

**INTERNAL AUDIT REPORT ON THE ACCOUNTS AND REGISTERS OF PUBLIC HEALTH
CIRCLE, THIRUVANATHAPURAM FOR THE PERIOD FROM 01/04/2014 TO 31/03/2021**

Part I

A. Introduction

The circle office is headed by the Superintending Engineer who is functioning under the Chief Engineer, Southern region. The Superintending Engineer is exercising the administrative and technical control over the divisions under him. Processing and finalization of tenders, Issue of work orders etc. are also being carried out by him. There are six divisions under the control of P H Circle, Thiruvananthapuram as detailed below:

1. Project Division, Thiruvananthapuram
2. Public Health Division, Thiruvananthapuram
3. Sewage Maintenance Division, Pattoor
4. Water Supply Division, Neyyattinkara
5. Water Supply Division, Attingal
6. Head Works Division, Aruvikkara

B. Financial Analysis

Financial analysis of the P H Circle for the period of audit is as follows:

Period	Establishment	Contingencies
2014-15	7785066	403673
2015-16	15362361	412075
2016-17	15681896	483128
2017-18	31675740	817935
2018-19	17348908	487644
2019-20	17876692	413077
2020-21	17359372	685794

C. Officers in charge during the period from 01/04/2014 to 31/3 2021

i) Superintending Engineer

Sl No	Name	From	To
1	Sri M Krishnakumar	09.12.2013FN	13.04.2015AN
2	Smt Beena S (EE Addl Charge)	13.04.2015AN	28.04.2015AN
3	Sri M Krishnakumar	29.04.2015FN	20.05.2015AN



4	Sri Prakash Idikula (in charge)	20.05.2015AN	22.05.2015AN
5	Sri Radhakrishnan N	22.05.2015AN	31.05.2015AN
6	Smt Beena S (addl Charge)	31.05.2015AN	19.06.2015FN
7	Smt Leenakumari S	19.04.2015FN	08.12.2017AN
8	Sri Saji V(addl Charge)	09.12.2017FN	31.12.2017AN
9	Smt Leenakuari S	01.01.2018FN	18.07.2018AN
10	Sri Suresh Chandran	19.07.2018FN	31.01.2021AN
11	Sri Prakash Idikula (addl Charge)	01.02.2021FN	15.02.2021FN
12	Sri Saji V	15.02.2021AN	till date

ii) Accounts Officer

1	Sri S Soman	01.04.2014FN	31.05.2014AN
2	Smt Indira N (addl Charge)	01.06.2014FN	30.06.2014AN
3	Smt A Syamala Kumari	01.07.2014FN	31.05.2015AN
4	Smt Kumari Vijayam	01.06.2015FN	31.05.2017AN
5	Sri.Biju.S.R,DAO(addl.charge)	01.06.2017FN	12.09.2017AN
6	Smt Sucy Sebastian	13.09.2017FN	08.07.2019AN
7	Smt Sindhu	09.07.2019FN	06.08.2019AN
8	Sri Lalish Kumar K G	06.08.2019AN	till date

D. Internal Audit

Internal Audit was conducted in that office with effect from 13/09/2021 to 17/09/2021 covering the period from 01/04/2014 to 31/03/2021.

Team Members

1. A P K Balakrishnan, Accounts Officer
2. Shiji R P, Divisional Accounts Officer
3. Ragesh.B, Head Clerk

Part II

1. Agreement executed without imposing fine

Name of work : RWSS to Kakkakuzhy in Vettoor panchayath

Administrative and technical sanction were issued for the scheme vide AS No.WS/121/2013-14 dated 01/02/2014 of Managing Director and TS No. 3005/2019-2020 dated 19/08/2019 for Rs.356 lakhs. The work was awarded to Sri Nandakumar, IX/246, Hare Krishna, Ponakunnam, Palakkad for Rs.10951634.14 which is 8.94% above the tendered PAC vide order No. KWA/PHC/D1-654/2019 dated 24/12/2019 with time of completion of 9 months which expired on 08/10/2020. The contractor has executed agreement vide No.21/2019-20/KWA/PHC/D1/Tvm dated 05/02/2020. As per NIT condition clause 1.12, it is specified that from the date of receipt of selection Notice, agreement will



be executed within 14 days. After 14 days, a grace period of 10 days will be allowed with a fine of 1% of contract amount subject to a minimum of Rs.1000/- and a maximum of Rs.25000/- for executing agreement. In this case, the contractor has executed agreement only on 05/02/2020 after a period of 43 days. the reason for not imposing fine to the contractor shall be intimated to audit.

4. Verification of Service Books

1. Sobhana G, Confidential Assistant

a) The incumbent has joined service on the FN of 27/07/2010 in the scale of pay of 6050 - 10730. But as per the pay revision vide order No. 57/2010/WRD dated 13/09/2020, the pay scale is modified to Rs.6210 -10730. There is only upgradation of scale. But the pay fixation procedure is done wrongly(page 17). This may be rectified and any excess pay drawn shall be recovered and intimated ot audit.

b) The first increment of the incumbent is seen given with effect from 27/7/2011. This is to be corrected with effect from 01/07/2011.

2. Athira L R, Overseer Grade III

a) The incumbent has joined in the service on 03/10/2013. During the first year of service the earned leave must be calculated 1/22 days. But in the service book(page NO.122,123) , the earned leave is calculated in the first year as 1/11 days instead of 1/22 days. This is irregular, corrected and intimated to audit.

3) Lekha J Nair, U D CLerk

1) The incumbent has joined duty on the FN of 11/06/2001. He has taken leave without allowance without the support of Medical Certificate from 01/08/2002 FN of 31/08/2002 AN (Page NO.21). As such the increment of the incumbent is extended for a period of 31 days. But after the declaration of probation on 26/10/2003FN, the next increment given on 01/06/2004. This is irregular and if any excess payment made shall be recovered and intimate to audit.

2) In the Pay Revision 2007, the date of option of the incumbent is on 11/06/2005.The completed years of service shown as 4 years by reckoning the period of LWA taken without the support of Medical Certificate. This is irregular and if any excess payment made shall be recovered and intimate to audit.

3) And also in the pay revision 2014, the completed years of service shown shall also be corrected and if any excess payment made shall recovered and intimate to audit.

5.Idling of funds

The following accounts are maintained by Public Health Circle, Thiruvananthapuram and the cash balance as on **31/03/2021** as shown below

Sl. No	Account No	Cash balance
1	57047105611	Rs.1356827/-
2	3624001800000028	Rs.60428492-
3	362400000000207	Rs.1829792/-
4	40002010047971	Rs.198221/-
5	36270011800000046	Rs.5502129/-

The Accounts mentioned at Sl,Nos. 2 to 5, are the account maintained by erstwhile JNNURM project



division, Thiruvananthapuram. The said accounts attached to the P H Circle, Thiruvananthapuram after dissolving the JNNURM Project Division for the ongoing works attached to Project Division, Thiruvananthapuram. Now the funds under said accounts are idling. Hence the balance amount in the account 2 to 5 to be transferred to FM&CAO's account and intimated to audit.

6. Bank Reconciliation

The Bank Reconciliation shall be done on monthly basis in form No CB25 and reported to audit with copy of the same

Account NO.57047105611

The following bank interests are not seen remitted to Non Operative Account

05/14 - 106648
05/15 - 205147
11/15 - 197615
04/16 - 160230
07/16 - 104057
10/16 - 53627
12/16 - 28661
03/17 - 43652
06/17 - 41813
09/17 - 36274
03/18 - 728490
03/19 - 86340

The above bank interests shall be remitted to NOP account and details furnished to audit.

7. Non maintaining of Trial Balance and Journal Register

As per Kerala Water Authority Manual and Circular, it is clearly specified that all ARU's should maintain Trial Balance Register, Ledger and Journal Register for strengthening the Kerala Water Authority accounts system. But P H Circle, Thiruvananthapuram has not been maintaining the above mentioned registers. These registers should maintain without any further delay and intimate to audit.

8. Verification of Trial Balance

On verification of Trial Balance, the following omissions/irregularities are noted.

1532 Imprest

On 03/2021, It is seen that Rs.14581/- is not settled during the financial year. The reason shall be explained and action should be taken to recover the said amount from defaulters as per article Kerala Financial Code(KFC) 99 and GO.1035/2000 dated 19/07/2000.

2841 TDS from Contractors

On 03/2021, it is seen that Rs.5465/- is outstanding against the head of account 2841. More over on verification of Cash Book 12/2020, it is noted that vide CBV No.28 of 12/2020 for Rs.99/- is recovered as TDS from Contractors, but the same shall be remitted in the bank as TDS from Employees vide CBR NO.05 of 01/2021. This shall be corrected and report to audit.

9. KCWWF

As per Kerala Water Authority Manual, one percentage from each bill of the contractors shall be recovered towards KCWWF and the amount collected shall be remitted to the Labour Welfare



Board. Out of the collected amount one Percentage should be retained in Kerala Water Authority towards collection charges. On verification of Trial Balance 03/2021, it is seen that an excess payment Rs.4725/- towards welfare board. The reason shall be report to audit.

On verification of cash book, it is seen that one percentage of collection charges were not retained in Kerala Water Authority. Action should be taken to remit the 1% collection charges to Non operative account of Kerala Water Authority and report to audit.

10. Non Opening of GIS, SLI accounts

On Verifying the Pay Bill Register the following staff below the age of 50 are not opened the GIS and SLI account till date.

- 1.Sri Vaishak V R, L D Clerk - GIS and SLI
- 2.Sri Abhilash, D'man Grade II - GIS
3. shyn T S, DAO - GIS and SLI
4. Renjith R S, DAO - GIS and SLI
5. Sona C Vargheese,, AEE - GIS and SLI
6. Vijaya Kumar v, D'man GR I - GIS and SLI
7. Nikhesh Joseph, L D Clerk - GIS

Action should be taken to open these accounts and report to audit.

11.Non Maintaining of Asset Register in proper format

The details of electronic items such as printers, computer, Laptop etc... purchased between 01/04/2014 to 31/03/2021 is not entered in the Asset Register. Moreover the P H Circle, Thiruvananthapuram is not maintaining an asset register in the proper format (Form - FA 15). Maintain an asset register and report to audit.

12. Ineffective action for collection of Water Charges and resultant increase of arrear

On scrutiny of demand collection balance statement of the following division, it was seen that the closing balance of arrear to be collected as on 31/03/2021 were detailed below:

Category	P.H Division, Tvpm North	P.H. Division Tvpm South	Head Works Dn. Aruvikkara	W S Dn, Neyyattinkara	W S Dn attingal
Domestic	279790267	196683183	56560892	106296090	77829801
Non Domestic	4818434316	1312290563	71578440	262730611	181876194
Industrial	11303230	1314979	1298074	5202970	2912878
Special	78715603	34913658	1379622	8724320	513979
Total	5188243416	1545202383	130817028	382953991	263132852

Major portion of arrears is from Non Domestic and Domestic connection. The Kerala Water Authority, Thiruvananthapuram Circle has not been taken any effective measures to collect the arrears. Reason for the huge arrears and action taken to collect the arrears shall be reported to audit.

13)Improper maintenance of Cash Book

On verification of Cash Book for the period from 01/04/2017 to 31/03/2021 some irregularities were noted as below

- a) Scoring of figures without specifying sufficient reasons and initials of the responsible officer in the



following dates

Eg:- For the month of 02/2017 - CBV 17 of 02/2017

For the month of 02/2017 - CBV 19 of 02/2017

closing balance of 04/2018

b) Over writing in the Cash Books were observed in audit which should have been avoided as per the provision contained in Kerala Treasury Code Vol. I 92(A). Mistake if any occurred has to be corrected by drawing the pen. Though the incorrect entry and inserting the correct one in red ink between the lines. Some entries/ figures in the Cash Book were Corrected by over writings/correction liquid in some page. The correction so made were also not attested by the drawing and disbursing officer

Eg:- CBV 15 of 03/2017 - Page No.27,28

Eg:- CBV 04 of 34/2018 - Page No 22,24

c) Cash Book for the month from 02/04/2019 the date, Cheque Number has not seen the whole month and the Authentication of PA to SE is not seen done.

d) Authentication of PA to SE is seen not done for several month, Eg - 06/2019,02/2020

E) The payments made for the month from 07/2018 to 31/03/2021, the issued cheque, number is not written/made in the cash book. The reason shall be reported to audit.

PART III

Best practices noted during the course of audit.

Substantial points were not observed.

PART IV

There was full co-operation of the P H Circle Office, Thiruvananthapuram for the satisfactory conduct of audit. The records and documents called for were produced for verification. the audit party express its gratitude and co operation extended by the Superintending Engineer and staff for the smooth conduct of audit.

Internal Auditor.



