

**Internal Audit Report of P H Division(South), Thiruvananthapuram covering the  
Period of Audit from 01/04/2018 to 31/03/2021**

**A. Introduction**

P H Division(South) Thiruvananthapuram was formed on 1st March 2016 and is responsible for the maintenance of various Water Supply Schemes and collection of water charges under Thiruvananthapuram District mainly in the Southern and Eastern area of Thiruvananthapuram Corporation, Kalliyoor and Venganoor Panchayath. There are three Sub Divisions under the Division viz, Head Quarters Sub Division, Vellayambalam, W W (East) Sub Division, PTP Nagar and W W South Sub Division, Kuriathy. Executive Engineer is the head of the Division.

**B. Officers in charge**

Executive Engineer

Sl No	Name	From	To
1	Smt Anitha Puthiya Purayil	01/03/2016	31/07/2019
2	Sri G K Sujath Kumar (full addl Charge)	01/08/2019	12/08/2019
3	Sri Krishnakumar V S	13/08/2019	20/03/2020
4	Smt Lekshmy M	20/03/2020	24/07/2020
5	Smt Hema S V	24/07/2020	Till date

Divisional Accounts Officer

Sl No	Name	From	To
1	K B Muraleedharan Nair	18/08/2017	31/01/2018
2	Selvaraj (Junior Supdt.) full addl charge	01/02/2018	21/05/2018
3	B Justus	22/05/2018	30/06/2019
4	Padmakumar K(Junior Supdt) full addl charge	01/07/2019	28/07/2019
3	T H Ramcy Azad	29/07/2019	till date

**C. Internal Audit**

Internal audit was conducted in PH Division South, Thiruvananthapuram from **01/11/2021 to 16/11/2021** covering the period of audit from **01/04/2018 to 31/03/2021**

Team Members

- 1) A P K Balakrishnan, Accounts Officer
- 2) Prasannalal. N, Divisional Accounts Officer
- 3) Ragesh B, Head Clerk

**D. Financial Analysis**



Period	Establishment	Capital Expenditure	Contingencies
2018-2019	₹112127859/-	₹73904735/-	₹35810756/-
2019-2020	₹113797185/-	₹33776944/-	₹29318925/-
2020-2021	₹100739967/-	₹45571298/-	₹33297313/-

## **PART II A. MAJOR IRREGULARITIES**

### **I. Name of Work :- State plan 2018-19 - Supply and Erection and Commissioning of new 200HP VT pump set at Kudumankadavu Pump House for 13.5 MLD WTP under Thirumala Section with 5 year mace.**

Administrative sanction for the above subject work was accorded vide order NO. GO(Rt) No.615/2018/WRD dated 20/08/2018 and Technical Sanction was issued by Superintending Engineer, P H Circle, Thiruvananthapuram vide order NO.TS/2018-2019/2018/12376 dated 11/02/2019 for Rs.4491000/-. The work was awarded to M/s Kiran Electrical Agencies, K S Bhavan, Kannaravila, Thiruvananthapuram for Rs.40,90,000/- vide work order No. PHDN-T(S)/DB1/3202/2018 dated 15/03/2019 with time of completion 6 months which expired on 14/09/2019. As per the work order, the contractor is bound to execute necessary agreement for the fulfilment of the contract within 29/03/2019. But he has executed the agreement only after the expiry of the stipulated period, ie, on 16/04/2019. But authorities has not imposed any fine which is ranging from 1% of the contract amount subject to a minimum of Rs.1000/- and ,maximum of Rs.25,000/- and there after the offer will be rejected and the work awarded to the next bidder. This is not done in this case. The reason may be reported to audit.

The time of completion of work was 6 months, ie, up to 14/09/2019. But as per the request of the contractor the time of completion of work was extended up to 18/02/2020 by the Executive Engineer, P H Division(s), Thiruvananthapuram. As per PWD manual 2012, the execution of the time of completion that can be granted at a time shall not exceed 25% of the original time or 6 months which ever is less. The maximum extension that can be granted for a work shall be limited to half of the original time of completion. Remarks in this regard furnish to audit.

## **PART II (B) OTHER IRREGULARITIES**

### **II. Non Maintenance of Trial Balance Register**

On verification P H Division(S), Thiruvananthapuram, it is noticed that the Trial Balance Register has not maintained. As per KWA manual and circular it is clearly specified that all ARU's should maintain Trial Balance Register, Ledger and Journal Register for strengthening of the KWA accounting system. This office is not followed the KWA manual and Circular. The reason for the non maintenance of Trial Balance Register shall be intimated to audit.

### **III. Non Settlement of Travelling Allowance Advance**

On verification of Trial Balance as on March 2021, it is noticed that an amount of Rs.19700/- exists as debit balance against the Head Of Account 1651(advance TA ). As per Travelling Allowance General Rules, if an officer claimed Advance TA bill for the purpose of journey the final travelling allowance bill should be submitted for final settlement within three months of the due date. If the final bill not submitted within the time limit advance drawn should be recovered in lump from the next pay bill of the officer concerned and settled finally. This practice is not followed by this office. Thus the amount as debit balance in trial balance and reason for this shall be reported to



audit.

#### **IV. Faulty Water Meter**

On verification of records, It is seen that total number of connections as on 31/03/2021 is 80891. Out of this 3371 connections having faulty water meter. The progress of replacement of faulty meters shall be intimated to audit.

#### **V. Non Operative Control Register**

As per the Account Manual of K W A, all Division/Sub Division offices shall be maintain a Non Operative Control register in Form No CB 14 wherein the details of deposits in to Non Operative Account shall be recorded also the details of deposits in to Non Operative Account shall be recorded based on the advises received from the Banks. Usually the water charge collected only in receipt Form CB 1 and other income in Form CB 2. The amount collected from these receipts shall be remitted into Non Operative Account and maintaining a Non Operative Control register in Form CB 14. On scrutiny of the records it is seen that no such registers are maintained in this office till date. This is brought to notice.

#### **VI. Pending huge water charge arrears**

On verification of D C B statement as on 03/2021, it is seen that the huge water charge arrears are pending against various categories as shown below

Category	Amount
Domestic	₹93893362/-
Non Domestic	₹318712064/-
Industrial	₹1426736
Special	₹20102760/-
<b>Total</b>	<b>₹43,4134,922/-</b>

Action taken to collect the above said amount towards huge pending arrears shall be intimated to audit.

#### **VII. Huge arrears from Local Bodies**

On verification of the records it is noticed that there are 1989 street taps are existing in Panchayath areas and Thiruvananthapuram Municipal Corporation limits under this Division, total amount of arrears as on 01/04/2021 is as follows

Name of the Local Body	Total Connection	Arrears Amount
Panchayath	103	Rs.1707181/-
Corporation	1886	Rs.72240791/-
<b>Total</b>		<b>Rs.73947972/-</b>

#### **VIII. Discrepancies in Cheque issue register**

On scrutiny of Cheque issue register the following defects were noticed.



1. The opening balance for 01/08/2019 recorded in the cheque issue register as -170279/-. The reason for the negative balance shall be intimated to the audit.
2. The Balance column in Cheque issue register is not properly written. For the month of 08/19 it is seen that corrections are made to the register and in several pages whitener have been used. This has not to be authenticated by the Executive Engineer. This may be rectified and intimated to audit.
3. The opening balance for 01/04/2018 has been over writing with pencil and not be authenticated this may be rectified and intimated to audit.

### **IX. Cash Book**

On scrutiny of cash book and connected records the following defects were noticed.

1. Monthly closing of the Cash Book have not been done and the Certificate for physical verification of cash balance have not been recorded for 04/2018.
2. Non Remittance of interest credited by Bank

On verification of Bank Scroll, It is noticed that an amount of RS.613889/- have been credited by bank towards the Bank interest during the period from 06/2019 to 31/03/2021 against the Bank Account Numbers 67356084445, 67290755382 and 67357291097. details are shown below.

#### **1.Account Number 67356084445**

Month	Amount
06/19	₹57252/-
09/19	₹40816/-
12/19	₹33720/-
03/20	₹17488/-
06/20	₹9300/-
09/20	₹19647/-
12/20	₹11265/-
03/21	₹16221/-
09/21	₹8116/-
<b>Total</b>	<b>₹213825/-</b>

#### **2.Account Number 67290755382**

06/19	₹27505/-
09/19	₹8116/-
12/19	₹613/-
03/20	₹4207/-
06/20	₹16401/-
09/20	₹46610/-
12/20	₹32053/-
03/21	₹32935/-
<b>Total</b>	<b>₹168440/-</b>



**3.Account Number 67357291097**

06/19	₹91162/-
09/19	₹29836/-
12/19	₹15180/-
03/20	₹18274/-
06/20	₹22138/-
09/20	₹20387/-
12/20	₹23399/-
03/21	₹11248/-
<b>Total</b>	<b>₹231624/-</b>

As per the rules, the amount collected by A RU's shall be credited to NOP Account timely. But the Bank Interest is not credited in to the Non Operative Account. The up to date interest credited by Bank calculated from the Bank statements of previous years and remitted in to Non operative account under intimation to audit.

**X. Balances of Bank Account**

Account Number	Balance as per statement as on 31/03/2021 (in Rs)	Balance as per cash book (in Rs)	Difference (in Rs)
67356084445	₹1019748/-	₹995405/-	₹24343/-
67290755382	₹8508213/-	₹8389492/-	₹118721/-
67357291097	₹1284411/-	₹1267749/-	₹16662/-
67357291097	₹1094256/-	₹1095565/-	₹1309/-

The reason for the difference may be stated to audit.

**XI. Verification of Cash Balance****1. Cash and Bank balances**

On verification the above includes as closing balance of Rs. 56437/- in imprest account (account code 1532). The remarks on the above may please be offered.

**2. Loans and Advances**

a) The following balance of loans and advances have credit balance in the trial balance

1. 1615(H B A) - Rs.95405/-
2. 1625 (H B A) - Rs.2100/-
3. 1641(Onam Advance) - Rs.5654844/-
4. 1659(other adv for expenses) - Rs.13190/-

As per K W A account code these are the asset heads. Hence liability under these accounts are incorrect. The reasons for such credit balances under these heads may be stated.

1. 1681(road tax) - Rs.5580/-
2. 1682(other rates and taxes) - Rs.5550/-



The reasons for prepaid expenses under these heads may be offered.

c) 1721 - Deposit for tar cutting - Rs.919205/-

As the deposit for road cutting is expenditure relating to the construction/maintenance of the water supply mains & network and not a refundable deposit, accounting of the same under Loans and Advances were incorrect. This may be rectified and intimated to audit.

### **3. Current Liabilities**

1. Depreciation Reserve

2281 (furniture) - Rs.19527/-

2284 (Air Conditioners) - Rs.59892/-

2289 (Other office asset) - Rs.153271/-

The incorrect accounting for these heads resulted in reduced liability. Reasons for such debit balances under liability head may be stated.

2.2711 (deposit from Panchayaths) - RS.1554718/-

2742 (W C D from ND consumers) - Rs.278400/-

2731 - E M D of Contractors) - Rs.4400/-

2812 - Sundry credit to suppliers - Rs.7801382/-

2835 (W C T) - Rs.213068/-

2842 (T D S from Supplies) - Rs.123487

2895 (K C W W F) - Rs.14502/-

Though these accounts were liability head as per the K W A account code, these codes were showing debit balances as on 31.03.2021. Reasons for such debit balances under liability head may be stated.

3. 2811 (Sundry creditors) - Rs.29789556/- . This account code may not be in the Trial Balance, reason for why it exists may be stated.

### **WATER WORKS SOUTH SUB DIVISION, KURIATHY.**

#### **I. Non Maintenance of Trail Balance Register**

As per K W A manual and circular it is clearly specified that all A RU's should maintain Trial Balance Register, Ledger and Journal Register for strengthening of the K W A accounting system. But W W(S) Sub Division, Kuriathy has not been maintaining the above registers. These registers should be maintained without any further delay.

#### **II. Erroneous calculation of Earned Leave**

a) Smt Suchithra L has joined duty as LDC on 25/06/2012 F N. On verification of the Service Book of the incumbent it is noticed that erroneously taken the days for the calculation of Earned Leave Surrender for the First year of service. As per Rule 86 part I K SR, Earned Leave admissible for the first year of service is 1/22 for the period spent on duty. In this case it is calculated 1/11 days instead of 1/22 and moreover the days calculated up to 31/03/2013 instead of 24/06/2013. Hence this may corrected and Earned Leave recasted and intimated to audit.

#### **III. Earned Leave not recasted**

As per GO(p) NO.75/2007/fin dated 27/02/2007, the employees who have completed 3 years service will become eligible for earned leave at the rate of 1/11 days spend on duty for the first year



of service. But in the case of the undermentioned employees the Earned Leave at the rate of 1/11 days has not been recasted yet.

1. Smt Carmel S, U D C
2. Smt Suchithra, U D C

Recast the Earned Leave at the rate of 1/11 days of the above incumbents.

#### **IV. Trial Balance**

##### **a) Head of Account 1532 & 1659**

On verification of trial balance for the month of 03/2021, it is seen that huge amounts are existing in the debit balance against head of account 1532 (imprest account) and 1659 (temporary advance) Rs.148858/- and 1104892/- respectively. The reason for the outstanding amount exists in the trial balance may be submitted to audit.

##### **b) Head of Account 1651**

On scrutiny of the trial balance for the month of 03/19, 03/20 and 03/21, it is seen that Rs.11515/- is still exist in debit balance for a long time without settling the amount paid as Tour Advance to the officers . The reason for the outstanding amount exists in the trial balance may be submitted to audit.

#### **V. Non Completion of Pay Bill Register**

On verification of Pay Bill Register it is noticed that Pay Bill Register (Form No PA 3) is not furnished the mandatory details of the employees such as scale of pay, Date of joining, date of completion of probation, martial status, date of increment, G P F account number, Insurance policy numbers etc.. These details are necessary for verification of the employees salary details as and when required. The above details may be updated.

#### **VI. Verification of Service Book**

Smt Tharthiyos M, Meter Reader has entered in service on 30/01/2014. His probation declared on the FN of 30/01/2016. But the Second increment is seen given from 01/01/2016. (Page No 15 and page No.30). This is irregular and the excess payment if any drawn due to the irregular sanction of 2nd increment may be recovered and intimated to audit.

#### **VII. Huge Water Charge Arrears**

On verification of the D C B statement as on 31/03/2019,31/03/2020 and 31/03/2021, it is seen that the following amounts are pending against various categories.

Category	31/03/2019	31/03/2020	31/03/2021
Domestic	₹48326975/-	₹74151216/-	₹105548962/-
Non Domestic	₹737916406/-	₹807855292/-	₹996038170/-
Industrial	₹-21504/-	₹493162/-	₹-14875/-
Special	₹9637769/-	₹12092288/-	₹15179449/-
<b>Total</b>	<b>₹795859646/-</b>	<b>₹894591958/-</b>	<b>₹1116751706/-</b>



It revealed that the arrears amount increases from 31/03/2019 to 31/03/2021. Action to recover the huge arrears of water charges may be taken by initiating strict action against the defaulters

### **VIII. Erroneous sanction of Earned Leave Surrender as on 01/04/2021**

1) Smt Sreeja Kumari K N , D'man GR I - E LS for 30 days as on 01/04/2021

Earned Leave surrender for the financial year 2021 - 2022 is withheld for employees other than last grade servants. Hence you are hereby directed to recover the amount paid to the employee and recalculate the leave account and intimate to this office. If similar cases any in that office the same shall also be intimated to this office after recovering the amount.

### **PTP SUB DIVISION.**

#### **I. Improper maintenance of Attendance Register**

On verification of the Attendance Register for the calendar year 2020 and 2021, it is noticed that many pages were left without marking the attendance of the employees or noting the absence by the concerned officer. In this office Junior Superintendent who is the custodian of the Attendance Register shall mark the absence of the employees at 10.15 AM and then submitted the register to the Head of Office for every working day. On scrutiny this practice is not seen followed in this office.

#### **II. Erroneous Calculation of Earned Leave**

Sri Manoj Kumar B K Joined duty in Kerala Water Authority as Operator as 04/06/2011. He has surrendered Earned Leave for 30 days as on 01/12/2012. On page No.18 of the Service Book it is noticed that the incumbent has surrendered Earned Leave for 30 days as on 01/04/2013. But in the leave account page, the calculation of the Earned Leave taken and balance leave etc. are not written. Hence the leave account shall be corrected and intimated to audit.

#### **III. Non Deduction of LWA , Commuted Leave and Paternity Leave**

1) Smt Divya, D'man Grade I has availed L W A for 60 days on Medical Ground and availed commuted leave for 1 day on 19/10/2019. But while calculating the Earned Leave for surrender, the incumbent availed L W A for 60 days and commuted leave for 1 day has not been deducting from the Earned Leave account. Hence the erroneously calculated Earned Leave account shall be corrected and intimated to audit.

2) Sri Shajeeb M, Meter Reader has availed Paternity Leave for 10 days from 18/01/2016 to 27/01/2016. On verification of the Earned Leave account in the Service Book of the incumbent it is noticed that Paternity Leave availed for 10 days has not been deducted from the Earned Leave account while calculation. Hence the Paternity Leave availed shall be deducted from the Earned Leave account and intimated to audit.

#### **IV. Recasting of Earned Leave at the rate of 1/11 days**

As per Rule 86 part I KSR Earned Leave admissible for the first year service is 1/22 for the period spend on duty. Recasting of Earned Leave at the rate of 1/11 for the first year is permissible only after an officer is confirmed in service, as per GO(P) No. GO(P) No.75/2007/fin dated 27/02/2007. The employees who have completed 2 years service will become eligible for earned leave at the rate of 1/11 for the period spend on duty for the first year of service admissible to a permanent employee. Accordingly as per the verification of service book of the following employees Earned





Leave at the rate of 1/11 days have not been recasted yet.

1. Sri Manoj Kumar P K, Operator
2. Sri Vijayakumar c, Operator
3. Sri Pradeep Kumar M, Fitter
4. Sri Sheejab M, Meter Reader

Recast the Earned Leave and intimate to audit.

## **HEAD WORKS SUB DIVISION, VELLAYAMBALAM**

### **I. Improper Maintenance of Pay Bill Register**

On verification of Pay Bill Register , it is noted that the Pay Bill Register( Form No. PA 3) is not maintained without filing the mandatory details of the employees such as Scale of Pay, Date of Joining, Date of Completion of Probation, Martial Status, Date of Increment, Details of Government Residence occupies, Details of G P F Account NO., F B S No, L I C/S L I Number and the incumbent is officiating or temporary. It is necessary to filled up the above mandatory details for the ascertain the service details of the incumbent during the verification of incumbency period.

### **Part II**

Best practices noted during the course of audit.

### **Part III**

There was Co-operation of all the staff in the Division office and its subdivision offices for the satisfactory completion of audit. But from P T P Sub Division, repeated instructions and messages, the office has not submitted the bank statement of revenue collections for audit. The audit party express much displeasure in this regard and once again directed to submit the bank statement for the audit period urgently to this office for the proper completion of audit.

