

Report on the Internal Audit of the Accounts and registers of the PH Circle, Kozhikkode
for the period From 01.04.2012 to 31.03.2022

Part I

A. Introduction

The internal audit was conducted from 25.07.2022 to 30.07.2022, covering the period from 01-04-2012 to 31-03-2022.

PH Circle, Kozhikkode consists of 4 Divisions namely PH. Division , Kozhikkode, Project Division, Kozhikkode, PH Division Division Vatakara, and P.H Division, Sulthan Bathery.

Local Audit of AG

Local audit wing of Resident Audit officer conducted an Audit up to 31.03.2021 There are 109 pending Paras to be settled under PH circle Kozhikkode (including Divisions)

B. Officers In Charge

1. Superintending Engineer

Sl No	Name & Designation	Period of incumbency		Remarks
		From	To	
1	Sri. Mohanan.K		10.12.2014	
2	Sri. Raghuprasad. P K	11.12.2014	17.12.2015	Promoted as CE
3	Smt. Preethamol. C.K	30.12.2015	30.06.2017	HPL from 01.07.2017 to 30.11.2017
4	Sri. Santhosh Kumar. P.P	01.07.2017	26.09.2017	Incharge
5	Sri. Valsan Moolakkatt	26.07.2017	31.01.2018	Superannuation on 31.01.2018
6	Sri. Santhosh Kumar. P.P	01.02.2018	05.06.2018	Incharge
7	Sri. Moydeenkoya. M.K	06.06.2018	30.04.2019	Superannuation on 30.04.2019
8	Sri. Mohanan.P	08.05.2019	31.05.2019	Superannuation on 31.05.2019
9	Sri. Sureshkumar. P V	19.06.2019	09.06.2020	Promoted as CE
10	Dr. P. Gireesan	09.06.2020	31.12.2020	CML from 01.01.2021 to 31.03.2021
11	Sri. Vinodan	01.01.2021	16.02.2021	Incharge
12	Smt. Indulekha. T P	17.02.2021	16.08.2021	Transfer
13	Dr. P. Gireesan	16.08.2021		



2. PA to SUPERINTENDING ENGINEER				
SI No	Name & Designation	Period of incumbency		Remarks
		From	To	
1	Sri. Harshan K.G	19.10.2011	22.06.2012	Promoted as SE, relieved on 22.06.2012
2	Sri. Hameed	22.06.2012	09.07.2012	Incharge
3	Sri. Mohanan. U.K	09.07.2012	11.07.2012	CML from 11.07.2012 to 09.10.2012
4	Regi Alexander	10.07.2012	26.07.2012	Sanctioned LWA for 5 years from 28.07.2012
5	Sri. Mohanan. T A	08.08.2012	29.12.2012	Transferred
6	Sri. Raghu Prasad	05.01.2013	07.01.2013	CML for 15 days (Charge Sri. Mohanan. K)
7	Sri. Mohanan. T.A	28.01.2012	18.03.2013	
8	Sri. M.K. Ibrayi	25.03.2013	17.07.2014	
9	Sri. Moideenkoya. M.K	17.07.2014	10.08.2016	
10	Sri. Devadas. P.B	31.08.2016	21.11.2016	
11	Sri. Santhoshkumar. P	21.11.2016	13.12.2016	In charge
12	Sri. Sundareswaran. K.V	13.12.2016	19.09.2019	Transferred
13	Sri. Suresh Kumar. T.K	20.09.2019	16.01.2020	Transferred
14	Sri. Vinodan.K	23.01.2020	26.07.2021	CML from 27.07.2021
15	Smt. Prasanna. T	27.07.2021	09.08.2021	In charge
16	Smt. Lekshmy. M	09.08.2021	07.03.2022	Transferred
17	Sri. Biju. P.C	07.03.2022	18.07.2022	Transferred
18	Sri. Hashim M.A	18.07.2022		In charge
3. Accounts Officer				
SI No	Name & Designation	Period of incumbency		Remarks
		From	To	



1	Sri. Muraleedharan Moosad		03.12.2014	
2	Smt. Rajalakshmy. A.P	03.12.2014	30.11.2016	Superannuation
3	Sri. Jose Kuryan	01.12.2016	27.12.2016	In charge
4	Sri. Abdul Basheer. T.K	27.12.2016	06.09.2021	Transferred
5	Sri. Venu. N	06.09.2021	22.09.2021	Incharge
6	Sri. Ashraf. E	22.09.2021		

C. Financial Analysis

The financial analysis of PH circle Kozhikode for last three financial years is furnished below

Year	2019-20	2020-21	2021-22
Establishment Expenses	Rs. 2,12,04,181	Rs. 2,06,39,147	Rs.2,22,37,659
Contingency Expenses	Rs.8,43,874	Rs.3,54,535	Rs.3,86,125

Team Members

1. Abdul Basheer TK, Internal Auditor
2. Balakrishnan APK, Accounts Officer
3. Sivakumar S V, Head Clerk

D.Internal Control Mechanism

I. Internal Audit by the Accounts Officer

The audit of Division Offices under the Circle has been conducted by the Accounts Officer periodically and reports submitted

II. Trial Balance of 03/2022

On verification of the trial balance as on 31/3/2022 it is observed that following heads are showing huge amount as credit/debit balances. These Heads of accounts are third party payable accounts in which all the amounts received, should be paid to the respective agencies/departments. The errors may be rectified and fact reported to audit.

2821(House rent deductions)

Amount of Rs. 71718/- is seen as credit balance. The same is deducted from the employees against quarters rent. This may be accounted as revenue



2825 (LIC/SLI)

An amount of Rs. 255640/- is seen as credit balance.

2826 (Professional Tax)

An amount of Rs. 11700/- is seen as credit balance

2829(Other Deductions)

Rs.453513/- is showing as credit balance.

2839 (ST on Other sales)

Rs.4208/- is showing as credit balance in this account.

2843 (TDS from Employees)

An amount of Rs.310383/- is showing as credit balance in this account.

III. Non maintenance of Non operative Control Register-CB 14

As per Accounts Manual Vol V Chapter III F(3),all ARUs shall update Non operative control Register in Form CB14 .It is noticed that the Circle office is not maintaining the Register in CB 14 format which is a serious irregularity.The mandatory register may be maintained and fact intimated to audit.

IV. Tender Register

On the verification of Tender Register,it is noticed that the Certificate of page nos. are not recorded .Entries made in the register are not seen authenticated by the competent authority in many cases. Register may be updated and intimated to audit.

V. Audit Objection Register.

Even after repeated directions from Head Office, the Audit objection Register(LAR/IAR) has not been maintained in the office.

VI. Non maintenance of Trial balance register and journal register

As per KWA manual and circular it is clearly specified that all ARUs should maintain register for trial balance ,Ledger and JV for strengthening KWA Accounting system. PH Circle, Kozhikode has not been maintaining the above mentioned register. These registers should be maintained and fact intimated to audit.



Part II – A
Major Irregularities

-NIL-

Part II – B
Other Irregularities

I. Unclaimed/Time barred security Deposit/EMD

As per Para 15-4-1 of KPW A code, the security deposit / EMDS are time bared and unclaimed for more than three years should be forfeited and credited to the non operative account of KWA. On verification of SD register, it seen that a large number of security deposit are kept idle and no actions were taken to forfeit the same credit in to non operative account. The details of such Time barred deposit are as follows. This may be verified necessary action may be taken as per rule.

Details of Time barred securities to be forfeited					
SI No.	Name of Contractor	Details of Securities/EMD		Amount	Page No
1	B. Gopalakrishnan	FDR 171816/31/81 dt.28.5.1981	Andhra Bank	800	2 Vol I
2	Gulab chand Chottilal	FDR 193683 dt. 26.7.1984	SBI Agra	2400	4 Vol I
3	Sreeram Iron Foundry Calcutta	TD No.020898 dt.25.2.1986	State Bank of Bikaner& Jaipur	5000	7 Vol I
4	Sreeram Iron Foundry Calcutta	FDR 317482 dt.8.4.1987	The Vysya Bank Calcutta	2350	7 Vol I
5	Sreeram Iron Foundry Calcutta	FDR 317481 dt.8.10.1986	The Vysya Bank Calcutta	3600	7 Vol I
6	Sreeram Iron Foundry Calcutta	FDR 317480 dt.8.10.1986	The Vysya Bank Calcutta	5000	7 Vol I
7	M/S Associated Agencies ,Trichur	FDR No. 363242 dt.91-92	Dhanalakshmy Bank Palakkad	1565	83 Vol I
8	Jyothy Basu V	NSC 95EE 244340 to 244349 dt. 26.8.09	Post Office	100000	26 Vol II
9	M/S Turbo Systems	TD203215 dt. 23.05.2012		100000	58 new
10	M/s Sreeranjini Agencies	TD1028334 dt.	Post Office	100000	70 new
11	M/s DRS infratech(P) Ltd.	TD269408 dt.	Post Office	300000	72 new



12	Zubair V	POTD 505476 dt.22.7.2014	Post Office	300000	100 new
13	Zubair V	POTD 505489 dt.30.9.2014	Post Office	100000	100 new
14	Zubair V	POTD 3466628665	Post Office	300000	100 new
15	M/s Electric Project Consultants	TSB TSA 41 dt. 4.03.2014		100000	114 new
16	M/s Brothers Agencies	POTD 3047671264 dt.15.05.2015	Post Office	100000	123 new
17	Zubair V	POTD 505465	Post Office	300000	124 new
18	M/s Hydro Electrical Systems	POTD 20942 dt.14.03.2013	Post Office	100000	125 new
19	M/s Hydro Electrical Systems	POTD 49091 dt.22.03.2014	Post Office	100000	125 new
20	M/s Alana Engineering Co.	POTD 505381 dt.2.2.2013	Post Office	100000	127 new
21	M/s Alana Engineering Co.	POTD 505466 dt.25.3.2014	Post Office	100000	127 new
22	M/s Alana Engineering Co.	POTD 279425 dt.03.6.2013	Post Office	98500	127 new
23	Ashraf Moolamkuzhiyil	POTD 507865 dt.15.2.2016	Post Office	300000	136 new
24	Ashraf Moolamkuzhiyil	POTD 3226577585 dt.24.3.2016	Post Office	300000	136 new
25	M/s Electrodyne	POTD 67362256409 dt.13.05.2016	Post Office	300000	137 new
26	M/s Technoline Engineering	TSB 414123 dt.16.10.2016	TSA	300000	139 new
27	Shahul Hameed	POTD 507685 dt.8.04.2013	Post Office	300000	153 new
			Total	3729215	

II. Short collection of Stamp duty while executing agreement - Amount recovered but not remitted into Treasury account.

It is noticed that an amount of Rs.93200/-has to be recovered from contractors bills towards short collection of stamp duty. On enquiry ,it is replied that the same amount has already been recovered from the contractor through the bills already submitted and payment made from head office, and the recovered amount has not been released from Head office. Follow up action may be taken with the Head office to make available the amount to remit the same to the Govt. account. A Statement of Facts is pending to Govt. in IA wing for want of remittance details. Recovery amount may be obtained and remitted to treasury and fact intimated.

III. Non submission of completion certificates in form FA12 as per Chapter IIIB para 3 of Accounts Manual.

Submission of FA12 (completion / commission certificate) is mandatory in each and every work,



in order to ensure that the desired result is achieved by spending the government funds. On verification of the following work files work completion /commissioning certificate is not seen submitted even after the elapse of 1 to 2 years after the proposed date of completion.

A) Name of Work: State Plan-2018-19-Optimization of transmission and roduction- ARWSS to Kaniyampatta-Providing extension of pipe from Pallimukku to Nellyambam in Kaniyambatta GP.

Agreement No. 50/2018-19/SE/PHC/PHC/KKD

Contractor:Abdulla Kunhi B alias Abdulla

Source: (File No. SE/PHC/KKD/D5/4232/2018)

As per letter No. D1-SP/2018-19/TPO/SBY dated 17.01.2022 of the EE the above said work is seen completed on 20.09.2019 and final bill closed and fund request submitted. But the work completion certificate in form FA12 is not submitted. The date of completion of defect liability period(DLP) is also not seen reported. Hence the FA12 may be obtained and submitted to Audit.

B) Name of Work: NRDWP-XVII-SLSSC-2012 Vol II-Augmentation of WSS to Unnikulam Sivapuram-Supplying and laying testing and commissioning of pumping main and dist.system and renovation of of existing GLSR well and gallery .

Agreement No. 07/2015-16/SE/PHC/PHC/KKD dt. 29.05 2015

Contractor: NT Kuriakose

Source: (File No. D1/12102/2012 Vol II)

As per letter No. SE/PHC/KKD/D1-12102 /2012 Vol II dt.26.07.2021 ,time extension is granted up to 31.03.2021 with fine of ₹14706/-.But on verification of files it is not known whether the work is completed on time (within the extended period) and the date of completion of DLP. Completion certificate in form FA12 may be obtained and furnished to Audit

C) MSDP-Providing WSS to Padichira village in Mullankolly Grama panchayath- Supply Erection, testing, commissioning (2Nos) 100HP VT raw water Pumpset at existing well at Kabanigiri..

Source: SE/PHC/KKD/D5/1885/11(A)

Agreement No. SE/PHC/KKd/28/2012-13

Contractor : M/S. Turbo Systems Engineers and contractors

On verification of the file it is seen that time extension was granted up to 25/03/2013. But work completion certificate is not seen submitted so far. Rs. 100000/- kept as security deposit is also not seen released so far. Work completion certificate in form FA12 may be obtained and furnished to audit.

d) AMRUT-Phase III-Package I- Strengthening of existing infrastructure facilities and quality Improvement of CWSS to Kozhikode corporation.

Agreement.No. SE/PHC/KKD/44/2018-19



Time extension granted up to 31-10-2021. The original time of completion was up to 25/08/2019. Additional time allowed due to various reasons is 2 years and 2 months. But still the status of the work is not available in the file. Work completion certificate in form FA12 may be obtained and furnished to audit

IV. Non execution of Agreement within the prescribed time limit

On verification of the tender register, selection notice of the following works are seen issued on the dates noted against each. Even after the prescribed time limit, the awardee has not executed the Agreement.

Sl No	Name of Work	Name of Contractor	Date and no of Work order.
1	State Plan-Payyoli UWSS 2020-21- WSS to Payyoli coastal area in Kozhikkode district Laying clear water gravity main, construction of 14.55 LL Service Reservoir laying distribution line.	Midland Eng. and Contracting Co.	Work order No. D6/2912/2018 dt.11.03.2022
2	JJM(2021-22) Phase II-Augmentation of WSS to Thirunelly and providing FHTCs to Thirunelly	Midland Eng. and Contracting Co.	Work order No. 1425/D5/2021/PHC-KKD dt. 18-02-2022
3	JJM Phase II Augmentation of WSS to Padinjarathara GP and providing 5640 FHTCs in Padinjarathara. Panchayath. Work Order	Midland Eng. and Contracting Co.	Work order No.1421/D5/2021/PHC-KKD dt. 30.04.2022

1. Hon'ble High court vide order dated 26-04-2022 in WP©14038/2022 deferred the execution of agreement till 18/05/2022 in the case of Sl. No.1 noted above. But the present status of the case is not available in the file. Hence the present status of the case may be intimated to audit.
2. Agreement of the works (Sl. No 2 & 3) were also not seen executed even after the elapse of the permissible time limit. No action is seen taken against the contractor and to re-tender the work. Reason for not taking action in this regard may be furnished.

V. Non-completion of work- Unfruitful Expenditure

A) 19 – Replacement of Damaged pipes – RWSS to Bhoomivathukkal – Replacing 125/100mm AC pipes with 140/110mm PVC pipes

Agreement No. SE/PHC/KKD/15/2016-17 dated 8/4/2017

Contractor : M/s. Noval Constructions.

Source File : D1-2761/2016.

As per Order No.GO(Rt.)No.149/2016/WRD dated 17/2/2016 Administrative Sanction was accorded for Rs.54 Lakhs for above subject work and the Work Order issued on 20/01/2017 for the PAC of Rs.43,13,053/- the work has to be completed on or before 19/05/2017 (four



months from the date of work order). Later, time of completion further extended upto 31/10/2017. But due to the non-receipt of PWD road cutting permission on time and public protest against the work the contractor couldn't complete the work on time. The present status of the work is not available in the file. It is reported that the work is pre-closed due to public protest. But necessary orders to this effect is not seen issued.

The work was proposed for the improvement of Water Supply Scheme RWSS to Boomivathukkal and it is not known whether the indented purpose is achieved.

The following points may be intimated to audit

- 1.The present status of the work with expenditure if any incurred for the work.
- 2.Alternative arrangements made for the fulfillment of the proposed replacement work.

B) State Plan – 2019-20 Replacing damaged 300mm AC gravity pipe with 300mmDI pipe from the RCC weir at Kandappanchalil

Agreement No.SE/PHC/KKD/11/2019-20

Source File : D3-2736/2019.

As for the above work was accorded vide KWA/HO/DPH/600/2019-20, dated 27/06/2019 for Rs.2,00,00,000/- and Technical Sanction issued for Rs.1,87,00,000/- work awarded on 30/09/2019 with a PAC of Rs.1,34,77,728/-. Time of completion was 9 months from the date of Work Order (ie: 30/06/2020). But the work is not yet completed. As per letter No.D1-3268/2019 dated 16/12/2020 a time extension request was submitted by the Executive Engineer, PH. Division, Malaparamba. But the same is not seen approved. It is reported by the Superintending Engineer that the above work is pre-closed due to public protest. But no orders is seen issued in this regard. Under the circumstances the following points may furnished to audit.

- 1.The present status of the work with expenditure if any incurred for the work.
- 2.Alternative arrangements made for the fulfillment of the proposed replacement of the damaged 300mm AC Gravity pipe.

Part III

Best practices

A)**Section wise inventory Register**-Inventory Register of various sections has been maintained .This is a good practice to be followed

B)The Registers maintained in this office are updated

Part IV

Internal Audit acknowledge the co-operation extended by the Auditee

Internal Auditor

Accounts Member

