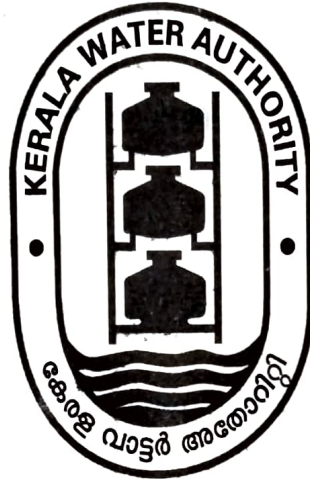


# KERALA WATER AUTHORITY



## ANNUAL ACCOUNTS 1999-2000

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**HEAD OFFICE : JALA BHAVAN, THIRUVANANTHAPURAM - 695 033**

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### **AUDIT CERTIFICATE**

I have examined the Income and Expenditure Account for the year ended 31 March 2000 and the Balance Sheet as at 31 March 2000 of the Kerala Water Authority. I have obtained all the information and explanations that I have required and subject to the observations in the appended Audit Report, I certify, as a result of my Audit that in my opinion these Accounts and Balance sheet are properly drawn up so as to exhibit a true and fair view of the state of affairs of Kerala Water Authority, according to the best of information and explanations given to me and as shown by the books of the organisation.

Thiruvananthapuram  
Dated : 12/10/2001

Sd/-  
Principal Accountant General (Audit)  
Kerala, Thiruvananthapuram.

**KERALA WATER AUTHORITY**  
**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2000**

SOURCES OF FUNDS	SCH REF	CURRENT YEAR	PREVIOUS YEAR
1. Kerala Water Authority Fund			
a. Contributions & Grants	A	14,45,67,20,084	12,42,38,96,383
b. Reserves & Surplus	B	15,17,23,814	15,17,23,814
2. Kerala Water Authority Loan Fund			
a. Secured Loans	C	2,62,60,86,868	2,41,81,83,090
b. Unsecured Loans	D	9,72,18,40,486	8,55,88,19,280
<b>TOTAL</b>		<b><u>26,95,63,71,252</u></b>	<b><u>23,55,26,22,567</u></b>
<b>APPLICATION OF FUNDS</b>			
1. Fixed Assets	E		
Gross Block		7,44,34,20,004	7,42,43,24,216
Less: Depreciation Reserve		<u>3,63,10,95,737</u>	<u>3,49,29,95,309</u>
Net Block		3,81,23,24,267	3,93,13,28,907
Capital Work in Progress		<u>11,74,02,60,231</u>	<u>10,15,12,77,462</u>
		15,55,25,84,498	14,08,26,06,369
2. Investments	F	-	-
3. Net Current Assets			
a. Current Assets	G	4,16,93,65,664	3,83,99,21,471
b. Current Liabilities	H	<u>1,11,35,98,064</u>	<u>1,42,46,63,355</u>
		3,05,57,67,600	2,41,52,58,116
4. Loans & Advances	I	1,69,18,50,417	1,542,430,550
5. Miscellaneous Expenditure not Written-off	J	-	-
6. Accumulated Excess of Expenditure over Income	K	6,65,61,68,737	5,51,23,27,532
<b>TOTAL</b>		<b><u>26,95,63,71,252</u></b>	<b><u>23,55,26,22,567</u></b>

Schedules A to K and Notes 1.01 to 1.09 and 2.03 form an integral part of this Balance Sheet

Sd/-  
P.R.Devaraj  
FINANCE MANAGER  
& CHIEF ACCOUNTS OFFICER

Sd/-  
M.Ganesan  
ACCOUNTS MEMBER

Sd/-  
N.S.Balachandran Nair  
MANAGING DIRECTOR

Place: Thiruvananthapuram  
Date : 25/06/2001

# KERALA WATER AUTHORITY

## INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2000

SOURCES OF FUNDS	SCH REF	CURRENT YEAR	PREVIOUS YEAR
1. Operating Income			
a. Consumers	L	91,37,31,389	69,19,17,351
b. Others	M	42,56,765	34,54,868
		<u>91,79,88,154</u>	<u>69,53,72,219</u>
2. Grants & Subventions - GOK		55,12,60,000	45,12,60,000
3. O&M Grant from GOI		3,45,63,000	4,67,34,900
4. Interest Income	N	36,57,028	89,14,080
5. Other Non-Operative Income	O	12,61,06,557	6,21,53,371
		<u>1,63,35,74,739</u>	<u>1,26,44,34,570</u>
<b>EXPENDITURE</b>			
1. Operating & Maintenance Expenses	P	84,65,66,605	61,02,73,751
2. Payment & Provision to employees		1,17,96,69,338	81,33,00,831
3. Office expenses	Q	4,42,51,201	3,81,14,753
4. Travelling & Conveyance Expenses		77,48,237	85,85,834
5. Administrative Expenses	R	68,38,241	49,58,543
6. Issue and Project Expenses Written-off	S	-	-
7. Assets and Losses Written-off	T	-	-
8. Provision for Doubtful Debts	U	-	-
9. Interest on			
a. Secured Loans		33,09,08,434	28,58,31,333
b. Unsecured Loans		77,87,64,777	70,44,30,352
		<u>1,10,96,73,211</u>	<u>99,02,61,685</u>
10. Depreciation	E	1,381,00,428	14,15,24,504
		<u>3,33,28,47,261</u>	<u>2,60,70,19,901</u>
11. Transferred to Capital Work-In-Progress	V	55,85,82,480	50,41,65,799
		<u>2,77,42,64,781</u>	<u>2,10,28,54,102</u>
<b>Excess of Expenditure over Income</b>		1,14,06,90,042	83,84,19,532
12. Prior Period Adjustments	W	31,51,163	4,03,240
<b>Excess of Expenditure over Income after prior period adjustments</b>		<u>1,14,38,41,205</u>	<u>83,88,22,772</u>

Schedules L to W and Notes 2.01 to 2.03 form an Integral part of this Income & Expenditure Account

Sd/-  
P.R.Devaraj  
FINANCE MANAGER  
& CHIEF ACCOUNTS OFFICER

Sd/-  
M.Ganesan  
ACCOUNTS MEMBER

Sd/-  
N.S.Balachandran Nair  
MANAGING DIRECTOR

Place: Thiruvananthapuram

Date : 25/06/2001



# KERALA WATER AUTHORITY

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2000

## SCHEDULE - A

CONTRIBUTIONS & GRANTS	CURRENT YEAR	PREVIOUS YEAR
1. Net value of Assets taken over	4,36,66,46,875	3,88,28,68,875
2. Contribution & Grants from Government of Kerala	8,03,93,78,096	6,82,12,76,096
3. Contribution & Grants from Government of India	1,66,24,69,000	1,33,20,30,000
4. Donated capital assets	1,15,96,816	1,15,68,004
5. Capital contribution from other sources	37,66,29,297	37,61,53,408
	<b>14,45,67,20,084</b>	<b>12,42,38,96,383</b>

## SCHEDULE - B

### RESERVES & SURPLUS

Reserve for deposit works	15,17,23,814	15,17,23,814
	<b>15,17,23,814</b>	<b>15,17,23,814</b>

## SCHEDULE - C

### SECURED LOANS

1. Loan from LIC of India	1,81,42,17,468	1,58,44,43,690
2. Loan from HUDCO	81,18,69,400	83,37,39,400
	<b>2,62,60,86,868</b>	<b>24,18,183,090</b>

**KERALA WATER AUTHORITY**  
**SCHEDULES FORMING PART OF BALANCE SHEET (Contd.....)**

**SCHEDULE - D**

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**UNSECURED LOANS**

	CURRENT YEAR	PREVIOUS YEAR
1. a. Loan from Govt of Kerala	4,78,85,41,412	4,48,85,41,412
b. Interest accrued on GOK Loan	4,20,14,85,006	3,48,00,62,006
2. Accountable advances from Govt of Kerala :		
a. For Urban L.C.S Schemes	3,65,25,750	3,65,25,750
b. For Rural L.C.S Schemes	3,94,97,200	3,94,97,200
c. For Kerala Urban Development Project	3,60,00,000	3,60,00,000
3. Loan from industrial consumers	1,03,48,060	1,94,83,020
4. Deposit from local bodies	10,69,86,979	6,53,66,524
5. Security Deposit	9,08,39,363	6,81,50,222
6. Earnest Money Deposit	1,34,20,937	1,44,03,621
7. Water Connection Deposits	2,289,550	0
8. Deposit work-water supply & sewerage	35,69,22,834	27,66,44,392
9. Other deposits	3,89,83,395	3,41,45,133
	<b>9,72,18,40,486</b>	<b>8,55,88,19,280</b>

**KERALA WATER AUTHORITY**

SCHEDULE OF FIXED ASSETS AS AT 31<sup>st</sup> MARCH 2000

SCHEDULE - E

DESCRIPTION	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK		
	BALANCE AS ON 1-4-99	ADDITIONS DURING	DELETIONS	AS ON 31-3-00	BALANCE AS ON 1-4-99	DEPRECIATION FOR THE YEAR	DEP UP TO 31-3-00	AS ON 31-3-00	PREVIOUS YEAR
		YEAR							
FREE HOLD LAND	633404900	1917764		635322664				635322664	633404800
LEASE HOLD LAND									
LAND DEVELOPMENT EXPENDITURE	69104611	312426		69104611	741912925	36794038	779706963	69104611	69104611
CIVIL WORKS	1617951811	120487		1618264237	126937365	4996351	131935816	839557274	878036886
BUILDINGS	300015420	1865025		300135907	307682264	9906373	317468637	168200091	173078055
PLANT AND MACHINERY	407795351	54910		409660376	2193546308	80947262	2274493570	92171739	100113067
MAINS AND NETWORKS	4218517906	738295		4218572816	47051477	535721	47587198	1944079246	2024971586
ROADS BRIDGES AND CULVERTS	60461242			60461242	39518109	1425102	40943211	12874044	13409785
VEHICLES	51234302			51972597				110293986	11716193
FURNITURE, FIXTURES & OFFICE EQUIPMENTS	65836673	14086881		79925554	36346661	3593461	39940342	39985212	29491812
<b>TOTAL</b>	<b>7424324216</b>	<b>19095788</b>		<b>7443420004</b>	<b>3492985309</b>	<b>138100428</b>	<b>3631095737</b>	<b>3812324267</b>	<b>3991328907</b>

	CURRENT YEAR (RS.)	PREVIOUS YEAR (RS.)
GROSS BLOCK OF FIXED ASSETS	7443420004	7424324216
LESS : ACC.DEPRECIATION	3631095737	3492985309
NET VALUE OF FIXED ASSETS	3812324267	3931328907
ADD : C.W.I.P A/C CODE II	11740260231	10151277462
<b>TOTAL</b>	<b>15552584498</b>	<b>14082606369</b>

**KERALA WATER AUTHORITY**  
**SCHEDULES FORMING PART OF BALANCE SHEET (Contd....)**

**SCHEDULE - F**

	CURRENT YEAR	PREVIOUS YEAR
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**INVESTMENTS**

**SCHEDULE - G**

Current Assets

1. Inventory :		
a. Stores, Tools & Spares	1,04,24,01,111	98,41,43,447
b. Consumables	1,07,15,784	98,10,856
c. Others	4,70,343	4,70,343
	1,05,35,87,238	99,44,24,646
2. Sundry Debtors :		
a. Consumers		
i. Local bodies dues - water & maintenance charges	93,77,05,481	85,07,77,494
ii. Others	54,70,80,179	44,10,06,955
b. LIC Loan repayment due from Local Bodies	17,61,43,755	17,61,43,755
c. Others	42,27,628	42,27,628
	1,66,51,57,043	1,47,21,55,832
3. Cash & Bank Balances :		
a. Bank & Treasury balances	1,47,56,73,924	1,46,88,16,678
b. Cheques & Bills in transit	-	-
c. Cash on hand	58,16,125	14,82,252
	1,48,14,90,049	1,47,02,98,930
4. Other Current Assets :		
a. Inter office & other suspense account balances	(30,868,666)	(97,266,156)
b. Interest accrued on short term deposits		3,08,219
	(3,08,68,666)	(9,69,57,937)
	4,16,93,65,664	3,83,99,21,471

**KERALA WATER AUTHORITY**  
**SCHEDULES FORMING PART OF BALANCE SHEET (Contd....)**

**SCHEDULE - H**

	CURRENT YEAR	PREVIOUS YEAR
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
1. Current Liabilities		
a. Sundry Creditors :		
i. Payment to employees	9,67,47,838	7,88,08,587
ii. Others	5,04,32,800	3,64,83,300
b. Statutory employees deductions :		
i. General provident fund	52,07,45,383	39,74,10,638
ii. NMR PF	7,14,20,076	5,89,93,202
iii. Others	(4,39,696)	(3,79,472)
c. Sales-tax collections	56,91,793	40,34,215
d. Tax deducted at source	60,47,732	49,47,121
e. Other current liabilities	2,76,26,521	51,05,38,665
f. Interest accrued but not due on loan from LIC	5,14,63,406	4,96,66,698
g. House rent deductions	(19,01,188)	(19,67,217)
	82,78,34,665	1,13,85,35,737
2. Control account balances	28,57,63,399	28,61,27,618
	<b>1,11,35,98,064</b>	<b>1,42,46,63,355</b>

**KERALA WATER AUTHORITY**  
**SCHEDULES FORMING PART OF BALANCE SHEET (Contd....)**

**SCHEDULE - I**

	CURRENT YEAR	PREVIOUS YEAR
1. Loans & advances to employees	6,79,26,697	5,23,79,057
2. Advances for expenses	69,95,556	56,34,367
3. Advances to suppliers / contractors	83,93,87,709	81,96,40,151
4. Advance to District Collectors	54,07,36,625	43,73,48,625
5. Advance to Director of Municipal Admn	3,65,25,750	3,65,25,750
6. Advance to Director of Panchayats	3,94,97,200	3,94,97,200
7. Advances to KUDP	3,60,00,000	3,60,00,000
8. Advances - Others	30,57,954	30,57,954
9. Claims recoverable	80,22,447	69,57,060
10. Contribution Deposit - KSEB	3,23,90,268	3,24,17,485
11. Consumer Deposit - KSEB	3,16,33,182	2,20,65,517
12. Deposit with PWD	4,17,19,989	4,30,55,185
13. Deposit with others	57,03,412	55,97,031
14. Prepaid expenses		1,540
15. Advances for capital expenditure	22,53,628	22,53,628
	<b><u>1,69,18,50,417</u></b>	<b><u>1,54,24,30,550</u></b>



**KERALA WATER AUTHORITY**  
**SCHEDULES FORMING PART OF BALANCE SHEET (Contd....)**

**SCHEDULE - J**

	CURRENT YEAR	PREVIOUS YEAR
MISC EXPENDITURE NOT WRITTEN OFF	-	-

**SCHEDULE - K**

**ACCUMULATED EXCESS OF EXPENDITURE OVER INCOME**

Balance as on last year	5,51,23,27,532	4,67,35,04,760
Add Current years excess of expenditure over income	1,14,38,41,205	83,88,22,772
	<b>6,65,61,68,737</b>	<b>5,51,23,27,532</b>

Sd/-  
P.R.Devaraj  
FINANCE MANAGER

Sd/-  
M.Ganesan  
ACCOUNTS MEMBER

Sd/-  
N.S.Balachandran Nair  
MANAGING DIRECTOR

**KERALA WATER AUTHORITY**  
**SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2000**

**SCHEDULE - L**

	CURRENT YEAR	PREVIOUS YEAR
<b>OPERATING INCOME - CONSUMERS</b>		
1. Operating income - water supply	31,43,93,683	25,89,94,029
a. Domestic Consumers	24,06,20,762	2,24,750,305
b. Nondomestic Consumers	5,59,36,370	5,29,63,438
c. Industrial Consumers	61,09,50,815	53,67,07,772
2. Operating income - Sewerage	2,16,228	1,36,050
a. Domestic Consumers	8,17,088	16,000
b. Nondomestic Consumers	10,33,316	1,52,050
3. Income from local bodies	30,17,47,258	15,50,57,529
	91,37,31,389	69,19,17,351

**SCHEDULE - M**

**OPERATING INCOME - OTHERS**

1. Centage charges	21,01,945	13,85,235
2. Storage charges	47,000	51,300
3. Supervision charges	17,59,632	14,96,853
4. Miscellaneous recoveries	3,48,188	5,21,480
	42,56,765	34,54,868

**SCHEDULE - N**

**INTEREST INCOME**

1. Interest on loans & advances	7,70,313	5,81,987
2. Interest on deposits	28,86,715	83,32,093
	36,57,028	89,14,080

**KERALA WATER AUTHORITY**  
**SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT (Contd.....)**

**SCHEDULE - O**

	CURRENT YEAR	PREVIOUS YEAR
<b>OTHER NON-OPERATING INCOME</b>		
1. Income as recoveries	10,27,61,970	4,57,15,651
2. Claims recoverable		4,19,696
3. Miscellaneous income	2,13,64,529	1,60,18,024
4. Other contributions	19,80,058	
	<b>12,61,06,557</b>	<b>6,21,53,371</b>

**SCHEDULE - P**

<b>OPERATING &amp; MAINTENANCE EXPENSES</b>		
1. Consumption of Stores, Tools & Spares	4,68,19,372	4,35,24,358
2. Consumables	2,05,56,870	2,06,78,640
3. Power charges	54,50,75,739	36,63,95,121
4. Insurance	1,65,773	149,400
5. Other operating expenses	98,16,907	84,75,595
6. Repairs & Maintenance of water supply	19,63,11,168	14,94,00,422
7. Repair & Maintenance of sewerage	1,31,29,801	86,22,153
8. Vehicle maintenance	1,46,90,975	1,30,28,062
	<b>84,65,66,605</b>	<b>61,02,73,751</b>

# KERALA WATER AUTHORITY

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

### SCHEDULE - Q

	CURRENT YEAR	PREVIOUS YEAR
<b>OFFICE EXPENSES</b>		
1. Rent	17,49,492	11,20,082
2. Rates & Taxes	89,69,474	58,91,199
3. Postage, Telegram, Telephone & Telex	76,79,514	76,89,376
4. Printing & Stationery	57,72,615	53,56,820
5. Exhibition & Publicity	69,14,732	67,89,629
6. Training & other expenses	22,14,039	22,98,524
7. Other office expenses	1,09,51,335	89,69,123
	<b>4,42,51,201</b>	<b>3,81,14,753</b>

### SCHEDULE - R

#### ADMINISTRATIVE EXPENSES

1. Board meeting expenses	33,024	37,530
2. Professional fees	26,09,215	12,97,847
3. Payment to auditors	35,00,000	35,00,000
4. Bank Charges	1,15,024	(4,594)
5. Other administrative expenses	5,80,978	1,27,760
	<b>68,38,241</b>	<b>49,58,543</b>

# KERALA WATER AUTHORITY

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

### SCHEDULE - S

	CURRENT YEAR	PREVIOUS YEAR
ISSUES & PROJECT EXPENSES WRITTEN OFF	-	-

### SCHEDULE - T

ASSETS & LOSSES WRITTEN OFF	-	-
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### SCHEDULE - U

PROVISION FOR DOUBTFUL DEBTS	-	-
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### SCHEDULE - V

#### TRANSFER OF REVENUE EXPENSES TO CWIP

Establishment Charges (Share Debit)	22,76,74,046	21,83,34,466
Interest on loan from LIC	20,01,19,422	19,75,67,748
Interest on loan from HUDCO	13,07,89,012	8,20,11,625
Services charges for HUDCO loans		62,51,960
	<b>55,85,82,480</b>	<b>50,41,65,799</b>
	<b>55,85,82,480</b>	<b>50,41,65,799</b>

### SCHEDULE - W

#### PRIOR PERIOD ADJUSTMENTS

Prior period adjustments	31,51,163	4,03,240
	<b>31,51,163</b>	<b>4,03,240</b>
	<b>31,51,163</b>	<b>4,03,240</b>

Sd/-  
P.R.Devaraj  
FINANCE MANAGER  
& CHIEF ACCOUNTS OFFICER

Sd/-  
M.Ganesan  
ACCOUNTS MEMBER

Sd/-  
N.S.Balachandran Nair  
MANAGING DIRECTOR

Place: Thiruvananthapuram  
Date : 25/06/2001

# KERALA WATER AUTHORITY

## NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2000

### I. BALANCE SHEET

#### 1.01 CONTRIBUTION AND GRANTS

##### SCHEDULE A

Current year Rs.144567 Lakhs

Previous Year Rs.124239 Lakhs

An amount of Rs.4837.78 Lakhs being the balance under 'IAPWD' prior to the formation of the Authority was wrongly accounted under 'Other Current Liabilities'. The same is now properly accounted as 'Net Value of Assets Taken Over from GOK'.

#### 1.02 RESERVES & SURPLUS

##### SCHEDULE B

Current year Rs.1517 Lakhs

Previous Year Rs.1517 Lakhs

Deposits received for the deposit works up to 31st March 1994 have been transferred to 'Reserve for deposit works" as envisaged in the Accounts Manual.

#### 1.03 SECURED LOANS

##### SCHEDULE C

Current Year Rs 26261 Lakhs

Previous year Rs 24182 Lakhs

The secured loan represents (i) the balance of the loan availed by the local bodies and the Kerala State Rural Development Board from LIC of India prior to the formation of the Authority and the liability for repayment was transferred to the Authority (ii) the outstanding amount of the loan from LIC of India availed by the Authority (iii) and the loan availed by the Authority from HUDCO. The Government had given guarantee payable for the above loans and no provision has been made towards guarantee commission payable.

#### 1.04 UNSECURED LOANS

##### SCHEDULE D

Current Year Rs 97218 Lakhs

Previous year Rs 85588 Lakhs

1.04.1 Interest has been provided on loan from Government of Kerala as simple interest, on the amount outstanding at the beginning of the year up to 1994-95. From the



year 1995-96 onwards actual interest due based on the date of receipt of the loan has been provided. Penal interest has not been provided, as the Authority has approached the Government for a moratorium in payment of interest and also for a reduction in such interest rate. The interest accrued and due to GOK as on date is Rs.42015 Lakhs out of which Rs.7214 Lakhs relates to the interest provided for the period 1999-2000.

- 1.04.2 As per G.O.M.S.NO.44/93/LAD dt.25-02-1993 and G.O.M.S.No.46/93/LAD dated 04-03-1994 the entire amount released by the Govt. to Kerala Water Authority since 1985-86 by way of Grant and Loan for the Urban and Rural L C S projects will be treated as Accountable Advances from the Govt. of Kerala.

As there was no separate release of funds from Government for LCS project, an amount equal to the payment made by Kerala Water Authority for LCS Schemes have been shown separately under the head Accountable Advances deducting the same from the loan from Government of Kerala. Similar treatment is made for the amount paid to KUDP.

All the deposit figures stated are subject to reconciliation by individual divisions.

## 1.05 FIXED ASSETS

### SCHEDULE E

Current Year Rs 155526 Lakhs

Previous year Rs140826 Lakhs

- 1.05.1 The value of fixed assets represents (i) The value of fixed assets and capital work in progress vested in and transferred to the Authority amounting to Rs.42183 Lakhs and (ii) The additions made by the Authority since its formation, after providing for depreciation there on.
- 1.05.2 The fixed assets register has been prepared upto the year 1991-92 and is being updated.

## 1.06 CURRENT ASSETS

### SCHEDULE G

Current Year Rs 41694 Lakhs

Previous year Rs 38399 Lakhs

- 1.06.1 The stock figures stated are subject to reconciliation with individual divisions.
- 1.06.2 The current assets include dues from local bodies on account of (i) loans availed from LIC amounting to Rs.1761 Lakhs and (ii) Water and maintenance charges amounting to Rs.9377 Lakhs for which confirmation of balances have not been obtained.
- 1.06.3 The sundry debtor's balances have not been reconciled and no provision has been made for doubtful debts.

1.06.4 The reconciliation of bank balances with bank statements is in progress.

1.06.5 The reconciliation of inter office balances is in progress.

1.06.6 The inter office and suspense account balances comprise of the following.

Inter office Accounts Rs. 439 Lakhs (Credit) and Cash and bank suspense accounts including accumulated difference in receipts and payment statement for the years 1984-85 to 1998-99 amounting to Rs.130 Lakhs (Debit).

## **1.07 CURRENT LIABILITIES**

### **SCHEDULE H**

Current Year Rs 11136 Lakhs

Previous year Rs 14247 Lakhs

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

1.07.2 The GPF and NMR-PF balance had not been reconciled with individual accounts and the same is in progress.

1.07.3 The interest on GPF has been accounted on actual basis upto 1996-97. The interest on GPF and NMR-PF for the years 1997-98, 1998-99 and 1999-2000 has been provided at 12% per annum on the opening balance as applicable for that accounting year.

1.07.4 The liability on account of gratuity and pension to the employees is being accounted on cash basis.

1.07.5 Control account balance of Rs.2858 Lakhs (Credit) represents accumulated balances between control accounts and the concerned WIP/Stores/Sundry debtors accounts.

## **1.08 LOANS AND ADVANCES**

### **SCHEDULE I**

Current Year Rs 16918 Lakhs

Previous year Rs 15424 Lakhs

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

## 1.09 ACCUMULATED EXCESS OF EXPENDITURE OVER INCOME

SCHEDULE J

Current Year Rs 66562 Lakhs

Previous year Rs 55123 Lakhs

The accumulated excess of expenditure over income as on 31/03/2000 is arrived at as follows -

		<u>Rs in Lakhs</u>
Excess of expenditure over income as on 31/03/1999 (Excluding interest on GOK Loan)		20322
Provision for GOK loan up to 31/03/1999		<u>34801</u>
		55123
Excess of expenditure over income for the year 1999-2000 (Excluding interest on GOK Loan)	4225	
Provision for GOK loan for the year 1999-2000	7214	<u>11439</u>
		<u><u>66562</u></u>

## II INCOME AND EXPENDITURE ACCOUNT

### 2.01 INTEREST

Current Year Rs 11097 Lakhs

Previous year Rs 9903 Lakhs

This amount includes Rs.3309 Lakhs paid to LIC and HUDCO and Rs.7214 Lakhs provided for GOK loan and Rs.574 Lakhs for others.

### 2.02 DEPRECIATION

Current Year Rs 1381 Lakhs

Previous year Rs 1415 Lakhs

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.

## 2.03 GENERAL

- 2.03.1 In order to absorb project overheads on capital works, a transfer of revenue expenditure to capital work-in-progress @ 22% for schemes on the capital expenditure have been made.
- 2.03.2 Interest on LIC & HUDCO loan have been capitalised during the year.
- 2.03.3 Previous year figures have been re-grouped / re-classified wherever necessary.

Sd/-  
P.R.Devaraj  
FINANCE MANAGER  
& CHIEF ACCOUNTS OFFICER

Sd/-  
M.Ganesan  
ACCOUNTS MEMBER

Sd/-  
N.S.Balachandran Nair  
MANAGING DIRECTOR

Thiruvananthapuram.  
25/06/2001



# **AUDIT REPORT ON THE ACCOUNTS OF KERALA WATER AUTHORITY** **FOR THE YEAR 1999 - 2000**

## **I Introduction**

The Kerala Water Authority (Authority) (known as Kerala Water and Waste Water Authority till 1986) was established on the first day of April 1984 to provide for the development and regulation of water supply and collection and disposal of waste water. The ordinance was replaced in August 1986 by the Kerala Water Supply and Sewerage Act, 1986 (ACT). The authority took over all the functions of the erstwhile Public Health Engineering Department of the Kerala State.

The audit of accounts of the Authority is entrusted to the Comptroller & Auditor General of India under Sec.19(3) of the Comptroller & Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 for a period of fifteen years from 1984-85 to 1998-99. This has been extended for a further period of 5 years up to 2003-2004.

The accounts for 1999-2000 finalised on 15 January 2001 were revised on 25 June 2001 based on the observations of audit. As a result of the revision, there was increase in the Net Value of Current Assets by Rs. 63.23 lakh, Fixed Assets by 17.41 lakh accumulated excess of expenditure over income by Rs. 5.49 lakh and decrease in Loans & Advances by Rs. 86.12 lakh.

## **II Comments on Accounts**

Balance Sheet

Source of Funds - Contributions and Grants as per Schedule A.

Net Value of Assets taken over - Rs.436.66 crore.

(i) The net value of Assets and Liabilities of the erstwhile Public Health Engineering Department taken over on 1 April 1984 was provisionally valued at Rs. 435.53 crore and there had been adjustments to the net value up to 1992-93 on account of adjustments of 'items adjustable by Public Works Department'. The original valuation and the revision had not been approved by Government of Kerala as envisaged in Section 16(2) of the Act.

The assets and liabilities of the Kerala Rural Development Board (Board) taken over on 1 August 1984 had not been incorporated in the accounts due to non-completion of the reconciliation of the Assets and Liabilities and non-receipt of details from the Board.

The Water Supply and Sewerage Schemes of two City Corporations (Kochi and Kozhikode) and eight Municipalities (Alappuzha, Aluva, Kollam, Kottayam, Pala, Palakkad, Perumbavoor and Thrissur) were taken over by the Authority in March 1991. However, the scheme relating to Thrissur was transferred to the Municipality in October 1994. The assets and liabilities of these schemes have not been finalised and incorporated in the accounts.

The value of assets and liabilities created by the Authority till the date of re-transfer of the scheme to Thrissur Municipality was also not assessed and settled with the Municipality so far for want of details.

Government in October 1993 ordered the transfer of 8.09 hectare out of 9.71 hectare of landed property of the authority at Palarivattom (Ernakulam District) to the Greater Cochin Development Authority (GCDA) for the construction of International Stadium in lieu of an equal extent of developed land at Maradu (Ernakulam District) and compensation of Rs.20 crore being the difference in cost of land. The entire land(9.71 hectare) was taken possession by GCDA and only 6.27 hectare of land was handed over to the Authority in exchange. The balance area of land was not yet got transferred and the compensation of Rs.20 crore already agreed upon not realised. The valuation of the properties and documentation of the transfer were also not effected so far.

(ii) Reserves and Surplus

Reserve for deposit works - Rs. 15.17 crore

The amount represents deposits received for deposit works up to 31 March 1994, transferred to "Reserve for Deposit works". As per the Accounts Manual, the authority has to maintain a Deposit Work Register in form RA.27 for recording the details of completed works for which necessary journal entries were made crediting Reserve for deposit works. No such register had been maintained and hence the accuracy of the amount transferred to 'Reserves and Surplus' could not be ensured.

As per the provisions of the Accounts Manual, the deposits received against deposit works, on effective completion of such works should be considered as income where assets created out of such deposits are not handed over to depositors. Though the Authority stated (June 2001) that the works have been completed and the assets vest with the Authority, the adjustment as indicated above had not been effected.

(iii) Application of funds

Fixed Assets

Gross Block	Rs.744.34 crore.
Less: Depreciation Reserve	Rs.363.11 crore.

According to Rule 151(4) (a) of GFR, an extract of the Register of assets had to be appended to the Annual Statement of Accounts. But the Authority has prepared the Fixed Assets Register up to 1991-92 only. As the register is not complete, the accuracy of the fixed assets and depreciation could not be ensured. The physical verification of Fixed Assets had also not been conducted since the formation of the Authority in April 1984.

(1) Additions to fixed assets to be effected by transfer from works-in-progress for the period from 1992-93 to 1999-2000 had not been assessed and no depreciation provided for the assets put to use.



(2) Full depreciation instead of proportionate depreciation as provided under the rules was charged in respect of the assets added/disposed off during the year.

(3) Accounts Manual stipulates capitalisation of interest on borrowed funds earmarked and utilised for the acquisition/creation of assets up to the commissioning of the scheme. The interest till the date of commissioning had not been segregated and capitalised resulting in incorrect disclosure of capital assets.

(iv) Capital work in progress - Rs.1174.03 crore.

The cost of civil works, buildings, mains, networks, roads, bridges and culverts commissioned and put to use since 1991-92 had not been brought under various items of fixed assets and the cost of such assets stands incorrectly incorporated under 'Work-in-progress' resulting in understatement of fixed assets.

(v) Current Assets - Inventory - Rs. 105.36 crore.

The stock held by the Divisions as on 31-03-1998 had not been valued and incorporated in the accounts of the Divisions consequent on the decentralisation of the preparation of trial balance by the Divisions from 1998-99 and hence the trial balance of the Divisions did not reflect the correct position. The Authority stated (June 2001) that necessary action in this regard will be taken on receipt of report of the consultants appointed for analysis of asset related items.

(vi) Stores, tools and spares - Rs.104.24 crore.

The physical verification of stock had not been completed and the balance had not been reconciled with the balance in the priced stores ledger of individual divisions. The balance had been arrived at, after adjusting the credit balance of Rs.44.30 lakh under 'other stocks' and the reasons for the credit balance had not been investigated. The difference between the issue rate and cost had not been worked out and adjusted in the accounts. The exact nature of 'other stocks' amounting to Rs.44.30 lakh had not been specified. The valuation of closing stock as stipulated in the Account Manual and the summary of adjustments were not done by the individual divisions. As such, the value of inventory included in the current assets was not realistic.

(vii) Consumables - Rs. 1.07 crore.

The balance had been arrived at after adjusting the credit balance of Rs.25 lakh as detailed below :-

Stock of fuel	Rs. 5.34 lakh
Other consumables	Rs. 19.66 lakh

The exact nature of "other consumables" amounting to Rs.19.66 lakh had not been specified. This should have been shown separately on the liability side. However, the reasons for these credits had not been investigated.

(viii) Others - Rs. 4.70 lakh.

The exact nature of the current assets cited as 'Others' was not disclosed.

(xi) Sundry Debtors - Rs. 166.52 crore

The sundry debtors balance had not been reconciled and acceptance of closing balance obtained. Provision for bad and doubtful debts was also not provided as stipulated in the Accounts Manual.

The balance under Sundry debtors include water maintenance charges amounting to Rs.93.77 crore due from local bodies, Rs. 54.71 crore from other consumers and Rs.17.61 crore on account of loan repayment to Life Insurance Corporation of India on behalf of local bodies.

The Authority had not charged penal interest at 2 per cent per annum for default of claims against Panchayats / Municipalities / Corporations inspite of Government directions issued in February 1996.

A claim for Rs.71.34 lakh raised against Technology Mission for the work of "drilling bore wells and installation of hand pumps " carried out by the Authority during the period from 1987-88 to 1994-95 had not been included under Sundry debtors resulting in understatement to this extent.

The compensation of Rs.20 crore due from GCDA for the transfer of land as ordered by Government in October 1993 had not been claimed and incorporated in the accounts.

The exact nature of 'Dues from others' amounting to Rs.34.04 lakh had not been specified and no action taken to identify the debtors.

(x) Cash and Bank Balances

Bank and Treasury balances - Rs.147.57 crore.

The revenue collected in the units was transferred to Head Office accounts in the State Bank of Travancore, Kowdiar, Thiruvananthapuram. The financial settlement in respect of transfer of stores between units were also adjusted through Bank accounts. Remittance and adjustments made by units into Head Office accounts had not been reconciled. The Cash and Bank balance as per the Head Office accounts and as per the accounts of individual units, did not tally and the accumulated difference worked out to Rs.1.30 crore (debit) which stands included under "Other current assets - Inter office and other suspense account balances".

(xi) Other Current Assets

Inter office and other suspense

Account balances (-) Rs. 3.09 crore.

Effective steps had not been taken to clear the minus balance under this head before the closing of annual accounts.

(xii) Current Liabilities and provisions

(a) Statutory employees deductions :

General Provident Fund - Rs. 52.07 crore.



## NMR Provident Fund - Rs. 7.14 crore

The Personal Ledger accounts of 1998-99 and 1999-2000 had not been completed and reconciled and the interest for the fund balances had been provided on the opening balance only as applicable for that accounting year. Hence the figures did not reflect the actual position.

The difference between the total of the balance as per individual credit cards and the GPF balance as per the annual accounts of 1994-95 amounting to Rs.15.32 lakh had not been reconciled inspite of comments in previous Reports.

### (b) Non-provision of Guarantee Commission.

As per Government orders (20 April 1997), Kerala Water Authority had to pay to Government of Kerala; guarantee commission @ 0.75 per cent of the amount guaranteed with a rebate of 0.25 per cent for prompt repayment. However, no provision had been made in the accounts towards this liability. The guarantee commission payable as on 31 March 2000 worked out to Rs.1.97 crore. The Authority stated (June 2001) that Government had been requested for exemption from payment of guarantee commission.

### (xiii) Secured Loans from LIC / HUDCO Rs. 262.61 crore.

The balance did not tally with the books of the Authority and a difference of Rs. 13.43 lakh remained to be reconciled.

### (xiv) Loans and Advances - Schedule 1.

#### (a) Advances to Suppliers/contractors - Rs.83.94 crore.

(i) This amount included Rs.41.70 crore representing the final payment made to Contractors/suppliers (debit balances) in respect of capital / Revenue works which remained unadjusted at the end of the year. A consultant was appointed by the Authority to update the value of fixed assets and the asset related accounts upto March 1992. But the adjustments in the accounts based on the report of the consultant had not been carried out so far. No action had been taken to analyse the balances and make necessary adjustments in the accounts.

#### (ii) Advances - Advance to Sundry creditors Rs. 87.13 lakh.

Exact nature not specified. It was replied that this relates to previous years balances and the accumulation of balance is mainly due to non accounting to the respective heads of account and necessary entries will be passed on receipt of the report of the consultant who has been appointed for analysing the balance.

#### (b) Claims recoverable Rs. 80.22 lakh.

(i) This included Rs. 42.22 lakh being final payment made to the employees on account of "Family Benefit Scheme". Government in April 1989 permitted the subscribers

of Family Benefit Scheme of the erstwhile PHED, who have been absorbed in the Authority to continue in the scheme. The Authority was authorised to settle the claim of these Officers consequent on their cessation of service on behalf of Government and to claim reimbursement of the same from Government twice in a year during September and March. But the Authority had not claimed the amount of Rs.42.22 lakh from Government so far. Authority stated that action is being taken to reconcile the balance in treasury and claim the amount.

- (ii) (a) Claims recoverable from Government - Rs.24 lakh.
- (b) Other claims - Rs. 13.98 lakh.

Exact nature not specified. It was replied that these relate to previous year's balances and action is being taken to identify the amount.

- (c) Loans and advances to employees Rs. 6.79 crore.

The balance of loans and advances given to employees together with interest thereon had not been reconciled with individual accounts.

(xv) Expenditure

- (i) Interest on secured/unsecured loans Rs. 110.97 crore.

No provision had been made for additional interest and penal interest on the World Bank Loans consequent on the retrospective revision of interest rate from 1985-86 as per Government orders (25 February 1993) resulting in understatement of interest liability. The actual liability could not be assessed for want of full details of the loans, rates of interest, etc.

- (ii) No Provision had been made in the accounts for the water cess payable as per Water (Prevention and Control of Pollution) Cess Act 1997, for the water produced / supplied during the year.

- (xvi) Operating Income - (a) Consumers - Rs.91.37 crore.

The figures as per the records of Head Office and those as per the individual units did not tally. A difference of Rs. 3.33 crore was noticed in Nine Divisions out of Eleven Divisions test checked, and as such the figures as per the accounts did not reflect the actual position.

(xvii) GENERAL.

- (a) The authority had not incorporated in the accounts the value of capital assets and spares donated by UNICEF / DANIDA from 1988-89 onwards.
- (b) Accounts Manual framed under regulation 65(f) of the Act required that the accounts should contain the quantitative details such as quantity of clear water produced, purchased and sold to domestic and non-domestic consumers, local bodies, industrial consumers, etc. But his provision had not been complied with in spite of comments in the previous Audit Reports.

- (c) Section 23 of the Act envisaged that the Authority shall not, as far as practicable and after taking credit for any grants, subventions or capital contributions or loans from the Government under section 24 of the Act, carry out its operations, at a loss and shall so fix and adjust its rates of taxes and charges, as to enable it to meet, as soon as possible, the cost of its operations, maintenance and debt services and where practicable to achieve an economic return on its fixed assets. However steps to achieve economic return on its fixed assets and to run the Authority without any loss had not been taken so far.
- (d) Statement of expenditure in respect of Rs. 34.73 crore released by Government of India during 1999-2000 for implementing Accelerated Rural Water Supply Scheme (Rs. 34.56 crore) and Human Resources Development under Rajeev Gandhi National Drinking Water Mission (Rs. 17 lakh) had not been furnished by the authority and hence utilisation of these funds was not verified.
- (e) Out of Rs. 144.60 crore released by Government of India to the Authority during 1995-96 to 1998-99 for implementation of Centrally Sponsored Accelerated Rural Water Supply Scheme, Rs. 43.77 crore was placed at the disposal of 14 District collectors for implementation of Scheme in Scheduled caste / Scheduled Tribe habitats. The Authority had not so far obtained Utilisation Certificates from the district Collectors and furnished them to Audit.

Thiruvananthapuram  
12.10.2001

Sd/-  
Principal Accountant General (Audit)  
Kerala



## KERALA WATER AUTHORITY

### REPLY TO THE AUDIT REPORT ON THE ACCOUNTS OF KERALA WATER AUTHORITY FOR THE YEAR 1999-2000

#### I. Introduction :

The increase in the Net Value of Current Assets in the revised accounts for the year 1999-2000 by Rs.63.23 Lakhs was due to transfer of Rs.56.93 Lakhs from 'Advance to Suppliers' a/c' to 'Stock a/c' and rectification of certain omissions in one of the sub division office. The increase in the value of Fixed Asset by Rs.17.41 Lakhs was due to the transfer of cost of material to 'Work-in-Progress a/c'. The increase in the "Accumulated Excess of Expenditure over Income" by Rs.5.49 Lakhs was due to the rectification of certain omissions in of one of the sub-division office. The decrease in 'Loans & Advances a/c' by Rs.86.12 Lakhs was due to the rectification of the above mistakes.

#### II. Comments on Accounts :

##### i. Net Value of Assets taken over :

- (a) The Net Value of Assets and Liabilities of the erstwhile PHED taken over as on 01/04/1984 has been valued and sent to the Government for approval. The approval of the Government is awaited.
- (b) The reconciliation of the statement of the Assets and Liabilities of Kerala State Rural Development Board taken over by the Authority could not be completed, as the Board did not provide the required information even after persistent efforts. A final decision on this will have to be taken by the Government.
- (c) The two Corporations and eight Municipalities have been asked to submit the details of distribution system and other assets / liabilities handed over by them to the Authority in March 1991. The details can be incorporated in the accounts of the Authority only after finalising the statement of Assets and Liabilities.
- (d) The land of KWA at Palarivattom in Ernakulam District was handed over to GCDA, and instead land at Maradu was allotted to KWA based on GO.Rt.No.6828/93/LAD dated 18.10.1993. As per para 5 of the G.O. the District Collector, Ernakulam is to value both the lands and decide the differential value. The Authority had taken up with the Government for settling the matter relating to the transfer of land.

##### ii. Reserves and Surplus :

Action is being taken to maintain the 'Deposit Work Register' and to transfer the 'Reserve' to the 'Income & Expenditure Account', treating the same as an income.



iii. Application of funds - Fixed Assets :

The work of updating Fixed Asset Register from 1992-93 is in progress. Regular physical verification of fixed asset such as pipelines of the Authority will be very cumbersome and expensive. However, Office Equipment, Furniture & Fixtures, Computers etc are numbered and physically verified from time to time.

- (1) A consultant had been appointed for the updating the Fixed Asset Register from 1992-93. On completion of this work, necessary entries will be passed to transfer 'Work-in-Progress' to 'Fixed Asset' and charge depreciation on the same.
- (2) Depreciation was being charged for a full year on assets added and no depreciation charged for assets disposed since 1984 based on the Fixed Assets Evaluation Report. Depreciation Reserve and Utilisation Rules, 1992 was approved by the Government subsequently. However, the same procedure of charging depreciation continued for the subsequent years also in order to maintain consistency.
- (3) The entire interest on loan was charged directly to 'Income & Expenditure Account' up to the year 1996-97. The interest paid to HUDCO and LIC had been capitalised from the year 1997-98.

iv. Capital Work-in-Progress :

Necessary entries for transferring 'Work-in-Progress' to 'Fixed Assets' will be made based on the report of the consultant appointed for analysing the 'Work-in-Progress' and updating the 'Fixed Assets Register' from 1992-93.

v. Current Assets - Inventories :

The 'Stock' held by the Division as on 31/03/1998 will be incorporated in the accounts of the Division on receipt of the report of the Consultant.

vi. Stores, Tools & Spares :

The physical verification of stock could not be done every year in all the Divisions, as it is a very expensive and cumbersome process. However, the two Stock Verification Sub Divisions of KWA are carrying out periodical physical verification of inventory and differences, if any are reported for further action. Action has been taken to update 'Priced Stores Ledger' and to reconcile the same with the accounts. The credit balances in the inventory codes and the nature of 'Other Stock' is being analysed by the consultant. As the issues of materials are valued on FIFO basis, there will not be any difference between the issue price and the cost price.

vii. Consumables :

The credit balances in the 'Consumable a/c' are mainly brought forward from previous years and the same is being scrutinised by the consultants. The credit balance and the nature of 'Other Consumables' are being analysed by the consultant.

viii. Other Stocks :

The amount relates to miscellaneous stock items that were carried over from 1987-88 while valuing the assets. This will be transferred to appropriate heads as and when they are identified.

ix. Sundry Debtors :

Steps have been taken to update the 'Consumers Personal Ledger' and to reconcile the dues of consumers. No provision is made for bad debts, as no debts are identified as bad.

Some of the divisions are charging penal interest and the same is incorporated in the accounts. Other divisions have been instructed to charge penal interest on water charge dues.

Mechanical Division, Kochi had raised a claim on Technology Mission Palaghat @ Rs.285 for both 150mm dia and 110 mm dia bore wells which was dug by KWA. But the Mission had admitted a rate of Rs.117/- only for 110 mm dia bore well. The Authority disputed this. As of date, an amount of Rs.16,93,052/- is available with the Executive Engineer, P.H.Division, Palaghat. Action is being taken to adjust this amount against the balance due to the Authority from the Mission, after obtaining concurrence of their New Delhi office. Necessary entries will be passed in the accounts after the matter is settled.

As explained in Para 2(i)(d) above, the Authority had taken up with the Government for settling the matter relating to the transfer of land. The entry can be made only after the transfer is effected or when cash is received.

The exact nature of 'Dues from Others' is being analysed.

x. Cash and Bank Balances :

Action will be taken to locate the difference of Rs.130 Lakhs in the suspense accounts, which is mostly carried over from 1987-88.

xi. Inter Office and Other Suspense Account :

The differences in 'Inter Office and Control a/cs' are mostly pertaining to previous years. Steps are being taken to locate the differences.

xii. Current Liabilities and Provisions :

(a) Statutory Employees Deductions :

The Credit Cards up to the year 1997-98 were already issued to the staff. Preparation of 1998-99 Credit Card is in the final stages. The difference in interest, if any, will be provided in the 2000-2001 accounts. The individual balance of PF account is under scrutiny.

(b) Non-provision of Guarantee Commission :

Government was addressed to exempt KWA from the payment of Guarantee

Commission. Orders of the Government are awaited. In the 'Notes to the accounts' it is mentioned that no Guarantee Commission is provided in the accounts.

xiii. Secured Loans from LIC and HUDCO :

The difference of Rs.13.43 Lakhs between the statement from LIC / HUDCO and books of the Authority is being reconciled.

xiv. Loans and Advances :

(a) Advances to Suppliers / Contractors :

(1) The debit balances in the Contractors / Suppliers a/cs are mainly brought forward from previous years and the same is being scrutinised by the consultants. Necessary adjustments will be made on receipt of the report of the consultant.

(2) Advance to Sundry Creditors :

Rs.87.13 Lakhs under the head 'Advances to Sundry Creditors' is the balance carried forward from 1987-88. The same is being scrutinised by the consultants. Necessary adjustments will be made on receipt of the report of the consultant.

(b) Claims recoverable :

(1) Family Benefit Scheme :

Action is being taken to reconcile the balance in the 'Family Benefit Scheme' account and claim the amount from the Government.

(2) Claims Recoverable

Claims recoverable from the Government relates to balance brought forward from to previous years. Action is being taken to identify the amount.

(c) Loans and Advances to Employees

Action is being taken to reconcile the individual accounts with loans and advance balances.

xv. Expenditure :

i. Interest on Secured / Unsecured Loans

The entire amount for the implementation of Plan Schemes including World Bank Scheme was being allotted by the Government as Grant and Loan. Separate allotment was not made for World Bank Schemes. No provision could be made for additional interest payable on World Bank loans, as the actual liability could not be ascertained.

ii. Water Cess :

The exact amount of cess payable is not ascertainable as the same is due for several years. We are paying the water cess arrears / current dues when demanded by the Pollution Control Board and the same are accounted on cash basis.



- xvi. Operating Income :  
Reconciliation of DCB statement with the accounts is in progress. Discrepancy if any, will be adjusted in subsequent year's accounts.
- xvii. General :
- (a) Details of donated assets from UNICEF and DANIDA are being collected and the same will be incorporated in the subsequent year's account.
  - (b) The quantitative details of water produced and sold were not furnished for want of accurate information in this regard. We are taking steps to collect the particulars and furnish this information in the subsequent years accounts.
  - (c) The Authority is taking steps to improve the revenue collection and also to effect more control on the expenditure. However a substantial increase in water tariff would be required to run the Authority without loss. Revision in Water Charges requires the approval of the Government.
  - (d) Statement of expenditure in respect of Rs.34.73 crore released by Government of India during 1999-2000 for implementing Accelerated Rural Water Supply Schemes (Rs.34.56 Crore) and Human Resource Development under Rajeev Gandhi National Drinking Water Mission (Rs.17.00 Lakhs) has been given for Audit.
  - (e) Action is being taken to obtain Utilisation Certificate from the District Collectors for SCP/TSP portion of ARP schemes implemented by them.

Sd/-  
Managing Director

## FINANCIAL RESULTS

Income from operations for the year 1999-2000 amounts to Rs. 104.77 Crores. In addition a non-plan grant of Rs. 55.13 Crores was received from Government of Kerala to meet the revenue expenditure and Rs.3.46 Crores from GOI to meet the Operation & Maintenance of the completed Accelerated Rural WSS The revenue expenditure after capitalising the share debit and interest on LIC/HUDCO loan comes to Rs.277.43 Crores leaving a deficit of Rs.114.07 Crores.

Rs in Crores

INCOME AND EXPENDITURE		
INCOME	1999-2000	1998-99
Domestic	31.44	25.90
Non-Domestic	24.06	22.47
Industrial	5.59	5.29
Local Bodies	30.17	15.51
Sewerage	0.10	0.02
Other Income	13.41	7.45
	104.77	76.64
O & M Grant from GOI	3.46	4.67
Government of Kerala - Grant	55.13	45.13
	163.36	126.44
EXPENDITURE		
Operation & Maintenance	84.66	61.03
Establishment	117.97	81.33
Office Expenses	4.43	3.81
Travelling	0.77	0.86
Administrative Expenses	0.68	0.49
Interest	110.97	99.03
Depreciation	13.81	14.15
	333.29	260.70
Less : Transferred to CWIP	55.86	50.42
	277.43	210.28
<b>DEFICIT FOR THE YEAR</b>	114.07	83.84
Prior period adjustment	0.31	0.04
	114.38	83.88



SOURCE AND APPLICATION OF FUNDS		
Source of Fund	1999-2000	1998-99
Capital & Reserves	1,460.85	1,257.56
Secured Loans	262.61	241.82
Unsecured loans	972.18	855.88
	2,695.64	2,355.26
Application of funds		
Fixed Assets	1,555.26	1,408.26
Net Current Assets	305.58	241.53
Loans & Advances	169.18	154.24
Accumulated Excess of Expenditure over Income	665.62	551.23
	2,695.64	2,355.26

CAPITAL RECEIPTS	1999-2000	1998-99
Grant from GOK	12000.00	8430.00
Loan from GOK	3000.00	4570.00
Grant from GOI	3304.39	4474.80
Loan from LIC of India	3000.00	
Loan from HUDCO	620.73	3953.14
Others	181.02	276.00
	22106.14	21703.94

CAPITAL EXPENDITURE	1999-2000	1998-99
<b>State Plan Schemes</b>		
UWSS - LIC	1.77	2.45
UWSS - Matching	50.00	30.00
UWSS - Others	1.94	1.48
Urban - Rehabilitation	1.36	
WSS - Medical Collages	0.65	1.69
AUWSS - Matching	1.24	0.57
OEFC		0.12
RWSS - LIC	0.33	0.70
RWSS - WB	0.70	1.88
RWSS - Danida		0.01
RWSS - Netherlands	5.00	3.84
RWSS - SCP		0.92
RWSS - TSP		0.09
RWSS - 15 point	1.09	3.35
RWSS - Not Eligible ARP	6.33	7.91
RWSS - Matching	14.37	26.37
RWSS - Rehabilitation	1.71	
RWSS - Others	3.65	2.90
NC/PC - State Plan	0.83	0.21
TM - Matching	0.30	0.84
Water for all -2000 AD	9.40	
Urban - Sewerage	14.26	9.80
Other Schemes	3.20	2.91
	118.13	98.04
<b>Centrally Sponsored Schemes</b>		
ARWSS	37.09	26.91
AUWSS	1.24	0.57
TM	0.91	2.51
Other Schemes	1.54	
	40.78	29.99
<b>Outside State Plan Schemes</b>		
UWSS - LIC/HUDCO	5.99	6.60
RWSS - LIC		1.25
Others	1.76	7.85
	7.75	
	166.66	135.88

# KERALA WATER AUTHORITY

Details of Receipts from Government of Kerala for the year 1998-99

Rs. in Lakhs

Sl No.	Government Order No.	Date	WATER SUPPLY				SEWERAGE				Total
			2215-01-190-99 Plan	2215-01-190-99 Non-Plan	2225-01-800-57 SCP	2225-02-800-64 TSP	6215-01-190-99 Loan	2215-02-190-99 Plan	2215-02-190-99 Non-Plan	6215-02-190-99 Loan	
1	GO (Rt) No 741/98/lrd	16/06/1998	773.00	400.00			387.00	70.00	51.26	70.00	1,751.26
2	GO (Rt) No 938/98/lrd	21/07/1998	773.00	400.00			387.00	70.00	51.26	70.00	1,751.26
3	GO(Rt) No 1134 /98 / lrd	21/08/1998	773.00	400.00			387.00	70.00	51.26	70.00	1,751.26
4	GO(Rt) No 1274 /98/ lrd	28/09/1998	773.00	400.00			387.00	70.00	51.26	70.00	1,751.26
5	GO(Rt) No.... / 98 / lrd	30/01/1998	773.00	400.00			387.00	70.00	51.26	70.00	1,751.26
6.	GO(Rt) No 1454 / 98/ lrd	05/11/1998			255.00	21.00					276.00
7	GO (Rt) No 1608 / 98 / lrd	01/12/1998	773.00	400.00			387.00	70.00	51.26	70.00	1,751.26
8.	GO(Rt) No 1718 / 98 / lrd	26/12/1998	773.00	400.00			387.00	70.00	51.26	70.00	1,751.26
9	GO(Rt) No 106/99 / lrd	28/01/1999	773.00	400.00			387.00	70.00	51.26	70.00	1,751.26
10	GO(Rt)No 199 / 99 / lrd	16/02/1999	773.00	400.00			387.00	70.00	51.26	70.00	1,751.26
11	GO(Rt)No 387 / 99 / lrd	20/03/1999	773.00	400.00			387.00	70.00	51.26	70.00	1,751.26
			<b>7,730.00</b>	<b>4,000.00</b>	<b>255.00</b>	<b>21.00</b>	<b>3,870.00</b>	<b>700.00</b>	<b>512.60</b>	<b>700.00</b>	<b>17,788.60</b>

ABSTRACT	
Plan - Grant	8,430.00
Non - Plan	4,512.60
Plan - Loan	4,570.00
Others	276.00
<b>TOTAL</b>	<b>17,788.60</b>

# KERALA WATER AUTHORITY

Details of Receipts from Government of Kerala for the year 1999 - 2000

Rs. in Lakhs

Sl No.	Government Order No.	Date	WATER SUPPLY				SEWERAGE				Total	Remarks	
			2215-01-190-99 Plan	2215-01-190-99 Non-Plan	2215-01-800-99 Plan	2215-01-800-97 Plan	6215-01-190-99 Loan	2215-02-190-99 Plan	2215-02-190-99 Non-Plan	6215-02-190-99 Loan			
1	GO (RT) No 940 / 99/lrd	19/07/99	800.00	460.00	150.00	145.00	5.00	2,000.00	100.00	51.26	100.00	1,811.26	
2	GO(RT) No 976 /99 /lrd	23/07/1999	800.00	460.00	150.00	145.00	5.00		100.00	51.26		2,000.00	
3	GO(RT) No 1107 /99/ lrd	20/08/1999	800.00	200.00	150.00	145.00	5.00		100.00			1,811.26	
4	GO(RT) No 1155 /99/lrd	10/09/1999	800.00	200.00	150.00	145.00	5.00		100.00			200.00	
5	GO(RT) No 1256 / 99/lrd	01/10/1999	800.00	460.00	150.00	145.00	5.00		100.00	51.26	100.00	1,811.26	
6	GO (RT) No 1287 / 99/lrd	12/10/1999	800.00	460.00	150.00	145.00	5.00		100.00	51.26	100.00	1,811.26	
7.	GO(RT) No 1376 /99 / lrd	05/11/1999	1,600.00	920.00	300.00	290.00	10.00		200.00	102.52	200.00	3,622.52	
8	GO(RT) No 1519 /99 / lrd	09/12/1999	800.00	460.00	150.00	145.00	5.00		100.00	51.26	100.00	1,811.26	
9	GO(RT) No 79 / 2000/ lrd	13/01/2000	1,600.00	920.00	300.00	290.00	10.00		200.00	102.52	200.00	3,622.52	
10	GO(RT) No 279/2000 / lrd	21/02/2000	808.00	460.00	150.00	145.00	5.00		100.00	51.26	100.00	1,811.26	
11			67.69									67.69	AUWSP
12	GO(RT) No 339/2000 / lrd	02/03/2000	113.33									113.33	Computerisation
13			8,181.02	5,000.00	1,600.00	1,460.00	60.00	2,000.00	1,000.00	512.60	1,000.00	20,693.62	

ABSTRACT	
Plan - Grant	12,000.00
Non - Plan	5,512.60
Plan - Loan	3,000.00
Others	181.02
<b>TOTAL</b>	<b>20,693.62</b>



# KERALA WATER AUTHORITY

Details of Receipts from Government of Kerala of India for the year 1998 - 1999

Sl No.	Government Order No.	Date	ARWSS	TM	HRD	AUWSP	Computers	Total
<b>A.</b>								
Through GOK								
1	GO (Rt) No 837 / 98 / Ird	04/07/1998				14.00		14.00
2	GO(Rt) No 1496 /98 / Ird	13/11/1998		5.88				5.88
3	GO(Rt)No 1492 / 98 / Ird	12/11/1998		1.19			22.57	23.76
4	GO(Rt)No 1570 /98 / Ird	28/11/1998				64.39		64.39
5	GO(Rt)No 49/ 99 / Ird	12/01/1999	27.07					27.07
6	GO(Rt) No 464 /99 / Ird	31/03/1999	10.00					10.00
7	GO(Rt) No 465 /99 /Ird	31/03/1999				17.81		17.81
8	GO (Rt) No 466 / 99/ Ird	31/03/1999				67.69		67.69
9	GO (Rt) No 467 / 99 / Ird	31/03/1999	1,423.54					1,423.54
	Total through GOK		1,460.61	0.00	7.07	163.89	22.57	1,654.14
<b>B.</b>								
Direct from GOI								
1	W 11038 / 1/ IA / 95 / HRD	20/03/1998			15.13			15.13
2	W 11020 / 12/ 98 / ARWSP / TM 1	16/04/1998	1742.91					1,742.91
3	W 11038 / 2/ xi/95 /HRD	10/06/1998			11.00			11.00
4	W 11038 / 2/xi / 95 / HRD	07/10/1998			1.93			1.93
5	W 11020 /12 /98 / ARWSP/TM 1		1402.04					1,402.04
6	W 11020 / 12/ 98 / ARWSP / TM 1		10.00					10.00
7			105					105.00
	Total received direct		3259.95	0.00	28.06	0.00	0.00	3288.01
	Grant Total		4720.56	0.00	35.13	163.89	22.57	4942.15
	Less : O&M Grant							467.35
	<b>Total</b>		<b>4720.56</b>	<b>0.00</b>	<b>35.13</b>	<b>163.89</b>	<b>22.57</b>	<b>4474.80</b>



## KERALA WATER AUTHORITY

Details of Receipts from Government of Kerala of India for the year 1999 - 2000

Sl No	Government Order No.	Date	ARP	TM	HRD	Computers	Others	Total	Remarks
1					16.81			16.81	
2	W11020 / 12 / 99 / ARWSP / TM-1	10/06/1999	2153.94					2153.94	
3	W111020 / 12 / 99 / ARWSP / TM1	17/11/1999	1292.36					1292.36	
4	W 11020 / 12 / ARWSP / TM 1	31/12/1999	10.00					10.00	
5	W 111024 / 2/96 - TM III	04/11/1999					116.72	116.72	Control of fluorosis Training Kuttanad WSS
6					0.87		77	0.87 77.00	
7									
	<b>Grand Total</b>		<b>3456.30</b>	<b>0</b>	<b>17.68</b>	<b>0</b>	<b>193.72</b>	<b>3667.70</b>	
	Less : O&M Grant							<b>345.63</b>	
	HRD							<b>17.68</b>	
	<b>Total</b>		<b>3456.30</b>	<b>0</b>	<b>17.68</b>	<b>0</b>	<b>193.72</b>	<b>3304.39</b>	

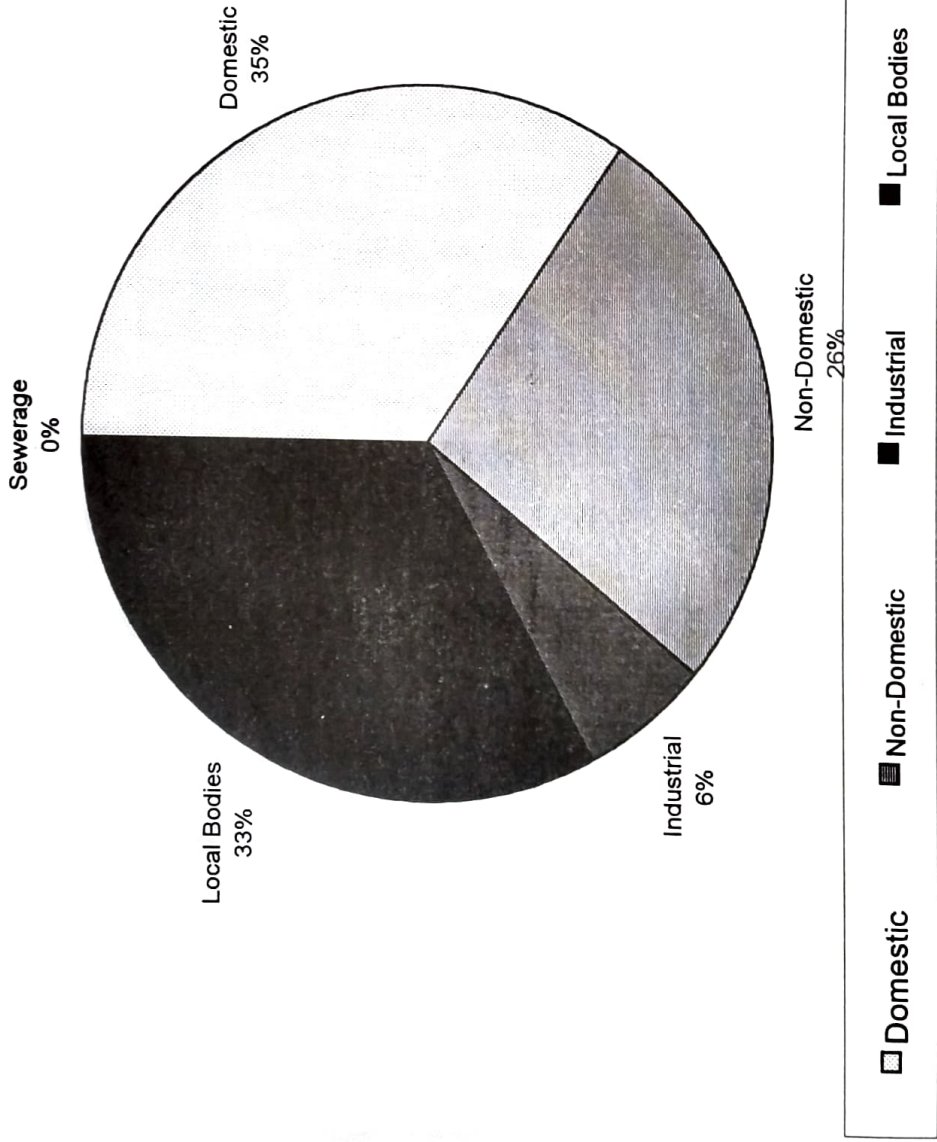
**DETAILS OF LOANS FOR THE YEAR 1998 - 99**

	LIC	HUDCO	GOK
Opening Balance			
Interest	471.63	0	28307.33
Principal	16505.69	4990.6	40323.41
Receipts	0	3953.14	4562.00
Interest for the year	1975.68	820.12	6493.29
Repayment			
Interest	195.64	820.12	0
Principal	661.25	606.34	0
Closing Balance			
Interest	496.67	0	34800.62
Principal	15844.44	8337.40	44885.41

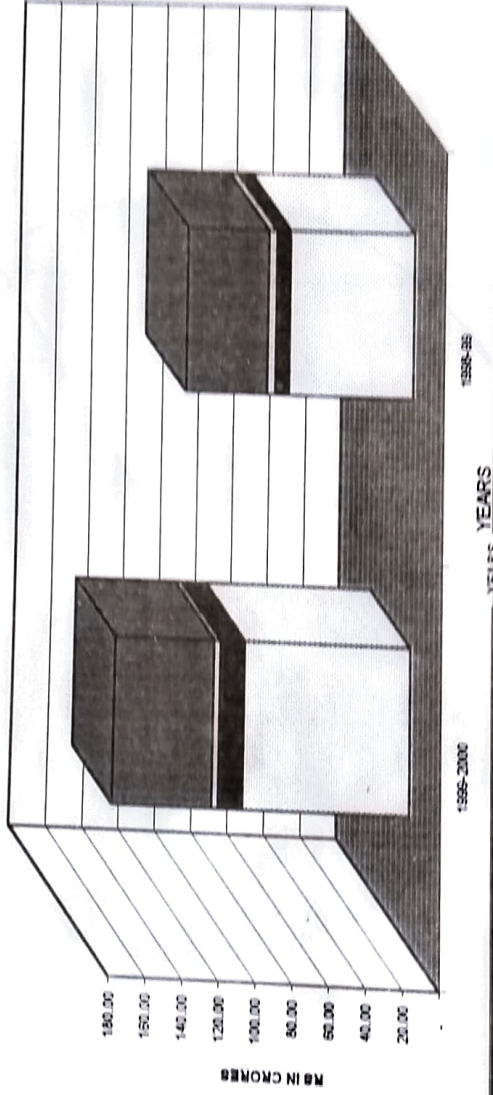
**DETAILS OF LOANS FOR THE YEAR 1999 - 2000**

	LIC	HUDCO	GOK
Opening Balance			
Interest	496.67	0	34800.62
Principal	15844.44	8337.40	44885.41
Receipts	3000.00	620.73	3,000.00
Interest for the year	2001.19	1307.89	7214.23
Repayment			
Interest	1983.23	1307.89	
Principal	702.26	839.43	
Closing Balance			
Interest	514.63	0	42014.85
Principal	18142.18	8118.70	47885.41

# OPERATING INCOME - 1999-2000



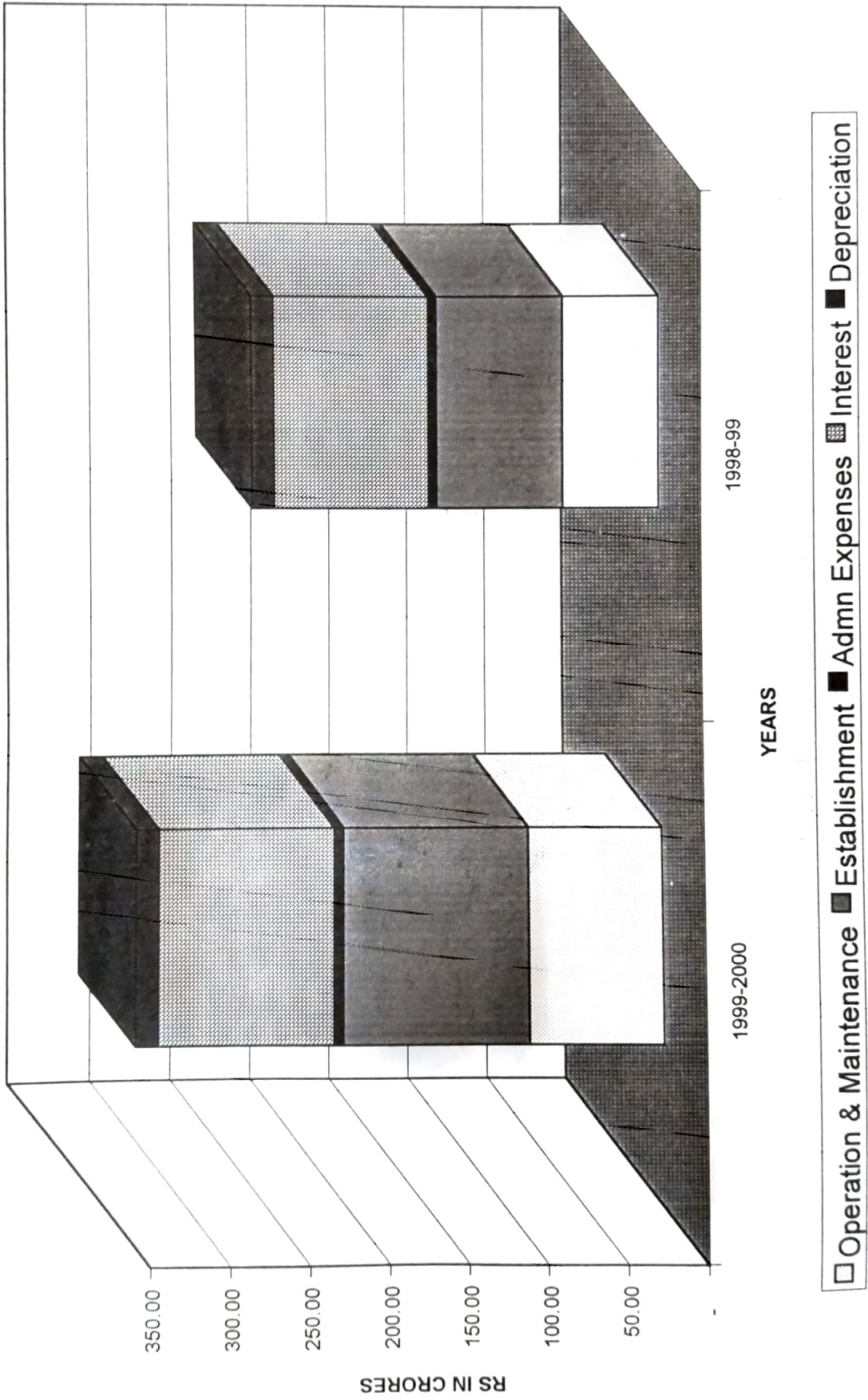
REVENUE RECEIPTS



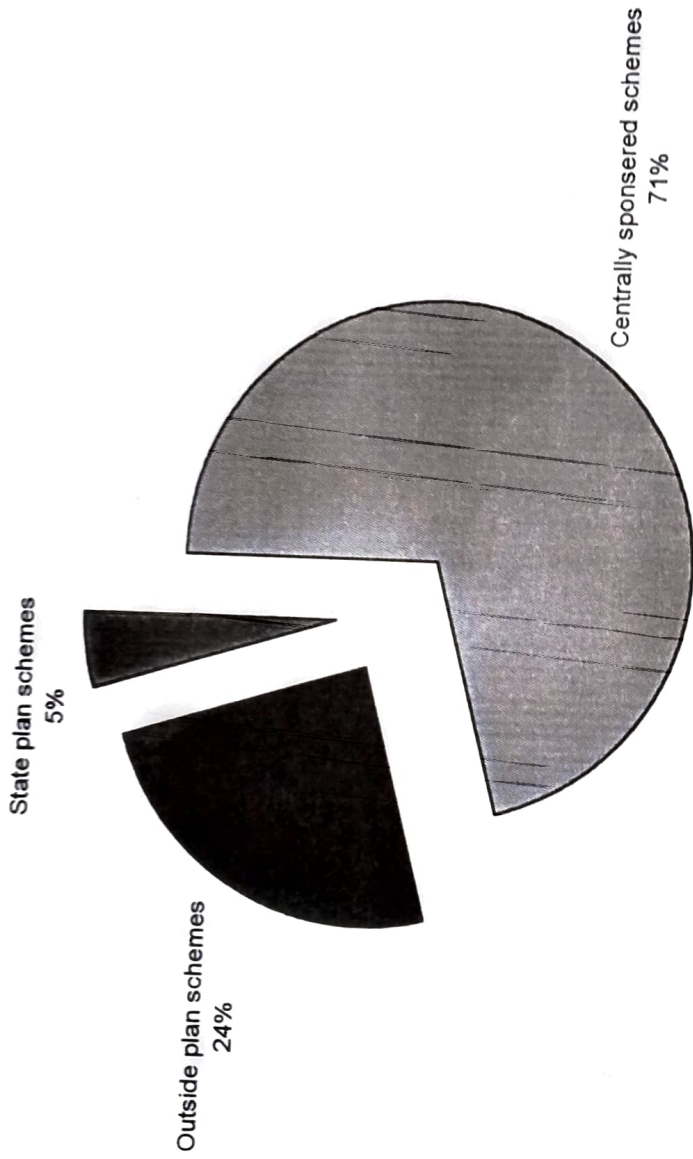
Operating Income   
  Other Income   
  O & M Grant - GOI   
  GOK Grant



# REVENUE EXPENDITURE



# CAPITAL EXPENDITURE 1999-2000



■ Centrally sponsored schemes ■ Outside plan schemes ■ State plan schemes

**INCOME AND EXPENDITURE 1984-85 TO 1999-2000**

