

KERALA WATER AUTHORITY
Internal Audit Wing

UIN : IAR/8/2024-25

Internal Audit Report
PROJECT DIVISION PALAKKAD
PERIOD OF AUDIT : 24/02/2025 to 05/03/2025
PERIOD COVERED : 01/04/2016 to 31/03/2024

Audit Team

SRI.LALISH KUMAR.K.G , INTERNAL AUDITOR
SMT.INDULEKHA.S, DIVISIONAL ACCOUNTS OFFICER
SRI.ANEESH .M , HEAD CLERK

Part -1

A. Introduction

The Internal Audit Wing was conducted from 24/02/2025 to 05/03/2025 covering the period from 01/04/2016 to 31/03/2024.

Project Division Palakad is under the control of P.H Circle Palakad. The Project Division Palakad carries out of the project work of 35 Panchayaths 2 Municipalities in Palakad Districts. This Division is responsible to execute the Project Works related to JJM KIIFB, NABARD, NRDWP, AMRUT, STATE PLAN and other Central and State assisted the capital Works 38 Projects under various programs like JJM are ongoing under the division at an estimate cost of Rs.1,11,222.85 Lakh

B. Officers In charge

Executive Engineers

Sl.No	Name	From	To
1	Smt.Usha Radhakrishna	01.04.2016	08.06.2020
2	Smt.Rekha.P.S	08.06.2020	11.06.2020
3	Sri.Venugopal.R	11.06.2020	13.08.2020
4	Sri.Ratheeshkumar.S	13.08.2020	20.07.2022
5	Sri.Ansal John.M.S	20.07.2022	01.09.2022
6	Smt.Suma.P.A	01.09.2022	01.11.2022
7	Sri.Baby George	01.11.2022	14.11.2022
8	Sri.Anil Raj.K.S	14.11.2022	12.10.2023
9	Sri.P.Pramod	12.10.2023	Continue

Divisional Accounts Officers

Sl.No	Name	From	To
1	Smt.T.V.Many	01.04.2016	05.07.2016
2	Smt.Annie Alex	06.07.2016	19.07.2016

3	Sri.George Nelson.P.H	20.07.2016	12.05.2017
4	Sri.Jayakumar.S (UDC-incharge)	13.05.2017	26.06.2017
5	Smt.S.Sumangalatha Bhai	27.07.2017	22.05.2018
6	Sri.Chandramohan.(JS-incharge)	23.05.2018	20.08.2019
7	Sri.Sudhakaran.V.K	21.08.2019	31.05.2022
8	Smt.Suhara.K(J.S- incharge)	01.06.2022	31.07.2022
9	Sri.Sajith.S	01.08.2022	01.07.2023
10	Smt.Suhara.K(J.S- incharge)	01.07.2023	01.03.2024
11	Sri.Aneesh Pradeep.K.M	01.03.2024	13.08.2024
12	Sri.Murali.T	31.08.2024	Continued

C. Financial Analysis

Year	2021-22 (in Lakhs)	2022-23 (in Lakhs)	2023-24 (in Lakhs)
Estt. Expenditure	279.24	252.35	305.62
Contingencies			
Capital Exp.	15750.83	15926.95	26691.53
Main. Expenditure	Nil	Nil	Nil
Total	16030.07	16179.30	26997.15

Part.II

A. Significant Audit finding

NIL

I.Non Crediting of time barred /unclaimed securities & EMD's 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 Project Division Palakkad in the form of FDR's, 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 Rs. 4,00,300/-.

Through 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 laps mentioned above. The following security documents are found time barred and unclaimed.

Security Deposits				
SL.No.	Name of contractor	Name of instrument	Bank/Treasury	Amount
1	K.Sasikumar	TD No.8868 Dtd.29/04/2014	Post Office	6600
2	Poweron Technologies	TD No.0241460 Dtd. 24/05/2014	Indian Bank	1,00,000
3	Poweron Technologies	TD.No.241570 Dtd.25/03/2015	Indian Bank	1,00,000
4	Electro Machine Tools	TD.No.436242 Dtd.06/04/2015	Post Office	30,400
5	V R Gopalakrishnan	TDNo.32244497-78 Dtd.-	Post Office	5,000
6	Mekkattukulam Sale Corporation	A/c No:67367797523	Bank	38,700
7	Industrial Engineers	A/c No:37593317156	Bank	34,500
8	Naveen Construction Corporation	No:JK559025 DTD,06/08/2019	Treasury	11,100
9	TESLA HEAVY ELECTRICALS	TDNo.JL637419 Dtd.28/06/2021	Treasury	74,000
	Total			4,00,300/-

II. Trial Balance

On verification of Trial Balance as on 31-03-2024 the following observation are noticed.

1532 (Imprest)

An amount of Rs-3000/-is showing as credit balance in the trial balance. The reason for the credit balance of imprest account may be verified and intimated to Audit.

2811 (Sundry creditors Contractors)

An amount of Rs-97,83,451/- is showing as debit balance in the trial balance. In trial balance statement there should be no balance under this head. Necessary journal voucher should be prepared and the expenditure booked under respective head and rectify the errors and report to Audit

2812 (Sundry creditors Suppliers)

An amount of Rs-2,90,505/- is showing as debit balance in the trial

balance. In trial balance statement there should be no balance under this head. Necessary journal voucher should be prepared and the expenditure booked under respective head and rectify the errors and report to Audit.

9219 (Capital Expenditure Others)

An amount of Rs-78,12,222/- is showing as credit balance in the trial balance. In trial balance statement there should be no balance under this head. Necessary journal voucher should be prepared and the expenditure booked under respective head and rectify the errors and report to Audit.

Recovery Heads

The credit balance are showing in the trial balance is as follows.

SI No	Account Code	Details	Dr Balance	Cr Balance
1	2825	LIC	-	2,53,536
2	2826	Prof Tax	-	0
3	2827	LW Fund	-	21,686
4	2829	O E Deduction	-	1,65,453
5	2831	ST on sales of scrap	-	0
6	2832	ST on Gunny Bags	-	0
7	2833	ST on materials	-	0
8	2834	ST on Tender sale	-	8,460
9	2835	ST on Work Contract	-	1,33,116
10	2839	ST on Other sale	-	25,183
11	2841	TDS from Contractors	-	12,27,332
12	2842	TDS from Suppliers	-	4,000
13	2895	KCWWF	-	4,40,180

The reason for keeping the above amounts in various head as credit balance, without remitting into concerned authorities may be verified and intimate to Audit.

2826(Professional Tax)

An amount of Rs-1,250/-is showing as debit balance in the trial balance. The reason for excess payment may be verified and rectify the errors and intimated to Audit.

2843(TDS from Employees)

An amount of Rs-999/-is showing as debit balance in the trial balance. The reason for excess payment may be verified and rectify the errors and intimated to Audit.

1661 (Advance to Contractors)

An amount of Rs-13,50,66,756/-is showing as debit balance as long pending advance to be settled by the contractors. The reason for non settlement may be intimated to Audit.

1662 (Advance to suppliers)

An amount of Rs.83,03,821/- is showing as Credit balance in the trial balance. It is irregular, the reason for credit balance may be verified and rectify the errors and intimated to Audit.

1669 (Advance to contractors –Bank loan scheme)

An amount of Rs.11,46,98,512/- is showing as Credit balance as long pending in the trial balance. It is irregular, the reason for credit balance may be verified and rectify the errors and intimated to Audit.

III. Deduction of bank charges in Non Operative Account & Operative Account

On verification of the Trial Balance, it is noticed that the bank has been deducting charges for various reasons. On random verification of 2021-2024 Cash Book an amount of **Rs.18248/-** has been deducted towards bank charges (Head of Account 3461). The details are as follows.

SL NO	YEAR	AMOUNT
1	04/2021	595.00
2	06/2021	1190.00
3	07/2021	595.00
4	08/2021	684.00
5	09/2021	679.00
6	10/2021	945.00
7	11/2021	1770.00
8	12/2021	590.00
9	04/2022	649.00
10	06/2022	354.00
11	07/2022	118.00

12	11/2022	708.00
13	01/2023	798.00
14	03/2023	5089.00
15	06/2023	590.00
16	10/2023	93.00
17	02/2024	854.00
18	03/2024	1947.00
TOTAL		18248.00

Action may be taken up with the bank to reverse the bank charges deducted without the knowledge of this office. Similar instances if any happens in other operative accounts may also be verified and regularize.

IV. Incorrect recording of JJM Volunteers wages

On verification of the payment of HR wages under the head 3359 for the FY 2021-22, 2022-23 & 2023-24 it is noticed that JJM volunteers wages are seen booked under the head 3359 (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 all entries of JJM volunteers wages, 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.

HR Wages

FY : 2021-22 : 21,07,291
FY: 2022-23 : 59,44,050
FY : 2023-24 : 1,00,41,505

Out of the above noted amount only expenditure incurred through March software and amount allotted from head office, only be booked as HR wages (3359). The all expenditure incurred for JJM volunteer wages has to be booked as capital expenditure ie head of account 2813. Necessary correction may be made and fact intimated to audit.

V. Non Maintaining of Registers

Trial Balance Register with Ledger and Journal Register

As per KWA manual and circular, it is specified all ARU's should be maintained Trial Balance Register, Ledger and Journal Register for strengthening for the proper maintenance of Accounting system of KWA. This shall be maintained and intimated to Audit.

Internal Audit Report Register

On verification, Internal Audit Register is not maintaining in this office. This shall be maintained and intimated to Audit.

Local Audit Report Register

On verification, Local Audit Register is not maintaining in this office. This shall be maintained and intimated to Audit.

(i)Not properly maintained Registers.

Incumbency Register

Incumbency Register is not maintained properly and not updated. This shall be maintained, updated and intimated to Audit.

Tender Register

Page No.173,179,183,185,187,189,191,195,197 were not signed by the concerned authority. The selected bidder details is not entered and not authenticated in almost pages. This shall be rectified and intimated to Audit.

(ii)The Registers not certified by the concerned authority

A certificate duly signed by the controlling officer regarding machine numbered pages of the registers are need to be written before beginning of register. This shall be updated and intimated to Audit.

1.Cash book for the period from 01/08/2016 to 31/08/2017, 31/08/2017 to 24/04/2018, 24/04/2018 to 08/11/2018, 12/11/2018 to 22/05/2019, 23/05/2019 to 12/02/2020,17/02/2020 to 05/11/2020, 05/11/2020 to 29/04/2021, 30/04/2021 to 28/10/2021, 28/10/2021 to 12/04/2022.

2.Cheque Memo Registers:-

- a) A/c No:38522186955 from 07/10/2021
- b) A/c No:67147923898 from 01/2017
- c) A/c No:67147923898 from 04/02/2025
- d) A/c No:67086988402 from 29/04/2021

- e) A/c No:67086988402 from 07/2024
- f) A/c No:79901016032 from 18/01/2022
- g) A/c No:34839125797 from 05/2016
- h) A/c No:41044275049 from 28/03/2023(Page No 1 to 2 transaction not authenticated by EE)
3. Agreement register from 2014 -2015 and 2021-2022
 4. Tender Register from tender No.42/2014-15,
 5. Temporary Advance Register from 16/04/2015
 6. Security deposit register –From Tender No.02/2009-10

VI. Non settlement/ Belated settlement of Temporary advance

As per Article 99 of KFC Vol.I and related GO(P) No. 417/11/Fin dated, 04/10/2011, the 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 if default, interest @ 18% per annum Shall be charged. In cases were temporary advance is not fully utilized, but the adjustment bills are submitted in time, interest @ 18% per annum will be charged on the unutilized portion of the advance from the date of drawal 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 setting pervious advance taken.

Nazar.T, Assistant Engineer

Date	Cheque No	Amount	Settlement details
14/06/2017	509945	5000	Not settled
22/05/2019	754019	5000	28/01/2020

Shine Krishnan.P, Assistant Engineer

Date	Cheque No	Amount	Settlement details
18/11/2024	049466	10000	Not settled

Jayesh.C.C, Assistant Engineer

Date	Cheque No	Amount	Settlement details
04/02/2019	440497	2000	24/01/2020

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Anupamkrishnan, Assistant Engineer

Date	Cheque No	Amount	Settlement details
07/06/2019	000403	10000	28/02/2020
11/06/2019	000409	10000	28/02/2020

Emil Mathews, Assistant Engineer

Date	Cheque No	Amount	Settlement details
08/09/2017	510013	5000	31/03/2018
02/06/2018	776488	5000	31/03/2019
15/06/2019	000413	5000	28/01/2020
26/07/1019	405242	50000	28/01/2020

- Applicable penal interest as per Rules may be recovered in case of belated settlement of Temporary Advance and remitted to NOA and intimated
- Strict action may be taken against the responsible persons who have not settled the Temporary Advance and to recover the amount with applicable penal interest till date for the amount not settled.

VII. IMPREST

On verification of imprest register of Division, it is seen that imprest settled / recouped .CBV Number not mentioned in the register vide Page No.100 to 139. Rectified the same & reported to Audit.

VIII. Improper closing of MAS

Name of Work: AMRUT - 2017-2018 - Augumentation of WSS to Palakkad Municipality-Phase III Package- II-Part I- Kalmandapam Zone Supplying and Laying of rider mains, providing water service connections.

- 1.Source of file:KWA/WSP/PKD/D6-1152/16/AMRUT
- 2.Work order No: KWA/PHC/PKD/AMRUT/17-18 Package II- Part III. Dated, 17/07/2018 of SE
- 3.Agreement No:06/2018-2019/SE/PHC/PKD. Dated, 31/07/2018.
- 4.TPAC-124102014/-
- 5.APAC-132539999/-

6.Name of Contractor: Binu Mathew

On Verification of final MAS, it is noticed that the same is not closed properly. As per the MAS the following materials are balance with contractor.

- 1.450mm DI pipe- 10m
- 2.400mm DI pipe- 14.50m
- 3.350mm DI pipe – 21.70m
- 4.300mm DI pipe- 18.40m
- 5.250mm DI pipe- 57.10m
- 6.200mm DI pipe- 124m

The settlement details of balance materials should be entered in the MAS and report along with documents submitted to Audit Wing.

IX. Establishment & Service Books

(i)Pay fixation statement

The 11th Pay Revision fixation Statement are not countersigned by

Accounts Officer/ Controlling officer. The Name of Employees are given below;

- 1. Ratheesh.T , Assistant Engineer
- 2. Neethu.M A, D'man Gr.II

(ii)Earned Leave not re-casted at the rate of 1/11 days

As per G.O(P) No.75/2007/Fin dated 27/02/2007 the employees who have completed 3 years of service will become eligible for Earned Leave at the rate of 1/11 for the period spent on duty for the first year of service as admissible to a permanent employee. On verification of the Service Book of the under mentioned incumbents of this office the leave at the rate of 1/11 has not been re-casted yet. Reason for the delay shall be intimated to audit and recalculate the leave account at the earliest.

Vinoj.K K, D'man Gr.I

(iii) Non-Deduction of Paternity Leave from E/L Account

R. Devadas, LDC(HG)

On Verification of Service book, the incumbent has availed 20 days of Paternity Leave during the period from 20/03/2014 to 29/03/2014 and

19/06/2018 to 28/06/2018. In the earned leave calculation 20 days of Paternity Leave was not deducted. This should be rectified and intimated to audit.

Shine Krishnan.P, Assistant Engineer

On Verification of Service book, the incumbent has availed 10 days of Paternity Leave during the period from 24/04/2023 to 03/05/2023. In the earned leave calculation 10 days of Paternity Leave was not deducted. This should be rectified and intimated to audit

(iv) Special Casual Leave

1. Bindhu. K, U D Typist

a)Special casual leave for 42-days from 15/01/2018 to 25/02/2018 for miscarriage on medical ground was no deducted from earned leave account. This should be rectified and intimated to audit.

b)Special casual leave from 27/10/2020 to 15/11/2020 on medical ground(Covid-19) was no deducted from earned leave account. This should be rectified and intimated to audit.

2. Remya.R,Overseer Gr.II

Maternity leave for 180-days from 01/04/2019 to 27/09/2019 was no deducted from earned leave account. This should be rectified and intimated to audit.

(v) Probation not declared

Vinoj.K K, D'Man Gr.II

Probation in the cadre of D'Man Grade-I is not declared in the stipulated time. Action should be taken.

Haridas.M, D'Man Gr.I

Probation in the cadre of D'Man Grade-I is not declared in the stipulated time. Action should be taken.

(vi) Non- Countersigned by Controlling Officer/Not-Recorded in SB, ETC

Ratheesh.T, Assistant Engineer

On Verification of Service book of incumbent, joining entry in W.S. Project Division Palakkad is not recorded.

Ratheesh.T, Assistant Engineer

The entry regarding the revised pay recorded in the service book for the period from 01/10/2022 vide page No.22. But the Controlling Officer is not signed.

Arun Kumar.A, Assistant Engineer

On verification of the service book, he has joined duty on 05/07/2017 and has been terminated from service on 05/04/2018 AN to avail one day break in service as directed by the PSC and re appointed as Assistant Engineer and re joined duty on 07/04/2018 FN. His Service is regularized with effect from 07/04/2018 FN as per Order No:4724/E4(A)/2014/KWA. Dated,12/07/2019 Of the Deputy Chief Engineer (GL).Hence his pay revision 2019,E/L and HPL account may be revised with effect from 07/04/2018 onwards.

Rectified the same and reported to Audit.

X. Non deduction of GIS & SLI

When the salary bill and other related documents were verified, it was found that GIS and SLI was not deducted from some employees. However, it is mandatory to deduct it. Also, as per Govt. Orders GO(P) No.156/2021/FIN Dated, 26/11/2021& GO(P) No.159/2021/FIN Dated, 30/11/2021,1.5% of the basic pay and DA should be deducted as GIS and SLI, but it was understood that there are employees who have not deducted 1.5%.The details are as follows.

(i)Non deduction of GIS

1. Jayasree.P N, Assistant Engineer
2. Sumayya.A, Assistant Engineer
3. Suhara.K,Junior Superintendent
4. Suresh.K,Overseer Gr.III
5. Prasannan.C, U D Clerk

(ii)Non deduction of SLI

1. Suresh.K,Overseer Gr.III
2. Prasannan.C, U D Clerk

(iii)Not deducted 1.5% of GIS(minimum)

- 1.Anoop V S, Assistant Executive Engineer
- 2.Devadas.R, L D Clerk
- 3.Jayesh.C C, Assistant Engineer

- 4.Pramod.P, Executive Engineer
- 5.Shanu Paul, Assistant Executive Engineer
- 6.Shine Krishnan.P, Assistant Engineer
- 7.Sreekanth.M,Office Attendant
- 8.Subramanian.C R, U D Clerk
- 9.Syamjith.K, Assistant Executive Engineer

(iv)Not deducted 1.5% of SLI

1. Sreekanth.M, Office Attendant
2. Jayasree.P N, Assistant Engineer
- 3.Bindu.K, U D Typist
- 4.Devadas.R,L D Clerk
- 5.Suhara.K, Junior Superintendent
- 6.Subramanian.C R, U D Clerk
- 7.Haridas.M, D'Man Gr.I
- 8.Sumayya.A, Assistant Engineer
- 9.Pramod.P, Executive Engineer
- 10.Silji Mathew.C, D'Man Gr.II
- 11.Syamjith.K, Assistant Executive Engineer
- 12.Jayesh.C C, Assistant Engineer

This should be resolved and reported to Audit Wing.

XI. Grant Extension of Time beyond limit

(i)Name of Work: JJM 2020-21-WSS to Mathur and Pirayiri Panchayath-12MLD WTP 14LL OHSR(Mathur), 22LL OHSR(Pirayiri), intake well RWPM, CWPM, Distribution system with FHTCS,RW&CW Pump sets and 400KVA Transformer.

- 1.Source of file:KWA/WSP/PKD/JJM/2020-2021/ Mathur and Pirayiri
- 2.Work orderNo:KWA/PHC/PKD/ JJM/Mathur and Pirayiri/2021.

Dated, 29/09/2021 of SE

3. Agreement No:17/2021-2022/SE/PHC/PKD.Dated,07/12/2021.

4. TPAC-587156117/-

5. APAC-611875389/-

6. Name of Contractor: P.C.SHAJI

As per the work order contractor shall execute agreement on or before 14/10/2021. But the agreement executed on 07/12/2021 reason for permitting agreement in belated date and non adhering existing PWD Manual 2012 should be reported to audit.

18-months time was provided for execution of the work which expired on 28/03/2023. The Superintending Engineer has granted first Time Extension for the period up to 28/01/2024 without imposing fine and another periods of extensions was given up to 31/05/2024 & 31/03/2025 without imposing fine. As such the audit observe the followings;

1. Clarify the delay in executing the agreement and whether any fines have been imposed.
2. SE has sanctioned time extension in three times viz period up to 28/01/2024, 31/05/2024 & 31/03/2025. As per PWD Manual the extension of time of completion that can be granted at a time shall not exceed 25% of the original time or six months whichever is less. The maximum extension that can be granted for a work shall be limited to half the original time of completion. In the case whether the approval/ ratification from higher up obtained or not.
3. No correspondence is seen made in the file after sanctioning time of completion up to 31/03/2025. design, construction, commissioning and maintenance of 5MLD
4. Present status of the work shall be reported to Audit.

(ii) Name of Work: JJM 2020-21-WSS to Kottayi Panchayath Design, Construction, Commissioning and Maintenance of 5MLD WTP 6M dia Well cum pump house, 10LL OHSR for Kottayi Zone 5LL OHSR for Odanur Zone supplying, laying, testing, commissioning and maintenance of clear water pumping main, clear water pumping main to OHSR and distribution system with providing FHTC supply and erection of clear water and clear water motor pump sets -reg

1. Source of file: KWA/PHC/PKD/JJM/KOTTAYI/21-22

2. Work order No: KWA/PHC/PKD/ JJM/KOTTAYI/21-22 Dated,
15/02/22
3. Agreement No:25/2021-2022/SE/PHC/PKD.Dated,14/03/2022.
4. TPAC-378741498/-
5. APAC-357152750/-
6. Name of Contractor: Binu Mathew

As per the work order contractor shall execute agreement on or before 01/03/2022. But the agreement executed on 14/03/2022 reason for permitting agreement in belated date and non adhering existing PWD Manual 2012 should be reported to audit.

18-months time was provided for execution of the work which expired on 14/08/2023. The Superintending Engineer has granted first Time Extension for the period up to 31/03/2024 without imposing fine and another periods of extensions was given up to 30/11/2024 & 31/03/2025 without imposing fine. As such the audit observe the followings;

1. Clarify the delay in executing the agreement and whether any fines have been imposed.
2. SE has sanctioned time extension in three times viz period up to 31/03/2024, 30/11/2024 & 31/03/2025. As per PWD Manual the extension of time of completion that can be granted at a time shall not exceed 25% of the original time or six months whichever is less. The maximum extension that can be granted for a work shall be limited to half the original time of completion. In the case whether the approval/ ratification from higher up obtained or not.
3. Present status of the work shall be reported to Audit.

(iii) Name of Work: JJM-WSS to Ambalappara Panchayath-Gap filling of distribution net work using GI pipe and road restoration in Ambalappara high level zone.

1. Source of file: KWA/WSP/PKD/JJM/1779/Ambalappara
2. Work order No: KWA/PHC/PKD/ JJM/1779 Ambalappara. Dated,
23/02/23
3. Agreement No: 14/2022-2023/EE/WSP/PKD. Dated, 06/03/2023.
4. TPAC-8238790/-

5.APAC-7442178/-

6.Name of Contractor: Mathews Kollappally

The subject work was awarded to Sri.Mathews Kollappally for accepted PAC Rs.7442178/- with direction to complete the work within 45-days from the date of award of the work. As per work order the time of completion was expired on 09/04/2023.The recommendation of AEE for time extension, EE was granted first time extension up to 07/06/2023 without imposing fine by stating the reason that, the work have more than 100 different gaps and its consuming more time to complete. Again EE sanctioned time of completion up to 14/08/2023 and up to 15/09/2023 without imposing fine by stating the above same reason. The reason reported in the application for extension of time is not reasonable. As per PWD Manual the extension of time of completion that can be granted at a time shall not exceed 25% of the original time or six months whichever is less. The maximum extension that can be granted for a work shall be limited to half the original time of completion.And also noted that MAS of all part bills is not included in the Work file. On verification, MAS of 4th part bill the following materials are balance with the contractor.

- 1.MS pipe Welded GI 80mm- 2167.50m
- 2.Sluice valve CID/F 100mm- 1 Nos
- 3.Air Valve CI Single acting 40mm- 4 Nos

As such the audit observe the followings;

1. EE has sanctioned time extension in three times viz period up to 07/06/2023, 14/08/2023 & 15/09/2023. As per PWD Manual the extension of time of completion that can be granted at a time shall not exceed 25% of the original time or six months whichever is less. The maximum extension that can be granted for a work shall be limited to half the original time of completion. In the case whether the approval/ ratification from higher up obtained or not.
2. Whether the contractor returned the remaining materials to the store.
3. The MAS of all part bills should be submitted to the Audit Wing.

XII. Tardy Progress of work

(i)Name of work:JJM-2020-2021 WSS to Thachampara Panchayath- Construction commissioning and maintenance of 2LL GLSR at Palakkayam and supplying, laying, testing, commissioning and maintenance of CWPM and distribution system with providing FHTCs 2735 nos.

- 1.Source of File:KWA/WSP/PKD/JJM 20-20/Thachampara.
- 2.Agreement No:No-18/22-23/SE/PHC/PKD Dtd;01-10-2022
- 3.TPAC- 122578765/-
- 4.APAC- 130836978/-
- 5.Name of Contractor: Sri.K. Rameshan J V with M/S. Midland Engineering & Contracting Company.

The above work was awarded to Sri. K Rameshan, JV with M/s Midland Engineering and Contracting Company vide work order No.KWA/PHC/PKD/ JJM/21-22/ Thachampara. Dtd, 19/09/2022 for accepted PAC of Rs.13,08,36,978/- with direction to complete the work on or before 18/09/2023 (12 months from 19-02-2022).He could not complete the work within the stipulated time. As per the recommendation of the Executive Engineer, Superintending Engineer sanctioned 1st time of completion for a period up to 31/12/2023 from 18/09/2023 without imposing fine and then executed the work only 5%(vide application)vide proceedings No. KWA/PHC/PKD/JJM/21-22/Thachampara. Dated, 20/10/2023. Further time extension 2nd and 3rd granted up to 31/03/2024 and 30/08/2024 in respectively without imposing fine. Again the EE has be submitted the application received from the contractor for 4th time extension up to 30/12/2024 without imposing fine. It is not known whether the request has been considered and granted time extension.

It is understood that the work is not completed till date. Total FHTC provided 2735 numbers, but there was only 938 numbers has been given up to the CC6th part bill(08/11/2024).Further time extension not seen requested by the contractor.

As per agreement actual date of completion was 12-months which was expired on 18/09/2023.But now 29-months over, this work was not completed yet. Since this work is not completed in time, did not fruitful to public. As such the audit observed that the following;

1. Present status of the work and up to date expenditure shall be reported to Audit.
2. SE has sanctioned time extension in three times viz period up to 31/12/2023, 31/03/2024 and 30/08/2024. As per PWD Manual the extension of time of completion that can be granted at a time shall not exceed 25% of the original time or six months whichever is less. The maximum extension that can be granted for a work shall be limited to

half the original time of completion. In the case whether the approval/ ratification from higher up obtained or not.

3. Whether the 4th time extension up to 30/12/2024 sanctioned or not.
4. Date of expected to be completed as this work.

(ii) Name of work: JJM-2020-2021 WSS to Kanjirappuzha Panchayath-Supplying, Laying, commissioning and maintenance of distribution system with providing FHTCs 4635 nos.

1. Source of File: KWA/WSP/PKD/JJM 20-21/ Kanjirappuzha.
2. Agreement No: No-04/22-23/SE/PHC/PKD Dtd; 30-05-2022
3. TPAC- 12,39,27,291/-
4. APAC- 11,50,04,526/-
5. Name of Contractor: Sri. Abdul Majeed.

As per the work order contractor shall execute agreement on or before 25/04/2022. But the agreement executed on 30/05/2022 reason for permitting agreement in belated date and non adhering existing PWD Manual 2012 should be reported to audit.

The above work was awarded to Sri. Abdul Majeed vide work order No. KWA/PHC/PKD/JJM/Kanjirappuzha/21-22/ Dtd, 11/04/2022 for accepted PAC of Rs. 11,50,04,526/- with direction to complete the work on or before 10/01/2023 (09 months from 11-04-2022). He could not complete the work within the stipulated time. As per the recommendation of the Executive Engineer, Superintending Engineer sanctioned 1st time of completion for a period up to 10/05/2023 from 10/01/2023 without imposing fine and then executed the work only 5% (vide application) vide proceedings No. KWA/PHC/PKD/JJM/Kanjirappuzha/21-22 Dated, 09/03/2023. Further 2nd and 3rd time extension granted up to 31/12/2023 and 30/06/2024 vide proceedings dated 25-09-2023 and 25/06/2024 in respectively of the Superintending Engineer without imposing fine (Then only 10% of the work had been completed). Again the Executive Engineer has been submitted the application received from the contractor for 4th time extension up to 31/12/2024 without imposing fine, vide letter dated 18-09-2024. It is not known whether the request has been considered and granted time extension.

It is understood that the work is not completed till date. Total FHTC provided 4635 numbers, but there was only 43.360% has been given up to the CC6th part bill. Further time extension not seen requested by the contractor.

As per agreement actual date of completion was 9 months which was expired on 10/01/2023. But now 34 -months over, this work was not completed yet. Since this work is not completed in time, did not fruitful to public. As such the audit observed that the following;

1. Present status of the work and up to date expenditure shall be reported to Audit.
2. SE has sanctioned time extension in three times viz period up to 10/05/2023, 31/12/2023 and 30/06/2024. As per PWD Manual the extension of time of completion that can be granted at a time shall not exceed 25% of the original time or six months whichever is less. The maximum extension that can be granted for a work shall be limited to half the original time of completion. In the case whether the approval/ ratification from higher up obtained or not.
3. Whether the 4th time extension up to 31/12/2024 sanctioned or not.
4. Date of expected to be completed as this work.

XIII. Delayed Execution of Agreement

On Verification of the following Agreement/Agreement Register, it has been noticed that the contractors has faced delay in executing the agreement. Inform us whether any penalty has been imposed to the contractor for delay in executing the agreement. If no penalty has been imposed, furnish a clear explanation for the delay in executing the agreement.

1. Agreement No.01/2021-2022/EE/WSP/PKD
2. Agreement No.02/2021-2022/EE/WSP/PKD
3. Agreement No.03/2021-2022/EE/WSP/PKD
4. Agreement No.04/2022-2023/EE/WSP/PKD
5. Agreement No.05/2022-2023/EE/WSP/PKD
6. Agreement No.13/2022-2023/EE/WSP/PKD
7. Agreement No.10/2023-2024/EE/WSP/PKD
8. Agreement No.13/2023-2024/EE/WSP/PKD
9. Agreement No.14/2023-2024/EE/WSP/PKD
10. Agreement No.18/2023-2024/EE/WSP/PKD
11. Agreement No.19/2023-2024/EE/WSP/PKD

12. Agreement No.20/2023-2024/EE/WSP/PKD
13. Agreement No.22/2023-2024/EE/WSP/PKD
14. Agreement No.23/2023-2024/EE/WSP/PKD
15. Agreement No.25/2023-2024/EE/WSP/PKD
16. Agreement No.27/2023-2024/EE/WSP/PKD

PART-III
Outstanding Local Audit Paras

Sl.No	Year	Pending Paras
1	2015-2016	1
2	2016-2017	1
3	2017-2018	1
4	2018-2019	3
5	2022-2023	6

Urgent necessary action shall be taken for resolving the pending paras.

Part IV

Best Practices

NO Comments

Part V

Acknowledgement

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

LALISH KUMAR K G
INTERNAL AUDITOR