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DESPATCHEL

8/5/21
Date

KERALA WATER AUTHORITY

Jala Bhavan
Thiruvananthapuram-695 033
Kerala, India

No.KWA/HO/LA/ /2021.

Dated: 22/6/2021

From

The Internal Auditor

The Executive Engineer
PH Division
Kerala Water Authority
Pathanamthitta

Sir,

Sub:- KWA-internal Audit Report of PH Division Pathanamthitta for the period
1/4/2017to31/3/2020 forwarding of

Ref:-

The Audit Report of Internal Audit conducted at P H Division Pathanamthitta
from 8/3/2021 to 27/3/2021 for the period from 1/4/2017 to 31/3/2020 is forwarded herewith
for further necessary action. The replies to the audit remarks to be furnished within 4 weeks
from the date of receipt of the report.

ACC;- Audit Report

Yours faithfully,

Fov
Internal Auditor



KERALA WATER AUTHORITY

Internal Audit Wing

INTERNAL AUDIT REPORT

PH Division Pathanamthitta

PERIOD OF AUDIT : 08-03-2021 TO 27.03.2021

PERIOD COVERED : 01-04-2017 TO 31.03.2020

Audit Team

SRI. K.A.ZULPHICAR, INTERNAL AUDITOR

SRI. PRASANNALAL N, DIVISIONAL ACCOUNTS OFFICER

SMT. LATHIKA N R, JUNIOR SUPERINTENDENT

Technical Assistant

Sl.No	Name	Date of Joining	Date of Relieving
1	Sri. Sasidharan Pillai. K.	09-09-2015 FN	31-07-2018 AN
2	Sri. Abraham Varghese (Additional Charge)	01.08.2018 FN	11-09-2018 AN
3	Smt. Omana.A.	11.09.2018 FN	Continuing

Divisional Accounts Officer

Sl.No	Name	Date of Joining	Date of Relieving
1	Smt. Sudha.T.R.	07-07-2016 FN	29-08-2018 AN
2	Smt. Bushra Beevi.K.E.(Js) (full Additional Charge)	30-08-2018 FN	19-09-2018 AN
3	Smt. Sudha.T.R.	19-09-2018 FN	06-03-2019 AN
4	Smt. Bushra Beevi.K.E.(Js) (full Additional Charge)	07-03-2019 FN	19-03-2019 AN
5	Smt. T.R.Sudha	20-03-2019 FN	20-08-2019 AN
6	Sri. Philipose Varghese, JS (full Additional Charge)	21-08-2019 FN	10-10-2019 AN
7	Sri. Gopalakrishanan.A.T.	11-10-2019 FN	Continuing

Junior Superintendent

Sl.No	Name	Date of Joining	Date of Relieving
1	Smt. K.E.(Bushra Beevi) (Suspended from Service on 16-05-2019)	25-08-2015 FN	16-05-2019
2	Sri. Ajikumar.R., UDC (full Additional Charge)	17-05-2019 FN	02-07-2019 AN
3	Sri. Philipose Varghese	03-07-2019 FN	Continuing

**INTERNAL AUDIT REPORT OF THE OFFICE OF THE
EXECUTIVE ENGINEER, PH DIVISION (K W A)
PATHANAMTHITTA FOR THE PERIOD 2017-2020**

PART-1

A. Introduction

The Public Health Division Pathanamthitta is responsible for the mace of various WSS and collection of water charges under its jurisdiction. There are 3 Municipalities, 33 Panchayaths and 43 Water supply schemes under this Division. The Division has two Sub Divisions viz P H Sub Division, Pathanamthitta and P.H. Sub Division, Ranni. Executive Engineer is the Head of the Division.

The audit was conducted from 08-03-2021 to 27-03-2021 covering the period 2017-20.

As on 31/03/2020 the P H Division, Pathanamthitta has 63378 consumers under various classes. The total revenue towards water charges during the year was 1017.87 lakh. At present there are 70190 consumers and revenue collection up to 2/2021 was 820.09 lakhs.

B. Officers in charge

C. Executive Engineer

SL.No.	Name	Date of Joining	Date of Relieving
1	Sri. D.James	05-07-2015 FN	19-06-2017 AN
2	Sri. P.Nelson, AEE (full Additional Charge)	20-06-2017 FN	26-06-2017 AN
3	Sri. Manu.B.	27-06-2017 FN	09-06-2020 AN
4	Smt. Omana.A, TA (full Additional Charge)	10-06-2020 FN	21-06-2020 AN
5	Sri. Harikumar.J.	22-06-2020 FN	Continuing

D. Financial Analysis

Period	Capital Expenditure	Establishment Expenditure	Contingent Expenditure
2017-18	Rs. 22,31,75,089/-	Rs. 15,81,19, 580/-	Rs. 26,06,955/
2018-19	Rs. 12,54,03,438/-	Rs. 10,38,55,076/-	Rs. 24,83,208/
2019-20	Rs. 1,47,65,55,06/-	Rs. 10,99,29,358/-	Rs. 23,67,165/
Upto 2/21	Rs. 9,59,10,195/-	Rs. 6,56,90,450/-	Rs. 19,27,787/-

E. Details of Bank account maintained

Salary	-	57068650889
Operative	-	67147514682
Deposit	-	67141205273
Non-Operative	-	57068566226
E-Account	-	67240930035

F. Internal Audit

Internal Audit Wing conducted the audit up to 3/2017.

G. Objective and scope of audit

The objective of the audit was to ensure effective internal control system in the Division, to see that the execution of works was carried out efficiently and the revenue collection was made effectively etc. The scope of audit included verification of records relating to works viz-registers and files, cash book, monthly accounts and vouchers, service books, other establishment files & registers, documents pertaining to water charge, billing, collection and remittance.

PART-II

A. Major Irregularities

Nil

B. Other Incidental Findings

I .Name of work :-State plan-UWSS to Pathanamthitta Installing raw water V T Pump set at intake pump house Kallarakadavu .

Administrative and technical sanction were issued for the above work under GO (Rt No-280/2017/WRD dated 31.03.2017 and TS No-22/2017-18/EE/PTA dated 26.04.17 for Rs. 21.80 lakhs. The work was awarded to M/s Nirman Electricals, Thiruvananthapuram for Rs. 20.52 lakhs vide work order number DB1-786 (D)/State plan dated 26.05.2017 with time of completion 4 months. The contractor executed agreement vides No-62/17-18/EE/PH/PTA Dated 05.07.2017. As per the GRS No-1874, the contractor has supplied 150 HP VT pump set and accessories on 02.04.2018 and work completed satisfactorily and trial run conducted on 11.04.2018.

On verification of the files the following omissions are noted.

1. As per the work order, due date of the agreement is 15.06.2017. But the contractor has executed the agreement only on 05.07.2017. As per the PWD manual, the contractor shall execute the agreement within 14 days from the work order. After 14 days a grace period of 10 days will be granted with a fine of 1% of the contract amount subject to a minimum of Rs. 1000/- and maximum of Rs. 25,000/- and thereafter the offer will be rejected and the work awarded to the next bidder. Fine for the delayed execution of agreement is not seen effected.
2. As per the G.O (P) No-295/15/FIN dated 15.07.2015 the security deposit amount to be submitted by the select bidder at the time of executing contract agreement, the rate of this deposit at least 50% of this deposit shall be collected in the form of Treasury fixed deposit and the rest as per the revised PWD manual. But the subject work this GO is not seen complied.

3. The original time of completion of this work was expired on 04.11.2017. But the contractor has completed the work only on 02.04.2018. An amount of Rs 2000/- is seen imposed as fine towards the delayed completion of work. But the calculation details of the fine amount and copy of proceedings with Supplemental agreement for granting time of completion etc were not seen in the file or in the Agreement. More over it is not seen that the contractor have applied time of completion up to 11-04-2018 and the proceedings granting the Time of Completion and the calculation for imposing the fine also not done properly.

Remarks on the observations may be reported to audit.

II. Name of work:-Plan proposal 2016-17 RWSS to Vechoochira- Installing C/F Pump set at Asram booster pump house.

Non imposition of fine for time extension

Subject work was awarded to M/s Vrindavan Associates, Thiruvananthapuram for Rs 16,96,000/- vide work order No DB-2/1073 (1) /2017 dated 29.05.2017 with time of completion for 4 months, which will expire on 28.09.2017. As per records the contractor has completed the work on 02/07/2018. Executive Engineer has sanctioned extension of time of completion up to 15.07.2018 without speaking orders (Proceedings), valid reason, and fine and beyond the delegation of powers.

As per PWD manual 2012 the extension of the time of completion that can be granted at a time shall not exceeds 25% of the original time or 6 months whichever is less the maximum extension can be granted for a work shall be limited to half of the original time of completion.

Performance Security Deposit (SD)

As per GO (P) No295/15/Fin dated 15.07.2015, at least 50% of this deposits shall be collected in the form of Treasury fixed deposit and rest as per revised PWD manual. But the subject work, security deposit is seen collected as FD receipt No.36946500671 dated 14.06.2017 for Rs. 84,800/- of SBT instead of 50% (Rs. 42,400) as Treasury Deposits.

Remarks on the observation may be reported to audit

III.Name of work:- Annual Mace of 2017-18-Leak rectification work of pipe line in Kadampanadu and Erathu Panchayath

Non affecting recovery of Retention money

Name of Contractor: Sri. Santhosh Kumar R, Nooranadu

Agreement No-96/2017-18/EE/PH/PTA dated 31.08.2017

Time of completion - 1 year

Date of completion - 30.11.2018

The following bills were seen paid to the contractor

Sl No	Details of bills	Gross	Recovery	Net	Remarks
1	CC 1 ST and part bill	1,77,650	7,108	1,70,542	Retention money not recovered
2	2 nd and part bill	1,27,432	5,096	1,22,336	Retention money not recovered
3	3 rd and part bill	1,74,970	7,000	1,67,970	Retention money not recovered
4	4 th and part bill	1,52,630	6,104	1,46,526	Retention money not recovered
5	5 th and part bill	1,51,137	6,044	1,45,093	Retention money not recovered

As per GO (p) No-295/15/Fin dated 15.07.2015 and PWD manual defines Retention money as the amount to be recovered from the each part bills of work till final settlement of claims. The rate of this Retention amount has been modified in the above GO as 2.5% of contract value subject to minimum Retention amount of Rs. 5 lakhs at any time till the final settlement of the claim.

On verification of the subject work, while making payment of each bills. No retention money is seen effected and a prescribed register in respect of collected Retention money mentioned and not produced for audit.

Reason for none adhering the Govt. orders may be reported to audit.

Subject work was awarded to Sri. Rahul P Mathew, contractor for Rs.14,17,720/- of vide order No. DB1-243717(A)/17 dated 6.05.2019 with time of completion 6 months i.e, expired on 3/1/2020(Actual due as per work order on 12/11/2019) But the contractor could not complete the work within the stipulated period, due to repair works in road towards the tank site. The work completed on 30.7.2020. Hence the delay occurred for 6 months 23 days. On verification of the file, it is seen that, supplemental agreement executed for time extension up to 30.7.2020 without issuing sanction order by competent authority without fine.

As per PWD manual 2012 the extension of the time of completion that can be granted at a time shall not exceed 25% of the original time or 6 months whichever is less the maximum extension that can be granted for a work shall be limited to half of the original time of completion.

The Audit observed that granting of the above time extensions is found genuine and directed to report for audit the reason for not handing over the site in advance, causing the delay in completion of the work, but the extension is beyond the delegation of powers of agreement authority and without fine may be reported to audit.

VI.Name of Work: State Plan 2019- RWSS to Vechoochira - Supply, erection and commissioning of 50 HP CF pumpset at Navodaya T P CWP

Subject work awarded to M/s Standard Electricals, Moovattupuzha for Rs.7,68,000/- vide work order No. DB2-2187(3)/18 dated 25.02.2019 with time of completion 4 months i.e., due on 4.07.2019 (Actual due as per rule 24.06.2019). But the work was completed only on 3.9.2020. Hence the delay occurred for one year and two months. On verification of the file, claim bills were passed for payment by imposing fine Rs.500/-. Hence the audit observed the following points.

1. The clause for imposing fine for delayed completion of work is not appended in the agreement conditions.
2. Sanction order for time extensions from competent authority is not issued.
3. Imposition of a meager fines Rs.500/-is seen effect without agreement condition.

IV.Name of work: KDP 2017-18 - Mace of RWSS to Chenneerkkara Mezhuvely- Pipe line extension of various places of Mezhuvely Grama Panchayat.

i)Non execution of supplemental agreement for time extension

Subject work was awarded to Sri. G.Ashokkumar, contractor as vide order No.DB1-547/2018 dated 30.07.2018 for Rs.3,70,532/- with time of completion by three months. Agreement executed vides No.71/2018-19/EE/PH/PTA dated. 6.10.2018. The time completion of the work was expired on 29.10.2018 on verification of the file the work were completed on 5.12.2018. Hence the delay for a period of 1 month 5 days was occurred due to the non receipt of PWD road cutting sanction. So the time extension for the completion of work is required but the same were not seen executed before making payment on 2/7/2019. More over additional short stamp value Rs.170/- has not seen recovered from the contractor. Hence reasons for non execution of supplemental agreement and non realization of short stamp paper value may be reported. It may be clarified for the delay in obtaining PWD road cutting sanction and also awarding the work without sanction should be reported to audit.

ii) Non effecting statutory recoveries

While verifying the CC bills claim of Sri. Denny Daniel, contractor, for the work KDP 2017-2018 UWSS to Pandalam Municipality – Extension of pipe line from Kuttupalavila colony. CC Ist and final bill payment an amount of Rs.1,22,927/- has been paid vide CB3 43 of 7/19 but the statutory recoveries of CGST / SGST 1% each has not seen recovered. Hence CGST 1% Rs.1229/- and SGST1% Rs.1229/- shall be recovered and reported to audit.

V.Name of Work: KDP-2017-18 (Pathanamthitta Municipality) UWSS to Pathanamthitta-WSS to Kottappara by Azhakalamparampu. Construction of 1 lakh litre capacity GL tank.

Non issuance of proceedings by competent Authority and sanctioning time of extension without imposing fine.

4. A blank stamp paper without filling the entries without signing is seen enclosed in the agreement book. The same may be updated with required details.
5. In future cases the clause for imposing fine should be incorporated with the original agreement.

VII.Name of work:- KIIFB – RWSS to Vechoochira replacing damaged 200 mm AC transmission main from Koothattukulam with 250 mm DI K9 pipe.

Slow progress of work

subject work was awarded to Sri. Santhosh Kumar, contractor for the 82,59,659/- vide work order no. AB2/256/2018 dated 04.03.2020 with time of completion six months from the date of agreement that is expired on 14.12.2020 (Actual time of completion as per work order on 03.09.2020). Agreement executed vide no. 19/2020/21/EE/PH/PTA dated 15.06.2020 the contractor has supplying the materials and the same were taken in account vide GRS no. 147 dated 03.08.2020 and 80 % claim bill passed for Rs. 42,49,622/- by effecting statutory recoveries including fine Rs.200/- towards delay in execution of agreement.

Hence it is observed by the audit that the replacement of damaged of 200 mm AC with 250 mm DI.K9 pipe are kept unattended for the last 6 months. The time of completion of the work expired on 14.12.2020. But no action has been taken to resume the work and to complet it. Hence urgent action should be taken to resume the work failing which the balance work should be arranged with other agencies at the contractors risk and cost.

Remarks on the observations and present status of the work may be reported to audit.

VIII.Name of Work: KIIFB- RWSS to Vechoochira- Relaying of damaged pipe lines-Chethackal- Koothattukulam & Treatment Plant to Vechoochira Town.

Slow Progress of work

Administrative sanction for the subject work was obtained for Rs.232.67 lakhs under KIIFB vide order No. APR/4/401/2018/KIIFB dated 9.4.2018 and

revised AS obtained for Rs.478.10 lakhs vide order no. WRD 005/123-102/2020/KIIFB dated 12.01.2020. The estimate for the subject work was sanctioned for an amount of Rs.473 lakhs and TS issued vide No. TS/2019-2020/2018/8511 dtd. 18.01.2020 by CE, KWA, TVM. The work was awarded to M/s Minartech, Developers Pvt Ltd., Ernakulam for Rs.4,50,83,361/- plus GST vide order No. SE/PHC/TVLA/3266/2018 dated 26.5.2020 with the time of completion 4 months from the date of agreement which expired on 19.01.2021.

As per PWD manual, (Actual due date on 25.09.2020) the firm has executed agreement vide No. 08/SE/PHC/TVLA/2020-2021 dated. 23.09.2020.

Hence the audit observed the following.

1. Fine for the delayed execution of agreement (3 months) is not seen imposed by the agreement authority.
2. Asst. Executive Engineer, PH Sub Division, Ranni has issued a letter to the firm for speeding up the work since the road development work in the roads in which pipes are to be laid urgently, so as to avoid the criticism from general public.
3. Executive Engineer has issued letter to the firm dated 17/12/2020 to expedite the work, no further actions is seen taken.
4. Time of completion the work is expired on 22.01.2021 no action is seen taken sanctioning further extension.
5. The work was totally delayed and the direction issued Executive Engineer as well as Asst Exe Engineer has not heard by the contractor. As the work is included in the KIIFB, and the work should be completed in a time bound manner. If the contractor fails to heed the directions, alternative arrangements should be made to speed up the work at his risk and cost.

IX. Award of work by waiving tender calls

On a scrutiny of the quotation register it is noticed that the whole works were awarded by obtaining quotations from two firms only. As per the provisions contained the PWD code three competitive offers are required to be obtained for finalizing offers.

Eg. Quotations recorded during 2017-18, page 156 to 187 and subsequent period 2018-19, page 2 to 187 and 2019-2020 page 2 to 175.

Some quotations are passed and paid beyond the delegation of powers vide order No.KWA/HO/WN/33/97/(B) dated 15.09.2012. Eg.

Quotation No. 70/18-19/EE/PH/PTA dated 24.12.2018 Rs.79083/-

„ 71/18-19/EE/PH/PTA dated 24.12.2018 Rs.92174/-

„ 72/18-19/EE/PH/PTA dated 24.12.2018 Rs.73106/-

„ 149/18-19/EE/PH/PTA dated 09.04.2019 Rs.98642/-

On verification of quotation works connected with temporary water supply arrangements to Nilackal base camp from Pampa during festival seasons, flood relief work, mace of USS to Pathanamthitta, and temporary arrangements of W S to Nilackal during Masapooja and Vishu festival etc are celebrated in every year and the matter is well aware of the officials. Hence the requirements can be ascertained in discussion with Devaswom officials and Police well in advance and can be finalized and arranged and all other works and supply of materials, it is observed that the whole process adopted by this office is totally irregular by violating the PWD codes rules.

1. The normal procedure of obtaining three quotations due to urgency are not followed, have only two quotations are submitted and lowest were awarded.
2. Whether necessary agreements have executed and levied with statutory recoveries.
3. Whether the quotations are invited waiving the delegation of powers and if so regularizing the actions, sanctions has been obtained from the competent authority.
4. In the case temporary water supply arrangements during festival seasons of Sabarimala, the work for supplying drinking water is containing process; a running contract can be settled, so as to avoid the recurring expenditure.
5. In the case of placing supply orders for purchased materials, whether it recorded in the supply order register or not.
6. Division quotations recorded on page 29, Sl. No. 99/19-20/EE/P/PTA to 164/19-20/EE/PH/PTA (page 64) and Sl No.174/2019-20/EE/PH/PTA (page 70) to 407/19-20/EE/PH/PTA dtd 30.6.2020 (page No.174) work not seen authenticated.
7. On the scrutiny of the quotation register it is observed that an average amount of Rs 10,00,000/- above is seen expended every month. Out of this amount 30% cost is related to Sabarimala WSS. But it is not known to the audit that a minimum amount required every month or

only in the Pilgrim seasons and balance amount are incurred towards the maintenance of Pump Houses, repair works of pipe line etc., It is noted a running contract is prevailing up to dia of 300 mm, over and above dia of the pipes, the work is awarded on quotations basis. In future calls the rate for the entire pipe lines, should be awarded to the running contract basis.

Remarks on the above observations may be submitted to audit.

X.Name of work: State Plan-UWSS to Pathanamthitta-installing raw water V T pump set at intake pump house-Kallarakadavu.

Supplementary

Non execution of supplemental Agreement

The above work was awarded to M/s Nirman Electricals, Trivandrum for Rs. 20,52,000/- vide order No DB1/786/D/state plan dated 26.05.2017 with time of completion four months from the date of agreement. The firm executed agreement vide NO.62/17-18/EE/PH/PTA dated 05.07.2017. As per the work order, the firm should have to supply new V T pump with stainless steel impeller and new motor suitable for the above pump set with speed 1475 rpm designed for 5250 LPM against a head of 90 meter with its accessories. The same was supplied by the firm on 02.04.2018 and taken into account vide GRS 1874 later on receipt of claim bill, EE has noticed that the serial number of pump set as per the so called factory inspection certificate was different and facts informed to the firms. Then the firm has submitted another inspection certificate with the serial number of the already erected pump set without test results certificate and signature of the officer with dated 27.04.2017, whereas the last day for submission of the bid for the subject work was on 19/05/2017. Based on this, Exe Engineer has addressed to the firm on 24.09.2018 to supply new pump set as per agreement. But no reply has received from the supplier. Before this letter, the supplier vide letter dated on 03-08-2018 reiterated that NIT clause for terms conditions for the supply, erection and commissioning of pump sets, item no-3 is the materials offered should, before the supply of materials from the ready stock as far as possible and all the materials should conform to relevant IS standards and they have stated that the above conditions as per the NIT 3, 4, & 6 are satisfied in the above work. After a long gap Superintending Engineer vide Lr. No SE /PHC/TVLA /88/2016/Vol-II dated 05.02.2021, directed to Executive Engineer for

releasing the payment. Later on 19.02.21 Executive Engineer has admitted the claim bill and passed for payment and fund requisition submitted to FM & CAO for allotment of funds.

In this connection, the audit observed the following

1. As per the work order, the firm should have to execute agreement before 15.06.2017. But agreement executed only on 05.07.2017. Whether fine for delayed execution agreement is imposed or not?
2. You have reported the serial number of pump set as per the so called factory inspection certificate was different that the pump set as recorded in M.B. .
3. How can accept another certificate with the serial number of the already erected pump set without test results and signature of the of test conducted.
4. New certificate date is 27.04.2017 where as the last day submission of the bid for the subject work was on 19/05/2017. How it is possible to test a pump before the final date of submission of subject tender.
5. Original time of completion is 4 months. Firm had completed the work on 11.04.2018 whether the time extension for completion of work is sanctioned or not.
6. If sanctioned, why not imposed fine.

Remarks on the observations may be reported to audit.

main tenor

XI.Name of work: Annual (mace) of 2017-18-Leak rectification work of pipe line in UWSS to Pathanamthitta Zone-II

Non effecting retention money

The above work was awarded to Sri. G Ashok Kumar, Malayalapurza for Rs.8,77,405/- vide order No DB1/1644/2017 dated 19.08.2017 with time of completion one year, expired on 18.08.2018. The contractor has executed agreement vide No.104/17-18/EE/PH/PTA dated 18.09.2017. On verification of the file the following part bills are seen paid to the contractor without deducting retention money.

Particulars	Gross	Net	Remarks
CC 1 st and part-paid chq no-542043 dated 21.03.2019	2,35,522/-	2,26,102	Not recovered retention money Rs.5,888/-
CC 2 nd and part-	1,65,474/-	1,58,854	Not recovered

paid chq no-542064 dated 26.04.2019			retention money Rs.4,137/-
CC 3 rd and part- paid chq no-542092 dated 20.07.2019	1,44,214/-	1,38,446	Not recovered retention money Rs.3,605/-
CC 4 th and part- paid chq no-542110 dated 22.08.2019	93,928/-	90,172	Not recovered retention money Rs.2,348/-
CC 5 th and final	62,431/-	59,935	---

As per GO (P) No.429/15/Fin dated 28.09.2015, security deposits is the retention amount deducted from the running bill of the contractor in addition to the performance guarantee. This will be @ 2.5% of the gross amount of each running bill so that the amount retained shall be 2.5% of the value of the work done till then. Non compliance of the above GO may be reported to audit.

XII.Store and Stock

Priced stores Ledger (PSL) form MA-1

Stock verification sub division Thiruvananthapuram has conducted stock verification in Division store and section store under P H Division pathanamthitta during the period from 5/15 to 8/18 and arrived actual physical quantity of each materials and submitted to Division for recording as opening balance of each items. There after Division authorities are recorded the same in the Priced Store Ledger register with opening balance on 04.07.2018 of each materials in separate folio. On verification of PSL register, it is seen that, the issues of materials through the passed indents and receipt of materials accounted in the GRS etc., received from the Asst Engineer, Division store is not seen recorded in the respective pages of PSL register from 2/2019 onwards, and not seen reconciled with Bin cards and not authenticated by the concerned officers. The materials issued indents from 2/2019 onwards are not returned by the Assistant Engineer, Division store till date. At the same time, the GRS for the materials receipts account are submitted by the store AE in every claim bills of each supplier. Such type of inactions from the Division authorities and Assistant Engineer, Division Store are highly irregular and serious lapses.

Hence the audit observed the following

1. Copy of materials issued through indents by the AE, Division store from 2/19 onwards should be collected and recorded in the PSL register
2. Validity of sanctioned indent is 3 months only. There after it should be re-validated by Division, if required.
3. Collect the copy of issued indents and GRS from AE Division store in every month on 5th day of next month itself.
4. As per the stock verification report dated 04.07.2018, 401 items were listed in the daily report of materials, stacked at P H Divisions store, Pathanamthitta. But on verification of Bin cards in Division store, it is noticed that only 50 No's of Bin cards were updated at that time. Authentication of EE/DA for the issuance of Bin cards is not done in the Bin card register.
5. Non submission of the duplicate copy of sanctioned indent with copy of Gate pass and GRS to the Division office is badly affected the preparation of monthly accounts forms viz MA11, MA 15 and reflected huge debit balance. Which resulted in the improper compilation of monthly accounts which is a serious lapse?
6. Day book- This register is not maintained by the Division store Assistant Engineer in properly. Instead of this day book, one register is seen maintained for recording the entries for the issuance of materials for maintenance and other related works
7. The observations made vide above item no's 1 to 6 may be strictly adhered to and facts to the Head Office so as to avoid huge accumulation of store value amounting to Rs. 13/- crores.

Remarks on the above observations may be submitted to audit.

XIII. Stock Verification -non fixing of Liability.

It is noticed by the Audit, the Stock Verification team has conducted a stock verification during 5/15 to 8/18 in the PH Division, Pathanamthitta and reported certain discrepancies are noted and reported the matter to the Exe. Engineer, PH Division, Pathanamthitta vide Lr. No. KWA/HO/1A/10467/ 2018/SV dated. 29.9.2018 by the Internal Audit Wing. Later Executive Engineer has furnished the reply on 10.12.2018. Based on the reply, AEE stock verification has reported the details of shortage vide letter No-

KWA/SV/77/2018 dated 06.06.2019 of materials of each offices (Division store and 5 section stores) and assessment made to the incumbents as follows.

1. Sri. Ashwin Sheriff, Assistant Engineer (32 items)
2. Sri. Bipin Jose, Assistant Engineer (31 items)
3. Sri. Kunjumon, Assistant Engineer (7 items)

And it is also directed to obtain the reply if any from the other Assistant Engineers having shortage of materials reported in the SV report 2018.

On verification of the file, it is noticed that no action is initiated for further departmental action on the liabilities noted in the report and to realize the cost of shortage materials from these incumbents.

Remarks on the observations may be reported to audit.

XIV. Discrepancies found in maintaining Cash Book

The following discrepancies in mace of cash book were noticed during the period 4/2017 to 3/2020.

- a) As per rule 92 (a)I of Kerala Treasury code Vol.I before bringing a cash book into use, the head of office shall count the number of pages and record a certificate of count on the first page of the cash book. This was not seen complied with.
- b) As per rule 92(a) iv of Kerala Treasury code Vol.I an erasure of overwriting of an entry once made in the cash book is strictly prohibited. If a mistake discovered it should be corrected by drawing the pen through incorrect entry and inserting the correct one in red ink between the lines and head of office should initial every such correction and invariably date his initials. This procedure was not seen followed while making corrections in cash book.
- c) Corrections were not attested by the responsible officer.
- d) Overwriting and usage of whitener noticed many pages.

- e) Abstract of cash book and cash verification certificate was not attested by the head of office.
- f) Pencils writings are also seen noted in the cash book (eg page No.28 of the book 8/18 to 2/19, page No.6 to 14 of C.B for the period 1/8/19 to 9/19).

XV. Discrepancies found in maintaining Cheque Memo Register

On the scrutiny of cheque memo register it is noted that fund received entries are not authenticated by concerned JS, DA & EE. Balance amount in the cheque memo register has written in pencil. Cancelled entries are not authenticated by the controlling officer.

XVI. Charge Handing over of Assistant Engineers

On verification of the files and records, it is noticed that Smt .Satheekumari.V. Assistant Engineer, who was transferred from Distribution section No. I, Sarovaram Kozhikode has joined duty in P.H.section, Pathanamthitta on 06.08.2019. The Assistant Engineer Sri. Ashwin Sherif has handed over the list of materials under Division store and section store to Smt. Satheekumari.V. Assistant Engineer on 06.08.2019. But a lapse of 18 months, the list of materials of Division Store, taken charges by the store, has not submitted by the A E concerned. At the same time, Asst Engineer is making the transactions as per the Indents and receipt of materials through GRS.

As per the circular No. KWA/JB/TMU/2016/C4 dated 10.08.2016 of Managing Director K W A has issued clear guide lines in this regard which is as follows.

1. AE on transfer / Retirement shall be handed over the charges including stores, up to date measurement record books, list of files and memo of ongoing works etc to successor within 10 days from the date of relive from the old station.
2. If that predecessor has not handed over the charges with 10 days, the successor shall be taken charge of available store materials, M Books, files etc. within 30 days and report to controlling officer for taking further

action. Any shortage found later in the account that will be liable by the predecessor.

3. The LPC / NLC of the predecessor shall be issued only after getting a signed copy of the handing over charge document.

4. Any lapse from the part of the controlling officer will invite disciplinary action and at also liable for the liability sustained to KWA along with AE concerned.

5. The Exe Engineer and Divisional Accounts Officer shall be conducted periodic inspection under their sections and conform that all the registers such as store account, MASTN, work MAS etc. are updated measurements are recorded in the M. Books.

Remarks on the observations may be reported to audit.

XVII. Non Maintenance of Registers

i. Test Result Register

As per the circular No KWA/JB/WS1/06/04 dated 31.10.2015 of Managing Director KWA has issued direction to maintain test result register for the materials used for all works under their jurisdiction with immediate effect and the updated register shall be made available.

On verification of the work files huge quantity of various sizes of DI/PVC/GI pipes, pumps and motors are taken into account for the various works by obtaining test certificates received from suppliers/manufacturers and kept in the file. But this test certificate was not seen entered in the register as directed by the Managing Director.

The Direction of the Managing Director should be complied with opening of Test Result Register and maintain properly under intimation to the audit..

ii. Asset Register

As per rule 170 chapter 7 of KFC Vol. I an Asset register shall be mentained in all government offices for recording the immovable properties

owned by them in form 23-1 details of land and buildings and all subsequent additions, and alterations there on shall be recorded that register.

Register of fixed Asset / immovable properties is not seen maintained the Division. Action should be taken to update the Fixed Asset register properly.

Remarks on observations may submit to Audit.

iii. F A 1 Register (work register)

As per the Accounts Manual 1993 chapter III-A- and PWD code rules, work register is to be maintained by each Divisions to up keep the accounting system of related works with the details of expenditure incurred such as advertisement charges, land acquisition charges, road restoration charges and all payment made to contractors in a separate folio. Maintaining this register the details of work and it's up to date expenditure thus can be available.

PH Division, Pathanamthitta has not maintained this register, hence the up to date expenditure of each capital work cannot be assessed. Hence this register should be up to dated and facts may be reported to audit.

iv. F A 4- Tender Register

This register is intended to record the details of tenders received from various contractors / suppliers. The details of final verdict choosing the contractors / suppliers as the case may be, shall be recorded in the tender register. On scrutiny of this register it was noticed some omissions seen in the following pages.

Sl No.	Page No.	Tender No.	Remarks
1	162	Tender No.213/2018-19/ EE/PH/PTA dated. 13.3.19	Tender cancelled but not authenticated
2.	163	Tender No.214/2018-19/ EE/PH/PTA dated. 13.3.19	”

3.	164	Tender No.215/2018-19/ EE/PH/PTA dated. 13.3.19	”
4.	165	Tender No.216/2018-19/ EE/PH/PTA dated. 13.3.19	”
5.	167	Tender No.218/2018-19/ EE/PH/PTA dated. 13.3.19	”
6.	184	Tender No.195/2019-20/ EE/PH/PTA dated. 13.3.19	Bidders details not recorded but authenticated
7.	185	Tender No.196/2019-20	”
8.	186 to 188	Tender No.197/2019-20 to 188 No.199/2019-20	”
9.	193	Tender No.204/2019-20/ EE/PH/PTA dated. 11.3.2020	”
10.	194	Tender No.205/2019-20/ EE/PH/PTA dated. 18.3.2020	”

The position is brought to notice for remarks.

v. FA 8 Register (Contractor’s register)

It is intended to make the details of each work (Capital and Revenue) in the register in a separate folio for each work shall be made. But this Division has not maintained this register.

The same should be up to dated and facts may be reported to audit.

vi. FA-10 Register (Retention money register)

This register is intended to record the details of retention money recovered from the contractors from their part bills while making payment. On scrutiny of bills payment, much retention money is seen recovered from the contractor's bills. But non -maintaining this register by this Division, the assessment of retention amount kept by KWA and its releasing in due date were not possible. Hence this register should be up to dated and facts may be reported to audit.

vii. FA 11 Register (Abstract of work register)

As per the Accounts Manual, FA 11 is to be prepared monthly which dealt with the details of capital work which shall be consolidated in form FA 1. This procedure is not followed by this Division. This may be complied and report the facts to audit.

viii. MA 9 Register (Register of supply orders)

This register is maintained in the prescribed format without recording the details of supply orders placed by this Division in proper manner. On verification of supply order register it is seen that this Division office has placed of supply orders for individual supplies by consolidating the whole requirements of various works in a single order. This method is totally wrong. Hence it is pointed out that in future the supply orders will be placed for each work in a single order by recording the details in the separate folio of the register and authenticated it before making payment. The separate files for the work and supply may be maintained separately.

. This should be complied and may be reported to audit.

ix. Personal Register

As per KWA manual and circular Personal Register should be maintained in all ARU's. But this Division is not maintaining the same. It must be maintained and intimated to audit

x. NOP control Register

As per Account Manual of KWA, all Divisions/Sub Divisions shall maintain a Control Register- Non operating account in form CB₁₄ wherein the details of deposits into NOP account shall be recorded. Also the details of transfers affected to the Head Office shall be recorded, based on the advices received from banks. On scrutiny of the records it is seen that the control Register-NOP account in CB₁₄ is not maintained. The reason for none maintaining the NOP register in form CB₁₄ shall be intimated to audit.

xi. Trial Balance Register

As per KWA manual and circular it is specified that all ARU's should maintain Trial Balance Register, Ledger and Journal Register for strengthening of KWA accounting system. P.H.Division, Pathanamthitta has not maintaining the above mentioned registers. This practice is highly irregular and action should be taken to prepare the above mentioned registers and the fact may be reported to audit.

XVIII .Improper Maintenance of Registers

i. Pay Bill Register

On verification of the Pay Bill Register (Form No- PA₃) for the period from 4/2017 to 3/20 it is seen that the employees individual details such as scale of pay, Date of joining, date of completion of probation, marital status, Date of increment, Govt residence occupied, GPF account No, LIC/SLI etc are not filled up in each pages of the pay bill register. It is mandatory while verification of the salary details of the each employee. This shall be filled up and intimate to audit.

ii. Tender Register

On verification the tender register of P H Division, Pathanamthitta following discrepancies were noted (for the period 7/18 to 7/19)

1. No authentication on page No-8.
2. Following pages scrolled without authentication. Page No- 57,59,105,110,112,114,139,145,163,162,164,165, 167,191.
3. No designation seal at page 154 & 155.
4. Tender cancellation entry made in pencil on pages 193,194,201 & 204.

The above defects may be rectified and reported to audit.

iii. Medical Reimbursement Register

On verification the Medical Reimbursement Register following discrepancies were noted.

1. Medical re-imburement register kept in the division office is not in proper form.
2. No authentication of the concerned officials.
3. Register is not seen updated.

It must be maintained in proper form and intimated to audit.

iv. Recovery remittance register

On verification of the recovery remittance register of the contractors bill for the period from 6/2019 it is seen that remittance details of recoveries affected from the contractor bill source as cheque No. date and amount etc. are not furnished in the register. It is a major irregularity from the part of concerned officer. This type of irregularity shall be avoided in future and shall be furnished the details in each month and report to audit.

XIX. Security Deposit from TSB- Non Compliance

As per GO (P) No.295/15/Fin dated 15.07.2015, it is clarified that performance security deposit referred in the Govt. order is the security deposit amount to be submitted by the selected bidder at the time of executing contract agreement. The rate of this deposit is fixed at 5% of the contract value (Agreed rate) and the deposit shall be retained till the expiry of defect liability period. At least 50% of these deposits shall be collected in the form of treasury fixed deposit and the rest as per revised PWD manual.

The following cases, the above said orders were not seen complied.

Sl No	Work order No and date	Agreed PAC	5% SD amount	50% Treasury Deposit	Remarks
1	DB4-2021/2017 dated 03.10.17	40,10,705	2,00,600	NII	Remitted full amount in Bank
2	DB4-2022/2017 dated 03.10.17	9,62,913	48,200	NII	Remitted full amount in Bank
3	DB4-1475/2017 dated 19.08.17	8,66,956	44,000	NII	Remitted full amount in Bank

On verifying the security deposits kept in P H Division, Pathanamthitta for the period 17-18 to 19-20, it is noted that this circular is not complied with. Most of the security deposits are from banks/post office.

Reason for non compliance Govt. orders may be reported to audit

XX. Retaining of huge amount under Deposit head

On the security of the bank statement of deposit account No.67141205273, it is revealed that an amount of 34,63,2489 kept as balance as on 31/03/2020. On verifying the current account balance as on 28/02/2021, it is understood that Rs. 3,10,53,972/- lying unutilized. As per circular No.38/2012/DYAM/Fin/KWA dated 25/10/2013 of the MD it was directed that the whole funds lying in the deposit account maintained in the field offices shall be transferred to head office by drawing a cheque in favor of FM & CAO, KWA A/c No-3340868329 with SBI, Althara Junction, Vellayambalam on or before 10/11/2019.

In the circular it is also mentioned that maximum amount kept under deposit of a particular division is 25 lakhs only. But this division has retained an amount of 3, 10,53,972/-. This is a clear violation of the circular dated 25/10/2013. Reason for none adhering to the directions in circular dated 25/10/2013 shall be intimated to audit with complying the direction contained in the circular dated 25.10.2013.

XXI. Deposit Work- Huge amount balance with KWA

KWA has been entrusted to carry out works related to water supply of local bodies, Govt Institutions and private agencies etc. Usually on receipt of the application, the Executive Engineer shall prepare a feasibility report and if the proposal is feasible prepare a detailed estimate for the work/schemes including centage charges applicable for the work. The detailed estimate would then be intimated to the depositor and after remitting requisite amount, Executive Engineer of KWA shall execute an agreement stating clearly the scope to work, estimate amount, time of completion availability of land etc. The agreement also contains the provisions for settlement of excess expenditure of or excess payments made

by the depositor etc. The custodian of the deposit amount is the Executive Engineer. On receipt of the deposit amount the Executive Engineer shall recorded the same in a register maintained in the Division office and transfer the deposit amount to the account held by the FM & CAO.

On verifying the Deposit work Register maintained by the P H Division, Pathanamthitta there is no ample proof to inspect the receipted amount except a register is maintained showing the expenditure of the work and balance amount with KWA after the execution of the said work. On random verification of the deposit work Register for the period 4/2017 to 3/2020 it is noted that huge amount seen balance with KWA after completion of the work. The same amount may be verified transferred to concerned local bodies and fact may be reported to audit.

XXII. Trial Balance

On the scrutiny of Trial Balance 03/2020 of P H Division, Pathanamthitta following discrepancies were noted

1. There are debit/credit balances under the heads 2812 and 9211. This heads are to be journalized.

2812-5,51,41,177 (Cr)

9211-1,85,64,472 (Dr)

2. It shows an amount of 35,698/- paid under the head 1651 as tour advance and is seen not settled yet.
3. An amount of 2,86,295/- is pending for settlement under the head 1662.
4. It shows a debit balance of 6,26,700/- under the head 2826 (profession tax).
5. The debit balance in the following heads is not wash of into corresponding heads.

Account code	Dr
1313	13,70,72,264
1314	15,95,718
1316	1,14,67,998
1319	17,62,284

1331	1,12,88,275
1339	5,41,793

Figures on the above account codes may be verified errors rectified and reported to audit.

XXIII. DCB arrears of water charge

On verification of the DCB statement as on 31/03/2020 it is seen that the following amounts are pending against various categories.

Domestic	-	22214888
Non Domestic	-	59932418
Industrial	-	438903
Panchayath	-	19860315
Municipality	-	20051912
TDB	-	86818182
Total	-	209316618

Reason for this huge arrears and action taken to collect the amount shall be reported to audit

XXIV. Huge arrears of water charge

On the scrutiny of arrear list of consumers under P H Sub Division, Pathanamthitta, it is noted that following consumers have huge arrears as noted below. Urgent action may be taken to recover the arrear amount and the fact may be reported to audit.

Sl No	Particulars	Nos	Consumer No
1	Arrear above 1 crore	1 No	PTA/105/N
2	Between 50 lakh to 1 crore	2 Nos	PTA/5182/N PTA/3795/N
3	Between 25 lakh to 50 lakh	1 No	KZC/11/N
4	Between 10 lakh to 25 lakh	3 Nos	PTA/179/N PTA/273/N CH1/270/N
5	Between 1 lakh to 10 lakh	29 Nos	
6	Between 50,000 to 1 lakh	37 Nos	
7	Between 25,000 to 50,000	85 Nos	

XXV. Faulty Water meters

As per the records it is seen that there are 65,521/- consumers under this Division and out of which 1665 consumers have faulty meters. As such the billing of the above consumers on an exact consumption basis is not possible. It causes heavy loss to KWA. Hence it is necessary to replace faulty meters urgently. The progress of replacement of faulty meters may be intimated to audit.

XXVI. Non remittance of centage

On verifying the Centage Register kept in Pathanamthitta Division office, it is noted that centage amount of deposit works under the Division up to 10/2020 transferred to Non Operative Account on 10/01/2020 vide Cheque No.091232. On verifying the cheque memo Register of deposit account for the period from 11/2019 to 2/2021, it is noted that local bodies remitted an amount of Rs. 10,90,18,922/- towards KDP works. Centage amount of the same has not been transmitted to NOP A/c by the Division till date. The same may be remitted at the earliest and report to audit.

XXVII. Irregular sanction of Surrender of Earned Leave

Sri. P. Sethunath Office Attendant has entered in service as on 15.03.2006 FN as watchman. On scrutiny rectification of leave account of E/L of the incumbent it is seen that he has been sanctioned surrender of E/L for 30 days as on 31.03.2007. As per rule 86 part 1 KSR earned leave admissible for the first year of service is 1/22 of the period spent on duty. Recasting of E/L at the rate of 1/11 for the first year is permissible only after an officer is confirmed in service. Hence the irregularly sanctioned E/L shall be recalculated and excess salary paid to the incumbent due to erroneous sanction shall be recovered from the salary of the incumbent and intimate to audit.

XXVIII. Non deduction of Commuted leave

Smt. Jaya P.K, UDC has availed commuted leave for 4 days from 11/06/2018 to 14/06/2018. But at the time of sanctioning surrender of E/L for 28 days as on 01/10/2018 and 30 days as on 01/08/2019 the availed commuted leave for 4 days has not been deducted from the E/L

account. Hence the commuted leave taken shall be deducted from the leave account and intimate to audit.

XXIX. Recasting of E/L at the rate of 1/11 days

Smt. Libina Chacko, D'man Gr IInd has been entered in service as on 12.11.2013 as 3rd year overseen. As per G O(p) No.75/2007/Fin dated 27/02/2007 the employees who have completed 3 year service will become eligible for E/L at the rate of 1/11 for the period spent on duty for the first year of service as admissible to a permanent employee. But on verification of the E/L account of the incumbent the E/L for 1/11 days for the first year service has not been recasted till date. This shall be done and intimate to audit.

XXX. Cancelled Cheque without noting proper reason

On the scrutiny of the counterfoils of the cheque book, it is seen that number of cheque leaves have been cancelled. As per para 6.2.19 of KPW code when it is necessary to cancel a cheque the reason for cancellation should be entered on the counterfoils. This division is not followed the code provision in cancelling the cheque. None adhering the codal provision shall be intimated to audit.

XXXI. Missing Security deposits

On random verification of the Security Deposit Register of P H Division, Pathanamthitta for the year 2017-18 it is noted that following Security deposits are noted as missing.

1. Agt.No.67/17-18/EE/PH/PTA SD Rs. 12,900/-
2. Agt.No.99/17-18/EE/PH/PTA SD Rs. 81,300/-

The position is brought your notice and remarks.

P H Sub Division, Pathanamthitta

XXXII. Irregularities noticed in sanctioning of new water connections

As per proceedings No. KWA/HO/RMC/R1/1088/2013 dated 16.07.2013, the KWA simplified the procedure for granting domestic connections with effect from 01.08.2013. The revised procedure for granting domestic connections enables the applicant to execute the work either through KWA (Direct method) or through a licensed plumbers duly

authorized by the authority. Most of the new connections (more than 99%) are executed through licensed plumbers. On test check of new connection details in the P H Sub Division, Pathanamthitta, and audit observed the following.

As per the revised procedure for granting connections an application for new connection (in respect of work carried through a licensed plumber) should be accompanied with a detailed estimate of cost of work. The estimate includes all expenses in connection with lying of connection pipe such as cost of earth work, pipe, specials and incidental cost. In case of work to be executed through licensed plumbers provisional approval notice (RA-5) excluding connection charges shall be issued to the applicant after approval of the estimate by Assistant Engineer. On a scrutiny of the selected water connections files of P H Section, Pathanamthitta (26 no connections pertaining to 1/21 to 17/03/21), the provisional approval notice with details of approved estimate as mentioned in the revised procedure was not seen served to 26 applicants. In this section 10 files were scrutinized and no estimate was prepared and issued to the consumers by Assistant Engineer.

Non serving of provisional approval notice to the applicant defeats the purpose of transparency in respect of total contract value approved by the Assistant Engineer. This can lead to demanding excess amount from the applicant by the contractor.

Remarks on the observations may be reported to audit.

XXXIII. Quotations Sanctioning beyond delegation of powers

On the scrutiny of quotation registers kept in P H Sub Division, Pathanamthitta, it is noticed that the whole works were awarded by obtaining quotations from two firms only. As per provisions contained in the PWD code three competitive offers are required for finalizing offers.

Some quotations are passed beyond the delegation of powers vide order No. KWA/HO/WN/33/97(B) dated 15/09/2012 as detailed below.

1. Qtn.No.35/17-18/AEE/PH/PTA dated 19/07/2017 Rs. 69,976/-
2. Qtn.No.36/17-18/AEE/PH/PTA dated 24/07/2017 Rs. 55,272/-
3. Qtn.No.37/17-18/AEE/PH/PTA dated 24/07/2017 Rs. 56,687/-
4. Qtn.No.38/17-18/AEE/PH/PTA dated 24/07/2017 Rs. 57,194/-
5. Qtn.No.39/17-18/AEE/PH/PTA dated 24/07/2017 Rs. 56,687/-
6. Qtn.No.118/18-19/AEE/PH/PTA dated 16/02/2019 Rs. 22,873/-

Remarks on the observations may be reported to audit.

XXXIV. Non maintenance of meter reading check report

Para XIV (1, 2) regarding Duties and Responsibilities of meter inspector of the KWA and employees regulation 1999 stipulates that:-

1. The Meter Inspector shall conduct periodical inspection of water meters and submit report regarding the proper maintenance and correctness of the meter readings.
2. Keep a record of working areas of the meter readers, under his control and make a minimum check of 5% of the reading taken by the meter readers and submit weekly progress report to the office.
3. The Meter Inspector, P H Sub Division Pathanamthitta has not conducted 5% check reading done by the Meter reader and the related M I dairy has not produce for audit.

Remarks on the observations may be submitted to audit.

XXXV. Casual connection deposit register

Casual connection deposit register kept in sub division are not in proper form. Casual connection deposits and refunds are recorded in separate registers. Hence the audit cannot able to trace out the unreleased deposit amount. The registers may be clubbed together and consumer details such as addresses, survey no, phone No, consumer no, date of conversion/disconnection date of deposit amount received and released with cheque no and date etc must be recorded properly in it and intimate to audit.

XXXVI. Discrepancies found in maintaining Cash Book

On verifying the cash book of P H Sub Division, Pathanamthitta following discrepancies were noted.

1. As per rule 92(a) I of Kerala Treasury code Vol.I before bringing a cash book into use, the head of office shall count the number of pages and record a certificate of count in the first page of the cash book. This was not seen complied with.
2. Pencil writings are noted in many pages (page 286, 227) of cash book.
3. No abstract seen written from 4/2017 to 7/2017.

4. Many pages are left blank in cash book (4/17 to 7/2017).

Bill no, date and other settlement details of Temporary advance were not seen recorded in the cash book (see page 131,115,114) of 11/17 & 12/17.

XXXVII. Recasting of E/L at the rate of 1/11 days

As per GO (P) No. 75/2007/Fin dated 27/02/2007 an employee who has completed 3 years of service will become eligible for E/L at the rate of 1/11 for the period spent on duty for the first year service. But on verifying the service book of following incumbents it is noted that their earned leave account is not seen recasted as per G O cited. Earned leave account may be recasted and intimated to audit

1. Jeenat Thampi, UDC
2. Anand C B, Operator
3. Syam Kumar.P.V, Meter reader
4. Jayaprakash M A, Fitter
5. Sibi K Abraham, Operator
6. Sreekanth.N.S , Operator
7. Madhumohan J, Operator
8. Anil G, Meter reader
9. Varghese.T.P, Operator
10. Jayakumar J, Operator
11. Ratheesh B, Operator
12. Balan.D, Operator
13. Gireesh Gopalan, Fitter
14. Sethu Kumar N V, Operator
15. Anil Kumar N, 1st Grade D'man
16. Roby Chacko, UDC
17. Rajesh Kumar K, Operator
18. Amjad Khan, Driver
19. Preeja.P, Overseer Grade-III
20. Shihamudheen H, OA

Similar cases if any may be verified and rectified

XXXVIII. Non recording of Periodical Verification

On verifying the service book of the following incumbents it is noted that periodical verification is not done after 2018.

1. Anand C B, Operator
2. Sibi K Abraham, Operator
3. Sreekanth.N.S , Operator
4. Madhumohan J, Operator
5. Anil G, Meter reader
6. G Manoj. Operator
7. Anil Kumar.P, Operator
8. Renjith Gop, Operator
9. Ajayakumar K P, Operator
10. Praveen R C, Operator
11. Pramod S, Operator
12. Amjad Khan, Driver Grade-I
13. Prakash P V, UDC
14. Jyothi J, UDC
15. Sivadasan, UDC
16. Shihamudheen, OA

Similar cases if any may be verified and rectified.

XXXIX. Non deducting Paternity leave from E/L Account

The following incumbents have availed paternity leave. But the same days have not seen deducted from the days calculated for computing earned leave. The earned leave account may be recasted and intimate to audit.

1. Sreekanth.N.S , Operator
2. Varghese T P, Operator
3. Renjith Gop, Operator
4. AJayakumar.K.P, Operator
5. Praveen.R.C, Operator
6. Rajesh Kumar.K, Operator
7. Biju.V, Office Attendant

XL. Non deducting Maternity leave from E/L Account

The following incumbents have availed maternity leave for 180 days. But the same days have not been deducted from the days calculated for computing earned leave. The earned leave account may be recasted and intimated to audit.

1. Jyothi J, UDC,
2. Sheeja P, Office attendant,

Similar cases if any may be verified and rectified.

XLII. Non deduction of Commuted leave from E/L Account

On verifying the service book of the following incumbents it is noted that the incumbents have availed commuted leave/HPL which may be deducted from the days for computing earned leave. But the same not seen deducted. The earned leave account may be recasted and intimated to audit.

- | | |
|-----------------------------|---------------------------|
| 1. Biju.V, Office Attendant | CML-4 days |
| 2. Prakash.P.V, UDC | CML-8 days |
| 3. Sivadasan, UDC | HPL-56 days & CML-26 days |
| 4. Manoj.G, Operator | CML-5 days |
| 5. Ajith Kumar.C, UDC | CML-8 days |
| 6. Balan D, Operator | CML-1 day |
| 7. | |

XLIII. Non Deduction of special Leave from E/L Account

Smt. Rejani.R. III-rd Gr. Overseer has availed 45 days of special leave for hysterectomy from 26.07.2019 vide Order No. AB2-298/11 Dated 25.07.2019. But while calculating the Earned Leave for the period from 16.07.2019 to 30.09.2019 the availed special leave for 45 days has not been deducted from the leave account. Hence recalculate the Earned Leave account after deducting the availed special leave and intimate to audit.

XLIV. No authentication by concerned officer

On verifying the service book of the following incumbents cancellation/correction entries made in their service books were not seen

authenticated by the concerned officers. The same may be rectified and intimated to audit.

1. Anil Kumar.P, Operator (page 24&26)
2. Renjith Gop, Operator (page 40)
3. G Manoj. Operator (page 35 HPL entry)
4. Sheeja.P, Office Atendant (page 1st item 4)

XLIV. Non specification as FN/AN

On verifying the service books kept in Pathanamthitta Sub Division, it is noted that commencement and termination entries made in the service books are not seen specified as FN/AN.

1. Anil Kumar.P, Operator (pages 15 to 24)
2. Renjith Gop, Operator (pages 36,38,40,42)
3. Ajayakumar K P, Operator(pages 16,22,24,26,28)
4. Praveen R C, Operator (pages 16,21,22,24,26)
5. Rajesh Kumar K (pages 16,24,26,28)
6. Pramod S, Operator (pages 16 to 28)
7. Amjad Khan, Driver Grade-I (pages 20,22,24)

The position is brought your notice. In future all the termination entries should be marked as FN/AN.

XLV. Non sanctioning of TBHG

On verifying the service book of Sri. Sivadasan, UDC, it is noted that the incumbent has entered in service on 07/03/2005. He is eligible for 15 years TBHG with effect from 07/03/2020. But the same was not sanctioned to the incumbent till date. Reason for the same may be intimated to the audit.

XLVI. Excess deduction of Earned Leave

On verifying the service book of Smt. Bindu Chandran, D'man Gr-I following irregularities were noted.

1. Photograph not seen affixed on page 1 of Service Book.
2. Normally HPL, CML, LWA and other service breaks etc are seen deducted from the days for computing earned leave. But in this

service book it is noticed that the Earned leave already availed by the incumbent is again deducted from earned leave account (see page 119 of the service book).

The above irregularities may be corrected and reported to audit.

XLVII. Erroneous entry in Service book

On verifying the service book of Sri. Jayakumar J, Operator, following discrepancies was noted.

1. The incumbent has entered in service on 29/12/2004 FN. But on 1st TBHG fixation the date of entry seen wrongly entered as 29/12/2014.(See page 33 of SB).
2. As per order No. KWA/JB/E5/3689/2000 dated 17/10/2018 of the Dy. CE (GL) the incumbent has promoted as Head Operator with effect from 17/10/2018. But on service book it is wrongly entered as 17/10/2017 (see page No.35).
3. Even after the incumbent has got promotion a Head Operator his designation entered in the Service Book as operator (H.G) (see page 34 of service book).
4. Memorandum of service verification is not seen recorded after 2018.
5. Earned leave account not seen recasted as per order No. GO (P) No 75/2007/ Fin dated 27/02/2007.

The above irregularities may be rectified and reported.

XLVIII. Improper maintenance of Security Deposit Register

On scrutiny of the Security Deposit Register maintained in P H Sub Division, Pathanamthitta it is noted that the controlling officer was not signed when releasing security deposit. Security deposits are releasing even without the initials of Head clerk who is the custodian of security deposits. (see page No-1,2,3,8,10,11,13,14,20 of register). It is a major irregularity of the part concerned officers. This type of irregularity is not to be continued in future and this shall be rectified and intimated to audit

XLIX. Non settlement of Temporary Advance

On verification of Temporary Advance Register of P H Sub Division, Pathanamthitta the following advances were not seen settled.

i. Smt. Satheekumari, Assistant Engineer, P H Sn, Pathanamthitta

	Date of receipt	Amount	
1.	14/08/2020	Rs. 8500/-	Ch. No.51164

ii. Sri. Prasad, Assistant Engineer, P.H Sn, Konni

1.	25/10/2019	Rs. 22,000/-	Ch.No.308179
2.	30/12/2019	Rs. 10,000/-	Ch.No.585659
3.	09/03/2020	Rs. 27,750/-	Ch.No.876757
4.	25/03/2020	Rs. 10,000/-	Ch.No.876779
5.	28/06/2020	Rs. 11,000/-	Ch.No-876827

iii. Sri. Prasad.G, Assistant Engineer, Adoor (Additional Charge)

1)	28/12/2019	Rs.23,996/-	Ch.No.585599
2)	16/06/2020	Rs. 31,400/-	Ch.No. 878826

iv. Smt. Sreelekha, Assistant Engineer, W.S. Sn, Chiranickal

1)	23/08/2018	Rs.50,000/-	Ch No. 939121
2)	26/10/2018	Rs.30,000/-	Ch No. 939172

According to Kerala Financial code, the advances sanctioned for specific purpose shall be settled as early as possible and not beyond three months. If the advances not settled in the prescribed period a penal interest as per rules also may be levied and reported to audit

L. Delayed settlement of Temporary Advance without imposing fine

On scrutiny of Temporary Advance Register of P H Sub Division, Pathanamthitta it is noted that many advances availed by Assitant Engineers were settled after the lapse of three months without imposing fine. No authentication of concerned officer seen on settlement.

i. Smt. Satheekumari, Assistant Engineer, P H Sn, Pathanamthitta

Sl No	Date of issue	Amount	Date of settlement
1	19/01/2019	Rs. 30,000/-	30/07/2019

2	21/08/2019	Rs. 10,000/-	31/01/2020
3	25/03/2020	Rs. 10,000/-	27/08/2020

ii. Sri. Prasad, Assistant Engineer, Chiranickal

Sl No	Date of issue	Amount	Date of settlement
1	23/09/2017	Rs. 14,203/-	31/03/2018
2	23/12/2017	Rs. 25,000/-	31/08/2018
3	23/08/2018	Rs. 50,000/-	28/02/2019

As per GO(P) 419/11/Fin dated 04/10/2011 it is specified that temporary advance sanctioned to meet contingent expenditure of specific kind or any specific occasion granted to the govt. officials should be adjusted by detailed bills and voucher as soon as possible and not being more than 3 months. In case of default, interest at the rate of 18% per annum will be charged on the unutilized portion of the advance from the date of draws to the date of refund of advance. Report shall be submitted to audit.

P H Sub Division, Ranni

LI. Award of work by waiving tender calls

On the scrutiny of quotation registers kept in P H Sub Division, Ranni, it is noticed that the whole works were awarded by obtaining quotations from two firms only. As per provisions contained in the PWD code three competitive offers are required for finalizing offers.

Some quotations are passed beyond the delegation of powers vide order No. KWA/HO/WN/33/97(B) dated 15/09/2012 as detailed below.

1. Qtn.No.8/2019-20/AEE/PH/Ranni dated 10/04/2019 Rs. 1,23,193/-
2. Qtn.No.9/2019-20/AEE/PH/Ranni dated 11/04/2019 Rs. 1,44,617/-
3. Qtn.No.10/2019-20/AEE/PH/Ranni dated 12/04/2019 Rs. 1,31,226/-
4. Qtn.No.11/2019-20/AEE/PH/Ranni dated 12/04/2019 Rs. 46,794/-
5. Qtn.No.14/2019-20/AEE/PH/Ranni dated 16/04/2019 Rs. 1,44,617/-
6. Qtn.No.19/2019-20/AEE/PH/Ranni dated 17/04/2019 Rs. 72,149/-
7. Qtn.No.136/2019-20/AEE/PH/Ranni dated 12/08/2019 Rs. 24,446/-
8. Qtn.No.185/2019-20/AEE/PH/Ranni dated 01/10/2019 Rs. 37,478/-
9. Qtn.No.187/2019-20/AEE/PH/Ranni dated 01/10/2019 Rs. 46,040/-
10. Qtn.No.240/2019-20/AEE/PH/Ranni dated 07/11/2019 Rs. 53,491/-
11. Qtn.No.239/2019-20/AEE/PH/Ranni dated 07/11/2019 Rs. 59,425/-

Remarks on the observations may be reoprted to audit.

LII. Temporary Advance – Improper settlement

On verifying the Temporary Advance Register of P H Sub Division, Ranni, it is noticed that new temporary advance claims were sanctioned to AE's before the settlement of previous advances and more over it is also noticed that settlement was made in a mix up manner. If more than one temporary advance is given to an officer the account of each of their advances should be distinct and settled separately. Since the settlement was made in a mix up manner audit cannot able to trace out which amount is settled or not.

Remarks on the observations may be reported audit.

LIII. Casual connection deposit register

Casual connection deposit register kept in sub division are not in proper form. Casual connection deposits and refunds are recorded in separate registers, and hence the audit cannot able to trace out the unreleased deposit amount. The registers may be clubbed together and consumer details such as addresses, survey no, phone No, consumer no, date of conversion/disconnection, date of deposit amount received and released with cheque no and date etc must be recorded properly in it and intimate to audit.

LIV. Improper maintenance of Pay bill Register

On verification of pay bill register of P H Sub Division, Ranni, it is noticed that employee's individual details such as scale of pay, Date of joining, date of completion of probation, date of increment, GPF A/c No, LIC/SLI etc are not filled up in each pages of the pay bill register. This shall be filled up and intimate to audit.

LV. Erroneous entry on Service book

On verification of the duty fixation statement as per GO (P) No. 26/2016/WRD dated 27.09.2016 furnished in the service book of Sri. Ashraf.O.H, Operator it is seen that date of commencement in regular service of the incumbent in erroneously entered as 03.01.2015 instead of 03.01.2005 the incumbent who joined duly in service. Hence to the error shall be rectified and report to audit.

Conclusion

Some irregularities, procedure lapse and supervisory lapse have been noticed.

PART-III

The Division has not furnished the reply of previous internal audit report even after repeated reminders.

PART-IV

Best practices noticed

PART-V

The Executive Engineer and all the other staff in the Division had co-operated whole heartedly with the audit officials for the smooth conduct of the audit. The audit party expresses its gratitude for the co-operation extended by the whole division towards the smooth conduct of audit.


Internal Auditor

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Received of the Treasurer of the State of New York

the sum of

Five hundred and no/100 Dollars

for

Interest on the State Debt

and

for the sum of Five hundred and no/100 Dollars

in full