

Website: www.kwa.kerala.gov.in
Mobile/ Whatsapp: +919495998258

Tel. 0471-2328654
Consumer Helpline Number
1916 [24X7] [Toll Free]
1916cckwa@gmail.com



KERALA WATER AUTHORITY

Jalabhavan
Thiruvananthapuram – 695033
Kerala - India

File No. KWA-JB/2486/2024-DA1(AUDIT)

Dated: 16-03-2024

KERALA WATER AUTHORITY

Internal Audit Wing

UIN:IAR/15/2023-24

Internal Audit Report

PH DIVISION, SULTHAN BATHERY

PERIOD OF AUDIT : 29.02.2024 TO 07.03.2023

PERIOD COVERED : 01.04.2016 TO 31.03.2023

Audit Team

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

Part I

A. Introduction

PH Division Sulthan bathery consists of two Subdivisions, viz PH Subdivision Sulthan bathery, PH Sub division Kalpetta and four section offices viz PH Section No.1,2 Kalpetta, PH Section Sulthan bathery, PH Section, Mananthavady. The Division has **38714** live connections in 4 sections.

B Officers in charge .Attached separately as **Annexure I****C Financial Analysis**

Year	2020-21 (Rs in Lakhs)	2021-22 (Rs. in Lakhs)	2022-23 (Rs. in Lakhs)
Estt Expenditure	643.34	795.89	795.06
Contingencies	1.07	0.84	1.27
Capital Exp	1430.22	1457.93	5449.19
Maintenance Expenditure	193.38	156.72	155.31

D Revenue analysis

Year	2020-2021 (Rs. In crores)	2021-22 (Rs. In Crores)	2022-23 (Rs. In Crores)
Revenue Target	10	9.9	9.1
Revenue Collection	3.22	5.76	7.1
Amount written off in Adalath /unidentified	Nil	2.1	2.4
% of achievement	32.2%	57.61%	77.97%
Closing balance as on 31st March	5.11	2.53	2.62

Part II**A. Significant Audit Findings**

Nil

B Other Audit Findings

I HR wages -increase in expenditure

On verification of the transactions related to HR wages for the month of April to November 2023, it is noticed that huge amount of expenditure is incurring every month. During the month of July 2023 ,9 nos of regular operators joined under PH Subdivision Sulthanbathery and 5 Operators joined at PH Subdivision Kalpetta. But the total expenditure of HR wages for different categories are not decreased. A comparison statement of prior to joining of operators and after the joining of operators is furnished below.

a) PH Subdivision Sulthanbathery

Newly joined regular Operators- 9 Nos.

Month	HR wages paid/claimed	Claim for the month	Remarks /Excess Expenditure
April 23	Rs.13,10,429	Mar 23	
May 23	Rs. 14,06,546	April 23	
June 23	Rs. 13,49,337	May 23	
July 23	Rs. 13,58,443	June 23	
	Rs. 54,24,755		
After joining 9 operators (during middle of july)			
Aug 23	Rs. 13,76,430	July 23	
Sep 23	Rs. 13,25,231	Aug 23	
Oct 23	Rs. 12,42,683	Sep 23	
Nov 23	Rs. 13,23,889	Oct 23	
	Rs. 52,68,233		Rs.156522 reduced

The total salary expenses for 9 operators for one month comes to Rs 2,80,000/- From the above status report it is understood that even after joining of 9 nos Operators, (ie: 09 X 75 duties for 4 months = 665 duties X Rs. 495 per duty = Rs. 3,34,125/-) instead of reducing the HR expenses by Rs.3,34,125/- the same is decreased by Rs.1,56,522/- only.

b) PH Subdivision Kalpetta

Newly joined regular Operators- 5 Nos.

Month	HR wages paid/claimed	Claim for the month	Remarks /Excess Expenditure
April 23	Rs.6,44,040	Mar 23	
May 23	Rs. 6,85,652	April 23	
June 23	Rs. 6,96,925	May 23	
July 23	Rs. 7,17,117	June 23	
	Rs. 27,43,734		
After joining 5 operators (during middle of July)			
Aug 23	Rs. 7,36,570	July 23	
Sep 23	Rs. 7,13,761	Aug 23	
Oct 23	Rs. 6,45,710	Sep 23	
Nov 23	Rs. 6,58,378	Oct 23	
	Rs. 27,54,419		Rs.10685/- increase

The total salary expenses for 5 operators for one month comes to Rs 1,55,714/- From the above status report it is understood that even after joining of 5 nos Operators, (ie: 05 X 75 duties for 4 months = 525 duties X Rs. 495 per duty = Rs. 1,85,625/-) instead of reducing the HR expenses by Rs.1,85,625/- the same is increased by Rs.10,685/-

Consequent to the joining of new regular establishment Operators, the HR expense should be reduced accordingly. The reason for the increase in expenditure shall be clarified.

C) Preparation of HR bills of Meter Readers-Non compliance of Order

In the Order No. 1/28332/2023 dated 26/08/2023 of the Managing Director, it is clearly specified the methods of calculating the HR of Meter readers .But on verification of the HR bills of the meter readers of PH Subdivision, Sulthan Bathery and PH Subdivision Kalpetta, it is noticed that all the HR bills of Meter Readers were prepared in contrary to the Order read above. This resulted in excess payment .The non compliance of the Order of Managing Director is brought to your notice. The compliance report to be submitted to the Audit.

II Non Crediting of time barred /unclaimed securities & EMDs as revenue to KWA

As per para 15.4.1(iii) of the KPWA Code, balance amount unclaimed for more than three years should be credited to the revenue as lapsed deposit. On verification of Security deposit and EMD Registers showed that Security Deposits received by PH Division Sulthan bathery and sub offices in the form of FDRs, NSC ,KVP, Post office TD etc were not credited as lapsed deposits even after the expiry of stipulated period of three years.

Non initiation of timely action to credit the lapsed deposits to the Revenue account resulted in the loss of revenue amounting to **₹17.63**lakh.

Though the validity period of the securities had expired, no action was seen initiated by the controlling officers either to renew/release/forfeit the deposit documents. Periodical physical verification should be conducted at regular intervals to avoid the lapse mentioned above. The following security documents are found time barred and unclaimed. Details of such time barred and lapsed instruments is enclosed as **Annexure II**

III Non - Remittance of Centage charges

As per order No. KWA/JB/P2/663/17 dated 24/09/2018 of the Managing Director the rate of Centage charge is revised to 10% of the estimate amount in the case of LSGs and ordered to continue the existing rate of 12.5% in the case of Quasi Government organizations and 22.5% in the case of private parties, to be collected as centage charges. But on verification of the deposit register it is observed that there is no Centage charges are being booked under the head **6511**. The centage charges has to be booked in the respective head of account and to be deposited to the non- operative account. The non compliance of direction from the Managing Director is brought to your notice. The total amount of deposits received from LSGDs and Centage charges to be recovered for the year 2020-21 to 2022-23 is furnished below.

Financial year	Deposited by	Total amount of deposit	Centage charge to be accounted
2020-21	LSGD	1,64,94,977	14,99,558
2021-22	LSGD	1,22,93,831	11,17,632
2022-23	LSGD	5,08,08,284	46,18,981
		7,95,97,092	72,36,172

The total amount of Centage charges for the previous periods also may also be calculated, initiate corrective measures and intimated to audit.

IV Incorrect recording of JJM Volunteers wages

On verification of the payment of HR wages under the head 3359 vide CBV 13 of 12/2022 for the FY 2022-23, it is noticed that JJM volunteers wages for an amount of Rs. 2,86,900/- is seen booked under the head 33 59 (HR wages). This is irregular. JJM volunteers wages has to be booked under capital expenditure in the respective head of account for which the service of the volunteers are utilized. Hence urgent necessary action may be taken to correct the entries during the year 2020-21 and 21-22, and 2022-23 in consultation with the Accounts wing of Head office. All the payments made for JJM volunteers has to be booked as a capital expenditure under JJM. Necessary correction may be made and fact intimated to audit.

V Trial Balance

i) PH Division, Sulthan bathery

1532 (Imprest Account Balance)

An amount of Rs. 30,980/- is showing as debit balance in the trial balance for the month of 3/2023. The reason for the huge unsettled balance in this account may be clarified

1659 (other advance for Exp)

An amount of Rs. 1,77,957/- is showing as debit balance in this account. The reason for non settlement of Temporary advance at the end of the financial year may be reported to audit.

1661(Advance to contractors)

An amount of Rs. 21,00,231- is shown as debit balance in this account. The reason for the non settlement of advance to contractor may be reported to audit.

1662(Advance to Suppliers)

An amount of Rs.-19,00,189 is shown as debit balance in this account. The reason for the non settlement of advance to Suppliers may be reported to audit

2821 (House rent deductions)

An amount of Rs.14617/- is showing as credit balance in this account. The reason for not settling the amount may be clarified

2825 (SLI/LIC)

An amount of Rs.27,69,808/- is seen remitted to LIC in excess of recovery from employees. The reason excess remittance may be verified and intimated.

2843 (TDS from employees)

Excess payment of Rs. 11528/- towards income tax deductions from employees may be verified and intimated

2826 (Professional Tax from employees)

An amount of Rs. 37606/- towards professional tax deducted from employees is not seen remitted to respective department This may be verified and rectified

2829 Other deductions from employees)

An amount of Rs. 260478/- towards other deducted from employees is not seen remitted to respective department This may be verified and rectified.

9212 (Control account -Capital Exp. materials) Credit Balance 4285049/-

9219 (Control account -Capital Exp. others) Debit Balance 14800/-

These accounts may be verified and reason for appearing in the trialbalance may be reported .

Necessary corrections may be effected immediately and intimated.

ii) PH Subdivision,Sulthan bathery

2821 (House rent deductions)

An amount of Rs.13977/- is showing as credit balance in this account. The reason for not settling the amount may be clarified.If the amount is pertaining to the quarters rent deducted against KWA Quarters,the same shall be recorded as the revenue of KWA.

9212(Control Account-Materials)

An amount of Rs.118678/- is seen as credit balance.The reason may be verified and intimated.

9219(Control Account-Capital expenditure-others)

An amount of Rs.54317/- is seen as debit balance. The reason for not journalising the entries may be verified and intimated.

VI Bank Reconciliation

As per Accounts Manual Vol.V Para 6,Bank Reconciliation shall be done on a monthly basis in CB 25. Such reconciliation shall be based on the bank statement and pass book which comprises of tracing of entries in the cash book with bank statement. Cash book shall be rectified properly and post reconciliation entries monthly.

On verification of the Bank Reconciliation statement of ARUs the following points were noticed.

i) PH Division,Sulthan bathery

A)A/c. no. 67345742193(MPLADs)as on 31 .01.2024

An amount of Rs 132029/- is seen noted as amount credited by bank but not accounted from 2022 onwards .This is to be verified and accounted

B)A/c. no. 67147030112(State Plan)as on 31.01.2024

An amount of Rs126359/- is seen noted as amount credited by bank but not accounted .This is to be accounted.

It is noticed that an amount of Rs. 20 /-has been paid to the contractor in excess.on 04.11.2022 in cheque No. 464397.(Rs. 107244/-as per cash book and

Rs. 107224/-as per bank statement)This has to be rectified .

An amount of Rs. 276/- is noted as bank charges which is to be debited.

C. A/c. no. 67147030791(Deposit)as on 31.01.2024

- l. An amount of Rs220000/- is seen noted as amount deposited but not accounted .
- m. An amount of Rs.280989/- is seen noted as amount credited but not accounted in cash book
- n. An amount of Rs -9018/-is recorded as cheque issued but not accounted. This head itself is irregular and is in contrary to the CB25 format. This is to be clarified.
- o. An amount of Rs1069790/- is seen noted as bank charges debited by bank. Bank authorities may be contacted and action may be taken to recredit this huge amount.

D. A/c. no. 67143319108(Salary)as on 31.1.2024

- l. An amount of Rs.5308/- is seen noted as amount credited but not accounted in cash book

ii) PH Subdivision, Kalpetta

A/c. no. 57068194018as on 31 .01.2024

On verification of the Bank reconciliation statement the following amounts are not seen settled for a long period

An amount of **Rs 2,28,145/-** is seen noted as non operative receipts not banked as per List B .On enquiry It is replied by the Subdivision that these amounts are water charges collected and transferred to Head office through FRIENDS Janasevanakendram. Necessary documentary evidence may be collected from FRIENDS for the transfer of the collection amount and entries may be recorded in cashbook and intimated.

An amount of **Rs 235957/-** is shown as Amount credited by bank but not accounted in Cashbook(List C) .But on verification it is replied that these amounts are unidentified collections not recorded in cashbook. This may be accounted as "other deposits" and may be revised once the consumer is identified..

Rs.27,675/- is shown as Suspence

Rs.50/-is shown as excess deposit

Rs.4586/- is shown as difference in bank balance.

Necessary reconciliation to be effected and updated Bank Reconciliation Statement to be submitted to Audit.

VII Non settlement /Belated settlement of Temporary advance in PH Subdivisions

As per Article 99 of KFC Vol I and related GO(P) No. 417/11/Fin dated 4.10.2011, temporary advances sanctioned for meeting contingent expenditure of specific kind or on a specific occasion which should be adjusted by detailed bills and vouchers within three months and in case of default, interest @18% per annum shall be charged. In cases where temporary advance is not fully utilized, but the adjustment bill is submitted in time, interest @ 18% per annum will be charged on the unutilized portion of the advance from the date of drawl to the refund of advance. It is noticed that some of the officers were not settled the temporary advance in time. Moreover further amount allowed without settling previous advances taken.

On verification of the temporary advance register as on 31.01.2024, an amount of **Rs. 137/-** is seen as balance to be settled, but as per the trial balance as on 31.01.2024, an amount of **Rs. 2,58,706/-** remains unsettled. This disparity may be explained and necessary correction may be effected. If any amount remains unsettled, recover the amount with interest as per Rules and intimated.

VIII Parking of Funds in various Accounts

On the scrutiny of Cheque memo Registers and bank statements of various Accounts and Cash Book, it is noticed that huge amount is parked in these accounts as on 31.01.2024. The reason for parking huge amount in these operative accounts may be intimated to audit.

Sl No	Account No	Parked Amount	Remarks
1	67147030112 State Plan	39,04,067	
2	67147030791 Deposit	2,55,55,067	
3	67345742193 MPLAD	16,51,794	
4	67318880512 Jalanidhi	5,83,415	
	Total	3,16,94,343	

- As per the directions issued from the Head Office only an amount of Rs. 25 Lakhs shall be retained in Deposit account which is to be recouped on expenditure of the same. Necessity of keeping this huge amount in Division is irregular as per Circular. Immediate action may be taken

to refund the unnecessarily parked amount to the Head Office Account.

- Balance amount in State plan, Jalanidhi accounts shall be refunded immediately.
- Interest accrued in each accounts shall be remitted separately.

IX Irregular claiming of Night shift allowance

As per the **Para 23 of G.O(P) No. 23/2022/WRD dated 25.10.2022** (Pay Revision Order), the Night Shift Allowance of the employees working at night shift has been enhanced to **Rs.80/month**. On verification of the pay bill for the month of 1/2024 it is noticed that the following employees were claiming the night shift allowance at the rate which is not eligible.

PH Sub Division, Kalpetta

- Operator 6nos@ 640/month
- Operator 3nos@ 720/month
- Operator 6nos@ 480/month
- Operator 2nos@ 880/month
- Operator 4nos@ 800/month
- Operator 2nos@ 560/month

PH Subdivision,Sulthan bathery

- Operator 8 nos@ 640/month
- Operator 9nos@ 720/month
- Operator 4nos@ 480/month
- Operator 1nos@ 880/month
- Operator 4 nos@ 800/month
- Operator 4nos@ 560/month
- Operator 2nos@ 160/month
- Operator 1no@ 400/month

This is against the directions contained in the G.O cited above.

Night Shift allowance irregularly admitted shall be recovered immediately and intimated to audit.

X Abnormal increase in Blue Brigade HR expenses

Month	Expenditure Labor cost	Materials	Remarks
Apr-22	849180		
May-22	836574		
Jun-22	920259		
Jul-22	874225		

Aug-22	819513		
Sep-22	819513		
Oct-22	819513	650168	
Nov-22	875775		
Dec-22	979933		
Jan-23	1008042		
Feb-23	1008042		
Mar-23	891221		
Apr-23	1094521		
May-23	1155828		
Jun-23	1291207		
Jul-23	1209982		
Aug-23	1233113	449328	
Sep-23	1220437		
Oct-23	1136984		
Nov-23	1241276		
Dec-23	1400698		
Jan-24	1394459		
Feb-24	1435235		69.01

On verification of the fund allotment details of HR wages for the month from 04/2022 to 02/2024 it is noticed that the expenditure for Blue brigade is increasing rapidly. Compared to 04/2022, 69% of increase in Expenditure is noticed during the month of 02/2024. The reason for the abnormal increase in expenditure may be clarified with details of O& M expenditure for the months mentioned above.

XI Preparation of Pay revision arrear bills of Pensioners -Erroneous calculation

On verification of the pay revision arrear bill of the Pensioners prepared and passed for payment ,the calculation of the following employees are not in order. The bills were prepared in contrary to the directions contained in the Pay Revision Order. As per Para 6, it is clearly specified that the arrears of DA before 01.04.2021 is notional. The admissible pay due details recorded in the arrear bill is not correct. This is to be verified and the arrear bill revised.

a) PH Subdivision Sulthan bathery

Sl No	Name and designation	Amount eligible	Amount claimed as per arrear bills	Excess claimed	Remarks
1	Sri.Raju VE, Assistant	Rs.89412/-	Rs.127472/-	Rs.38060/-	

	Engineer				
2	Sri. Vijayakumar PC,Head Fitter	Rs. 30687/-	Rs. 74514/-	Rs.43827/-	
3	Sri.Thomas PV,Meter Reader	Rs. 99985/-	Rs.108145/-	Rs. 8160/-	
4	Sri.Radhakrishan VT ,HO	Rs. 128621/-	Rs. 142449/-	Rs.13828/-	
5	Sri. Francis MM, HO	Rs.127841/-	Rs.188561/-	Rs.60720/-	
6	Sri Mathai, Asst Engineer	Rs.68838/-	Rs.127962/-	Rs. 59124/-	
7	Sri. Prakasan VV,HOS	Rs.161076/-	Rs.100444/-	Rs.60632/-	

It is noticed that an amount of ₹ 2,84,351 has been erroneously claimed and fund request submitted.

a) PH Subdivision Kalpetta

Sl No	Name and designation	Amount eligible	Amount claimed as per arrear bills	Difference amount	Remarks
1	Sri.TA Ramachandran, Assistant Engineer	Rs.20967/-	Rs.18467/-	Rs.(-)2500/-	short
2	Sri. Pushpangadan MV, Operator	Rs. 30200/-	Rs. 15331/-	Rs.(-)14869/-	short
3	Sri.Sunny Jose, Head Operator	Rs. 51321/-	Rs.38462/-	Rs. (-)12859/-	short
4	Sri.T P Mohammed Iqbal, MI	Rs. 29725/-	Rs. 40117/-	Rs.10392/-	excess
5	Sri. Pradeep MK	Rs.33336/-	Rs.16332/-	Rs.(-)17004/-	short
6	Sri Harish Babu,HO	Rs.98084/-	Rs.97992/-	Rs. (-)92/-	short

Except sl No.4 the claims submitted are less than the eligible amount. Allowances such as HRA,HTA etc wef 07/19 to 09/22 are not seen included in the bill. The incumbents are eligible for pre-revised allowances for this period.

The bills prepared are to be reviewed, and should be rectified and revised fund request to be submitted to Head Office

XII Establishment & Service Books

1)Leave Account**A)Binu George,D Man Gr I.**

On verification of the Service book, it is noticed that the total days for Earned Leave calculated for the period from 1.02.2018 to 31. 03.2019 is 393 days instead of 424 days .This may be rectified

2 Non deduction of CML/HPL in Earned leave calculation

Smt Danila VD, D Man Gr I :- The Comuted Leave for the period from 11.05.2015 to 16.05.2015(6 days) is seen deducted in the Earned leave calculation, but the balance arrived is 480 days instead of 482 days .

Further comuted leave taken for the period from 12.01.2021 to 30.01.2021 is not seen deducted in the Earned leave account which may be corrected.

Sri. Dinesan C , Operator :-The incumbent had availed Earned leave for 10 days from 17.11.2012 to 26.11.2012 .On verification of the earned leave account, it is noted that the no. of days taken as Earned leave has not seen deducted in Earned leave calculation. Further he had availed HP leave for 15 days from 1.04.2016 to 15.04.2016.Necessary deductions were not effected in leave account .

Sri. Rasheed Pokerkutty, Meter Inspector :-The incumbent had availed Earned leave for 04 days from 04.05.2022 to 07.05.2022 .On verification of the earned leave account, it is noted that the no. of days taken as Earned leave has not seen deducted in Earned leave calculation

Sri. CV Joseph , Operator :-The incumbent had availed Earned leave for 07 days from 14.11.2012 to 20.11.2012 .On verification of the earned leave account, it is noted that the no. of days taken as Earned leave has not seen deducted in Earned leave calculation

Sri. Saji Shamsudeen , D man Gr I :-The incumbent had availed Comuted leave for 25 days from 25.09.2012 to 19.10.2012 .On verification of the earned leave account, it is noted that the no. of days taken as Earned leave has not seen deducted in Earned leave calculation

Sri. Nickson Corea , Meter Reader :-The incumbent had availed Commuted leave for 25 days from 01.06.2022 to 25.06.2022 .On verification of the concerned leave account, it is noted that the no entry has been made in the SB Page No 27

Sri. Sadique V, Operator :-The incumbent had availed commuted leave for 11 days from 05.02.2023 to 15.02.20123 .On verification of the earned leave account, it is noted that the no. of days taken as comuted leave has not seen deducted in Earned leave calculation. This may be regularized and intimated

3.Sanctioning of increment without declaration of probation.

On verification of the Service book of the following incumbents it is noticed that the increments were sanctioned without the declaration of probation.

- A. Binu George, D Man Gr I :-The incumbent provisionally promoted as D Man Gr I vide order No. KWA/JB/E4/755/96 vol III dated 21.07.2020.The incumbent will be on probation for a period of one year duty within a continuous period of two years. It is noticed that annual increments were sanctioned without the declaration of probation.
- B. Smt Danila VD, D Man Gr I :-The incumbent provisionally promoted as D Man Gr I vide order No. KWA/JB/E4/755/96 vol III dated 17.03.2018.The incumbent will be on probation for a period of one year duty within a continuous period of two years. It is noticed that annual increments were sanctioned without the declaration of probation.
- C. Smt Deepa P,D man Gr II :-The incumbent provisionally promoted as D Man Gr II vide order No. KWA/JB/E4(B)/346/98 vol II dated 16.10.2021 of DCE(GL).The incumbent will be on probation for a period of one year duty within a continuous period of two years. It is noticed that annual increments were sanctioned without the declaration of probation.
- D. Sri Jeevan lal VM, D Man Gr I :- Provisionally promoted as D Man Gr I vide Order No.KWA/JB/E4/755/96 vol II dated 23.10.2020 and joined duty on 23.10.2020 AN .Probation has not been declared.
- E. Saji Shamsudeen , D man Gr I :-The incumbent provisionally promoted as D Man Gr II vide order No. KWA/JB/E4(B)/346/98 vol II dated 27.12.2016 of DCE(GL).Further promoted as D Man Gr I on 15.09.2021 The incumbent will be on probation for a period of one year duty within a continuous period of two years .It is noticed that annual increments were sanctioned without the declaration of probation in the respective cadres of D Man Gr II and D Man Gr I .

Further increments were granted without the declaration of probation in the cadre.

Irregular increments sanctioned prior to the declaration of probation may be regularized and excess pay and allowances disbursed may be recovered and intimated.

4) Non recasting of Leave Account

A)As per G O (P) No. 75/2007 Fin dated 27.02.2007,the employees who have completed three years of service will become eligible for earned leave @1/11 for the period spent on duty for the first year of service as admissible for a permanent employee. On verification of the Service book of the following employees under this office, the leave @1/11 has not been recasted yet.

1. Dinesh CV ,Operator
2. Jiju Anjana Das, Operator
3. Jibin CA,Operator
4. Saseendran M,Operator
5. C V Joseph,Operator
6. Ajayan TK, Meter Reader
7. Sajith K, Operator

8. Vidyadharan CR, Operator
9. Suresh Babu C, Operator
10. Sabu M Raju, D Man Gr I
11. Sadique V, Operator
12. Deep VA, Operator
13. Dharmapalan MP, Operator
14. Prasanth MP, Operator

Similar cases if any may be verified and necessary action shall be made to recast the Earned leave account

XIII Non inclusion of provision for connection charges /Geo tagging in JJM works

Name of work:-1)JJM-Phase II- CWSS to Ambalavayal, Nenmeni, Poothadi and Pulpalli GP-Providing FTC in poothadi pt.

Agt No: SE/PHC/KKD/09/22-23

Contractor:Sri. Manoj M.T

2. JJM-Phase II- CWSS to Sulthan Bathery, Noolpuzha Muttill Etc.

Agt. No. SE/PHC/14/2022-23

Contractor : M/s. TT Constructions

In this connection the following points may be clarified

- A. On verification of the file and related documents and work register ,it is noticed that connection charges and Geo-tagging charges were not seen included in the accepted schedule and no claim submitted through PFMS. Due to the non inclusion of these items in the schedule, there is a possibility of skipping/excluding these items while finalizing the final bill of the project. As the above charges are included in the estimate, it is mandatory to claim these items as a revenue of KWA as much as connections were given. As per the above mentioned works 2019 and 747 connections were effected up to IVth and part bill, IInd and part bill respectively and no claim for connection charges and Geo-tagging submitted so far. This resulted in a loss of Rs.15 lakhs (approx) to KWA.

Under this circumstances, urgent action may be taken to submit the claim for connection charges through PFMS and fact intimated to audit. Similar cases may also be reviewed and claim submitted

- B. Further as per LAR 2019-21 Part IIA Para II, it is noticed the payment of ineligible amount of Rs.106120/-to the Contractors in JJM works. The recovery and remittance to NOA of the said amount may be furnished.

XIV Admitting of extra item in part bill prior to the approval of competent authority

A)Name of work:JJM Phase II-2022-24-CWSS to Ambalavayal,Nenmeni and Poothadi and Pulpally

GPs-Providing FHTCs in Poothadi Panchayath in Wayanad district.

Agt No: SE/PHC/KKD/09/22-23

Contractor:Manoj KT

Source file: D1/JJM/PHII/Poothadi

The above work was sanctioned by the CE(NR) vide Order No. KWA/EE/JJM PH2/FHTC/Poothadi dated 19.09.2022 and work order issued by the SE.PHC,Kozhikkode vide Order No. 1760/05/2022 PHC-KKD dated 22.09.2022 with direction to complete the work within 12 months from the date of W.O

But on verification of the file it is noticed that the work is still ongoing even after the lapse of 5 months after the scheduled time of completion (ie 22.09.2023).It may be clarified whether the time extension request received from the Contractor and submitted to higher authority for approval and sanction obtained. The present status of the work may also be intimated.

Further on verification of the CC4th and Part bill, of the work which has been submitted for fund allocation on 27.10.2023,it is noticed that 12 nos of extra items are seen admitted in the CC bills 1 to 4, for an up to date amount of **Rs. 1,01,09,737/-** without the prior approval of the TS authority. The payment of **Rs. 1,01,09,737/-** without an agreed rate by the competent authority in not in order and hence irregular. Even the proposal has not been submitted to higher authority for the sanction of extra items. This is the clear violation of the Codal provisions. The above irregular claim, may be deferred/recovered in the future bill and intimated to audit.

B)Name of work:JJM Phase II-2022-24-Providing FHTC in Mullankolly Panchayath CWSS to Mullankolly and Pulpally in Wayanad district.(4600 FHTCs)

Agt No: SE/PHC/KKD/22/22-23

Contractor:Manoj KT

The above work was sanctioned by the CE(NR) vide Order No. KWA/CE/NR/DIW/JJM/PH2/FHTC/Mullankolly Pt dated 14.10.2022 and work order issued by the SE.PHC,Kozhikkode vide Order No. 1926/D5/2022/PHC-KKD dated 15.10.2022 with direction to complete the work within 18 months from the date of W.O

The present status of the work may also be intimated.

Further on verification of the CC4th and Part bill,of the work which has been submitted for fund allocation on 27.10.2023,it is noticed that 16 nos of extra items are seen admitted in the CC bills 1 to 4, for an upto date amount of Rs. 1,90,45,477/- without the prior approval of the TS authority.The payment of Rs. 1,90,45,477/-without an agreed rate by the competent authority in not in order and hence irregular. Even the proposal has not been submitted to higher authority for the sanction of extra items.This is the clear violation of the Codal provisions. This irregular claim,may also be deferred/recovered in the future bill and intimated to audit.

XV Non recovery of the cost of balance Materials

A)Name of Work: JJM-Phase CWSS to Sulthan bathery municipality, Noolpuzha and Muttill Panchayaths in Wayanad district Phase 3-Extending distribution line-Providing FHTCs in Muttill GP

Agreement No: 17/2022-23/EE/PD/PBR Dtd:07/07/2022

Contractor : Abdul Nazar.

Source file : SE/PHC/KKD/14/2022-23

As per the revised MAS account attached with the cc final bill the following materials are seen balance with contractor.

SI No	Item	Balance with Contractor	Rate	Amount	Recovery effected	Balance
1	40 mm PVC pipe 8kg/cm2	1.3 M	61 .00	79.30	61.1	18.2
2	50mm PE pipe	10.7 M	73.00	781.10	502.9	278.2
3	150mm CI D/F Sluice Valve	1 No.	13396.00	13396	Nil	13396
4	80mm CI sluice Valve	2 Nos	6624.00	13248	Nil	13248
	Total amount to be recovered					26940.40

The MRN attached with the final bill is erroneous

B)Name of Work: JJM-2020-21-Phase I ARWSS to Padinjarathara and Thariyode villages-Providing FHTCs in Thariyode GP

Agreement No: 39/2020-21

Contractor : Ajeesh Joseph.

Source file : D1-JJM/Sby/31/2020 dated 15.09.2020

SI No	Item	Balance with Contractor	Rate	Amount	Recovery effected	Balance
1	50 mm PVC pipe 10kg/cm2	78.95 M	74.2 .00	5858.09	0	5858.09
2	63mm PVC 10kg/cm2	243.10 M	114.90	27932.19	0	27932.19
3	75mm PVC 10kg/cm2	15.05 M	162.90	2451.65	0	2451.65
	Total amount to be					36241.93

	recovered					
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C)Name of Work: State Plan-Optimization,Production and transmission-Renovation of WTP-Providing chamber for collecting back wash water from the filter and reusing at WTP Swargamkunnu

Agreement No: 17/2019-20 date 30.05.2020

Contractor : Mohammed Safwan MK.

W.O : D1-SP/4053/2018 dated 15.05.2019

SI No	Item	Balance with Contractor	Rate	Amount	Recovery effected	Balance
1	90 mm PVC pipe 10kg/cm2	147 M	350 .00	51450	90	51360
	Total amount to be recovered					51360

Total amount comes to **Rs. 114631/-**Applicable storage charge and GST portion may also be recovered . Immediate recovery may be effected from the contractor and intimated.

XVI Non recovery of the GST portion in the auction of materials

The auction of unserviceable materials under the Division was done through e-auction procedure and M/s Aiysha Traders, Vellakkinar North, New Bazar, Alappuzha was qualified. It was directed from the office to the firm to remit **Rs.1263026/-** (1070361/-plus 192665/- (GST 18%))But the Contractor has remitted **Rs. 1070361/-** only on 18.01.2023 and shifted the materials. The Division's action to shift the materials without remitting the total amount is irregular. The balance amount should be recovered immediately and fine if any for late recovery of GST shall be recovered from the officers responsible. The action taken may be reported.

XVII Non remittance of accrued interest to Head office Account

On verification of Trial Balance of PH Division Sulthanbathery, it is noticed that accrued interests were accounted but the remittance details are not available.

Fin Year	Amount
2020-21	₹7,14,302
2021-22	₹6,06,806
2022-23	₹21,18,733
	₹ 34,39,841

Total accrued interest comes to ₹ **34,39,841** which may be remitted to Head office account and intimated.

XVIII Non allocation /confiscation of deposit amount towards pending water charges in respect of special casual connection.

Directions were issued from the head office to allocate/ confiscate the deposit amount of consumers in special connection category towards their pending water charges. On verification of the records, the same has not been done in this Subdivision. The following disconnected special category consumers are having arrears.

Sl No	Consumer No	Name	Amount	DC from
1	PMK/7/S	Exe Secretary, Nirmithi Kendra	₹28833	11.03.2024
2	ABV/9/S	Shameer C	₹25624	18.10.2023
3	KPT/34/S	Valsaraj	₹6732	05.12.2023

Immediate action may be taken to allocate the deposit amount of the respective consumers towards arrear water charges and intimated to audit.

XIX Revenue Collection-Huge arrears

A) On the comparison of the DCB of 03/2023 and 12/2023, it is noticed huge difference in the arrears which is as follows

Name of office	closing balance as on 31-03-2023 (Rs)	closing balance as on 31-12-2023 (Rs)	Increase (Rs)	Percentage of increase (%)	Remarks
PH Sub Dn. Kalpetta	5882865	16641463	10758598	182.88	
PH Sub Division, Sulthanbathery	20346386	39894166	19547780	96.07	
	26229251	56535629	30306378	115.54	

The revenue arrears have increased from ₹ **2.62** crore at 31.03.2023 to ₹ **5.65** crore at 31.12.2023 (115.54%) leaving ₹ **2.29** crore to be collected from Janadhi alone. Action taken to recover huge dues from Janadhi has to be informed. Monthly collections of ₹ **64.68** lakh is far below the monthly demand of ₹ **91.86** lakh. Only **70%** of the total demand is seen collected during the month of 12/2023 by the Division. This causes the total arrears to increase.

Strict measures shall be taken to recover the arrears on war foot basis. Action taken increase the monthly collection may be informed to audit.

B) Huge arrears also noticed in the Domestic, ND connections also .On random verification of the eabacus ,the following consumers were noticed having huge arrears.

The following consumers have huge arrears to be settled

SI No.	Consumer No	Amount
1	MNT/1754/D	24795
2	MNT/617//N	34863
3	TNL/332/N	27831
4	TNL/1386/N	18834
5	TNL/227/D	17357
6	TNL/1110/D	10665
7	EVK/1630/D	11828
8	MNT/2214/N	10645
9	VKU/27/N	10360
10	VEM/1265/N	95382
11	PMK/3532/D	38353
12	KPT/4500/N	32212
13	KPT/4565/D	51710
14	KPT/4656/N	25945
15	MOT/1737/D	48734
16	PID/461/N	44339
17	MOT/1749/D	68709

In addition to the above it is also noticed huge amount of arrears were pending in the connections of Govt buildings. This also should be viewed very seriously.

Action may be taken to realize the arrears immediately

Part III

Outstanding Local Audit Paras

SI No	Year	Pending
1	2007-08	1
2	2008-09	2
3	2009-10	1
4	2012-13	1
5	2013-14	1
6	2015-16	2
6	2017-18	1

7	2018-19	2
8	2017-18	5
9	2018-19	2
10	2020-21	6
11	2021-22	3
12	2022-23	12
	Total	32

Based on the Audit Committee discussions, direction has been issued to the concerned to prepare the replies and submit to RAO immediately and regular follow up to make the Paras dropped.

Part IV

Best Practices

NIL

Part V

Acknowledgement

Internal Audit Wing acknowledges the cooperation extended by the auditee institution.

ABDUL BASHEER T K

INTERNAL AUDITOR

Annexure I

PH DIVISION, SULTHAN BATTERY

Incumbency Details of Officers from 01/04/2016 to 31/3/2023

1) Executive Engineer

01/04/2016 FN to 25/08/2016 AN – Sri. P. Santhosh Kumar, EE

26/08/2016 FN to 01/06/2018 AN- Sri. T.K. Sureshkumar, EE

02/06/2018 FN to 05/06/2018 AN- Sri. T.K Jithesh, AEE (Full Additional Charge)

06/06/2018 FN to 08/06/2020 AN – Sri. P.K.Salim, EE

09/06/2020 FN to 22/06/2020 AN- Sri. T.K Jithesh, AEE (Full Additional Charge)

23/06/2020 FN to 10/08/2021 AN – Sri.T. Thulaseedharan,EE

11/08/2021 FN to 01/07/2021 AN – Sri. Manoj.M, EE

02/07/2021 FN to 19/07/2022 AN – Sri. Narayanan.K,EE

20/07/2022 FN to 25/07/2022 AN- Sri. Shibu P.N, Tech. Assistant (Full Additional Charge)

26/07/2022 FN to 31/3/2023 – Sri. Biju P.C, EE

2) Technical Assistant/ Deputy Executive Engineer

01/04/2016 FN to 27/08/2019 AN- Sri. T. Balakrishnan, TA

28/08/2019 FN to 31/05/2020 AN – Sri. E. Padmanabhan , TA

01/06/2020 FN to 02/09/2020 AN- Sri. T.K.Jithesh, AEE (Full addl. Charge)

03/09/2020 FN to 11/08/2021 AN- Sri. M.Manoj, TA

12/08/2021 FN to 31/08/2021 AN – Sri. T.K.Jithesh, AEE (Full Addl.

Charge)

01/09/2021 FN – Sri. Shibu P.N, TA

3) Divisional Accounts Officer

01/04/2016 FN to 07/07/2016 AN- Sri. N.Venu, DAO

08/07/2016 FN to 30/04/2019 AN- Sri. P.G.Velayudhan, DAO

01/05/2019 FN to 28/07/2019 AN – Sri. K.J. James, JS (Full addl. Charge)

29/07/2019FN to 27/12/2019 AN – Sri. Dhanesh.C, DAO

28/12/2019 FN to 31/12/2019 AN – Sri. K.J. James, JS (Full Addl. Charge)

01/02/2020 FN to 12/08/2021 AN – Smt. Shabeena M.B, DAO

13/08/2021 FN to 31/08/2021 AN – Sri. K.J. James, JS (Full addl. Charge)

01/09/2021 FN to 29/12/2021 AN – Smt. Ambili M.K, DAO

30/12/2021 FN to 14/01/2022 AN – Sri. K.J. James, JS (Full Addl. Charge)

15/01/2022 FN to 23/07/2022 AN – Sri. Shijukumar.K, DAO

24/07/2022 FN to 09/08/2022 AN – Sri. K.J. James, JS (Full addl. Charge)

10/08/2022 FN to 31/01/2022 AN – Smt. Pushkala. B.M, DAO

01/02/2023 FN to 31/03/2023 AN- Sri. James K.J, JS (Full addl. Charge)

Annexure II

Details of unclaimed time barred securities.

PH Division, Sulthan Bathery.

Sl No	Name	Details of instrument	Date	Bank/PO	Amount
Security Deposit					
1	Lal kumar	Term Deposit 120381	29.01.2014	Post Office	3000
2	Lal kumar	Term Deposit 120382	29.01.2014	Post Office	3000
3	Ajesh Joseph	Term Deposit 120404	05.04.2014	Post Office	6800
4	Ajesh Joseph	Term Deposit 120403	05.04.2014	Post Office	3400
5	Ajesh Joseph	Term Deposit 120402	05.04.2014	Post Office	6800
6	Ajesh Joseph	Term Deposit 120400	05.04.2014	Post Office	5200
7	V A Thomas	Term Deposit 120399	04.04.2014	Post Office	13600

8	V A Thomas	Term Deposit 120398	04.04.2014	Post Office	51000
9	Ajesh Joseph	Term Deposit 120405	05.04.2014	Post Office	3400
10	Haris	Term Deposit 72406	29.07.2013	Post Office	5000
11	KP Baijulal	Term Deposit 37385	26.07.2013	Post Office	5000
12	Lal kumar	Term Deposit 120239	17.06.2013	Post Office	9800
13	M/s United Electricals	Term Deposit 120235	01.06.2013	Post Office	4000
14	M/s United Electricals	Term Deposit 120250	01.06.2013	Post Office	5000
15	M/s United Electricals	Term Deposit 120245	01.06.2013	Post Office	5000
16	P J Sunny	Term Deposit 120279	27.07.2013	Post Office	23000
17	P J Sunny	Term Deposit 120280	29.07.2013	Post Office	31000
18	KT Varghese	Term Deposit 120306	30.07.2013	Post Office	23400
19	KT Varghese	Term Deposit 120305	30.07.2013	Post Office	19600
20	Ambujakshan	Term Deposit 120296	30.07.2013	Post Office	201000
21	Ambujakshan	Term Deposit 120292	30.07.2013	Post Office	14400
22	Lal kumar	Term Deposit 120288	30.07.2013	Post Office	14400
23	Aneesh Abraham	Term Deposit 120321	31.07.2013	Post Office	19400
24	Aneesh Abraham	Term Deposit 120322	31.07.2013	Post Office	14400
25	O V Suresh babu	Term Deposit 16902	31.07.2013	Post Office	19000
26	O V Suresh babu	Term Deposit 16903	31.07.2013	Post Office	33200
27	KT Varghese	Term Deposit 120142	02.05.2013	Post Office	1000
28	M/s United Electricals	Term Deposit 120247	01.06.2013	Post Office	7600
29	M/s United Electricals	Term Deposit 120240	01.06.2013	Post Office	4000
30	M/s United Electricals	Term Deposit 120249	01.06.2013	Post Office	5000
31	M/s United Electricals	Term Deposit 120232	01.06.2013	Post Office	10400
32	P J Sunny	Term Deposit 120283	29.07.2013	Post Office	17000
33	U Moideenkutty	Term Deposit 120309	31.07.2013	Post Office	25400
34	Binu PJ	Term Deposit 120273	29.07.2013	Post Office	21000
35	Binu PJ	Term Deposit 120272	29.07.2013	Post Office	12600
36	Lal kumar	Term Deposit 120288	30.07.2013	Post Office	14400
37	O T Mohandas	Term Deposit 120277	29.07.2013	Post Office	12600
38	O T Mohandas	Term Deposit 120278	29.07.2013	Post Office	14200
39	Christy Paul	Term Deposit 120308	31.07.2013	Post Office	35800
40	Ajesh Joseph	Term Deposit 120313	31.07.2013	Post Office	7600
41	O V Suresh babu	Term Deposit 16894	12.06.2013	Post Office	30800
42	O T Mohandas	Term Deposit 120408	11.04.2014	Post Office	17600
43	Zubair	FD 67151124499	04.11.2013	SBT	13100
44	S Sreenivasan	Term Deposit 120369	06.02.2013	Post Office	2800
45	T Ismail	2 Nos TD		Post Office	12000
46	M Ashraf	TD507809	08.12.2014	Post Office	80000
47	M Ashraf	TD507808	08.12.2014	Post Office	100000
48	T Ismail	TD120471		SBT	1000
49	Manilal K	TD 1017228	29.12.2014		100000
50	K M Thampi	TD 1061062	05.02.2015		51400
51	M/s Horizia const.Pvt Ltd	FD 7111671	11.04.2016	SBI	35000
52	Suras Agencies	TD....5986	16.06.2016	Post Office	4800
53	Mohammed Ismail	363964471	27.04.2017	SBI	8000
54	T Ismail	3667832656	24.06.2017	SBI	6600
55	PK Babu	3690620374	24.06.2017	SBI	3000

56	T Ismail	3901865051	23.01.2018	SBI	2000
57	National Electrical Works	JK196122	19.02.2018	Sub Treasury	90000
58	Mohammed Sujvan	3932158139	15.02.2018		7400
59	Adithya Builders	3978643200			55000
60	Reghu	37908574960	30.08.2018		13500
61	Reghu	37908575518	30.08.2018		35500
62	Reghu	37908575942	30.08.2018		18000
	Total				1418900
	PH Subdivision Kalpetta				
	Security Deposit				
1	Rafeeq EA	2 FDR	30.07.2018	Madakkimala SCB	5000
2	SM Haris	3268087905	10.05.2016	Post Office	4000
3	SM Haris	3268369193	10.05.2016	Post Office	2600
4	SM Haris	3268093180	10.05.2016	Post Office	3600
5	SM Haris	3290942296	04.06.2016	Post Office	2600
6	SM Haris	3268365706	10.05.2016	Post Office	4000
7	Ambujakshan	4080496203	05.07.2018	Post Office	23600
8	Ismail	003001000093	25.06.2018	Padinjarathara SCB	10300
9	Rafeeq EA	003002004173	20.07.2018	Madakkimala SCB	2000
10	Lalkumar	9934	22.03.2017	Wayanad DCB	3800
11	Lalkumar	9986	22.03.2017	Wayanad DCB	1300
12	SM Haris	3268345401	10.05.2016	Post Office	6400
13	Rafeeq EA	3688902123	23.06.2017	Post Office	11700
14	Lalkumar	9935	22.03.2017	Wayanad DCB	1500
15	Rajendrakumar	4025012338	24.04.2018	Post Office	6800
16	Ismail	001001007603	30.10.2018	Padinjarathara SCB	2500
17	Ismail	001001007604	30.10.2018	Padinjarathara SCB	2500
18	Ismail	001001007602	30.10.2018	Padinjarathara SCB	2500
19	Salim VP	TE/MTDN-0241910	09.04.2018	Indian bank	9500
20	Rajendrakumar	094709256	24.04.2018	Post Office	6800
21	Ismail	FDR 2 Nos	28.07.2018	Padinjarathara SCB	5000
22	Ismail	FDR 2 Nos	28.07.2018	Padinjarathara SCB	5000
23	Aseem Mohammed	NSC 4191539967	03.11.2018	Post Office	3600
24	Aseem Mohammed	NSC 4191517804	03.11.2018	Post Office	6200
25	Aseem Mohammed	NSC 4191523294	03.11.2018	Post Office	2400
26	Rafeeq EA	003002004145	30.05.2019	Madakkimala SCB	2500
27	Ismail	001001007703	30.01.2019	Padinjarathara SCB	2500
28	Ambujakshan	6393	30.10.2018	Wayanad DCB	2500
29	Lalkumar	3634615978			2600
30	Lalkumar	3634614142			2600
31	M/s SD Electrical Industry	JJ176416	05.04.2019	Treasury	6300
32	Rafeeq EA	003002004201	30.07.2019	Madakkimala SCB	2500
33	Ismail	001001007602	28.01.2019	Padinjarathara SCB	2500
34	Ismail	7132	07.05.2020	Wayanad DCB	5000
	Total				164200

EMD					
1	P N Sarath kumar	11EE742908		Post Office	500
2	Lalkumar	39CC429746		Post Office	1000
3	United Electricals	128258	02.01.2014		4000
4	Lalkumar	130D1109222067	03.10.2016	Wayanad DCB	4000
5	Ambujakshan	130021809222678	30.10.2019	Wayanad DCB	2500
	Total				12000
	Subdivision S. bathery				
	Security Deposit				
1	M/s United Electricals	4339932803	11.03.2019	Post Office	4000
2	C K Sumesh	4359565876	20.03.2019	Post Office	25000
3	S Sreenivasan	4013362452	11.04.2018	Post Office	17000
4	S Sreenivasan	45551857930	27.09.2019	Post Office	8500
5	Reghu O	38444016221	08.05.2019	SBI	18000
6	M/s Skilltech Engg	462489	06.02.2001	Federal Bank	
7	OT Mohandas	NSC 2 Nos	23.10.2000	Post Office	2000
8	KM Abraham	NSC	05.08.2003	Post Office	1050
9	Bijulal KP	NSC 4 Nos	25.03.2006	Post Office	3500
10	M/s Sabi Electricals	NSC 2 Nos	06.07.2006	Post Office	1500
11	Texon Eng	119287	05.07.2007	Post Office	3000
12	Abdul Nazar	268854	06.07.2007	Post Office	2200
13	118/07-08	No details			3400
14	64/2007	119462	16.04.2008	Post Office	2800
15	M/s National Engg	3098336754	27.10.2015	Post Office	5000
16	M/s National Engg	3231358926	28.03.2016	Post Office	3600
17	S Sreenivasan	083440100081	26.04.2016	Post Office	7300
18	Aneesh Abraham	3286717952	31.05.2016	Post Office	7600
19	Aneesh Abraham	3286729382	31.05.2016	Post Office	6400
20	M/s National Engg	3351302595	18.08.2016	Post Office	2600
21	Shijin Poulose	323452404	19.08.2016	Post Office	3400
22	VA Thomas	3366633707	7.09.2016	Post Office	3800
23	VA Thomas	33666641696	7.09.2016	Post Office	8600
24	Aneesh Abraham	3675874198	09.06.2017	Post Office	2800
25	M/s Orion Engg	3782926124	04.10.2017	Post Office	9400
26	S Sreenivasan	4067965371	20.06.2018	Post Office	5000
27	S Sreenivasan	4067961854	20.06.2018	Post Office	5000
28	S Sreenivasan	4067960284	20.06.2018	Post Office	5000
	Total				167450
	Grand Total				1762550

