

KERALA WATER AUTHORITY
Internal Audit Wing

UIN : IAR/4/2025-26

Internal Audit Report
PROJECT DIVISION KOZHICODE
PERIOD OF AUDIT : 09/09/2025 to 19/09/2025
PERIOD COVERED : 01/04/2017 to 31/03/2025

Audit Team

SRI.SUNIL AUGUSTINE , INTERNAL AUDITOR
SRI.SIVAKUMAR.S.V, JUNIOR SUPERINTENDENT
SRI.ANEESH .M , HEAD CLERK

Part -I

A Introduction

The internal audit of the Project Division, Kozhikode was conducted over a period of nine working days from 09.09.2025 to 19.09.2025.

This audit covers the financial period from 01.04.2017 to 31.03.2025, with the last audit completed up to 31.03.2017. The project Division Kozhikode operates under the administrative control of the PH Circle, Kozhikode. The division exercises jurisdiction over 50 Grama Panchayats, two Municipalities and One Corporation within the Kozhikode District. The Division is presently overseeing the implementation of various water supply projects, categorized under the following schemes Jal Jeevan Mission (JJM). Total Schemes: 2 5 with total Administrative sanction amount Rs.3704.65 crores, Kerala Infrastructure Investment Fund Board (KIIFB - Total Schemes :3 Nos. with total administrative sanction amount Rs.121.86 Crores, State plan - Total Schemes - 3Nos with total administrative sanction amount Rs.58 Crores, RKI – total administrative sanction amount Rs.64 Crores. NABARD - total administrative sanction amount Rs.42.20Crores, NRDWP - total administrative sanction amount Rs.15 Crores, AMRUT Scheme - total administrative sanction amount Rs.46.50Crores.

B. Officers In charge

Executive Engineers

Sl.No	Name	From	To
1	Muhammed.E	01.04.2017	31.05.2017
2	Santhosh Kumar.P	01.06.2017	17.06.2017
3	Samsudeen.P	18.06.2017	19.12.2018
4	Santhosh Kumar.P(i/c)	20.12.2018	29.12.2018
5	Samsudeen.P	30.12.2018	19.03.2020
6	Jithesh.C(i/c)	20.03.2020	22.03.2020
7	Biju.P C	23.03.2020	06.03.2022
8	Lekshmi.M	07.03.2022	07.07.2022
9	Reshmi Krishna.R(i/c)	08.07.2022	14.07.2022
10	Supriya Rani.S(i/c)	15.07.2022	01.08.2022

11	Arun Kumar A	02.08.2022	15.10.2023
12	Vijils.D(i/c)	16.10.2023	17.12.2023
13	Ansar.M.S(i/c)	18.12.2023	16.02.2024
14	Biju.P C	17.02.2024	14.07.2024
15	Jithesh.C(i/c)	15.07.2024	15.08.2024
16	Suresh.P K	16.08.2024	31.03.2025

Divisional Accounts Officers

Sl.No	Name	From	To
1	Prabhakaran.K	01.04.2027	28.06.2017
2	Aravindakshan.K(i/c)	28.06.2017	30.06.2017
3	Rajan.N	30.06.2017	09.04.2019
4	Rajeevan.M M(i/c)	10.04.2019	15.04.2019
5	Rajan N	16.04.2019	31.08.2019
6	Rajeevan.M M(i/c)	31.08.2019	01.09.2019
7	Ance Joseph	02.09.2019	10.07.2022
8	Pushakala.B M(i/c)	11.07.2022	13.07.2022
9	Ance Joseph	14.07.2022	19.07.2022
10	Shiji.R P	20.07.2022	31.08.2024
11	Krishna Pradeepa.K	01.09.2024	31.03.2025

Head Draftsman/AE

Sl.No	Name	From	To
1	Rajani.K T	01.04.2017	02.09.2018
2	Jobi Joseph(i/c)	03.09.2018	07.10.2018
3	Beena P P	08.10.2018	31.08.2021
4	Aby K T	01.09.2021	07.09.2021
5	Ajith C	08.09.2021	19.09.2021
6	Aby K T	20.09.2021	23.08.2024
7	Athira C M	24.08.2024	31.03.2025

c. Financial Analysis

Year	2022-23	2023-24	2024-25
Estt. Expenditure	237.04	237.94	260.52
Contingencies	22.57	22.12	22.43
Capital Exp.	23258.44	22895.90	45466.56
Main.Expenditure	Nil	Nil	Nil
Total	23518.05	23155.96	45749.56

Part.II

A. Significant Audit finding

NIL

Part.II(B)**Para I: Non Crediting of time barred /unclaimed securities & EMD's as revenue of 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. 13.17 lakhs

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 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/Others	Amount
1	V Rajendrakumar	TD No.72101 Dtd.Nil	Post Office	68000
2	P K Dileepkumar	TD No.269359 Dtd. Nil	Post Office	95000
3	M/s.GKS&Company Palakkad	TD.No.3692 Dtd.Nil	Post Office	1600
4	M/s.GKS&Company Palakkad	TD.No.3693 Dtd.Nil	Post Office	1600
5	M/s.GKS&Company Palakkad	TDNo.3694 Dtd.-Nil	Post Office	600
6	A K Ramakrishnan	A/c No:207275 Dtd,24/07/2012	Post Office	67300

7	M/s.Kamal Pipes PVT	A/c No:25260 Dtd,05/03/2012	Post Office	1600
8	M/s.Kamal Pipes PVT	No:25291 DTD,13/09/2012	Post Office	50000
9	P J Sunny	A/c No.120078 Dtd.Nil	Post Office	5000
10	T.Ismail	A/c No.86216 Dtd,Nil	Post Office	11400
11	Safiulla K V	No.155914 Dtd,Nil	Post Office	24600
12	M Ashraf	No.468230 Dtd,Nil	Post Office	39000
13	M Ashraf	No.468229 Dtd,Nil	Post Office	53000
14	M/s.Kamal Marketting	No.25305 Dtd,Nil	Post Office	2000
15	M/s.Toms Sales Corpo	No.269138 Dtd,Nil	Post Office	26200
16	M Ashraf	No.507667 Dtd,Nil	Post Office	30200
17	M/s.Toms Corporation	No.269153 Dtd,Nil	Post Office	10800
18	V N Rajendrakumar	No.72369 Dtd,Nil	Post Office	7600
19	K Babu	No.97EE-263505 Dtd,16/07/2011	NSC	15000
	M/s.Parambil	No.22584		

20	Constructions	Dtd,Nil	Post Office	36000
21	M/s.Malabar Engg.Co	No.3746 Dtd,12/11/2014	Post Office	3600
22	V N Rajendrakumar	No.72369 Dtd,27/05/2013	Post Office	7600
23	Muhammed Elias Manu	No.468328 Dtd,16/01/2014	Post Office	12800
24	C K Ramachandran	No.207591 Dtd,30/04/2013	Post Office	73600
25	Ambhujakshan	No.120275 Dtd,20/07/2013	Post Office	31200
26	Ambhujakshan	No.120264 Dtd,20/07/2013	Post Office	57400
27	Shahul Hameed	No.507716 Dtd,29/01/2014	Post Office	22200
28	M Ashraf	No.468385 Dtd,29/01/2014	Post Office	15400
29	Muhammed Elias Manu	No.468384 Dtd,29/01/2014	Post Office	13800
30	Shahul Hameed	No.507717 Dtd,29/01/2014	Post Office	61800
31	V P Shereef	No.34645 Dtd,Nil	Post Office	16000
32	Shahul Hameed	No.468468 Dtd,06/10/2015	Post Office	20000
33	N K Lalkumar	No.3261065962 Dtd,Nil	Post Office	40000

34	Manoharan V	NSC(3-Nos)	Post Office	7000
35	Shahul Hameed	TD No.3656928155 Dtd,19/05/2017	Post Office	9000
36	Muhammed Ali M K	No.1466890 Dtd,18/05/2017	Post Office	14000
37	K J Poulose	No.203012 Dtd,Nil	Post Office	17500
38	Mano Prasad	No.3840070738 Dtd,30/11/2017	Post Office-NSC	20000
39	E V Raju	No.5984 Dtd,15/01/2018	KWA Society	3500
40	E V Raju	No.5983 Dtd,15/01/2018	KWA Society	3500
41	Prajith Chandran	No.3610837271 Dtd,30/03/2017	Post Office	20000
42	Sharafudheen	No.Nil	Treasury	31300
43	Zubair	No.JL1424590 Dtd,Nil	Treasury	258900
44	M/s.Midland Engg.Com	No.JL1425119 Dtd,Nil	Treasury	10800
	Total			13,17,400/-

It is very regretfully noted that the Internal Audit Wing, in 18.08.2017 has directed to forfeit the unclaimed securities up to Sl no. 38. But no action has been taken to forfeit even after the lapse of 8 years resultant in huge loss to KWA.

Action may be taken for forfeit of securities and the credit the same Non-Operative account of KWA and intimate to Audit.

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Para II: Belated /Non 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 where 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 settling previous advance taken.

Abhi.K T, Assistant Engineer

Date	Cheque No	Amount	Remarks
19/10/2023	554326	5000	Belated Settlement

Ajith.S, Assistant Engineer

Date	Cheque No	Amount	Remarks
27/09/2023	554310	10000	Belated Settlement

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.

Para III :Non-Deduction of Leave taken from E/L Account

On verification of the service book, the following has been noted

(i)Smt.Divya.P, U D Clerk- G46418

The incumbent has availed 29 days of HP Leave during the period from 18/06/2024 to 29/06/2024 and 04/07/2024 to 20/07/2024. And She has availed Special casual leave for 7-days from 31/01/2022 to 06/02/2022 on medical ground(Covid-19). Besides that she has availed earned leave for 53-days in different spells. In the earned leave calculation above Leave were not seen deducted from earned leave account. This should be rectified and intimated to audit.

(ii)Smt.Sreeja.M, Office Attendant- G46568

The incumbent has availed 7 days of Special Casual Leave during the period from 22/01/2022 to 28/01/2022. She has also availed Earned leave for 13-days from 22/05/2023 to 03/06/2023. In the earned leave calculation 7 days of Special Casual Leave and 13-days was not seen deducted from earned leave account. This should be rectified and intimated to audit

(iii) Sri.Najumudheen.K, D'Man Grade-II- G14647

The incumbent has availed 5 days of Commuted Leave during the period from 04/05/2023 to 08/05/2023. The same is not recorded in HPL account column. It is been wrongly debited from earned leave account. This should be rectified and intimated to audit

(iv) Sri.Hijas P E, Assistant Engineer – G11291

The incumbent has availed 16 days of Commuted Leave during the period from 04/03/2024 to 19/03/2024. In the earned leave calculation 16 days was not seen deducted from earned leave account.

Para IV :Non-accounting /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 13.78% or at applicable rate in the case of Quasi Government Organization and 22.5% in the case of private parties, to be collected as centage charges. But on verification of the deposit register and trial balance it is observed that there is no centage charges are being booked under the head of 6515. The centage charges have to be booked in the respective head of account and to be remitted to the non-operative account. The non-compliance of direction from the Managing Director is brought to your notice, the Centage charges entered in the deposit register for the year 2022-2023 is furnished below.

Financial Year	Deposited by	Deposited Amount	Centage Charge calculated @13.78%
2022-2023	LSGDs	1056759/-	145621/-
2022-2023	Other Departments(NIT)	114000000/-	13087200/-
Total		11,50,56,759/-	1,32,32,821/-

It is noticed that amount deposited by the LSGDs and other departments has been transmitted to the Head Office account immediately on receipt of the same at Division Office . But the centage portion of the deposit amount has not been apportioned and intimated to FM & CAO and hence the same has not been accounted as the Revenue of KWA. As the centage charge is the revenue income to KWA, it can be utilized by KWA and hence non utilizing this amount is a loss. The Centage charges for the previous periods may also be calculated, initiate corrective measures and intimated to audit.

Para V :Parking of Fund

Deposit Account/SAARK Account/State Plan (No. 67148129509)

On scrutiny of bank reconciliation statements of Deposit Account, it is noticed

that an amount of Rs.1,26,09,863/- is parked in the account as on 31-03-2025. As per the direction issued from the Head office only an amount of Rs.25 Lakhs shall be retained in deposit account. This is to be recouped on expenditure. Necessity of keeping this amount in Division is irregular as per Circular. Immediate action may be taken to transmit the unnecessarily parked amount to the Head office account.

Disposal of Idle Operative Account.

It is notice that the following accounts maintained in the division has not transactions for long period. On enquiry it is reported that UIDSSMT & AMRUT works has been completed in all respects. Hence it is recommended that the balance amount may be transmitted to concerned authority or converted the same as fixed deposit.

Sl.No	Bank A/C No	Closing Balance in bank statement as on 31/03/2025	Description of Accounts
1	67165063158	97048	UIDSSMT
2	13060100214872	2056571	AMRUT

ParaVI:GIS & SLI

On verification of the salary bill and other related documents, it is noticed that mandatory GIS and SLI were not deducted from some employees. As per 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 Bay should be deducted as subscription in GIS and SLI, but it is understood that there are employees who have not deducted 1.5%. The details are as follows.

(i). Non deduction of GIS

Binoj Kumar K T, Assistant Executive Engineer

(ii). Non deduction of SLI

NIL

(iii). Short Recovery of GIS

Sl.No	Name& Designation	Amount Recovered	Amount to be Recovered	Short Recovered
1	Abdul Salam K P, Assistant Executive Engineer	1000	1275	275
2	ArunKurien, Assistant Executive Engineer	1000	1026	26
3	Athira.C M, Assistant Engineer	800	826	26
4	Jithesh.C,	600	1580	980

	Assistant Executive Engineer			
5	Supriya Rani.S, Assistant Executive Engineer	1000	1215	215
6	Suresh.P K, Executive Engineer	1500	1692	192

(iv). Short Recovery of SLI

Sl.No	Name& Designation	Amount Recovered	Amount to be Recovered	Short Recovered
1	Bindu Thomas, Divisional Accounts Officer	500	1028	528
2	Arun Kurien, Assistant Executive Engineer	500	1026	526
3	Jithesh.C, Assistant Executive Engineer	600	1580	980
4	Binoj Kumar K T, Assistant Executive Engineer	500	1104	604
5	Pramod.P, Junior Superintendent	600	911	311

This should be resolved and reported to Audit Wing.

Para VII : Non Maintaining of Registers

As per KWA Accounts Manual and various Circulars, all ARU's should maintain and update the following registers

SL.No	Name of Register	Remarks
1	Non-Operative Control Register CB14	Not Maintained
2	Audit Objections Register	Not Maintained
3	Fixed Asset Register	Maintained. But not updated

The registers mentioned above that are not maintained and updated in your office must be urgently maintained and updated, and intimation to Audit Wing

Para VIII: Deviation from estimate during implementation without obtaining prior permission

Name of Work: JJM-Providing house hold tap connections by retrofitting and extending JICA WS Scheme in Peruvayal Grama Panchayath in Kozhikode Dist Reach-II

Source of file:PDK/A1/JJM/PRVYL/R2/2020-21

(1)Work Order No.SE/PHC/KKD/D3/1885/2020(B). Dated ,23/04/2021

(2)Agreement No.SE/PHC/KKD/04/2021-2022.Dated,07/05/2021(6-months from

the date of agreement ie on or before 22/10/2021 and extended up to 22/01/2022 and completed & commissioning on 08/01/2022)

Name of contractor: Sri. Shajukumar P

As per the accepted schedule of the subject work, the project envisaged to provide FHTCs by retrofitting and extending existing pipe line laid under JICA scheme. In the schedule serial No.1.001 is to supply PVC pipe, 10kg/cm², 90mm dia-12000m. But on verification of the final bill of the subject work and the MAS attached along with the bill, it is noticed that as per

(I) MASTN No.240. Dated, 05/10/2021 - 1645m

(ii) MASTN No.2404. Dated, 21/07/2021 - 458m

110mm pvc 6kg/cm² - 1645m

458m

2103m

20mm MDPE - 6134.08m

75 mm pvc 4kg - 1025m

A total of 2103 mtr 110mm pvc pipe 6 kg/cm², 20mm MDPE - 6134.08m & 75 mm pvc 4kg - 1025m has been received towards this work and the same has been issued. The above items were not included in the schedule. It is also This is in addition to the scheduled qty of 12000mts of 90mm dia PVC. In this connection the following points may be clarified.

1. Reason for including 110mm pvc pipe, 75 mm pvc 4kg, 20mm MDPE without prior approval of the agreement authority
2. Whether the item included as extra items and the payment effected
3. Copy of supplementary agreement executed, if any
4. Details of transferor work (KWA/JICA/HO/KKD/5371/2011)
5. Total expenditure of the work

Para IX: Non accounting/remittance of accrued interest.

On checking the trial balance, the following interest is not found to have been credited to the Head office account.

Head of account code: 7131

SI No	FY	Amount
	2024-2025	9,56,713

Urgent necessary action may be taken to transfer the amount to Head Office

account and fact intimated to Audit. Similar cases if any for the previous periods may also be verified and corrective measures may be taken. If already remitted, the details may be furnished

Para X: Sanctioning of increments without the declaration of probation in the promoted post

On verification of the Service book of Sri. Najumudeen, D Man Gr II, it is noticed that the incumbent has been promoted to the post from Overseer Gr. III vide Order No. KWA/JB/E4/346/98/Vol III dated 08.09.2021 of DCE(GL). The incumbent was on probation for the period of one year duty within a continuous period of two years which involves a change in duties. It is further noticed that the annual increments were also sanctioned without the declaration of probation in the promoted post.

Irregular increments sanctioned prior to the declaration of probation may be regularized and excess pay and allowances disbursed if any, may be recovered and intimated. Similar cases if any may also be reviewed.

Para XI : Non reimbursement of stipend(25%)to Apprentice trainees from Govt of India

As per the Apprenticeship Act 1961, it is clearly specified that, "Reimbursement of 25% of prescribed stipend subject to a maximum of Rs. 1500/- per month per apprentice by the Govt of India to all employers who engage apprentice trainees" On verification of trial balance and stipend register, it is noticed that reimbursement claims has been made up to June 2023 in Skill India Portal . After that no claim has been raised. After the introduction of NAPS 2.0, the reimbursement was discontinued with effect from March 2024. An amount of Rs. 117694/- which is eligible for reimbursement has not seen claimed from GoI. This seems to be a lapse, warrants explanation.

Year	Stipend disbursed	Reimbursement portion
2023-24	5,37,983	1,17,694

Immediate action may be taken to claim the reimbursement from GoI through Skill India Portal and result intimated to audit

Para XII :Clarification of JJM Work

Name of Work:JJM 2021-2022:Providing FHTCs in Thalikulathur Grama Panchayat-Phase-II by extending pipe lines laid under JICA Scheme and JJM Phase-I

Contractor: T.I. Raju

Agreement No:SE/PHC/KKD/21/2021-22. Dated,07/01/2022

Period of work - 04/07/2022 (6 months)

-extended up to 30/11/2022.

On verification the following noted.

Revised Estimate has been sanctioned for an amount of Rs.38241994/-(9.88% above) vide order No.CE/NR/D3/13490/2021(JJM) Dated,14/10/2024. AS has been approved for Rs.588.87 Lakhs vide AS No.GO(RT) No.489/2021/WRD.Dated,18/09/2021. Provide following for Audit.

1. AS provisions order and verify the Revised estimate comes under the AS provision as per the said order.

2. Copy of supplementary agreement of RE and time extension as the same is not seen attached to the file.

Para XIII:INORDINATE DELAY IN COMPLETION OF THE WORK-DEPRIVAL OF DRINKING WATER TO BENEFECIARIES

Name of Work	JJM-2020-21- Perambra GP-Providing FHTcs by augmentation of ongoing WSS in Perabra Panchayath
Name of contractor	M/s KOYA AND COMPANY
Work order date	SE/KKD/D6-2182/2020 Dated 01/01/2021
Agmt Number and date	SE/PHC/KKD/18/2020-21 Dated 16/02/2021
PAC	200137309/-
Completion date	31/12/2021 (12 months)
Time extended up to	31/05/2025
Security deposit	10006900
Addl Performance guarantee	0
M book	CE/NR/1056/22-23
CC bill status	10th rd and part bill has been submitted.
% of work completed	95
% Bill submitted	65.20

Work has been progressed up to 95%, the cc bill has been submitted for 65.20 %. The work has to be completed on 31/12/2021 and the period of work was 12 months and time extension has been given up to 31/05/2025 without imposing fine, stating the reason as the non-availability of Road cutting permission to the Perambra – Chaliyam Kadavu road (4.2km). The application for road cutting permission seen submitted for Perambra – Chaliyam Kadavu road (4.2km) PWD road, in ROW portal

on 19/06/2024, and permission availed on 05/02/2025. The present status of the work may report to the audit. The undue delay for availing necessary permissions has to be brought to the notice of the concerned authorities.

The work is still ongoing and no documents showing time extension granted after 31/05/2025 , are found in the file .

The work envisaged to provide drinking water to Perambra GP and the tardy progress of the work to be explained.

Para XIV: Erroneous booking of Volunteers wages

The wages for JJM volunteers shall be booked under the head 2813 being it as capital work and to be included under JJM. But on random verification of cash book for the period 05/2024, it is noted the following,

CBV No.35 of 05/24 - 92064/-

CBV No.36 of 05/24 - 1139295/-

In the above cases the expenditure booked under the head 9219 and this seems to be erroneous and necessary corrections to be effected in liaison with the Accounts wing of KWA. Similar entries may also be reviewed.

Para XV: Delay in handing over works and related files as per Directions

Consequent to the formation of Sewerage Vertical in KWA and inception of Chief Engineers office at Thiruvananthapuram, vide order of the Managing Director on 07/07/2020, Chief Engineer (PPD&WASCON) is designated as the head of the new Sewerage Vertical in KWA in addition to the existing portfolios. There are four Sewerage circles at Thiruvananthapuram, Kochi, Thrissur and Kozhikode.

The Superintending Engineer, PPD Regional Office, Kozhikode is designated as Superintending Engineer, Sewerage Circle, Kozhikode in addition to the existing portfolios. The present office structure at Kozhikode shall continue as such with the additional duties in connection with Sewerage Projects in the districts of Kozhikode, Wayanad, Kannur, and Kasaragod. In this order, it is directed that the staff available at KSUDP Kozhikode who have been attached to Project Division Kozhikode is immediately attached to Sewerage Circle, Kozhikode.

As per order no. KWA/JB/E2(A)/1279/2020 Dated 03/02/2020, all the existing works under the Executive Engineer, KSUDP Kozhikode is attached with EE, Project Division Kozhikode. Further it is decided on the meeting conducted by JMD on 08/04/2024, to hand over the works and files pertaining to KSUDP Kozhikode, which was entrusted with Project Division Kozhikode to the PPD&SEWERAGE Circle, Kozhikode at the earliest.

On verification of the files, it is noted that even after the lapse of more than one year, the files are not handed over to the PPD&SEWERAGE Circle, Kozhikode till date. As there is 6.42 crore worth Bank Guarantee pertaining to the works of KSUDP, it needed continuous monitoring by the entrusted officials.

The details of BG submitted is as follows

NO	B.G. NO	BANK	AMOUNT
1	11650100001242	AXIS BANK	1,80,90,850
2	11650100001344	”	64,98,725
3	11650100001743	”	1,61,00,000
4	11650100001744	”	97,70,778
5	11650100001241	”	1,38,35,669

The delay in handing over the files to be explained to Audit.

Para XVI: Pending Paras of Stock Verification Report-Pending Disposal

On verification of the stock verification file, it is noted that 78 Nos of paras are pending for want of settlement. The details are as follows

SL.No	Transaction Period from - to	No. of Pending Paras
1	01/01/2012 to 31/03/2013	4
2	01/04/2013 to 30/11/2013	2
3	01/12/2013 to 30/06/2015	24
4	01/07/2015 to 30/06/2017	7
5	01/07/2017 to 30/09/2018	4
6	01/10/2018 to 30/09/2019	1
7	01/10/2019 to 30/09/2020	2
8	01/10/2020 to 31/12/2021	10
9	01/01/2022 to 31/07/2024	24
	Total	78

Take urgent steps to dispose the pending paras mentioned above and report to Audit.

Para XVII:Discrepancies in Trial balance

On verification of the trial balance as on 31.03.2055 it is noticed some discrepancies in the Division trial balance which needs urgent rectification

Item code	Description	Remarks
1532	Imprest	An amount of Rs.5500/- seen as Dr balance due to un settlement
1721	Deposit of road cutting	The amount should be retained under the head 1721.No JV required
		1)Amount recovered for the month of 04/2024 -Rs. 121788/-(Cr)

2825	Insurance premium deducted	Amount remitted Rs 120288/-(Dr) Difference- Rs.1500/- 2)Amount recovered for the month of 06/2024 -Rs. 123980/-(Cr) Amount remitted Rs 122480/-(Dr) Difference- Rs.1500/- 3)Amount recovered for the month of 01/2025 -Rs. 101911/-(Cr) Amount remitted Rs 100311/-(Dr) Difference- Rs.1500/-
7212	Rent recovered	Dr entry of Rs. 2800/- for 12/2024. This is a non op income. Dr entry resulted in the under statement of the income.
7299	Other income	Dr entry of Rs. 10200/- for 12/2024. This is a non op. income. Dr entry resulted in the under statement of the income.
1153	Water service connections	Rs.4711060632/- comes under this Head.
1125	Water distribution.	Rs.101311069/- comes under this Head Being this a Project Division there might be expenditures under 1141,1157,1142 etc.But all the exp has been booked under 1125 & 1153.This is to be clarified.
1661	Advance to Contractors	Cr. balance of Rs. 4,85,97,024/-This shows over settlement than adv. given
1651	Advance TA	Dr. balance of Rs. 24800/- This shows non settlement than advances given
1662	Advance to Suppliers	Dr. balance of Rs. 4965/- due to non settlement
1669	Advance to Contractors Bank loan scheme	Dr. balance of Rs.6,91,86,313 from 03/2022 due to non

2821	HR deductions	settlement Cr. balance of Rs.93556/- Overstatement of current liability due to non remittance of rent recovered from employees.
2829	Other statutory recoveries	Cr. balance of Rs.196474/- due to non remittance of rent recovered from employees.
2899	Other dues	Cr. balance of Rs.3363/- due to non remittance of rent recovered from employees.

The above defects may be rectified immediately and intimated to audit.

PART-III

Outstanding Local Audit Paras

PROJECT DIVISION , KOZHIKODE				
SI NO	YEAR	SI Number of pending paras		Total number of Pending Paras
		In Part II A	In Part II B	
1	15-16		2	1
2	17-18	1		1
3	18-19		1	1
4	19-23		1,2,3,4,6,7	6
TOTAL				9

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Part IV

Best Practice

Deposit Register maintained with up to date data and required details.

Part V

Acknowledgement

Internal Audit Wing acknowledges the co-operation external by the audit the institution.

SUNIL AUGUSTINE

INTERNAL AUDITOR