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കേരള വാട്ടർ അതോറിറ്റി

ജലഭവൻ,
വാട്ടർ അതോറിറ്റി ക്യൂമ്പസ്
വെള്ളയമ്പലം

നമ്പർ. 28243/DA1(AUDIT)/2022/കെ ഡബ്ല്യു എ

തീയതി: 20.10.2022

പ്രേഷകൻ

ഫിനാൻസ് മാനേജർ & ചീഫ് അക്കൗണ്ടന്റ് ഓഫീസർ

സ്വീകർത്താവ്

എക്സിക്യൂട്ടീവ് എഞ്ചിനീയർ
പി എച്ച് ഡിവിഷൻ
കേരള വാട്ടർ അതോറിറ്റി
പാലക്കാട്

വിഷയം:- കേരള ജല അതോറിറ്റി - ആഭ്യന്തര ഓഡിറ്റ് വിഭാഗം - പി എച്ച് ഡിവിഷൻ പാലക്കാടിന്റെ
1 .04 .2014 മുതൽ 31 .03 .2022 വരെയുള്ള ഇന്റർനൽ ഓഡിറ്റ് റിപ്പോർട്ട് -മറുപടി
സമർപ്പിക്കുന്നതിനായി അയക്കുന്നത് സംബന്ധിച്ച്

സൂചന:- താങ്കളുടെ കാര്യലയത്തിൽ 19 .09 .2022 മുതൽ 30 .09 .2022 വരെ നടത്തിയ ആഭ്യന്തര
ആഡിറ്റ്

താങ്കളുടെ കാര്യലയത്തിൽ 19.09.2022 മുതൽ 30.09.2022 വരെ നടത്തിയ ആഭ്യന്തര ആഡിറ്റിന്റെ
റിപ്പോർട്ട് അയച്ചു നൽകുന്നു ഇതിന്മേൽ താങ്കളുടെ വ്യക്തമായ അഭിപ്രായത്തോടുകൂടിയുള്ള മറുപടി രണ്ടാഴ്ചക്കുള്ളിൽ
ഈ കാര്യലയത്തിൽ അയച്ചു നൽകേണ്ടതാണ്. റിപ്പോർട്ടിൽ സൂചിപ്പിച്ചിട്ടുള്ള ഫിനാൻസ് സംബന്ധമായ ഓഡിറ്റ്
പരാമർശങ്ങൾക്ക് അടിയന്തിരമായി തിരുത്തൽ നടപടികൾ സ്വീകരിക്കേണ്ടതാണ്.

വിശ്വസ്തയോടെ,
ഷിജിത്ത് വി
ഫിനാൻസ് മാനേജർ & ചീഫ് അക്കൗണ്ടന്റ്
ഓഫീസർ

ഉള്ളടക്കം:

ആഡിറ്റ് റിപ്പോർട്ട്



KERALA WATER AUTHORITY
Internal Audit Wing

Internal Audit Report
PH DIVISION, PALAKKAD

PERIOD OF AUDIT : 19.09.2022 TO 30.09.2022
PERIOD COVERED : 01.04.2014 TO 31.03.2022

Audit Team

SRI. T K ABDUL BASHEER, INTERNAL AUDITOR
SRI. APK BALAKRISHNAN, ACCOUNTS OFFICER
SRI. S V SIVAKUMAR , HEAD CLERK



Part I

A. Introduction

PH Division Palakkad consists of three Subdivisions, viz PH Subdivision Palakkad, PH Subdivision Alathoor and PH Subdivision Chittoor and seven section offices viz Aug Section Palakkad, PWS section, Malampuzha ,PH section Chittoor, PH Section Nenmara, PH section Kozhinjampara, PH Section Alathoor and PH section Kuzhalmannam. The Division has 192666 live connections in these seven sections.

B Officers in charge

Sl. No.	Executive Engineer	From	To
1	P. S. Aravindakshan	01-04-2014	02-06-2014
2	R. Jayachandran	02-06-2014	10-11-2014
3	V. M. Prakasan	10-11-2014	10-08-2016
4	Mary Cherian (TA-full Addl. Charge)	10-08-2016	22-08-2016
5	R. Jayachandran	22-08-2016	14-06-2019
6	A. S. Raju (AEE. Full Addl. Charge)	15-06-2019	19-06-2019
7	E. N. Surendran	19-06-2019	09-12-2019
8	P. R. Padmini (TA-full Addl. Charge)	10-12-2019	11-12-2019
9	V. V. Sivaraman	11-12-2019	12-06-2020
10	A. S. Raju (AEE. Full Addl. Charge)	13-06-2020	17-06-2020
11	Rathish Kumar. S	18-06-2020	13-08-2020
12	A. S. Raju (AEE. Full Addl. Charge)	13-08-2020	23-08-2020
13	Thomas John	24-08-2020	28-04-2021
14	A. S. Raju (AEE. Full Addl. Charge)	29-04-2021	10-06-2021
15	V. V. Sivaraman	11-06-2021	01-10-2021
16	E. Rajesh (AEE. Full Addl. Charge)	02-10-2021	24-10-2021
17	P. A Suma (P. A to SE full Addl. Charge)	25-10-2021	14-11-2021
18	M. S. Ansal John	15-11-2021	Onwards
	Technical Assistant		
1	P. A Suma	01-04-2014	15-09-2015
2	R. Venugopal (Addl. Charge)	15-09-2015	18-01-2016
3	M. S. Babu (AEE. Addl. Charge)	18-01-2016	29-01-2016
4	M. Saleem kumar (AEE. Addl. Charge)	29-01-2016	06-02-2016
5	Mary Cherian	06-02-2016	06-02-2016
6	M. Saleem kumar (AEE. Addl. Charge)	06-02-2016	15-02-2016
7	R. Venugopal (AE. Addl. Charge)	15-02-2016	01-04-2016



8	Mary Cherian	01-04-2016	29-07-2017
9	P. R. Padmini	09-10-2017	Onwards
Divisional Accounts Officer			
1	A. Manikandan	23-12-2011	20-06-2015
2	K. N. Hari (Addl. Charge)	20-06-2015	17-08-2015
3	P. Sasikumar	17-08-2015	08-11-2016
4	V. K. Sudhakaran (JS. Addl. Charge)	08-11-2016	16-11-2016
5	Elsy Varghese	17-11-2016	31-05-2017
6	V. K. Sudhakaran (JS. Addl. Charge)	01-06-2017	27-06-2017
7	B. Justus	27-06-2017	21-05-2018
8	V. K. Sudhakaran (JS. Addl. Charge)	22-05-2018	31-10-2018
9	V. R. Devadas	01-11-2018	03-09-2019
10	K. Madhavankutty (HC. Addl. Charge)	04-09-2019	06-09-2019
11	S. C. Vijayakumar	07-09-2019	31-05-2021
12	Biju Muraleedharan (Addl. Charge)	01-06-2021	16-08-2021
13	K. Madhavankutty (Addl. Charge)	17-08-2021	04-01-2022
14	A. Chandramohanan	05-01-2022	Onwards

C Financial Analysis

Year	2019 - 20	2020-21	2021-22
Estt Expenditure	1558.31	1588.69	1984.33
Contigencies	31.97	39.13	51.71
Capital Exp	561.02	3309.41	5136.51
Maintenance Expenditure	230.95	227.06	283.94

D Revenue analysis

Year	2019 – 20 (Rs in Lakhs)	2020-21 (Rs in Lakhs)	2021-22 (Rs. In Lakhs)
Revenue Target	2500	2500	4538
Revenue Collection	2932.58	2531	2940
%of Achievement	116%	101%	64.79%



Closing Balance as on 31 st March	2980.97	3691.99	4211.40
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Part II

A. Significant Audit Findings Nil

B. Other Audit Findings

I Inordinate Delay in executing Agreement

State Plan 2016-17- Pudussery Water supply scheme- Shifting of distribution main passing through rail coach factory- 160 mm pvc pipe part 2 -Balance work of Railway crossing with 350 mm dia casing pipe by horizontal drilling and its allied works

Contractor : Sri. Georgekutty

File Ref: KWA/PHD/PKD/D1-pipe replacement/MPZ/201617

The above said work was arranged vide eTender No. 19/22-23/EE/PH/PKD dt. 15/07/2022 and work order issued to the lowest bidder Sri. George kutty vide order No. KWA/PHD/D1-pipe Replacement/MPZ/2016-17 dt. 22/07/2022. The last date given for executing agreement is on 05/08/2022. But the agreement is not seen executed by the contractor even after the elapse of 2 months after the issue of the work order. As the scheme is not commissioned yet due to the delay in completing the railway crossing work, further delay in starting the work will lead to the denial of water supply to the beneficiaries. No reply furnished by the Division
Action taken against contractor/to start the work may be intimated.

II Non-imposing of fine for belated execution of Agreement

On verification of the following files fine for delay in execution of Agreement is not seen imposed.

Name of Work	Agt. No	Delay in Executing Agt.	Fine
JJM 2020-21 RWSS to Tarur- Quality improvement-Pipe line replacement and extension and providing FHTCs	60/20-21/EE/PH/PKD	34 days	₹15000

The reason for non imposing of fine is not mentioned in the file. Necessary action may be taken to recover the amount from the contractor and result intimated to audit. Similar cases if any may be verified and reported .

III Revenue Collection –Delay in remitting Street tap water charge to Head office Account.

On Verification of Cash book for the month of March 2022 a total amount of street tap water charge received is ₹2660634/- via on line transfer from various Grama Panchayaths / Municipalities . But instead of transferring the full amount to Head office account, an amount of ₹ 2420205/- only is seen transferred to Head office. RA 25 is also prepared showing the direct



collection amount of ₹ 2420205/- only. Reason for not transferring the difference amount of ₹ 40429/- may be intimated to audit. The Division replied that Puthukkode GP remitted their monthly water charge of Street taps of ₹40429/- by two installments as ₹17281/- on 21.03.2022 and ₹23148/- on 25.03.2022. As the remittance is made through NEFT and as installments, the remitter was not identified. The same has been identified and transferred to Head office Account on 29.06.2022 .Further it is noticed that revenue received against the water charges should be transferred to head office account on the next day itself. The delay in identifying the remitter and remitting the amount to head office account may be explained .

IV Irregular sanctioning of increment Madhavankutty K, Junior Superintendent

The incumbent joined duty on the FN of 11.07.1996 and regularized on the same date. His probation in the cadre has been declared satisfactorily wef the AN of 20. 01.1999.The second increment sanctioned to the incumbent on 01.7.1998, before the declaration of probation, is irregular. Excess amount given on account of sanctioning of irregular increment may be recovered and intimated to Audit.

V Auction of Unserviceable/Obsolete materials

Sanction has been accorded by the Superintending Engineer, PH Circle, Palakkad to auction the Obsolete/Unserviceable materials amounts to ₹ 15,78,726/-. As such e-auction was floated and four contractors who quoted highest value were selected and work order issued and directed them to remit the quoted amount. Two contractors M/s. V. K Scraps materials Karunagappally, Kollam and M/s Hamsa Traders, Alappuzha remitted the quoted amount and shifted the materials.

M/s. Lakshya Plastics, Mundur, Thrissur and Sri. Aresh P. R, Cherthala were not remitted the amount they have quoted, within the stipulated time.

	Amount to be remitted within
1) M/s. Lakshya Plastics -	10/12/2021
2) Sri. Aresh P. R -	10/12/2021

Even after the lapse of 9 months, the Contractors have not remitted the amount to Kerala Water Authority. The EMD furnished by the Contractors have to be forfeited as per Rules. The same has not been done by the Division. Immediate action may be taken to forfeit the EMD and necessary action may be taken to issue work order to the next eligible contractor/re-tender.

VI Non billing of connections resulted in heavy loss to KWA

On verification of the e-abacus, the following connections were not enrouted and billed which resulted if heavy loss to KWA.

PH Section Chittur

Domestic -263

Non Domestic - 2

PH Section Nenmara

Domestic – 155

Non domestic - 14



Immediate action may be taken to enrout these consumers and issue bills and realize the water charges and intimated to audit.

VII Inaction in realizing huge arrears

On verification of the e-abacus, it is noticed that the following Consumers have huge arrears to be settled.

Chittur Section

Consumers	Amount	Date of Disconnection
CTT/2414/N	239868	06/06/2022
CTT/3598/I	174935	01/08/2019
CTT/1459/N (G)	371168	17/07/2019
CTT/2707/N	145150	06/11/2019
VTV/3821/D	112894	NA
CTT/3226/N	135647	27/10/2017
CTT/1/W (G)	334829	NA
CTT/6650/D	928445	NA

Nenmara Section

Consumers	Amount	Date of Disconnection
ELC/201/N	202712	NA
NMA/5688/N	120202	NA
NMA/771/N (G)	173567	08/03/2021
NMA/272/N (G)	2605096	31/07/2005
NMA/298/N (G)	149187	23/08/2022

Kozhinjampara Section

Consumers	Amount	Date of Disconnection
NA01/10/N (C1)	154162	NA
KPA/2683/N (G)	417082	NA
KPA/2/N (G)	112170	NA
KPA/8209/D	95787	17/09/2022
KPA/4772/N	82095	20/04/2022

Details of RR action taken on the disconnected Consumers may be intimated to audit. Some connections are not seen disconnected even though the huge arrears are pending .Inaction in realizing this huge arrears may be viewed seriously .

VIII Non realization of water charges from KWA contractor

A Special Casual connection was allotted to **Sri A Dominic, Olickal House, Thodupuzha P.O Idukki 685584** Ph No.944704994 with Consumer No. **PSR 2978S** for the construction of Puthussery



2018-19	₹249013
2019-20	₹183770
2020-21	₹159949
2021-22	₹175890
Total	₹2034057

Urgent necessary action may be taken from the Division to transfer the accrued interest of that office and subordinate offices to head office account and fact intimated to audit.

II Trial Balance- Huge balance in third party/control accounts

On Verification of Trial balance, huge amounts are seen as credit/debit balances, control accounts are not seen journalized and contra(9139) account showing huge amount as credit balance.

- 2811Sundry creditors(contractors)An amount of ₹95988092/- is seen as debit balance in Trial Balance
- 2812Sundry creditors(Suppliers) An amount of ₹15135781/- is seen as debit balance in Trial Balance
- 9211 (Control account collections)₹ 119527153/- is showing as credit balance under the account. Journalization has not ben done.
- 9212 (Control account – Materials)₹2277588/- is showing as credit balance may be verified and journalized
- 9219 ₹ 7758291/- showing as credit balance may be verified and journalized

On verification of the ledger it is noticed that no journalization is done for the period from 01/10/2013 to 31/12/2015. This is a serious lapse in the part responsible officers.

- 2814(Employees unpaid salaries) An amount of ₹ 98146/- is showing as credit balance the reason for non payment of salary may be intimated.
- 2821 (House Rent Deductions)₹ 24314/- is showing as credit balance in the account. House rent deducted from employees should be transferred to the respective department. House rent of KWA Quarters should be booked under the head rent recovered (7212)
- 2825(LIC/SLI)Non remittance of ₹ 19689/- towards LIC/SLI premium deducted from employees is noticed
- 2826 (Professional tax deducted) Excess payment of professional tax ₹. 49050/- is noticed
- 2827 (LWF)Rs. 15962/- showing as credit balance may be reconciled and intimated to audit.
- 2829 (Other Statutory employee deductions) An amount of ₹1008724 is showing a credit balance. Reason for not remitting the amount may be intimated to audit
- 9139 (Contra)₹.2029345/- is showing as debit balance may be rectified and result intimated to audit

III Parking of Funds in Deposit Account

On the scrutiny of Cheque memo Register of Deposit Works Account no. 67147990082,it is noticed that an amount of **₹41952862/-**is parked .As per Circular No. 0038/2012/Dy AM/Fin/KWA dated 25.10.2013,it was directed that only **₹25 lakhs** shall be maintained at field offices. The excess amount shall be transferred to Head office by drawing a cheque in favour of FM&CAO to



Time barred EMDs

Sl. No.	Name of Contractors	Deposit Type	Amount	Validity
1	Malabar Borewells, Palakkad (Tender No. 19/16-17)	Term Deposit 673828688780 SBT	₹ 3000	30/12/2016
2	Tender No. 51/16-17	Term Deposit 36330876984 SBI	₹ 3748	2012/2017
3	Mohandas. C Tender No. 63/16-17	Term Deposit 67383015638 SBT	₹2000	30/5/2017
4	Vinayakamoorthy D	Fixed Deposit No. 432700	₹3750	18/09/2016
5	R. Mohandas Tender No. 33/16-17	Bank Cheque No. 809960 809961	₹3700 ₹3700 ₹7400	30/09/2016
6	Senthilkumar Tender No. 38/16-17	DD No. 870099 8700100	₹8100 ₹8100 ₹16200	12/11/2016
7	Unnikannan. V Tender No. 38/15-16	Term Deposit 67327732448 SBT	₹2000	06/01/2016
8	Malabar Borewells Tender No. 35/15-16	Term Deposit 67327422017 SBT	₹2000	11/07/2016
9	Unnikannan V Tender No. 13/15-16	Term Deposit 67322773 SBT	₹2000	06/01/2016
10	Malabar Borewells Tender No. 9/15-16	Term Deposit 87327422	₹2508	1/7/19
11	Kasiviswanathan V Tender No. 17/22-23	Term Deposit 1. 40979615414 2. 40979616213	₹3200 ₹3200	11/06/22 11/06/22
12	Malabar Borewells Tender No. 102/15-16	Term Deposit 67349450151 SBT	₹2500	28/1/2016
13	Tender No. 101/15-16	Term Deposit 67349449781	₹2500	28/01/2016



identify the consumers and account the amount received.

4. Bank charges debited by bank is not recorded in cash book

Necessary action to rectify the errors

PH Subdivision Chittoor

A/C No.67161986126

(Special Casual Connection Account)

a) On verification of Bank Reconciliation Statement as on 31.03.2022 . It is noticed that an amount of ₹46,929/- is shown as the “amount deposited but not credited by bank” which is below.

17.09.2014	-	₹6,023/-
20.08.2015	-	₹6/-
16.04.2016	-	₹5,851/-
06.05.2016	-	₹6,400/-
31.10.2016	-	₹27,589/-
09.06.2017	-	₹1,060/-
Total		₹46,929/-
		=====

Copy of the above deposit challan may be submitted to Audit

b) An amount of ₹1,48,839/- is shown as “amount credited by bank but not recorded in cash book”. The same should be verified and accounted and fact intimated to Audit.

c) ₹53,985/- is shown as “Cheque issued but not present for payment” (List C) . All these Cheques are seen outdated. The same may be cancelled and taken to account and the fact intimated to audit.

d) ₹1,25,098/- is seen credited by bank towards accrued interest .This may be taken into account.

e) ₹796/- is seen debited by bank towards bank charges. This also may be recorded in the account.

VII Non replacement of faulty meters with huge pending water charges.

On verification of the e-abacus, it is noticed that, the following live connections having pending water charges have faulty Water meters.

1. VDV 557/D	-	₹11246 /-
2. KPA 2683/N	-	₹417082/-
3. KPA 827/N	-	₹6385/-
4. CTT 434/D	-	₹11324/-
5. CTT 161/N	-	₹ 9074/-
6. CTT 1603/N	-	₹7096/-
7. CTT 1470/N	-	₹12205/-
8. CTT 6650/D	-	₹928445 /-

Action taken to replace the faulty meter and realize the pending water charges may intimated to audit.

VIII Inaction to realize arrear water charges from installment consumer

A Special Casual connection was allotted to **Sri Kannan,Sy No.188/1,Mythri Nagar,**



