuzha Panchayath, Kurampara Panchayath.

Connection and collection status for 2 years as follows

As on	Conneciton				Total	Collection
	Domestic	Non Domestic	Panchayath	Municipality		
31.03.17	66944	4622	7123	1104	79793	21,31,82,861
31.03.16	62732	4525	8450	123	75830	13,68,76,463

XI. Trial Balance

In 1083 and 1089, Rs.7500/- & Rs.21150/- respectively has been debited which should be supported by Asset Register which is not produced before audit. Employees TDS 2843 has a debit balance os Rs.14,454/- which means excess remittance. This may be verified and corrected under intimation to audit. Asset register is not maintained in Division and Sub Divisions. Expenditure is seen in 2016-17 as follows

PH Division	1083 : 7500
	1089 : 21150
Muvattupuzha Sub Division	1083 : 12000
	1089 : 75100
Kothamangalam	

2014-15	1089 : 12200
2015-16	1089 : 144775
2016-17	1089 : 74033

3313 Overtime Allowance

3319 Extra duty wages

3319 Public Holiday wage. Huge amount spent monthly in this way

Overtime Allowances

Year	Sub Division		
	Muvattupuzha	Piravom	Kothamangalam
2014-15	12,95,522	12,11,427	9,60,791
2015-16	15,05,359	11,59,801	8,77,671
2016-17	12,64,804	11,05,567	10,61,875

The calculation of OT allowance varies in each sub divisions. Average 2.22 lakhs for OT allowance, Off duty and extra duty wage per month to Kothamangalam sub division. It is much more in Piravom and Muvattupuzha. Average 30 lakh year for off duty extra duty OT

Other casual wages 3359

Year	Muvattupuzha Division	Muvattupuzha Sub Division	Piravom Sub Division	Kothamangalam Sub Division
2014-15	1,49,819	1,36,35,890	99,57,629	97,81,446
2015-16	1,24,740	1,39,46,185	1,07,88,370	1,02,77,066
2016-17	1,08,504	1,18,99,246	1,16,28,045	93,71,651

i.e, average 3.5 crore is being spend for HR, Off/PH, Extra & OT under this Division.

XII. Travelling Allowance ; Service Book

1. Travelling allowance to Sri.Jayan Meter Reader in connection with IT activities- on verification of TA bills. Bill prepared by the sub division is seen not as per TA rules and submitted to division office. Instead of rejecting the same, the bill has been passed by the Division office. On quick verification it is suspected that excess amount is admitted to incumbent. Hence the bill submitted by Sri.Jayan, MR may be reviewed and amount excess if any paid may be recovered.
2. Service book page no.107 (annual verification) of service book is seen not updated eg. Remya PS, UD Clerk sunny joseph D/man. All service book may be verified and reported to audit.
3. Service book page no.108 (quinquinal verification) of service book is seen not updated PK Bindu UD Typist Kuruvula Mathunnu, UD Clerk. All service book may be verified and reported to audit.
4. New photo- in several service books photograph is seen not submitted by a fresh one on completion of 10 years, PF number not recorded or authenticated.

P H SUB DIVISION, MUVATTUPUZHA

I. Cash Book

Cash book seen maintained properly upto 10/2015. From 11/2015 onwards there is no monthly abstract in the cash book and certificate and authentication is also not seen in several months

Cheque Memo Register SB A/c No. 57021282557

Mandatory certificate regarding number of pages is not seen in volume beginning the entries of 6/15

Interest credited in cheque memo as follows:

05/2012	: 8188
11/2012	: 13438
05/2013	: 11413
11/2013	: 4945
05/2014	: 3905
05/2015	: 4093

From these, the amount of interest Rs.4945/- is seen credited in Non Operative Account and the remittance of other figures are not seen. This may be remitted into non operative account and intimate the details to audit.

Rs.3000/- is seen paid vide Cheque No.912338 dated, 29.03.2017 to M/s. United Peripherals, Thodupuzha when the account has balance only Rs.1086/- and hence minus balance in cheque memo register. Proper care may be taken not to repeat such oversights. Closing balance of 31.03.2017 is Rs.1834

Several cheque leaves are seen cancelled eg. 899213, 899211, 899247, 899260, 899283, in 11/2016 and 12/2016. The cancelled cheque leaves may be authenticated while authenticating the cancelled entries.

II. Bank Reconciliation

As per Bank reconciliation statement for 3/2017 Cheque No. 830629 dated, 05.08.2016 for Rs.915/- paid to KCWWF not presented for payment. Similarly Cheque No. 820291 dated, 23.12.2015 for Rs.8813/- is also not cashed on 31.03.2017. These may be credited back in the CMR.

Interest credited by bank as per reconciliation of 3/2017 Rs.19762/- is to be remitted in Non Operative account. Reconciliation statement from 4/2016 onwards are not authenticated by Head of Office.

III. Register of CB1/CB2 receipt Book

CB1 receipt book old balance is not carried over to new register. CB2 receipt book a/c is not produced before Audit.

IV. **Stamp account register** not updated and entries from 28.06.2017 to 20.07.2017 written in pencil.

V. Imprest register

Imprest Rs.2000/- takne in 06.08.2016 after 8/15 settlement and this amount is settled in 11/2016. It may be reported whether no imprest amount recouped after the settlement of the above and the delay in settling the last imprest may be stated.

VI. Temporary Advance Register

Temporary advance is seen issued before settling the previous advances. The settlement is mostly done in March i.e, end of financial year. As per register the temporary advance issued in the financial year 2017-18 is not at all settled. Temporary advance one given should be settled within 3 months and after settling the new advance may be issued.

Huge amount is seen as overtime allowance to operators in addition to HR wages in the head 3313. Also extra duty wage and PH/Off duty wages in 3319 code has huge amount.

VII. Non Operative Control Register

Register maintained but not authenticated by the Head of office. Total collection of each month is not written.

VII. EMD/SD register(Security Deposit Register)

2 Nos of security deposit for 2012-13 and 15 Nos of 2013-14 are kept in the office as per register without releasing or forfeiting.

Following EMDs are also kept as per register in this office. These may be forfeited and reported to audit.

1.	Qtn. No.7/14-15	Pradeep.P.D	TD No.638398 dated, 23.01.14 of Bank of Baroda, Thodupuzha	Rs. 2500
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2.	Qtn.No.28/15-16	Sibi Xavier	Deposit Rt. No. H.393486 dated, 11.03.13 of South Indian Bank, Muvattupuzha	Rs. 1000
3.	Qtn.No.42/15-16	Sibi Xavier	Deposit Rt. No. J.229769 dated, 30.10.13 - Rs.1700 Deposit Rt. No. J.229767 dated, 30.10.13 - Rs.1000 of South Indian Bank, Muvattupuzha	Rs. 2700

IX. Other asset and office equipments

In the head 1089-Rs.75100 and in 1083- Rs.12000 is seen debited as per trial balance of 3/17. But the details of purchase not submitted to audit and no register kept in this regard.

PH DIVISION, PIRAVOM

General

Cash Book closing done in pencil and not authenticated by AEE, in 9/2012. No abstract for 10/2012 several corrections in cheque memo register in 2013. Closing balance in CMR and CB are different

Closing balance as per CMR in 31.03.2013 : Rs.20920
Closing balance as per CB in 31.03.2013 : Rs. 20455

	30.04.2013	8/2013
CMR	156769	15215
CB	156819	12556

Rs. 2659 Bank charges of 30.07.2013 is added with cash balance in cheque memo register from 02.08.2013 to 04.10.2013 without stating the reason and several correction in balance column of CMR. This bank charge is entered in cash book on 30.07.2013 and closing balance added is 16985 as per CMR. But the bank charge is again added in CMR balance column upto 04.10.2013. this may be checked and corrected.

I. Cheque memo register

The interest credited by bank in SB A/c No.67000675261 is seen (taken) credited in Cheque memo register but not seen remitted with Non Operative Account
Interest seen as follows.

5/12	:	6333
11/12	:	7650
5/13	:	9696
11/13	:	3477
5/14	:	2182
11/14	:	3122
5/15	:	1911
11/15	:	3060
4/16	:	2257
11/16	:	1192
3/17	:	1250

The interest credited by bank as per bank statement may be remitted into non operative account and intimate the details to audit.

II. KCWWF

1% of CWWF amount is deducted but not seen remitted into Non Operative Account

III. CB1/CB2 receipt book register

The register was not properly maintained for 4/12 to 1/13 and previous balance no. of books not carried over. The register may be updated and physical balance may be verified properly.

PH SUB DIVISION, KOTHAMANGALAM

1. All registers need mandatory certificate in respect of number of pages under proper authentication
2. Correction using whitner is seen in cheque memo register
 - i. The final entry on 31.12.2013, it is seen that after initialing by Head Clerk and Assistant Executive Engineer. The entire entry is removed using whitner which is highly irregular. If correction or cancellation is made it should be done after scoring the already made entry with a single line across at and the new entry or cancelled one shall be attested by the head of office.
 - ii. Similar practice is seen done on 07.03.2014 Cheque No.180069 HR wages to operators amount seen corrected after erasing the already mad one by which without proper attestation

iii. In 29.04.2014 yourself cheque NO.180092 – medical reimbursement of George kutty , Technical Assistant is added after erasing the first entry by whitner no proper attestation after correction.

3. Balance column in cheque memo register is in pencil from 8/15 onwards which is not approved as it can be erased and corrected at any time without anyone's notice. Hence in the official records pencil entry can not be allowed. CMR being the most important recosrd in financial transactions this should be viewed seriously.

In cash book also pencil entry is seen eg. 3/16. Special attention is required in avoiding pencil entry

4. Closing balance in cheque memo register and bank statement has huge difference. Balane in Bank (Operative) as per cash book/CMR as on 31.03.2017 is Rs.303663

But as per bank statement is is 357363. Difference is Rs.53700/-

5. The closing of cash book is not properly done. Certifiacte of cash balance is not written. The signature of writer and other person who verifies the calculation are not seen. Cash book is not at all authenticated by head of office in closing entry and abstract. Eg 3/16.

Entries of temporary advance settlement is not posted. Closing written in pencil with closing balance of cash column as Rs.160880(page 6) and Non operative balance as Rs.84264. But the opening balance of 01.04.2016 is corrected as cash 162625 and Non operative balance Rs.11267. This may be clarified.

6. Opening balance and remittance in beginning of each month has huge difference which may be clarified.

	OB in Cash Book	Remittance of 02.04.16		Difference
01.4.2016	Rs.162625	Rs.158079		Rs.4546
Collection as on as per cash book		Remittance in the next working day	Balance as per CB in the succeeding month	
31.07.14	32489	32488	32879	
31.07.15	81298	81294	85813	
31.08.16	76002	76002	79832	
31.03.15	91846	91813	93988	
31.03.17	434135	434135	441610	7475

7. Cash Book is not updating daily. It is seen that entries upto 28.09.2017 is only

taken in cash book at the time of audit. No abstract and authentication in several months 5/13, 11/13, 3/16, 3/17. Attested copy of abstract seen pasted from 4/16 onwards but in 3/17 abstract is not pasted

8. Bank reconciliation SB Account

- i. Interest accrued in SB Account as per bank reconciliation statement for 3/17 is Rs.36852/-. This is not taken in CMR and not remitted in Non Operative Account.

On verification of bank statements the interest details as follows

25.03.2017	: 5655
25.12.2016	: 4155
25.10.2016	: 3579
25.07.2016	: 4101
25.04.2016	: 5602
30.11.2015	: 6000
31.05.2015	: 7760
30.11.2014	: 11222
31.05.2014	: 11204
30.11.2013	: 11642
31.05.2013	: 12358
30.11.2012	: 13148
31.05.2012	: 16317
Total	: 1,12,743/-

- ii. Rs.5004 and Rs.2689/- is seen added in bank reconciliation statement along with the balance as per bank, the details of which is not written. This may be clarified.

- iii. Cheque issued but not presented for payment is not taken into credit in cheque memo register after the expiry of validity date. i.e, previous KCWWF not presented for payment Cheque No.515455 dated 03.09.11 for Rs. 4571/-. Cheque No. 411194 dated, 14.02.15 for Rs.7808/-
Paid to Robin vide cheque No.957755 dated, 05.05.2015 for Rs. 3105/-
Paid to Santhosh vide Cheque No.575530 dated, 19.12.16

Non Operative account Reconciliation

- i. Rs. 73000/- is seen in List C- i.e, credited by bank but not accounted in cash book from 12.11.2012 - 11/15. In 1/16 closing balance as per cash

book in the reconciliation is added within 73000/- but actually in closing balance less 73000/-. No attempt is seen taken to traceout the unidentified amount

ii. Also in reconciliation amount deposited but not credited by bank as per list A is given huge figures. But the details of the deposit is not given as List A.

eg. In 1/16 - 438289/-

2/16 - 750075

4/16 - 145955

iii. Friends collection , 'cheque issued but not payment made' is Rs.17079/- not cleared yet.

iv. Negative figure is given as closing balance in non operative whcih should be rectified.

9. CB1/CB2 Register

Not updated or authenticated. As per the entries made in the register produced before audit CB1 receipt book 176 Nos and CB2 receipt book 58 Nos are to be physically remaining. But this is done by the concerned officials.

10..EMD Register

No mandatory certificate. Entries not seen authenticated. Following EMDs are kept in the office as per register produced before audit.

Tender No.	Bankers Cheque No.	Date	Amount
25/12-13	922914	22.03.13	1900
	922915	22.03.13	1900
1/13-14	608003		1000
	608004		1000
7/13-14 to 13/13-14	FD or DD		47500

These may be forfeited and amount remitted into Non Operative Account under intimation to audit.

Security Deposit Register not produced before Audit.

11. Temporary Advance and Imprest Register

These registers have no mandatory certificate and not updated. The payments

and settlements entered in the register are not authenticated by Head of Office. As per register, of which entries are not completed, Rs. 75859/- is to be settled by Smt.Ambily , AEI for 2015-16 after 07.08.2015 not entreis. Rs.107350/- is to be settled by Smt.Nisha Issac for 2015-16. No entry ater 08.09.2015. No imprest entry after 20.08.2015. As per cheque memo register, following amount paid towards temporary advance to Assistant Engineers and imprest byself

Imprest	
10.09.2015	: 3777
28.09.2015	: 950
07.11.2015	: 1750
13.11.2015	: 5520
27.11.2015	: 380
09.12.2015	: 3170
14.01.2016	: 2145
08.03.2016	: 724
14.03.2016	: 2670
16.04.2016	: 1437
20.05.2016	: 3621
02.06.2016	: 4134
11.07.2016	: 5185
19.07.2016	: 2355
07.09.2016	: 1870
21.10.2016	: 2166
21.12.2016	: 1408
31.01.2017	: 3214
18.03.2017	: 3544
27.03.2017	: 3027
Total	: 53077/-

Temporary Advance – Ambily C.N., Assistant Engineer – I

After 07.08.2015 – 25000 entered in the register

Ambily C.N., Assistant Engineer
– I

After 07.08.2015 – 25000
entered in the register

10.09.2015	25000
14.09.2015	15000
07.10.2015	25000

A.J.Yeldho, Assistant Engineer II
not entered in register

12.10.2015	15000
26.11.2015	10000
09.12.2015	15000

16.10.2015	10000
02.11.2015	25000
02.12.2015	10000
17.12.2015	15000
05.01.2016	15000
16.01.2016	10000
22.01.2016	15000
17.02.2016	15000
25.02.2016	50000
Total	230000
03.03.2016	50000
14.3.2016	15000
07.05.2016	20000
02.06.2016	20000
24.06.2016	15000
18.07.2016	15000
04.08.2016	20000
19.09.2016	20000
26.10.2016	20000
23.11.2016	20000
21.12.2016	15000
09.01.2017	25000
06.03.2017	20000
Total	275000

17.12.2015	15000
05.01.2016	10000
04.02.2016	20000
Total	85000
K.K.Jayasree, Assistant Engineer II	
23.03.2016	10000
07.05.2016	10000
02.06.2016	10000
24.06.2016	15000
27.06.2016	20000
18.07.2016	10000
04.08.2016	15000
25.08.2016	10000
28.09.2016	10000
14.10.2016	10000
23.11.2016	20000
21.12.2016	15000
27.01.2016	15000
06.03.2017	15000
17.03.2017	8000
Total	193000

A total amount of Rs.5,05,000/- of Smt. Ambili.C.N., AE I for 10.09.2015 to 06.03.2017

A total amount of Rs.85,000/- of Smt. A.J.Yeldho, AE II for 12.10.2015 to 04.02.2016

A total amount of Rs.1,93,000/- of Smt. K.K.Jayasree., AE II for 23.03.2016 to 17.03.2017. The details of settlement may be reported to audit, if not settled, the interest as per rule may be charged from the concerned officials for the unsettled amount from the date of drawal of advance to the date of repayment.

Temporary advance is given for passed vouchers and settlement should be done within 3 months only after which the next advance may be given. As per GO(P) No.1035/2000/Fin dtd 19.7.2000, GO(P) No. 419/11/Fin dtd 4.10.2011, interest at the rate of 18% per annum will be charged on the unauthorised portion of each advance from the date of drawal to the date of refund of advance.

Temporary advance is given frequently to Assistant Engineers without settling the previous advances. The register of temporary advance and imprest are not

updated. Head Clerk may be given explanation for the same.

As per cash book on random check it is found that Smt.Nisha Issac settled Rs.9899/- vide CBV No.140-146 of 7/2015 but in temporary advance register it is noted as Rs.10034/-(Rs.135 in excess is written)

In 3/16 settlement of temporary advance of Assistant Engineer I, Kothamangalam is seen written without completing the entries .ie., settlement amount is not written in receipt side of cash book.

Similarly imprest settled is noted as Rs.724/- in receipt side without voucher details in payment side. Also as CBV 52 of 3/16 and 53 of 3/16 voucher presented as per cash book is "paid to M/s. TEC vide bill no.16197 dated, 18.03.2016. "

"3199 - Rs.6497 and 16190 dated, 18.0.2016, " 3199 - 6497 seems duplicate entry. These may be clarified to audit.

12.Trial balance

- i. Imprest Rs.413 is pending for a long period the details of which and reason for not settling may be submitted to Audit
- ii. Temporary advance Rs.51995 is seen unsettled as per trial balance of 3/14 & 3/15 and Rs.51732 in 3/16 and 52884 in 3/17. 1089 - other office Assets 3/14 - 51750, 3/17 - 282758
- iii. Value of asset purchased for these period - 2,31,008/-. Details may be furnished to Audit FA7 Asset Register
- iv. 2899 - Service charge debit balance as on

31.03.2014 - 17903
31.03.2015 - 17006
31.03.2016 - 17360
31.03.2017 - 15082

- v. TDS from Employees credit balance Rs.4162/- seen for a long period, the non remittance of the amount is to be explained.

KCWWF 2895, IT from contractors 2841 LIC 2825 are in debit balance which implies excess remittance. This may be verified rectified and may be reported to Audit.

13.REVENUE

DCB : The collection and connection details for last three years are as follows

Year	Connection	Collection
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	Domestic	Non Domestic	Total	Domestic	Non Domestic	Total
2014-15	21112	1375	22487	1,10,19,239	43,56,159	1,53,75,398
2015-16	22177	1475	23652	1,63,73,311	90,16,872	2,53,92,183
2016-17	23775	1516	25291	2,28,14,958	92,42,770	3,20,57,728

Balance as on 31.03.2016 Domestic : 48,01,742/-
 Non Domestic : 1,36,83,032/-
 Panchayath : 10,17,05,482/-
 Municipality : 1,66,86,207/-

The action taken to collect the arrears especially that of LSGD may be reported to audit.

14. Service book

- Service Book On verification several Page 8 of service book not written or authenticated eg: Ramla Beevi LD Clerk , Ambily CN Assistant Engineer Sajimon Operator etc. All service book may be verified and reported to audit
- Service Book Page No 107 (annual verification) of Service Bok is seen not updated eg: Jameela PM UD Clerk, Mujeeb Rehman Operator Ambily CN Asst. Engineer All service book may be verified and reported to audit
- Service Book Page No 108 (Quinquinal verification) of Service Bok is seen not updated eg: Mujeeb PA UD Typist, Bindu VB Head Clerk Ambily CN Asst. Engineer All service book may be verified and reported to audit
- AS per GO(P) No 75/2007/Fin dated 27-2-2007, , Employees who have completed 3 years or service will be eligible for earned leave at the rate of 1/11 for the period spent on duty for the first year of service as admissible to permanent employees. On verification of Service Book of several employees , Earned Leave is seen not re casted on completion of 3 years .
- Increment accruing consequent on declaration of probation shall be drawn only with effect from the date of completion of probation; but, subsequent increments shall be drawn on the first day of month in which they fall due. (GD 2 to R 31 & B) Bijimon , Driver has joined duty on 26-3-2013 and 1st increment is seen sanctioned w.e.f. 25-3-2014 instead of 1-3-2014.
- All permanent employees and those who have completed three years of continuous service are eligible for this leave. .Rajamally LD Clerk has joined duty on 18-8-199 FN and commuted Leave is seen sanctioned w.e.f. 3-12-01 ie, before completing 3 years
- Mujeeb PA, Sl. Grade Typist On verification of salary bill minimum amount (Minimum subscription to General Provident fund is 6% of the emoluments and maximum subscription is equal to basic pay) is seen not subscribed (6%) towards

GPF.

- Increment accruing consequent on declaration of probation shall be drawn only with effect from the date of completion of probation; but, subsequent increments shall be drawn on the first day of month in which they fall due. (GD 2 to R 31 & B) Jameela PM UD Clerk has joined duty on 7-3-2005 and 1st increment is seen sanctioned w.e.f. 6-3-2006 instead of 1-3-2006

- Mandatory certificated related to page number is seen not written or authenticated in several registers

Nissan EM, Overseer : On verification of attendance Register she has availed Commuted Leave during May 2016 but not entered in Service Book

- New Photo - In several service Books Photograph is seen not substituted by a fresh one on completion of 10 years, PF Number number not recorded or authenticated.

Works

I. General Irregularities

1. Non-Maintaining of Work Register.

One of the most important Divisional record, Work Register (FA-1) has not been maintained so far. All details of work from agreement to final settlement including all payment and recoveries should be entered in the FA-1 Register. Which is equally important to cash book for accounts. Non-maintaining of above register may be viewed as serious and the Executive engineer may replied with specific remarks to audit.

2. No-Mandatory Certificate.

No mandatory Certificate has been made in all registers. A certificate of head of office to the extend to which the total number of pages whould be recorded in the first pages of each registers. This has not been done till date.

3. Receiving of FD of Co-operative societies as registration fee.

Fixed Deposit/DD of Co-operative Managing Director has already ordered to stop FD/DD of Co-operative societies as EMD/security or any other purpose. But aganist this office has been recieved FD of co-operative society towards the registration fee of contractor which is highly irregular.

For eg:- FD worth of Rs.50000/- vide no.1081200-10008975 dt 16.8.17 has

been received from Sri.Iqbal Mohammed, Contractor, for C class contractor registration fee.

II. Name of work.

19. Replacement of damaged pipes ARWSS to Manjalloor- replacing the damaged piipe 100 mm GI in piralimattom- Kadalikkad road by using 100mm DI (K9) pipes in Manjalloor Panchayath.

Agreement no: 28/2016-17 dtd 25.7.16

PAC: Rs.1201214.

Contractor: P.V.Abraham.

Irregularities

1. Non- recovery of cost of balance-material.

On verification of MAS Statement of subject works final bill it is noted that the contractor has been executd only 799.50m of 100mm D1K9 pipe laying works. But we has been claimed the coast and laying charge of 800mtr which is 50mt excess. The cost of 50m D1 k9 pipe is not seen recovered from final bill. So the cost of the same Rs.531/- plus laying charge may be realised from the contractor and inform to audit wing.

2. Materials got from work is not recorded.

As per item No.1.05 of accepted shecule of the above work, the contractor had to carried out 26m³ earth excavation in hard rock for 36m³. But he had executed the quantity of 53.33m³ which is 27.33m³ excess. The materials, rubbles, retrived from work is not measured and recorded which is irregular. So the quantity of rock materials got from above, work may be ascertained and the cost recovered from the contractor and report to audit.

III. Name of work.

19. Repalcement of existing damaged pipes-replacing the existing damaged pipeline along Vattappara-Thattoor road in Edakkatturangal Panchayath.

Agreement No.15/2016-17 dt 16.6.2016.

PAC Rs.1567312/-.

Contractor: Sri.Jijo Mathew.

Irregularities

1. Non-executting supplimentary agreement for extra item.

On verification of the work bill of the subject work it is noted that the

contractor has been executed as item 2.06m³ of Demolishing concrete manually by mechanical means including disposal of material within 50m land as per the direction of departmental officers for concrete road- rate Rs.792.72/m³. But no supplementary agreement for the above extra item has been executed by the contractor. So the Executive Engineer may be explained to for this lapse.

IV. Name of work.

Annual maintenance 2016-17 maintenance of WSS to Koothattukulam- Repairs of pipe lines and taps in Koothattukulam Municipality for one year period.

Agreement No.91/2016-17 dt 8.12.2016.

PAC Rs.792828/-

Contractor: Sri.Bhaskaran.

Irregularity

1. Non-impossuring for belated execution of agreement.

On scrutiny of work file of subject work it is noted that the work order was sent to contractor on 7.11.2016 with a direction that he has to attend the office on or before 28.11.2016 for executing the agreement. But he could execute the agreement only on 8.12.2016 ie after 14 days elapsed. No fine as per NIT conditions has been levied for belated execution of agreement. An amount of Rs.7928 should have been imposed vide 1% of the PAC subject to minimum Rs.500/- and maximum of Rs.15000/-. So the above amount should be realised from the contractor and the recovery details inform to auditing otherwise it may be the personnel liability of Executive Engineer concerned.

V. Name of work.

LAC-ADF improvements of WS to Piravom and adjoining Panchayath-Laying 160mm PVC pipe (10 kg) Rider line from Veliyanadu OH Tank to Vattappara Junction.

Agreement No.52/2015-16 dt 19.11.2015

PAC Rs.1291405/-

Contractor: Sri.Jijo Mathew

Irregularities

1. Non-tested PVC pipes were used for laying.

The subject work was awarded to the contractor for laying 900mtr PVC pipe 160mm 10 Kg. But when work completed the contractor had to execute 960mtr pipe laying work which is 60mtr excess then the agreed quantity. But he has produced the pre-delivery inspection-test-report of 900mtr. Only and remaining 60mtr were laid without producing the test report which is highly irregular. So Executive Engineer may be replied for allowing the contractor for laying the non-tested PVC pipe to audit.

2. Non-marking of the actual positions of Air valve/D/F valve in as laidmap.

On verification of work bill and MAS- statement and as laid map of subject work. It is noticed that 2 no. Of 25mm C1 Air valve and one number of 150mm CID/F valve were installed. But in as laid map, the positions of three valve were not marked. So it is doubt that whether these items were executed or not? It may be clariffied by the Executive Engineer to audit with site inspection report.

VI. Name of work.

Deposit work-PWD-UWSS to Moovattupuzha- Replacing the existing 250mm-D1 and 225mm MS pipe from Kacherithazham old bridge in connection with the beautification of bridge.

Agreement No.58/2015-16 dtd 14.12.2015

PAC: Rs.31,19,973/-

Contractor: Sri.Bijumon.

Irregularity.

Releasing of retention money along with CC final bill.

On verification of CC and final bill of subject work it is noted that the retention amount (Rs.256884) recovered from CC Ist bill has been released along with final payment with a comment that " there is no need to kept

retention amount after the settlement of final bill" which is highly irregular and against NIT condition. As per NIT condition retention can be released in the following ways. 5% out of 8% can be released after the completion six month of work. Remaining 3% can be given after the defects and liability period. So the Executive Engineer may be replied for the above irregular released of retention and resufficient financial loss in terms of interest to KWA to audit.

2. Un-known transfer of balance materials from work.

As per extra item no.7 of agreement schedule, the contractor has to carried out – conveyancing the dismantled pipe from bridge to the section compound. The agreed quantity 1 job for rupees 18761/- and the contractor executed the same. But there is no evidence of the materials transferred and received and also the total quantity of materials. So the Executive Engineer may be replied about the total quantity of materials with supportive document and the where about of the materials to audit. If it is vested with contractor the cost may be assessed and recover from him and infor to audit.

VII. Name of work.

RGNDWN- ARWSS-Drinking water supply scheme to Kootathinal in ward No.11 and 111 of Thirumaradi Panchayath-supply- evection, testing and commissioning of contrifugal pumpset having discharge of 11 LPS against a total land of 125mm clean water sump at Mannathoor.

Agreement No:44/2014-15 dtd 29.12.2014

PAC : Rs.274750/-

Contractor: M/s.Udayam Associates Mulakrilam North PO

Sever irregularities

1. Irregular Security Deposit.

The above work was awarded to a firm, Udayam Associates. But the security deposit – FD worth of Rs.14000/- in post office, Piravam- vide account number 1138332 has been pledged by one Sri.Peethambaran.P.G, Para

who has no authorisation from the firm. So it means the agreement was executed with the firm without obtaining proper security. It is highly irregular and irresponsible. The Executive Engineer may be replied with his/her specific remarks to audit.

2. Pumpset erected not in the scheduled pump house.

As per agreement with the contractor, has to supply, erect testing and commissioning of centrifugal pump set having discharge of 11 LPS against a total head of 125mm clear water sump at Mannathoor. On verification of work bill at sub-division the work has been completed and tried run is also over. The CC final bill prepared and submitted to PH Sub division, Piravom. Now it is in the of final payment. But the irregularity is that the above said pumpset not erected in the proposed pump house, Kootathunal, there needed the discharge of 6 LPS against the total head of 199 m. But the bill prepared as the work has been completed which means payment is giving a non-executed work.

On enquiry it is known that the above pumpset is erected in other pumphouse, Elenji-Kalanimatton, and commissioned. It never be admitted and it may be taken as serious as it is a betrayal and fraudulent action. So Executive Engineer should be replied with his/her specific remarks to audit.

VIII. Name of work

Annual maintenance 2016-17 Mace of Uwss to Koothattukulam-Repair of pipe line and taps in Koothattukulam Municipality 1 year period.

Agreement No: 91/2016-17 dtd 8.12.2016

PAC Rs.792828/-

Contractor: Sri.P.C.Bhaskaran.

Irregularity

1. Non-imposing of fine for belated execution of agreement.

The work order for the subject work was dispatched on 7.12.2016 with the direction that the agreement should be executed on or before 28.11.2016.

but the contractor has seen executed the agreement only on 8.12.2016 ie 10 days elapsed from the due date. No fine is seen imposed him against the belated execution of agreement. As per NIT condition 1% of the PAC subject to minimum Rs. 500 and maximum of Rs.15000/- should have been levied. Non-impressing of fine ie highly irregular. So an amount of Rs. 7928/- may be recovered from the contractor and report the details to audit. Failing which it will be released from concerned.

S.A.M.
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