

KERALA WATER AUTHORITY

BALANCE SHEET AS AT 31st MARCH 2019

	Schedule Reference	CURRENT YEAR (Amount in ₹)	PREVIOUS YEAR (Amount in ₹)
SOURCES OF FUNDS			
1	Kerala Water Authority Fund		
	a. Contributions & Grants	A 803508,38,796	759723,99,796
	b. Reserves & Surplus	B 35655,04,378	35655,04,378
2	Kerala Water Authority Loan Fund		
	a. Secured Loans	C 11377,90,842	6074,48,450
	b. Unsecured Loans & Deposits	D 775796,99,589	670116,73,001
	Total	1626338,33,605	1471570,25,625
APPLICATION OF FUNDS			
1	Fixed Assets	E	
	Gross Block	634956,86,804	595703,26,168
	Less: Depreciation Reserve	200946,62,474	187191,34,667
	Net Block	434010,24,330	408511,91,501
	Capital Work in Progress	701054,13,462	631248,01,103
		1135064,37,792	1039759,92,604
2	Investments	F 6399,76,906	6126,44,902
3	Net Current Assets		
	a. Current Assets	G 223825,90,032	192915,68,791
	b. Current Liabilities	H 81934,45,822	164924,82,182
		141891,44,210	27990,86,609
4.	Loans & Advances	I 31931,40,646	28536,94,617
5	Miscellaneous Expenditure to the extent not Written-off	J -	-
6	Accumulated Excess of Expenditure over Income	K 311051,34,051	369156,06,893
	Total	1626338,33,605	1471570,25,625

Schedules A to K and significant accounting policies and notes on the accounts 2.01 to 2.10 form an integral part of this Balance Sheet

Shijith. V
Finance Manager & Chief Accounts Officer

(Vacant)
Accounts Member

Venkatesapathy S. IAS
Managing Director

Place: Thiruvananthapuram
Date : 25.11.2022



KERALA WATER AUTHORITY

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2019

	Schedule Reference	CURRENT YEAR (Amount in ₹)	PREVIOUS YEAR (Amount in ₹)
INCOME			
1 Operating Income			
a. Consumers	L	65788,67,316	62285,11,241
b. Others	M	999,58,464	705,04,611
		66788,25,780	62990,15,852
2 Grants & Subventions - Government of Kerala		35902,31,800	28097,47,800
3 O&M Grant from Government of India		-	365,69,000
4 Interest Income	N	2548,96,058	2701,67,589
5 Other Non-Operative Income	O	18210,50,016	22852,17,089
Total Income		123450,03,654	117007,17,330
EXPENDITURE			
1 Operating & Maintenance Expences	P	40854,81,045	37026,70,843
Less: Current year Power charges absorbed by GoK		16713,00,000	-
Net Operating & Maintenance Expences		24141,81,045	37026,70,843
2 Payment & Provision to Employees	Q	89448,14,907	85699,10,020
3 Office expences	R	2010,80,430	1800,62,355
4 Travelling & Conveyance Expences		533,37,568	500,52,748
5 Administrative Expences	S	205,50,135	153,22,378
6 Debtors written off	T	2075,36,143	9398,85,248
6 Assets and losses written off	U	-	-
7 Provision for Doubtful Debts	V	-	-
8 Interest on			
a. Secured Loans		527,70,877	614,13,690
b. Government of Kerala Loans		26419,65,000	26426,87,000
c. GPF		2986,63,530	2749,97,896
		29933,99,407	29790,98,586
9 Depreciation	E	13755,27,807	12742,50,140
Total Expenditure		162104,27,442	177112,52,318
10 Transferred to Capital Work-In-Progress	W	3797,40,700	6144,68,967
		158306,86,742	170967,83,351
Excess of Income over Expenditure		(34856,83,088)	(53960,66,021)
11 Prior Period Adjustments	X	92961,55,930	246,75,976
Excess of Income over Expenditure after prior period adjustments		58104,72,842	(53713,90,045)

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KERALA WATER AUTHORITY
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2019

	CURRENT YEAR (Amount in ₹)	PREVIOUS YEAR (Amount in ₹)
<u>SCHEDULE - A</u>		
CONTRIBUTIONS & GRANTS		
1 Net value of Assets taken over from erstwhile P.H.E.D	43453,27,735	43453,27,735
2 Contribution & Grants from Government of Kerala	518698,41,329	487654,75,329
3 Interest free fund from GOK	71322,51,632	71322,51,632
Less : Amount released to :	-	
a. Urban L.C.S Schemes	365,25,750	365,25,750
b. Rural L.C.S Schemes	394,97,200	394,97,200
c. Kerala Urban Development Project	360,00,000	360,00,000
	70202,28,682	70202,28,682
4 Contribution & Grants from Government of India	185412,91,284	172508,16,284
Less : Amount released to District Collectors and Kerala Rural Water Sanitation Agency	23059,63,750	22895,61,750
	-	
	162353,27,534	149612,54,534
5 Donated capital assets	18,14,530	18,14,530
6 Capital contribution from other sources	8782,98,986	8782,98,986
	803508,38,796	759723,99,796
<u>SCHEDULE - B</u>		
RESERVES & SURPLUS		
Reserve for deposit works	35655,04,378	35655,04,378
	35655,04,378	35655,04,378
<u>SCHEDULE - C</u>		
SECURED LOANS		
1 Loan from LIC of India	5155,63,534	6105,63,419
2 Bank Loan	6222,27,308	(31,14,969)
	11377,90,842	6074,48,450
<u>SCHEDULE - D</u>		
UNSECURED LOANS & DEPOSITS		
1 Loan from Govt of Kerala	233273,83,580	233273,83,580
2 Interest accrued on GOK Loan	225233,27,001	198859,40,000
3 Deposit from local bodies	45662,47,872	45488,56,509
4 Security Deposit	26005,39,088	22731,37,684
5 Earnest Money Deposit	716,60,225	772,29,672
6 Water & Sewerage Connection Deposits	1544,65,406	1211,09,319
7 Deposit work-Water Supply & Sewerage	144695,92,514	132548,07,261
8 Other deposits	98664,83,903	35232,08,976
	775796,99,589	670116,73,001

Finance Manager & Chief Accounts Officer

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Managing Director



KERALA WATER AUTHORITY

SCHEDULES FORMING PART OF BALANCE SHEET (Contd....)

	CURRENT YEAR (Amount in ₹)	PREVIOUS YEAR (Amount in ₹)
SCHEDULE - F		
INVESTMENTS		
Investment for Pension / PF	6399,76,906	6126,44,902
SCHEDULE - G		
CURRENT ASSETS		
1 Inventory :		
a. Stores, Tools & Spares	6689,31,427	7829,04,171
b. Consumables	1507,90,804	1330,26,980
	8197,22,231	9159,31,151
2 Sundry Debtors :		
a. Consumers		
i. Local bodies dues - water & maintenance charges	32175,38,784	30647,25,229
ii. Domestic, Non-domestic & Industrial dues	117433,16,490	100772,62,955
b. LIC Loan repayment due from Local Bodies	-	1761,43,755
c. Others	54,08,904	96,05,532
	149662,64,178	133277,37,471
3 Cash & Bank Balances :		
a. Bank & Treasury balances	67971,18,036	57938,25,768
b. Cash on hand	38,82,695	24,23,715
	68010,00,731	57962,49,483
4 Other Current Assets :		
Inter office & other suspense account balances	(2043,97,108)	(7483,49,314)
	223825,90,032	192915,68,791

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KERALA WATER AUTHORITY

SCHEDULES FORMING PART OF BALANCE SHEET (Contd....)

	CURRENT YEAR (Amount in ₹)	PREVIOUS YEAR (Amount in ₹)
<u>SCHEDULE - H</u>		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
1 <u>Current Liabilities</u>		
a. Sundry Creditors :		
i. Payment to employees	16053,64,179	11680,55,784
ii. For expenses	7178,07,563	107174,25,735
iii. For contractors/suppliers	6351,13,918	(560,23,850)
b. Statutory employees deductions :		
i. General provident fund	46316,18,964	41776,58,485
ii. NMR PF	560,76,893	549,84,673
iii. Others	(477,94,723)	(281,12,189)
c. GST Collection	650,85,816	376,70,260
d. Tax Deducted at Source	53,64,849	(109,37,496)
e. Other Current liabilities	3786,97,834	4467,99,164
f. Interest Accrued on Loans	981,81,052	893,80,703
	81455,16,345	165969,01,269
2 Control Account Balances	479,29,477	(1044,19,087)
	81934,45,822	164924,82,182
<u>SCHEDULE - I</u>		
<u>LOANS & ADVANCES</u>		
1 Loans & advances to employees	(142,49,445)	(128,21,681)
2 Advances for expenses	416,48,255	355,16,730
3 Advances to suppliers / contractors	25837,73,583	21952,79,939
4 Revolving fund to Local Bodies	19,08,803	19,08,803
5 Advances - Others	28,69,234	79,67,912
6 Claims recoverable	2090,89,486	2094,45,353
7 Contribution Deposit - KSEB	325,75,691	282,97,884
8 Consumer Deposit - KSEB	1880,10,112	1853,75,974
9 Deposit with PWD	469,07,003	451,77,997
10 Deposit with others	1006,07,924	1006,28,735
11 Advances for capital expenditure	-	569,16,971
	31931,40,646	28536,94,617

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KERALA WATER AUTHORITY

SCHEDULES FORMING PART OF BALANCE SHEET (Contd....)

	CURRENT YEAR (Amount in ₹)	PREVIOUS YEAR (Amount in ₹)
<u>SCHEDULE - J</u>		
<u>MISC EXPENDITURE NOT WRITTEN OFF</u>		
Miscellaneous Expenses to the extent not written off	-	-
<u>SCHEDULE - K</u>		
<u>ACCUMULATED EXCESS OF EXPENDITURE OVER INCOME</u>		
Balance as on the begning of the year	369156,06,893	315442,16,848
Add : Current years excess of expenditure over income	-	53713,90,045
Less : Current years excess of Income over Expenditure	58104,72,842	-
	<u>311051,34,051</u>	<u>369156,06,893</u>

Shijith V
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(Vacant)
Accounts Member

Venkatesapathy S. IAS
Managing Director

Place: Thiruvananthapuram
Date : 25.11.2022



KERALA WATER AUTHORITY

SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT

AS AT 31st MARCH, 2019

	CURRENT YEAR (Amount in ₹)	PREVIOUS YEAR (Amount in ₹)
<u>SCHEDULE - L</u>		
OPERATING INCOME - CONSUMERS		
1 Operating income - water supply		
a. Domestic Consumers	25459,50,568	25582,69,027
b. Nondomestic Consumers	23569,38,707	21485,95,204
c. Industrial Consumers	1544,19,926	1656,62,978
	50573,09,201	48725,27,209
2 Operating income - Sewerage		
a. Domestic Consumers	14,70,734	18,91,020
b. Nondomestic Consumers	5,99,595	11,22,833
	20,70,329	30,13,853
3 Income from local bodies	15194,87,786	13529,70,179
	65788,67,316	62285,11,241
<u>SCHEDULE - M</u>		
OPERATING INCOME - OTHERS		
1 Centage charges	952,05,339	577,78,734
2 Storage charges	97,463	33,35,928
3 Supervision charges	17,68,236	20,64,013
4 Miscellaneous recoveries	28,87,426	73,25,936
	999,58,464	705,04,611
<u>SCHEDULE - N</u>		
INTEREST INCOME		
1 Interest on loans & advances	26,28,601	51,59,048
2 Interest on deposits	2522,67,457	2650,08,541
	2548,96,058	2701,67,589
<u>SCHEDULE - O</u>		
OTHER NON-OPERATING INCOME		
1 Income as recoveries	16893,11,234	21444,29,629
2 Claims recoverable	2,28,166	23,214
3 Miscellaneous income	1315,10,616	1407,64,246
	18210,50,016	22852,17,089

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KERALA WATER AUTHORITY

SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT (Contd...)

	CURRENT YEAR (Amount in ₹)	PREVIOUS YEAR (Amount in ₹)
<u>SCHEDULE - P</u>		
OPERATING & MAINTENANCE EXPENSES		
1 Consumption of Stores, Tools & Spares	509,20,494	1117,66,081
2 Consumables	1136,84,353	746,60,675
3 Power charges	31584,24,446	27536,14,256
4 Insurance	18,18,102	18,78,852
5 Other operating expenses	316,46,476	230,38,974
6 Repairs & Maintenance of water supply	6514,03,447	6803,42,754
7 Repair & Maintenance of sewerage	510,27,613	336,07,487
8 Vehicle maintenance	265,56,114	237,61,764
	40854,81,045	37026,70,843
<u>SCHEDULE - Q</u>		
PAYMENT AND PROVISION TO EMPLOYEES		
1 Salaries and Allowances	40528,37,858	51297,40,647
2 Welfare Expenses and other employee benefits	2272,80,459	1157,41,797
3 Casual labour wages and other payments	8490,29,568	8241,84,012
4 Service Pension and Family Pension	25778,86,099	20719,32,746
5 Commuted Value of Pension	8936,90,413	2438,64,771
6 Gratuity of Employees	3440,90,510	1844,46,047
	89448,14,907	85699,10,020
<u>SCHEDULE - R</u>		
OFFICE EXPENSES		
1 Rent	33,57,725	29,21,815
2 Rates & Taxes	57,72,914	59,34,737
3 Postage, Telegram, Telephone & Telex	255,31,353	198,36,148
4 Printing & Stationery	210,28,679	221,62,453
5 Exhibition & Publicity	233,07,440	158,77,717
6 Training & other expenses	80,51,511	55,92,675
7 Electricity charges	834,26,062	802,18,645
8 Other office expenses	306,04,746	275,18,165
	2010,80,430	1800,62,355
<u>SCHEDULE - S</u>		
ADMINISTRATIVE EXPENSES		
1 Board meeting expenses	45,324	2,51,711
2 Professional fees	68,02,873	61,23,391
3 Payment to auditors	74,74,691	52,74,430
4 Bank Charges	5,74,235	10,18,089
5 Other administrative expenses	56,53,012	26,54,757
	205,50,135	153,22,378

Finance Manager & Chief Accounts Officer

Accounts Member



KERALA WATER AUTHORITY

SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT (Contd...)

	CURRENT YEAR (Amount in ₹)	PREVIOUS YEAR (Amount in ₹)
<u>SCHEDULE - T</u>		
WRITE OFFs		
Local Bodies dues written off	-	9398,85,248
Consumers Written Off - OTS	2075,36,143	
	2075,36,143	9398,85,248
<u>SCHEDULE - U</u>		
ASSETS WRITTEN OFF		
	-	-
<u>SCHEDULE - V</u>		
PROVISION FOR BAD & DOUBTFUL DEBTS		
	-	-
<u>SCHEDULE - W</u>		
TRANSFER OF REVENUE EXPENSES TO CWIP		
Establishment Charges (Share Debit)	3797,40,700	6144,68,967
	3797,40,700	6144,68,967
<u>SCHEDULE - X</u>		
PRIOR PERIOD ADJUSTMENTS		
PPA of Other Income	11,19,167	1,68,508
PPA of Operating expenses	(8302,60,954)	(3,11,792)
PPA Operative Expenses of Utilities	106662,16,590	
PPA Stores Consumed	(1503,48,490)	-
PPA Investements	-	248,44,364
PPA Salaries of Employees	(3905,70,383)	(25,104)
	92961,55,930	246,75,976

Shijith V
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(Vacant)
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Venkatesapathy S. IAS
Managing Director

Place: Thiruvananthapuram
Date : 25.11.2022



SCHEDULE FORMING PART OF BALANCE SHEET AS ON 31-03-2019 (Contd....)

KERALA WATER AUTHORITY

SCHEDULE OF FIXED ASSETS AS AT 31st MARCH 2019

SCHEDULE - E

DESCRIPTION	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	BALANCE AS ON 01/04/2018	ADDITIONS DURING THE YEAR	AS ON 31- 03-2019	BALANCE AS ON 01/04/2018	DEPRECIATION	DEPRECIATION UPTO 31-03-2019	CURRENT YEAR	PREVIOUS YEAR
FREE HOLD LAND	17824,08,121		17824,08,121	-	-	-	17824,08,121	17824,08,121
LAND DEVELOPMENT EXPENDITURE	748,73,240		748,73,240	-	-	-	748,73,240	748,73,240
CIVIL WORKS	229856,00,767	21116,32,200	250972,32,967	59600,43,154	5913,44,184	65513,87,338	185458,45,629	170255,57,613
BUILDINGS	20420,29,914	705,25,189	21125,55,103	5772,28,882	379,39,255	6151,68,137	14973,86,966	14648,01,032
PLANT AND MACHINERY	54862,21,669	6418,58,804	61280,80,473	26971,43,339	2033,25,875	29004,69,214	32276,11,259	27890,78,330
MAINS AND NETWORKS	262656,59,806	10568,55,000	273225,14,806	90054,69,767	5135,14,223	95189,83,990	178035,30,816	172601,90,039
ROADS BRIDGES AND CULVERTS	4817,28,074		4817,28,074	1954,62,426	87,25,167	2041,87,593	2775,40,481	2862,65,648
VEHICLES	1442,86,826	13,90,945	1456,77,771	1007,65,123	71,54,688	1079,19,811	377,57,960	435,21,703
FURNITURE, FIXTURES & OFFICE EQUIPMENTS	3075,17,751	430,98,498	3506,16,249	1830,21,976	135,24,415	1965,46,391	1540,69,858	1244,95,775
Total	595703,26,168	39253,60,636	634956,86,804	187191,34,667	13755,27,807	200946,62,474	434010,24,330	408511,91,501

	CURRENT YEAR (₹.)	PREVIOUS YEAR (₹.)
GROSS BLOCK OF FIXED ASSETS	634956,86,804	595703,26,168
LESS : ACCUMULATED DEPRECIATION	200946,62,474	187191,34,667
NET VALUE OF FIXED ASSETS	434010,24,330	408511,91,501
ADD : CAPITAL WORK-IN-PROGRESS [ACCOUNT CODE 11]	701054,13,462	631248,01,103
Total	1135064,37,792	1039759,92,604

Finance Manager & Chief Accounts Officer

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Managing Director



KERALA WATER AUTHORITY

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

1. NATURE OF OPERATION.

Kerala Water Authority (KWA) was established on 1st April 1984 as an autonomous body of Government of Kerala by converting the erstwhile Public Health Engineering Department, for the development and regulation of water supply and waste water collection and its disposal in the State of Kerala and for matters connected therewith through a legislation called "The Kerala Water Supply and Sewerage Act, 1986" with retrospective effect from 01.03.1984. KWA implements Water Supply Schemes in the State with the Grant-in-aid of State Government as well as the Central Government. It also implements Water Supply Schemes for other Departments/Bodies on Deposit works basis. KWA collects water charges at the tariff rates fixed by the State Government from the consumers for the supply of potable water.

2. STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON THE ACCOUNTS.

2.01 BASIS OF ACCOUNTING AND PREPERATION OF FINANCIAL STATEMENTS:

The financial statements of KWA have been prepared in accordance with the Generally Accepted Accounting Principles in India and as per the accounting policies specified in the Kerala Water Authority Accounts Manual. The financial statements have been prepared on accrual basis under the historical cost convention. The gratuity and commutation due on retirement of employees are accounted in the year of retirement itself and amount remain unpaid is shown under current liabilities. The accounting policies adopted in the preparation of the financial statements is consistent with those followed in the previous years.

2.02 GRANT-IN-AID.

2.02.1 KWA receives Grant in aid from the Government of Kerala as well as from Government of India for the implementation of Water Supply/Sewerage Schemes in the State, towards meeting the establishment expenditure and operation & maintenance expenditure.

2.02.2 The Grant in aid received under plan schemes is booked as Contributions and Grants which form part of the Kerala Water Authority Fund. The Grant in Aid received under non-plan is recognized as income for the year and is shown in the Income & Expenditure Account.

2.02.3 During the financial year the total amount of Grants in Aid received are detailed as follows.

				₹ in Crore
Sl No.	Source	Amount	Plan/Non Plan	Expenditure (including OB)
1	Government of Kerala	303.79	Plan	347.41
2	Government of Kerala	359.02	Non Plan	359.02
3	Government of India	129.05	Plan	84.59

During the financial year 2018-19, GoK released an amount of ₹202.24Crore under state plan schemes from the current year's Budget and refunded an amount of ₹101.55 Crore being the amount resumed at the end of the last financial year. Hence the amount available at the disposal for the financial year is only ₹303.79 Crore. KWA utilized an amount of ₹347.41 Crore for State plan schemes from the opening balance and also from retention account.



During the financial year GoK released an amount of ₹327.80 Crore as Non-plan Grant for the year and refunded an amount of ₹31.22 Crore being the Non Plan Grant resumed at the end of the last financial year. Hence, the amount available at the disposal of the Authority for the financial year is ₹359.02 Crore. KWA utilized the entire amount of ₹359.02 Crore during the year itself.

Government of India released an amount of ₹84.86 Crore to Government of Kerala during the current financial year and the same is released to KWA. During the year, GoK has also refunded an amount of ₹25.00 Crore being fund resumed at the end of the last financial year. In addition to the above, GoK released Gol share of ₹20.82 Crore of the last financial year to KWA. Based on the direction of Gol, KWA has refunded the unspent balance of Jalamani scheme of ₹1.63 Crore during the financial year. Hence the amount available at the disposal of the Authority for the financial year is ₹129.05 Crore only. KWA utilized an amount of ₹84.59 Crore and the balance utilized for NRDWP state share.

2.02.4 Contribution and Grants Schedule-(A)

2.02.4.1 This consists of (i) the investment of the Government in the Authority by way of transfer of net assets on the date of establishment of the Authority. (ii) All contributions and Grants (Plan) received by the Authority from Government of Kerala and Government of India since its formation. (iii) All assets received by way of donations valued at fair market value (iv) all other miscellaneous grants & contributions received from other sources (Capital) and (v) Interest free fund from GOK being the conversion of GOK loan.

2.02.4.2 Amount released to District collectors for the implementation of Water Supply Schemes to Scheduled Caste/Scheduled Tribes habitations and amount released to Kerala Rural Water Sanitation Agency out of the Government of India Grant is shown as a deduction in the schedule as a part of Gross Concept followed in the preparation of accounts. The amount shown in the Balance sheet represents the actual release made by KWA and not based on utilization.

2.02.4.3 As there was no separate release of funds from Government for Low Cost sanitation (LCS) project, an amount equal to the payment made by KWA for LCS Schemes is shown as a deduction in the schedule.

2.03 **RESERVES & SURPLUS.**

The Accounts Manual envisages for transfer of deposit money received against water/sewer deposit works to "reserve for deposit works" on effective completion of such works which are not handed over to the depositors. Works completed under the deposit received up to 31st March 2012 have been transferred to 'Reserve for Deposit Works' as the updation of fixed assets register and analysis of asset related items including deposit works are done up to 31-03-2012.

2.04 **SECURED LOANS.**

2.04.1 The secured loan include the outstanding amount of the loan from LIC of India availed by KWA.

2.05 The security for the loan is mainly given as a charge by way of hypothecation of all KWA's movables (save as except book debts) including movable machinery, machinery spares, tools and accessories present and future pertaining to the projects for which loan is taken subject to the prior charges created and or to be created in favor of the borrowers bank for working capital facilities over the borrower raw materials, semi-finished and finished goods, consumable stores, book debts and such other movables as may be agreed to by the bank. The Government of Kerala guarantees loan taken from LIC.



2.06 UNSECURED LOANS

- 2.06.1 Unsecured Loans include the Loan received for executing the Water Supply Schemes funded by JICA. KWA has requested for conversion of loan received from Government for the period from 2007-08 to 2016-17 amounting to ₹2332.74 crores as grant and to write-off the interest due thereon upto 31/03/2017. Earlier Government vide order GO Rt No: 122/2017/WRD Dated: 15/02/2017 had issued orders for converting an amount of ₹713.00 crores as Capital contribution and written off the interest due on the same amounting to ₹1004 crore (upto 31.03.2007). As the proposal for conversion of loan has not been rejected by the Government and further Orders in favor of KWA is awaited, the provision for penal interest as mentioned in G.O at the rate of 2.50% amounting to ₹58.32 crores for the year has not been provided in the annual accounts. Interest on Government of Kerala loan, amounting to ₹263.74 Crore for the year 2018-19 has been provided.
- 2.06.2 All the deposit figures stated are subject to reconciliation by individual divisions.

2.07 FIXED ASSETS

- 2.07.1 The fixed assets of KWA have been shown in the books of accounts at historical cost.
- 2.07.2 The value of fixed assets ₹11350.64 Crore represents (i) The value of fixed assets and capital work in progress vested in and transferred to the Authority amounting to ₹421.83 Crore and (ii) The additions made by the Authority since its formation, after providing for depreciation there on ₹10928.81 Crore.
- 2.07.3 The fixed assets register has been updated up to the year 2011-12. Action is in progress to update the same for the financial from 2012-2013. The expenditure incurred towards Water Supply Schemes/Sewerage Schemes are first booked as Capital Work in Progress and on successful commissioning of the schemes, the same is transferred to corresponding fixed assets. Even though the fixed assets worth ₹3945.62 Crore have been capitalized on successful commissioning as detailed below, the analysis and updation of fixed assets register and asset related matters is done up to 31-03-2012 only. Year wise capitalization of assets are ;

₹in crore	
Financial Year	Value of Assets Capitalized
2005-06 to 2012-13	2,408.31
2013-14	170.66
2014-15	235.23
2015-16	213.88
2016-17	145.44
2017-18	385.16
2018-19	386.94
Total	3945.62

- 2.08 **Investment for pension/GPF** represents money kept in Fixed Deposits with District treasury. Interest accrued but not due on the above as on 31-03-2019 is ₹ 0.39 crore.

2.09 CURRENT ASSETS

- 2.09.1 The stock figures stated are subject to reconciliation with individual divisions.
- 2.09.2 Closing Stock is valued on FIFO basis.



2.09.3 The sundry debtor's balances have not been reconciled. KWA is treated as "State" and the arrears due are treated as arrears of land revenue and proceeded further for the recovery and as such no provision has been made for doubtful debts. GoK has clarified this vide letter No.WS-C2/I8312021-WRD Dated 26.02.2022

2.09.4 The reconciliation of inter office balances is in progress.

2.09.5 The inter office and suspense account balances includes the following:
Inter office Accounts ₹25.80 Crore(Debit) and Cash and bank suspense accounts including accumulated difference in receipts and payment statement for the years 1984-85 to 2018-19 amounting to ₹0.049 Crore (Credit).

2.10 **CURRENT LIABILITIES**

2.10.1 The balance shown under statutory employee's deduction of GPF and NMR-PF is net of advances given to the employees under respective heads.

2.10.2 The GPF balance has been reconciled with individual accounts.

2.10.3 The interest on GPF has been provided at the rate of 7.60% for the period from 01.04.2018 to 30.09.2018 and 8.00% for the period from 01.10.2018 to 31.03.2019

2.10.4 Control account balance of ₹4.79 Crore(Credit) represents balance under control account capital expenditure others.

2.10.5 The details of receipt of non-cash securities including security pledged in the form of FD's etc and bank guarantee are recorded in register of securities maintained in form FA6 as stipulated in the Accounts manual and is not incorporated in accounts since there is no cash flow.

2.11 **LOANS AND ADVANCES**

2.11.1 Balances of loans and advances given to the employees together with interest thereon have not been reconciled with the individual accounts.

2.12 **REVENUE RECOGNITION.**

2.12.1 Revenue from Water Charges is recognized immediately on rising of bills and necessary provisional income is included in respect of water supplied but remaining unbilled.

2.12.2 Unbilled fines and penalties are considered as income, as when collected.

2.12.3 Grants and Subventions received towards meeting establishment, operation and maintenance expenditure have been considered as income of the year, based on actual receipt.

2.12.4 Interest on bank account/bank FD's are booked on accrual basis.

2.12.5 No provision for bad and doubtful debts is provided for in the books of accounts for the year. KWA is treated as "State" and the arrears due are treated as arrears of land revenue and proceeded further for the recovery and as such no provision has been made for doubtful debts.



2.13 INTEREST EXPENDITURE.

2.13.1 This include interest for loan taken from LIC and due for the year amounting to ₹5.28 Crore. Interest on Government of Kerala Loan includes interest due on Government loans (₹263.74 Crore), Guarantee Commission (₹0.46 Crore) paid to Government.

2.14 DEPRECIATION

2.14.1 Depreciation has been provided for on straight-line method so as to write off 90% of the cost/value of the fixed assets over the estimated useful life of the assets concerned as per the Kerala Water Authority (Depreciation Reserve and its Utilization) Rules 1992.

2.14.2 The total amount of depreciation reserve created amounting to ₹2009.47 Crore include depreciation of ₹50.09 Crore provided on Fixed Assets created out of Deposit works up to 31-03-2012.

2.15 PRIOR PERIOD ADJUSTMENT

2.15.1 Prior period adjustment includes O and M payments made during the year amounting to ₹82.99 Crore. Gok vide order no. G O (Rt) No. 10/2019/POWER dated 14-01-2019 accorded sanction to settle the electricity dues of KWA for an amount of ₹1326.69 Crore (including interest @ 6%), as on 30.09.2018, in four installments @ ₹331.61 Crore from 2019-20 onwards, over a period of 4 years. Accordingly Kerala Water Authority has written back an amount of ₹1159.56 Crore for prior period upto 31.03.2018 and ₹167.13 Crore for current year financial year. ₹17.61 Crore represent the amount shown as dues from local bodies for more than 15 years. Neither the details of the above dues nor any claims preferred with local bodies are available with the Authority. ₹0.42 Crore represent the Centage charges and other dues pending for recovery more than 18 years for which no details are available with the Authority. Based on CAG's comments for not providing adequate treatment in accounts, the same had been written off and shown as Prior Period Item. ₹39.05 Crore represents the amount of GPF contribution additionally provided towards the employees as on 31.03.2019 based on the reconciliation done with individual balances of the employees.

2.15.2 Stock of specials amounting to ₹2.89 crore and stock of spares amounting to ₹0.42 Crore which was consumed and shown as stock since 31.03.2011 have been properly adjusted during this period. Stock of Steels and Valves amounting to ₹6.60 Crore and stock of Cement amounting to ₹4.45 crore consumed during previous years have been properly adjusted during this period

2.16 GENERAL

2.16.1 In order to absorb project overheads on capital works, a transfer of revenue expenditure to capital work-in-progress is made @ 5.00 % to 12.50 % for schemes on the capital expenditure.

2.16.2 Previous year figures have been re-grouped/re-classified wherever necessary.

2.16.3 Leave encashment of the employees have been accounted on cash basis.

2.16.4 According to the accounts manual framed under regulation 65(f) of the Act, provision for gratuity and pension liability accrued shall be made in the accounts of the authority in



such manner as may be deemed appropriate by the authority. Accordingly, the gratuity and commutation due on retirement of employees are accounted in the year of retirement itself and amount remain unpaid is shown under current liabilities.

Shijith. V
[FINANCE MANAGER
& CHIEF ACCOUNTS OFFICER]

(Vacant)
[ACCOUNTS MEMBER]

Venkatesapathy S. IAS
[MANAGING DIRECTOR]

Thiruvananthapuram.
25.11.2022

