

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

Tel. 0471-2738300
Consumer Helpline Number
1916 [24X7] [Toll Free]
1916cckwa@gmail.com



KERALA WATER AUTHORITY

Jalabhavan
Thiruvananthapuram – 695033
Kerala - India

File No.KWA-JB/1316/2026-DA3(AUDIT)

Dated: 28-03-2026

UIN:IAR/08/2025-26

KERALAWATERAUTHORITY Internal Audit Wing - Internal Audit Report Sewerage Division Pattoor.

Team Members

1. Sunil Augustine, Internal Auditor.
2. Sivakumar S V, Junior Superintendent .
3. Aneesh M, Head Clerk
4. Deepak Nair P, Head Clerk.

Part-1

A. Introduction

The **Sewerage Division, Pattoor** of Kerala Water Authority is a maintenance-oriented division responsible for the operation, maintenance and execution of sewerage works within the Thiruvananthapuram Corporation area. The Division was converted into a Maintenance Division in **2008** and undertakes laying and extension of sewer lines, construction of manholes, rehabilitation of sewerage networks, operation of pumping stations, and execution of deposit works for Government institutions, Local Bodies and other agencies. The Division also maintains electro-mechanical installations connected with sewerage pumping stations and treatment facilities.

The Division functions under the control of the Executive Engineer and consists of **two Sub Divisions**, namely **Sewerage Sub Division (North), Pattoor** and **Sewerage Sub Division (South), Kuriathy**. The Sub Divisions supervise several Sewerage Section Offices including **Pattoor, Palayam, Vanchiyoor, Medical College, Pettah/Enchakkal, Kuriathy, Sasthamangalam, Thirumala, Poojappura, and Jagathy/Thycaud**, which are responsible for field-level execution, maintenance of

sewerage systems and operation of pumping stations within their respective jurisdictions. Electrical and Mechanical maintenance units functioning under the Division support the upkeep of pumping stations and related installations.

An internal audit of the **Sewerage Division, Pattoor** was conducted during the period from 15.12.2025 to 20.12.2025 and from 29.12.2025 to 31.12.2025, covering the accounts, records, and activities for the period from April 2019 to March 2025. The audit was undertaken to examine the propriety of financial transactions, compliance with Kerala Water Authority rules and orders, adherence to contractual conditions, and the effectiveness of internal control mechanisms. The observations noted during the course of audit are detailed in the succeeding parts of this report.

Local Audit of AG

Local Audit wing of Resident Audit officer conducted Audit upto 31.03.2024. There are 31 pending paras to be settled under **Sewerage Division, Pattoor**.

B. Officers In Charge.

Attached as **Appendix A.**

C. Financial Analysis

Year	2022-23	2023-24	2024-25
Establishment Expenses	Rs.70,353,542 /-	Rs.71,178,555 /-	Rs.76,482,992 /-
Contingency Expenses	Rs.500,609 /-	Rs. 141,001 /-	Rs.161,982 /-
Capital Expenditure	Rs.137,380,351 /-	Rs.217,371,614 /-	Rs. 205,353,252 /-
Maintenance Expenditure	Rs. 28,873,539 /-	Rs.45,781,533 /-	Rs. 27,904,920 /-

D. Objective and Scope of Audit

The objective of audit was to check whether effective Internal Control system existed in the Division and whether the execution of works were carried out as per the relevant Acts and Rules. The scope of Audit included verification of the records relating to viz. Establishment matters, Revenue, work register, tender/agreement register, work files, cash book, monthly accounts and vouchers, etc .

Part II

A. Major Irregularities

NIL

B. Other Incidental Findings

I. Parking of Funds in Bank Accounts – Violation of KFC Provisions – Division Level

Verification of the Cash Book and bank statements of **Sewerage Division, Pattoor** as on **31-10-2025** revealed that substantial amounts were kept parked in various bank accounts of the Division as detailed below:

--	--	--	--

Sl. No.	Bank A/c No.	Balance as on 31-10-2025 (Rs)	Description
1	67069679802	74,58,714	Establishment Account
2	67184327020	44,79,714	Deposit Account
3	67222117170	30,10,557	State Plan Account
4	37615688994	7,34,763	AMRUT-I
5	50240000162802	1,83,40,541	Fixed Deposit – ESAF Bank
6	21610100059550	2,88,088	AMRUT-II

Scrutiny of the **Deposit Account** showed that an amount of **Rs.44,79,714/-** was retained in the account as on 31-10-2025 against the Head Office instruction permitting retention of only **Rs.25 lakh** at Division level for operational purposes, the balance being recouped based on actual expenditure. Retention of excess amount in the account is irregular and indicates parking of funds without immediate requirement.

Further, it was noticed that an amount of **Rs.1,83,40,541/-** was invested as **Fixed Deposit in ESAF Bank**. Specific sanction or authorisation permitting investment of Authority funds in a scheduled bank instead of a Nationalised Bank was not produced to audit.

Parking of funds without requirement and investment of Authority funds without proper sanction is irregular and is in violation of the principles contained in **Kerala Financial Code (KFC) Vol. I – Articles 92, 94 and 96**, which stipulate that Government/Authority money shall not be drawn in advance of requirement, shall not be kept outside Government accounts unnecessarily, and shall be utilised strictly for the purpose for which it is sanctioned.

The Division shall:

1. Transfer/remit the excess balance retained in Deposit and other scheme accounts to the Head Office account immediately as per circular instructions.
2. Produce sanction/orders authorising investment of Rs.1,83,40,541/- in ESAF Bank for audit verification; otherwise necessary action shall be taken to prematurely close the deposit and credit the amount to Authority account.
3. Ensure strict compliance with **KFC provisions and KWA circular instructions** regarding drawal, custody and utilisation of funds in future.

II.Non Crediting of time barred /unclaimed securities & EMD's as revenue of KWA

Verification of the **Security Deposit and EMD Registers** of the Sewerage Division, Pattoor revealed that security deposits received in the form of **FDR, NSC, KVP, Treasury deposits and other instruments** were kept pending in the records even after expiry of the prescribed period of **three years** without being credited to Revenue as lapsed deposits.

As per **Para 15.4.1(iii) of the KPWA Code**, balances of deposits remaining unclaimed for more than three years shall be treated as **lapsed deposits** and credited to the Revenue/Non-operative account of the Authority. However, scrutiny of records showed that the Division had not initiated timely action either to **renew, release, forfeit or credit the expired deposits**, resulting in non-realisation of revenue amounting to **Rs.10,35,555/-**.

Audit further noticed that **periodical review and physical verification of security documents** were not conducted at prescribed intervals, leading to continued retention of

expired and unclaimed securities in the Division records.

Failure to take timely action for crediting lapsed deposits constitutes violation of **KPWA Code provisions governing deposit accounts** and is also contrary to the financial control principles contained in **Kerala Financial Code (KFC)** which require prompt review, clearance and proper accounting of deposits and Government/Authority money.

Security Deposits				
SL.No	Name of contractor	Name of instrument	Bank/ Treasury/Others	Amount
1	G.Sivankutty Nair	FD No.1955219 Dtd.25/02/2016	CSB Ltd	22000
2	G.Sivankutty Nair	FD No.1955209 Dtd.20/02/2016	CSB Ltd	5100
3	G.Sivankutty Nair	FD No.1955153 Dtd.01/02/2016	CSB Ltd	5600
4	G.Sivankutty Nair	FD No.1955154 Dtd.01/02/2016	CSB Ltd	2800
5	G.Sivankutty Nair	FD No.1955152 Dtd.01/02/2016	CSB Ltd	900
6	G.Sivankutty Nair	FD No.1955156 Dtd.01/02/2016	CSB Ltd	6800
7	Anurudhan Nair	No.00200118067216617 Dtd,27/01/2016	DCB	22400
8	Anurudhan Nair	No.020011806721685 Dtd,25/01/2016	DCB	17200
9	Sajeev Kumar	No.1955261 Dtd,14/03/2016	CSB	7600
10	D.S.Rajesh	No.1955290 Dtd,22/03/2016	CSB	5000
11	Visakh	No.038154 Dtd,19/09/2017	Treasury	64800
	M/s.BFS	No.799010500409969		

12	Technology.Ltd	Dtd,08/06/2018	Nil	1,16,100
13	M/s.BFS Technology.Ltd	No.799010500421284 Dtd,25/06/2018	Nil	79800
14	Babu.V	No.799010500685510 Dtd,25/06/2019	Treasury	120005
15	Anu B C	No.799010100211466 Dtd,Nil	Treasury	16200
15	M/s.GD ANKLESARIA &CO	No.825063 Dtd.Nil	HDFC	2,32,300
16	M.Ashok Kumar	No.JL0327120 Dtd.Nil	Treasury	6500
17	Jinsy.A L	No.JL1242649 Dtd,16/11/2021	Treasury	40900
18	Mohammad Ali.S	No.JL1196033 Dtd,06/01/2022	Treasury	61200
19	Nagarajan Pushpagadan	No.JL1616307 Dtd,07/01/2022	Treasury	49200
20	Vijayan Nair.P	No.JL1188575 Dtd,18/04/2022	Treasury	118100
21	Pradeep.B	No.JL1188596 Dtd,19/04/2022	Treasury	83300
22	Sam Jose	No.JL1188781 Dtd,29/04/2022	Treasury	45700
23	Raveendran.P	No.JL1627585 Dtd,10/05/2022	Treasury	63700
24	Sam Jose	No.JL1736521 Dtd,31/05/2022	Treasury	31650
25	Asok Kumar.M	No.JL1627747 Dtd,27/06/2022	Treasury	107900

26	Anurudhan Nair.G	NoJL1196460 Dtd,22/07/2022	Treasury	51200
----	------------------	-------------------------------	----------	-------

Audit Objection

1. Immediate action shall be taken to **identify all time-barred/unclaimed securities**, forfeit the same as per rules and credit the amount **Rs. 10,35,555/-** to the **Non-operative / Revenue account of KWA** under intimation to Audit.
2. A **periodical review mechanism** shall be introduced to examine Deposit and Security Registers at least annually to ensure timely renewal, release or forfeiture of securities.
3. Controlling officers shall ensure strict compliance with **KPWA Code provisions and KFC rules** relating to custody, review and accounting of deposits to avoid recurrence of such lapses.

III. Non-Accounting / Non-Remittance of Centage Charges

Verification of the Deposit Register, Trial Balance and connected records of Sewerage Division, Pattoor revealed non-accounting and non-remittance of Centage Charges leviable on deposit works.

As per Order No. KWA/JB/P2/663/17 dated 24-09-2018 of the Managing Director, centage charges shall be collected at the rate of:

- 13.78% (or applicable rate) in respect of works executed for LSGDs and Quasi Government Organisations, and
- 22.5% in respect of works executed for private parties.

However, scrutiny of records showed that centage charges were not booked under the Head of Account **6511 – Centage Charges**, nor was the same remitted to the Non-Operative Account of KWA. This is in clear deviation from the above order.

1. Amount Due for the Year 2022-2023

As per Tally records:

Financial Year	Deposited by	Deposit Amount (Rs)	Centage @ 13.78% (Rs)
2022-2023	LSGDs / Others	6,45,88,170	89,00,250
Total		6,45,88,170	89,00,250

It is observed that an amount of **Rs.89,00,250/-** towards Centage Charges for the year 2022-2023 was not booked in accounts and not remitted to the Non-Operative Account.

2. Irregularity Noticed for the Period 2023-2025

It is further noticed that deposit amounts received during the period 2023-2025 were transmitted to the Head Office account immediately on receipt; however, the centage portion was neither apportioned nor accounted under the prescribed head, nor was the same intimated to the FM & CAO. The omission resulted in non-recognition of revenue income of KWA.

Centage charges being revenue income of the Authority, failure to account the same amounts to loss of revenue and weakening of financial control.

Rule Position

- As per the above-cited Managing Director's Order, levy and accounting of centage charges is mandatory.
- As per Kerala Financial Code (KFC) Vol. I – Articles 92, 94 & 116, all receipts due to Government/Authority shall be promptly assessed, realised and credited to the proper head of account without delay.
- Non-classification of receipts under the correct head of account violates fundamental principles of financial propriety under KFC.
- Responsibility for proper accounting and classification of receipts rests with the Drawing and Disbursing Officer and controlling officers under financial rules.

Audit Findings

- Centage charges for 2022-2023 amounting to Rs.89,00,250/- were not accounted under Head 6511.
- Deposit receipts from 2023-2025 were not properly apportioned to identify centage component.
- Non-intimation to FM & CAO resulted in non-recognition of revenue.
- Absence of reconciliation mechanism between Deposit Register and Revenue Heads indicates serious internal control deficiency.

Audit Objections

1. Immediate calculation and booking of centage charges for 2022-2023 and subsequent years under Head 6511 – Centage Charges.
2. Remittance of the centage portion to the Non-Operative Account of KWA without further delay.
3. Reconciliation of Deposit Register, Tally records and Revenue Heads for the period 2023-2025 and submission of compliance report to Audit.
4. Fixation of responsibility for non-compliance of Managing Director's order and violation of KFC provisions.
5. Introduction of a system to automatically apportion centage charges at the time of receipt of deposit works.

Immediate corrective action is required to safeguard the revenue interest of Kerala Water Authority.

IV. Non-Accounting / Non-Remittance of Accrued Interest

Head of Account: 7131

Verification of the Trial Balance and connected ledgers of Sewerage Division, Pattoor revealed that accrued interest pertaining to various scheme/deposit accounts was not credited to the Head Office Account under the prescribed Head of Account **7131 – Interest**.

The details of interest not accounted/remitted are furnished below:

--	--	--

Sl. No.	Financial Year	Amount (Rs)
1	2022-2023	51,34,231
2	2023-2024	34,41,396
3	2024-2025	9,11,039
	Total	94,86,666

An amount of **Rs.94,86,666/-** representing accrued interest for the above period was not credited to the Head Office account nor classified under the appropriate revenue head.

Rule Position

- As per Kerala Financial Code (KFC) Vol. I, Article 92, all receipts due to Government/Authority shall be promptly assessed and credited to the proper head of account without delay.
- KFC Article 116 & 121 stipulate that all revenue realised shall be brought to account in the correct head and remitted to Government/Authority accounts immediately.
- Under the principles of financial propriety embodied in KFC, retention of revenue receipts outside the prescribed account is irregular.
- The Drawing and Disbursing Officer is personally responsible for proper accounting and remittance of receipts under financial rules.
- Though KSR primarily governs establishment matters, responsibility of officers in handling Government/Authority money is governed by financial discipline and accountability principles under financial rules.

Audit Findings

- Accrued interest amounting to Rs.94,86,666/- for the period 2022-2025 was not transferred to the Head Office account.
- The interest was not properly classified under Head of Account 7131.
- Delay in remittance resulted in non-recognition of revenue of the Authority.
- No reconciliation statement or explanation was produced to audit.

Retention of accrued interest without accounting/remittance constitutes violation of KFC provisions relating to prompt credit of revenue and financial discipline.

Audit Objections

1. Immediate transfer of Rs.94,86,666/- to the Head Office account under the appropriate Head of Account (7131).
2. Verification of previous years' records to ascertain whether similar omissions exist and remittance of the same without delay.
3. Submission of detailed remittance particulars (date, voucher number, bank reference) to Audit.
4. Fixation of responsibility for non-compliance of financial rules and strengthening of internal control mechanism to ensure monthly reconciliation of interest accrual and remittance.

Non-accounting and non-remittance of accrued interest amounting to Rs.94,86,666/- is a serious financial irregularity and violation of Kerala Financial Code provisions relating to revenue accounting and remittance. Immediate corrective action is warranted to safeguard

the financial interests of Kerala Water Authority.

V. Non-Reconciliation of Bank Account

A.Non-Operative Account (A/c No. 57036987616) Division Level

Verification of the Non-Operative Account Control Register, Cash Book and connected records of the Sewerage Division, Pattoor revealed that **Bank Reconciliation Statement (BRS)** in respect of the Non-Operative Account (A/c No. 57036987616) was not prepared and reconciled as on 31-03-2025.

The position as per records is as follows:

Balance as per Cash Book as on 31-03-2025	Rs 5,491/-
Balance as per Bank Statement as on 31-03-2025	Not made available to Audit

Due to non-reconciliation, the correctness of the closing balance of the account could not be ascertained. Absence of periodic reconciliation of bank accounts is a serious lapse in financial control and exposes the Authority to the risk of undetected errors, omissions or misappropriation.

Rule Position

- As per **Kerala Financial Code (KFC) Vol. I, Article 92 and 114**, all monetary transactions shall be accurately recorded and verified to ensure correctness of balances.
- **KFC Article 270 & 271** (relating to maintenance and verification of cash and bank balances) mandate that bank accounts shall be reconciled periodically to ensure agreement between Cash Book and Bank Statement.
- Financial propriety principles under KFC require timely verification and reconciliation to prevent fraud and misclassification.
- The Drawing and Disbursing Officer is personally responsible for the accuracy of accounts and reconciliation of balances under financial rules.

Though **Kerala Service Rules (KSR)** mainly govern establishment matters, the accountability of officers in handling Authority funds is subject to financial discipline and responsibility under applicable financial rules.

Audit Findings

- Bank Reconciliation Statement was not prepared as on 31-03-2025.
- Bank statement was not produced to Audit for verification.
- Correct closing balance of Non-Operative Account could not be verified.
- Internal control mechanism for monthly reconciliation appears deficient.

Failure to reconcile the Non-Operative Account constitutes violation of **KFC provisions regarding financial control and verification of balances**.

Audit Objections

1. Immediate preparation of **Bank Reconciliation Statement** for the Non-Operative Account (A/c No. 57036987616) up to 31-03-2025.
2. Production of certified Bank Statement for audit verification.
3. Monthly reconciliation shall be ensured henceforth and verified by the controlling officer.
4. A compliance report along with reconciliation statement shall be furnished to Audit without delay.

B. Deficiencies in Bank Reconciliation – Operative and Non-Operative Accounts

Verification of the Bank Reconciliation Statements (BRS), Cash Book and connected records of the **Sewerage Sub Division, Pattoor** revealed serious discrepancies in reconciliation of the following accounts:

Operative Account (A/c No. 57036988086)

On scrutiny of the BRS for the month **11/2025**, the following discrepancies were noticed:

- a) **Rs.1,000/-** shown as “Non-Operative receipts not banked” as per List-B. Details and reasons for non-banking have not been furnished.
- b) **Rs.9,000/-** shown under List-C (amount deposited by bank but not accounted in Cash Book). This requires immediate correction in liaison with the Bank and necessary rectification in Cash Book.
- c) **Bank charges of Rs.16,541/-** debited by Bank have not been brought to account in the Cash Book.
- d) **Rs.63,320/-** shown as debited in List-A requires explanation and supporting details.

Failure to rectify the above discrepancies renders the reconciliation incomplete and unreliable.

Non-Operative Account (A/c No. 57000672617)

Scrutiny revealed the following irregularities:

- a) **Rs.11,000/- and Rs.3,400/-** appearing under List-C from **03/2022 onwards** remain unexplained.
- b) **Rs.5,779/-** debited as bank charges has not been properly accounted.

Due to incorrect and incomplete reconciliation of the Non-Operative Account, the correct closing balance could not be ascertained, resulting in submission of **erroneous monthly accounts** to higher authorities. The lapse is viewed seriously.

Rule Position

- As per **Kerala Financial Code (KFC) Vol. I, Article 92**, all monetary transactions shall be accurately recorded and verified to ensure correctness of balances.

- **KFC Article 114, 270 & 271** mandate periodical reconciliation of bank accounts with Cash Book to ensure accuracy and detect discrepancies promptly.
- Financial propriety principles under KFC require that all bank debits/credits including bank charges shall be promptly brought to account under proper heads.
- The Drawing and Disbursing Officer is personally responsible for correctness of accounts and reconciliation of balances under financial rules.
- Submission of incorrect monthly accounts due to non-reconciliation is a serious lapse of financial control and accountability.

Audit Findings

- Reconciliation statements contain long-pending unexplained entries.
- Bank charges not accounted in Cash Book.
- Deposits/credits not properly brought to account.
- Monthly accounts submitted without ensuring correctness of reconciled balance.
- Internal control and supervisory verification mechanism appears deficient.

Non-reconciliation and incorrect reconciliation constitute violation of KFC provisions relating to maintenance of Cash Book, verification of balances and financial discipline.

Audit Objections

1. Immediate reconciliation of both Operative and Non-Operative Accounts up to date.
2. Rectification of unaccounted bank charges and pending credits/debits in Cash Book.
3. Furnishing of detailed explanations with documentary evidence for amounts under Lists A, B and C.
4. Monthly reconciliation shall be completed before submission of monthly accounts and certified by the controlling officer.
5. Fixation of responsibility for prolonged pending discrepancies from 03/2022 onwards.

Improper reconciliation of Operative and Non-Operative Accounts has resulted in inability to ascertain correct balances and erroneous financial reporting. Immediate corrective measures are required to ensure strict compliance with **Kerala Financial Code provisions and principles of financial propriety**, failing which responsibility shall be fixed.

C. Serious Irregularities in Bank Reconciliation

Operative Account (A/c No. 57003716665) – Sewerage Sub Division, Kuriathy

Verification of the **Bank Reconciliation Statement (BRS)**, Cash Book and connected records of the Operative Account (A/c No. 57003716665) of **Sewerage Sub Division, Kuriathy** for the month **10/2025** revealed the following serious discrepancies:

- a) An amount of **Rs.23,19,261/-** is shown as “Amount deposited but not credited by Bank”. On enquiry, it is reported that the amount was deposited on **26-04-2016**. Even after a lapse of more than **9 years**, no corrective action has been taken either to confirm credit from Bank or to rectify the entry. Retention of such a long-pending unreconciled item indicates gross negligence in financial control.

b) An amount of **Rs.25,27,480/-** is shown under List-C (amount deposited by Bank but not accounted in Cash Book). Necessary rectification has not been carried out in liaison with the Bank.

c) **Bank charges amounting to Rs.10,811/-** debited by Bank have not been brought to account in the Cash Book.

d) An amount of **Rs.89,859/-** is shown under List-D as “Cheque issued but not presented for payment”. The cheques are reportedly very old. No action has been taken to cancel the stale cheques and re-credit the amount to the Cash Book.

e) A difference of **Rs.22/-** remains unexplained in the reconciliation statement.

The above discrepancies clearly indicate improper and incomplete reconciliation of bank accounts. Submission of monthly accounts without rectifying such long-pending differences is viewed seriously.

Rule Position

- As per **Kerala Financial Code (KFC) Vol. I, Article 92**, all monetary transactions shall be accurately recorded and verified.
- **KFC Article 114** mandates that the Cash Book shall be balanced and verified periodically.
- **KFC Article 270 & 271** require regular reconciliation of bank accounts to ensure agreement between Cash Book and Bank Statement and prompt clearance of outstanding items.
- As per financial propriety principles under KFC, stale cheques shall be cancelled and re-credited without undue delay.
- The Drawing and Disbursing Officer is personally responsible for correctness of reconciliation and financial reporting under financial rules.

Failure to clear outstanding items since 2016 constitutes serious violation of **KFC provisions relating to financial control and accountability**.

Audit Objections

1. Immediate reconciliation of the Operative Account up to date and rectification of all pending discrepancies.
2. Confirmation from Bank regarding Rs.23,19,261/- deposited on 26-04-2016 and necessary corrective action.
3. Accounting of Rs.25,27,480/- and Rs.10,811/- in the Cash Book under proper heads.
4. Cancellation of stale cheques amounting to Rs.89,859/- and re-credit of the same in accounts.
5. Submission of revised and certified BRS along with documentary evidence to Audit.
6. Fixation of responsibility for prolonged non-clearance of outstanding items.

VI. Irregular Maintenance of Current Account for Operative Expenses

a . Sewerage sub division Pattoor

Operative Account (A/c No. 57036988086) – SBI, Petta Branc

b . Sewerage Sub division Kuriathy

Operative Account (A/c No. 57003716665) – SBI, Chenthitta Branch

It is observed that several directions have been issued from Head Office instructing that **ARUs shall not maintain Current Accounts** and that operative funds shall be kept in Savings Bank (SB) Accounts so as to earn interest and ensure prudent financial management. However, the Division continues to maintain the account as a Current Account.

Since the account is maintained as a Current Account, **no interest is accrued**, resulting in loss of potential revenue to the Authority. Continuation of such an arrangement without sanction or justification is highly irregular.

Rule Position

- As per **Kerala Financial Code (KFC) Vol. I, Article 92**, Government/Authority money shall not be kept outside Government accounts unnecessarily and shall be managed in a manner that safeguards financial interest.
- The principles of financial propriety under **KFC Article 40** stipulate that public money shall be utilized in the most economical manner and no avoidable loss of revenue shall be incurred.
- **KFC provisions relating to custody and management of Government money** require that funds be kept in authorised accounts and managed prudently.
- Non-compliance with specific directions issued by Head Office amounts to administrative irregularity and weak financial discipline.

The continued maintenance of a Current Account, despite instructions to the contrary, is therefore in violation of financial propriety principles and KFC provisions.

The Division shall:

1. Immediate steps shall be taken to **convert the Current Account into a Savings Bank Account** as per Head Office instructions.
2. Compliance report along with documentary proof of conversion shall be furnished to Audit.
3. Responsibility for non-compliance of instructions shall be examined and corrective administrative action taken.
4. Periodic review of bank accounts shall be conducted to ensure adherence to financial rules and instructions.

Maintenance of Current Account for Operative Expenses in violation of Head Office directions and financial propriety principles under **Kerala Financial Code** is viewed seriously. Immediate corrective action is required to safeguard the financial interest of Kerala Water Authority.

VII. Irregular Sanction and Drawal of Conveyance Allowance (W S Sub Division Pattoor)

Verification of the **Service Book** of **Sri. Sureshdas S.V., Operator** revealed that Conveyance Allowance (CA) has been sanctioned and drawn without authentication or sanction from the competent authority.

As per **G.O.(P) No. 364/80/Fin dated 11-06-1980**, Conveyance Allowance to physically challenged employees shall be sanctioned only by the **Chief Engineer** (competent authority). However, scrutiny of records showed that no such sanction order from the competent authority is available in the Service Book or connected files.

The incumbent joined Kerala Water Authority on **15-09-2011** and has reportedly been drawing Conveyance Allowance from **2017 onwards** (as per Service Book entries). In the absence of proper sanction from the competent authority, the drawal of CA is irregular.

Rule Position

- As per **G.O.(P) No. 364/80/Fin dated 11-06-1980**, sanction of Conveyance Allowance to physically challenged employees requires approval of the competent authority (Chief Engineer).
- Under **Kerala Service Rules (KSR) Part I**, allowances shall be drawn only if admissible under rules and duly sanctioned by the competent authority.
- **KSR Part III – Rule relating to recovery of overpayments** stipulates that any amount drawn irregularly or in excess shall be recovered unless regularised by competent authority.
- As per **Kerala Financial Code (KFC) Vol. I, Article 92**, no expenditure shall be incurred without proper sanction and authority.
- Drawing and Disbursing Officer is responsible for ensuring that pay and allowances are regulated strictly in accordance with Rules.

Audit Findings

- Conveyance Allowance sanctioned without competent authority approval.
- No sanction order found in Service Book.
- Allowance drawn from 2017 onwards without proper authorisation.
- Internal verification mechanism for allowance sanction found deficient.

The irregular drawal constitutes violation of **G.O. provisions, KSR rules governing allowances and KFC provisions relating to authorised expenditure**.

The Division shall:

1. Immediately verify admissibility of Conveyance Allowance and obtain **ex-post facto sanction** from the competent authority, if eligible.
2. In the absence of such sanction, the irregularly drawn amount shall be **calculated and recovered** as per KSR provisions.
3. Compliance report indicating action taken (regularisation/recovery) along with calculation statement shall be furnished to Audit.
4. Periodical verification of Service Books shall be ensured to avoid recurrence of such irregularities

VIII. Non-Remittance of Collection Charges of KCWWF to Non-Operative Account

(NOA)

Verification of the **KCWWF Control Register** of Sewerage Sub Division, Kuriathy revealed that the contribution towards Kerala Construction Workers Welfare Fund (KCWWF) has been remitted up to **07/2025 on 18-08-2025**.

However, scrutiny further revealed that the **collection charges** relating to the period from **04/2024 to 07/2025**, amounting to **₹4,160/-**, though calculated, have not been remitted to the **Non-Operative Account (NOA)** of Kerala Water Authority.

Non-remittance of collection charges, which constitute revenue of the Authority, indicates lapse in proper accounting and financial discipline.

It was also noticed that collection charges prior to **04/2024** have not been verified for correctness or remittance. No consolidated statement showing calculation and remittance details was produced to Audit.

Rule Position

- As per **Kerala Financial Code (KFC) Vol. I, Article 92**, all receipts due to Government/Authority shall be promptly assessed, realised and credited to the proper head of account without delay.
- **KFC Article 116 & 121** stipulate that all sums received on behalf of Government/Authority shall be brought to account immediately and remitted to the authorised account.
- Financial propriety principles under KFC require that revenue due to the Authority shall not be retained outside the prescribed account.
- The Drawing and Disbursing Officer is personally responsible for proper realisation and remittance of receipts under financial rules.

The Division shall:

1. Immediate remittance of **Rs.4,160/-** to the Non-Operative Account and submission of remittance details to Audit.
2. Calculation and verification of collection charges for periods prior to 04/2024 and remittance of the same without delay.
3. Maintenance of a separate reconciliation statement showing contribution collected, collection charges deducted and remitted.
4. Monthly review by the controlling officer to ensure timely remittance of statutory collections.

Non-remittance of KCWWF collection charges to the Non-Operative Account constitutes violation of **Kerala Financial Code provisions relating to prompt credit of revenue and financial discipline**. Immediate corrective action is required to safeguard the revenue interest of Kerala Water Authority.

IX. Non-Claiming of Reimbursement of Stipend (25%) to Apprentice Trainees from Government of India

Verification of the Trial Balance, stipend disbursement statements and connected records of Sewerage Division, Pattoor revealed that reimbursement of stipend payable by the

Government of India under the **Apprenticeship Act, 1961** has not been claimed for eligible periods.

As per the provisions of the **Apprenticeship Act, 1961**, reimbursement of **25% of the prescribed stipend subject to a maximum of Rs.1,500/- per month per apprentice** is admissible to employers engaging apprentice trainees.

Though reimbursement was discontinued after introduction of **NAPS 2.0 with effect from March 2022**, scrutiny revealed that reimbursement eligible for the period from **06/2018 to 12/2020** amounting to **Rs.5,19,056/-** has not been claimed through the **Skill India Portal**.

Details of Eligible Reimbursement

Year	Stipend Disbursed (Rs)	Reimbursement Portion (Rs)
2018-19	1,99,500	43,375
2019-20	33,600	7,400
2020-21	21,66,379	4,68,281
Total		5,19,056

Failure to claim reimbursement resulted in non-realisation of eligible amount from Government of India.

Rule Position

As per the **Apprenticeship Act, 1961**, eligible employers are entitled to reimbursement of 25% of stipend subject to prescribed ceiling.

Under **Kerala Financial Code (KFC) Vol. I, Article 92**, all receipts due to Government/Authority shall be promptly assessed, realised and credited to the proper head of account.

Financial propriety principles under **KFC Article 40** require that all legitimate claims due to the Authority shall be realised without delay to avoid loss of revenue.

The Drawing and Disbursing Officer is responsible for ensuring that claims receivable by the Authority are timely preferred and realised.

Non-preferring of reimbursement claims constitutes lapse in financial management and weak internal control.

The Division shall:

1. Immediate action shall be taken to **verify eligibility and submit reimbursement claims** through the Skill India Portal for the period 06/2018 to 12/2020.
2. If reimbursement has already been received, documentary proof shall be furnished to Audit.
3. A consolidated statement of stipend disbursed and reimbursement claimed/received shall be prepared and reconciled with accounts.
4. A monitoring system shall be introduced to track statutory reimbursements and

receivables periodically.

Non-claiming of stipend reimbursement amounting to **Rs.5,19,056/-** under the Apprenticeship Act, 1961 is a financial lapse and contrary to the principles of financial propriety under **Kerala Financial Code**. Immediate corrective action is required to safeguard the financial interest of Kerala Water Authority.

X. Non-Conduct of Mileage Test and Irregular Fuel Expenditure

Sewerage Sub Division, Pattoor

1.1. Non-Compliance with Mileage Testing Rules

Verification of log books, Vehicle History Books and fuel charge bills of departmental vehicles under Sewerage Sub Division, Pattoor, namely:

- KL-01-BT-4894
- KL-01-CU-8308
- KL-01-CU-8317

revealed that **Annual Mileage Tests (Fuel Consumption Tests)** have not been conducted.

As per **G.O.(Ms) No. 113/2003/Fin** and related circulars, fuel consumption test of every departmental vehicle shall be conducted **once in a year** by the PWD Mechanical Wing and a Fuel Consumption Certificate shall be issued.

Further, **Art. 324(a) of KFC Vol. I** mandates maintenance of accurate log books and proper monitoring of fuel consumption to prevent wastage of public funds. Non-conduct of mileage test violates the above provisions and weakens financial control over fuel expenditure.

1.2. Financial Irregularity in Fuel Expenditure

Due to non-conduct of mileage test, no benchmark fuel efficiency has been fixed for the above vehicles. Fuel charges have been settled without reference to a valid Fuel Consumption Certificate.

As per **Para 18 of G.O.(Ms) No. 113/2003/Fin**, in cases where excess fuel consumption arises due to lack of monitoring or non-conduct of mileage test, **50% of excess fuel cost may be recovered from the Controlling Officer/Custodian**.

In the absence of annual mileage certification, correctness of fuel expenditure could not be verified in audit, exposing the Authority to possible excess or irregular expenditure.

1.3. Reporting of Unserviceable / BER Vehicles

As per **G.O.(Ms) No. 18/2025/Fin**, all unserviceable or uneconomical vehicles shall be promptly identified to prevent deterioration of asset value.

The Sub Division has not produced any report indicating assessment of vehicles fo**Beyond Economic Repair (BER)** condition.

(XI). Non-Conduct of Annual Mileage Test and Deficiencies in Vehicle Management

Sewerage Sub Division, Kuriathy

1.1. Non-Compliance with Mileage Testing Rules

Verification of log books, fuel bills and Vehicle History Books of departmental vehicles under **Sewerage Sub Division, Kuriathy** revealed that **Annual Mileage Tests (Fuel Consumption Tests)** have not been conducted for the following vehicles:

KL-01-CU-8316, KL-01-DF-5872, KL-01-CU-8374, KL-01-CU-8317, KL-01-DD-1360, KL-01-BT-4916, KL-01-CU-8339, KL-01-BT-4811, KL-01-BT-4842, KL-01-BT-4918, KL-01-DD-1309, KL-01-DD-5706, KL-01-BT-4880, KL-01-CU-8323 (including jetting/sucking mounted units).

As per **G.O.(Ms) No. 113/2003/Fin** and Circular No. B10-3183/2010/CT, fuel consumption test of every departmental vehicle shall be conducted **once every year** by the PWD Mechanical Wing and a Fuel Consumption Certificate obtained.

Further, **Article 324(a) of KFC Vol. I** mandates accurate maintenance of log books and monitoring of fuel consumption to prevent waste of public funds. Non-conduct of mileage tests is a clear violation of the above provisions.

1.2. Financial Irregularity in Fuel Expenditure

Due to non-conduct of mileage test, no benchmark fuel efficiency has been fixed for the above vehicles. Fuel charges have been settled without reference to a valid Fuel Consumption Certificate.

As per **Para 18 of G.O.(Ms) No. 113/2003/Fin**, excess consumption or misuse attributable to lack of monitoring may attract recovery of **50% of the fuel cost from the Controlling Officer/Custodian**.

In the absence of certified mileage norms, correctness of fuel expenditure could not be verified in audit, thereby exposing the Authority to potential excess expenditure.

1.3. Reporting and Disposal of Unserviceable Vehicles

As per **G.O.(Ms) No. 18/2025/Fin**, all unserviceable or uneconomical vehicles shall be promptly identified to prevent deterioration of asset value.

No records were produced indicating:

- Identification of vehicles classified as **Beyond Economic Repair (BER)**.
- Preparation of Survey Reports for placement before the Condemnation Board/Mechanical Wing.

Listing of such vehicles for disposal through the **e-Auction platform**

Rule Position

- **KFC Vol. I, Art. 324(a)** – Accurate maintenance of vehicle log books and

monitoring of fuel consumption is mandatory.

- **G.O.(Ms) No. 113/2003/Fin** – Annual fuel consumption test by PWD Mechanical Wing is compulsory.
- **G.O.(P) No. 161/2006/Fin** – Maintenance of Vehicle History Book is mandatory.
- Financial propriety principles under **KFC Art. 40** require prevention of avoidable waste of public funds.
- The Controlling Officer is responsible for proper supervision and monitoring of departmental vehicles.

Audit Findings

- Annual mileage tests not conducted.
- Fuel charges settled without valid Fuel Consumption Certificate.
- No benchmark fuel ceiling fixed.
- No documentation regarding BER identification or disposal process.
- Weak supervisory control over vehicle management

The Division shall:

1. Immediate conduct of **Annual Mileage Test** for all departmental vehicles through PWD Mechanical Wing and obtain Fuel Consumption Certificates.
2. Fix benchmark fuel efficiency and regulate future fuel charges accordingly.
3. Examine fuel expenditure for previous period and assess excess consumption, if any, for recovery as per rules.
4. Identify vehicles, if any, classified as **Beyond Economic Repair (BER)** and place before the Condemnation Board.
5. Ensure disposal of condemned vehicles through **e-Auction platform** as per prevailing Government orders.
6. Strengthen monitoring mechanism for vehicle log book verification and fuel control.

Non-conduct of mileage tests and absence of fuel efficiency benchmarking constitute violation of **Kerala Financial Code provisions and Government Orders relating to vehicle management**. The lapse may result in excess fuel expenditure and loss to the Authority. Immediate corrective and preventive measures are required.

XII. 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 pay and DA 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.

1.1. Non deduction of GIS

Sl no	Name	Designation
1	Shameela F	Dman GrII

2	Sujith S	Lascar
3	Renjith T	Operator
4	Shynaj C V	Operator
5	Muhammed Hasim	unskilled worker
6	Muhammed Shameel	Unskilled worker
7	Reji J S	Driver cum OA
8	Ajeesh S A	Overseer Gr III
9	Jayakumaran Nair	Assistant Eng
10	Smrithi S S	Overseer Gr III
11	Vimal Kumar V L	Overseer Gr III
12	Sheeba B	LDC
13	Vaisakh R	Watchman
14	Nijith R Chandran	Operator
15	Ajesh R G	AE
16	Vinod kumar M	Head Operator

1.2.Non deduction of SLI

Sl no	Name	Designation
1	Sujith S	Lascar
2	Muhammed Hasim	unskilled worker
3	Muhammed Shameel	unskilled worker
4	Reji J S	Driver cum OA
5	Ajeesh S A	Overseer Gr III
6	Jayakumaran Nair	Assistant Engineer
7	Smrithi S S	Overseer Gr III
8	Vimal Kumar V L	Overseer Gr III
9	Sheeba B	LDC
10	Vaisakh R	Watchman
11	Nijith R Chandran	Operator

1.3. Short Recovery of GIS & SLI

Details attached as Appendix B

XIII. Failure to Conduct Mandatory Annual Inspection by Divisional Accounts Officer and Non-submission of Routine Inspection Reports – Violation of KPW 'A' Code and Financial Rules

1. Non-Conduct of Annual Inspection by Divisional Accounts Officer

As per Para 4.2.13 of KPW 'A' Code, the Divisional Accounts Officer (DAO) is required to inspect each Sub Division at least once in a year under the orders of the Executive Engineer and check a prescribed percentage of the initial accounts. The defects noticed during such inspection shall be reported to the Executive Engineer for appropriate orders. Further, the DAO is personally responsible for explaining procedural defects and imparting necessary instructions to the Sub Divisional Officers and their staff.

The Division is having two Sub Divisions under its administrative control.

On verification of the available records, files, and correspondence, it is observed that no inspection has been conducted by the Divisional Accounts Officer during the period under audit, as mandated under Para 4.2.13 of KPW 'A' Code. No inspection notes, defect statements, compliance reports, or review proceedings were made available for verification.

The above lapse indicates failure in exercising the prescribed financial oversight mechanism and internal control system.

This omission is also in violation of:

- Article 63 & 64 of KFC Vol. I, which stipulate that every controlling officer must ensure effective supervision over subordinate offices and maintain adequate financial control.
- Rule 190 & 191 of KSR Part I, which cast responsibility on supervisory officers to ensure proper control, verification, and adherence to prescribed procedures by subordinate staff.

Non-conduct of inspection defeats the very purpose of internal financial control, weakens procedural discipline, and may lead to irregularities remaining undetected.

Audit directs that immediate action shall be taken to conduct the mandatory inspection of both Sub Divisions and a detailed compliance report shall be furnished to Audit without delay.

2. Non-Submission of Routine Inspection Reports (April 2019 – March 2025)

As per Para 4.2.13 of KPW 'A' Code, the Divisional Accounts Officer shall conduct inspection of offices under the Division and submit the inspection report to the Managing Director for review in the month of April every year.

However, on scrutiny of records, the following were not produced for audit verification:

- Annual Inspection Reports for the period 04/2019 to 03/2025
- Proof of submission of reports to the Managing Director
- Review remarks/orders of the Managing Director, if any
- Compliance reports on defects pointed out in earlier inspections

The non-production of the above records indicates either:

- Inspections were not conducted; or
- Reports were not prepared/submitted; or
- Records are not properly maintained.

In any case, the lapse constitutes serious deviation from the provisions of KPW 'A' Code and reflects inadequate supervisory control as contemplated under KFC Vol. I and KSR Part I.

The Division shall:

1. Furnish copies of Annual Inspection Reports from April 2019 to March 2025.
2. Produce documentary evidence of submission to the Managing Director.
3. Provide compliance reports on defects pointed out in each inspection.
4. Explain reasons for non-conduct / non-submission, if any.

XIV. Serious Irregularities in Attendance and Casual Leave Records and Mismatch with SPARK Data Leading to Risk of Irregular Salary Drawal

1. Discrepancies Observed between Attendance Register and SPARK Data (2024)

On verification of random four months' SPARK data with the Attendance Register for the year 2024, the following discrepancies were noticed:

Certain incumbents have **signed the Attendance Register**, whereas the SPARK system reflects them as "**Absent**" on the same dates.

Sample Instances:

- **Hint J B, Driver cum OA** – 08/11/2024
- **Karthik S Praveen, OA** – 08/11/2024 & 15/11/2024

The above discrepancy indicates lack of reconciliation between manual attendance records and SPARK entries. Such mismatch creates ambiguity regarding actual duty status and may lead to incorrect salary processing.

As per **Article 63 & 64 of KFC Vol. I**, the Head of Office is responsible for ensuring effective financial control and accuracy in records affecting pay and allowances. Further, under **Rule 12 & 13 of KSR Part I**, pay and allowances can be drawn only for duty performed or leave duly sanctioned under rules.

Failure to reconcile attendance with SPARK before salary processing amounts to serious lapse in internal control.

2. Non-Maintenance / Improper Maintenance of Casual Leave Register & Cash in hand register(2025)

During audit, it was observed that:

- The **Casual Leave Register is not properly maintained.**
- Casual leave entries are not recorded systematically.
- Leave columns in the Attendance Register are left vacant.

Sample Cases:

1. **Smitha M S, Assistant Engineer** – CL on 12/08/2025
2. **Jayalal J, Junior Superintendent** – CL on 21/08/2025
3. **Alex A S, Surveyor Gr I (HG)** – CL on 05/05/2025 & 30/05/2025

These are only illustrative cases; similar omissions were noticed in other instances also.

As per **Rule 64 & 65 of KSR Part I**, leave cannot be availed without proper sanction and recording. The Casual Leave Register forms an essential control document to prevent excess or irregular leave.

Being the custodian of the Attendance Register and leave records, the **Junior Superintendent** is responsible for proper maintenance and reconciliation of leave accounts.

Non-maintenance of Casual Leave Register is a serious procedural lapse affecting service records and financial correctness.

3. Large-Scale Blank Entries in Attendance Register (2025)

On scrutiny of the Attendance Register 2025, numerous instances were noticed where:

- Neither duty nor leave was marked.
- No signature was recorded.
- Leave column was kept vacant.
- Periods extending to several days/weeks remain unaccounted.

SI NO	NAME	DESIGNATION	Neither signature nor leave marked
1	Gokul Krishna G A	Surveyor Gr I	03/10/2025 to 28/10/2025 ,10/9/2025 to 11/9/2025,18/09/2025 to 25/9/2025 ,27/9/2025
2	Binukumar G S	AEE I	25/10/2025 AN to 28/10/2025
3	Aravind H	AEE III	29/9/2025 , 27/10/2025 to 28/10/2025
4	Biju V I,	D Man Gr I	03/10/2025 to 28/10/2025
5	Deepthimol I k	D/Man GD II	25/10/2025 AN to 28/10/2025
6	Malavika R	D Man GrII	2025-10-27 00:00:00

	V		
7	Lalwin	Overseer Gr III	03/10/2025 to 28/10/2025
8	Rajitha B R	Overseer Gr III	08/10/2025 to 27/10/2025, 23/08/2025 to 30/08/2025 , 24/03/2025 to 30/03/2025
9	Athulya V S	Overseer GrIII	27/10/2025 to 28/10/2025
10	Bijio Terry	Overseer GrIII	01/09/2025 to 29/09/2025 , 01/08/2025 to 30/08/2025
11	Aswathy B	Overseer Gr III	17/10/25, 22/10/2025, 24/10/2025
12	Gokul M S	Surveyor Gr I	23/10/2025 to 28/10/2025
13	Shiji C H	Surveyor GrI(HG)	2025-10-04 00:00:00
14	Muhammed Shameer	Surveyor Gr II	23/10/2025 to 28/10/2025
15	Visakh V	Surveyor GrII	16/10/2025 to 28/10/2025
16	Arun krishna A	Apprentice trainee-Dman	03/10/2025 to 28/10/2025
17	Visakh L	Assistant Engineer IV	2025-09-29 00:00:00
18	Sajid M S	SurveyorGr II	18/09/2025 to 29/09/2025
19	Praveen V M	Apprentice Trainee	02/09/2025 to 03/09/2025, 09/09/2025 to 22/09/2025 , 24/09/2025, 28/09/2025
20	Nandu R nair	Assistant Engineer I	23/08/2025 AN, 29/08/2025 to 30/08/2025
21	Deepa S	Overseer Gr III (HG)	29/08/2025 to 30/08/2025
22	Sheeja V O	Overseer GrIII	23/08/2025 to 25/08/2025, 27/08/2025 to 30/08/2025
23	Sajeev P S	Surveyor Gr I	23/08/2025 to 26/08/2025
24	Dani G Joseph	SurveyorGrII	23/08/2025 to 30/08/2025
25	Premlal K P	Surveyor Gr II	23/08/2025 to 30/08/2025
26	Alex S S	Surveyor Gr I (HG)	19/07/2025 to 23/07/2025

4. Non-Submission / Non-Recording of “On Duty” in SPARK

On comparison of three months’ SPARK data with Attendance Register, it was noticed that several incumbents were marked as “On Duty” in the Attendance Register for September 2025, but corresponding entries were not properly reflected/updated in SPARK.

A detailed list of 38 officials (AEE, AE, Surveyors, Overseers, etc.) with specific dates has been verified and documented in audit records.

SLNO	NAME	“On duty” marked in Attendance register-	Period

		Month	
1	Binukumar G S, AEE1	09/2025	11/09/2025 to 12/09/2025
2	Deepthilal B L, AEE II		10/09/2025 AN to 15/09/2025, 16/09/2025 AN, 18/09/2025 AN to 20/09/2025 , 23/09/2025 to 25/09/2025, 26/09/2025 AN to 27/09/2025, 29/09/2025 AN
3	Jothikumar G D, AEE III		03/09/2025, 09/09/2025 FN ,10/09/2025,16/09/2025 ,20/09/2025,23/09/2025,26/09/2025 to 27/09/2025
4	Sreedevi R, AEE IV		01/09/2025 to 03/09/2025 , 22/09/2025 to 29/09/2025
5	Nandu R Nair,AE I		01/09/2025, 03/09/2025,08/09/2025, 09/09/2025 AN, 10/09/2025,12/09/2025,18/09/2025,19/09/2025 AN to 25/09/2025 ,29/09/2025
6	Ratheesh kumar M S, AE II		01/09/2025, 03/09/2025, 08/09/2025, 11/09/2025, 15/09/2025, 17/09/2025 to 26/09/2025 , 29/09/2025
7	Aravind H , AE III		03/09/2025, 09/09/2025 FN, 10/09/2025 to 15/09/2025, 18/09/2025,26/09/2025 to 27/09/2025
8	Anjali G, AE V		09/09/2025 FN, 10/09/2025 to 15/09/2025, 17/09/2025,19/09/2025, 24/09/2025, 26/09/2025 to 27/09/2025
9	Divya G, AE VI		01/09/2025 FN, 08/09/2025, 09/09/2025 FN,10/09/2025 FN, 12/09/2025,16/09/2025,19/09/2025
10	Satheesh kumar S, AE VII		03/09/2025, 10/09/2025,16/09/2025, 20/09/2025,23/09/2025,27/09/2025
11	Smitha M S , AE XI		01/09/2025,03/09/2025,08/09/2025 FN, 10/09/2025 AN, 11/09/2025AN, 22/09/2025 to 23/09/2025,24/09/2025 AN to 26/09/2025
12	Anand V T, Dman Gr I		10/09/2025 to 15/09/2025, 18/09/2025, 20/09/2025, 24/09/2025 to 25/09/2025
13	Deepa S, Overseer Gr III		08/09/2025,09/09/2025 FN,10/09/2025, 12/09/2025,16/09,2025, 19/09/2025 to 26/09/2025 , 29/09/2025
14	Sheeja V O , Overseer Gr III		01/09/2025,03/09/2025, 08/09/2025, 09/09/2025 FN,10/09/2025 to 18/09/2025, 22/09/2025 to 29/09/2025
15	Vijin Vijayarajan, Overseer Gr III		03/09/2025,08/09/2025,09/09/2025 FN , 11/09/2025 AN to 26/09/2025, 29/09/2025
16	Rajitha B R, Overseer Gr III		01/09/2025,03/09/2025 , 08/09/2025, 09/09/2025 FN , 10/09/2025, 11/09/2025, 15/09/2025 to 27/09/2025

17	Athulya V S , Overseer Gr III		01/09/2025,03/09/2025, 10/09/2025 to 11/09/2025 , 16/09/2025, 19/09/2025 to
18	Karthika G N, Overseer Gr III		23/09/2025, 25/09/2025 to 29/09/2025
19	Aswathy B , Overseer Gr III		16/09/2025,26/09/2025
20	Vishnu vijasan, Overseer Gr III		01/09/2025 to 12/09/2025, 16/09/2025 to 24/09/2025, 29/09/2025
21	Amal chandran, Overseer Gr III		01/09/2025 to 20/09/2025, 23/09/2025 to 29/09/2025
22	Biju K S , Surveyor Gr I		03/09/2025 to 09/09/2025 FN, 10/09/2025 to 29/09/2025
23	Amesh M S, Surveyor Gr I		01/09/2025, 10/09/2025 to 12/09/2025, 15/09/2025 to 16/09/2025, 18/09/2025 to 29/09/2025
24	Niyas M, Surveyor Gr I		01/09/2025, 03/09/2025, 09/09/2025 FN, 10/09/2025 to 15/09/2025, 18/09/2025 to 19/09/2025, 22/09/2025 to 24/09/2025, 27/09/2025 to 29/09/2025
25	Shiji C H , Surveyor Gr I		16/09/2025,19/09/2025 AN, 20/09/2025, 23/09/2025, 27/09/2025 to 29/09/2025
26	Sajeev P S , Surveyor Gr I		01/09/2025, 03/09/2025,09/09/2025 FN,
27	Akhil A S, Surveyor Gr II		01/09/2025, 18/09/2025 AN, 20/09/2025 AN, 22/09/2025 , 24/09/2025, 29/09/2025
28	Anju C Mohan,Surveyor Gr II		03/09/2025, 09/09/2025 FN, 16/09/2025 to 17/09/2025,24/09/2025, 26,09/2025
29	Aswathy V, Surveyor Gr II		22/09/2025
30	Dhanya P, Surveyor Gr II		01/09/2025,03/09/2025, 08/09/2025, 09/09/2025 FN,19/09/2025 to 29/09/2025
31	Visakh V, Surveyor Gr II		01/09/2025 to 09/09/2025 FN, 20/09/2025 to 29/09/2025
32	Sajid M S, Surveyor GrII		01/09/2025 to 02/09/2025, 08/09/2025, 09/09/2025 FN,10/09/2025 to 17/09/2025
33	Vineetha L, Surveyor Gr II		03/09/2025 AN, 15/09/2025, 19/09/2025 to 25/09/2025
34	Dani G Joseph, Surveyor Gr II		01/09/2025 to 09/09/2025 FN, 10/09/2025 to 29/09/2025
35	Sabitha A Thaha, Surveyor Gr II		15/09/2025 to 16/09/2025, 19/09/2025 to 20/09/2025, 23/09/2025 to 27/09/2025, 29/09/2025
36	Gokul Krishnan G A, Surveyor Gr I		15/09/2025 to 16/09/2025
37	Sooraj S, surveyor Gr I		11/09/2025 to 29/09/2025

38	Muhammed sameer Gr II	15/09/2025, 17/09/2025,18/09/2025AN,19/09/2025,24/09/2025 to 25/09/2025,29/09/25
----	-----------------------	--

In many cases:

- Attendance was marked as “On Duty” manually.
- No corresponding duty certificate/order was produced.
- SPARK punching or authorized absence reason was not entered.

As per **Rule 116 of KSR Part I**, duty status must be supported by proper orders. Without formal sanction, marking “On Duty” is irregular.

Failure to update SPARK results in:

- Mismatch in leave account,
- Incorrect pay fixation,
- Risk of double benefit (duty + allowance),
- Compromised audit trail.

5. Risk of Irregular Salary Drawal

In the absence of:

- Proper attendance marking,
- Leave sanction records,
- On Duty authorization orders,
- SPARK reconciliation,

Salary appears to have been drawn without authenticating actual duty status.

This is in contravention of:

- **Article 63, 64 & 92 of KFC Vol. I**
- **Rule 12 & 13 of KSR Part I**

Drawing salary without establishing authorized duty/leave status constitutes financial irregularity and may attract recovery proceedings, if excess payment is detected.

The Division shall:

1. Immediately reconcile Attendance Register with SPARK for 2024 & 2025.
2. Verify all blank entries with Service Book, Leave Sanction Orders and Duty Certificates.
3. Properly maintain Casual Leave Register with retrospective correction.
4. Ensure no column in Attendance Register remains blank.
5. Produce copies of:
 - a. Leave sanction orders,
 - b. On Duty proceedings,
 - c. SPARK correction statements.

6. Furnish a detailed compliance report to Audit within stipulated time.

The lapses observed reflect **systemic weakness in attendance control, leave accounting and payroll verification mechanisms**. Attendance Register is a primary financial control document and must be maintained with utmost accuracy.

Immediate corrective and preventive measures are essential to safeguard financial propriety and administrative discipline.

XV.SERVICE BOOK

During the course of audit of Service Books, Leave Accounts and related establishment records of the Division and Sub Divisions, serious irregularities were noticed in:

- Earned Leave recasting
- Leave Account maintenance
- Probation declaration and increment sanction
- Service Book updation
- Pay revision entries

The irregularities are common in nature across Division and Sub Division offices and hence consolidated in this report for uniform corrective action.

As per **KFC Vol. I (General Principles of Financial Propriety)** and relevant provisions of **KSR Part I & III**, Service Books and Leave Accounts must be maintained accurately, duly attested, and periodically verified by the Head of Office.

Failure in maintenance of statutory records amounts to violation of financial discipline.

A. EARNED LEAVE – NON RECASTING AT 1/11 RATE

As per **G.O.(P) No.75/2007/Fin dated 27/02/2007** read with **KSR Part I (Leave Rules)**:

Employees who have completed 3 years of service shall be eligible for Earned Leave at the rate of **1/11th** of duty for the first year of service (instead of 1/22).

Audit scrutiny revealed that recasting has not been done in several cases.

Sewerage Division, Pattoor

- Hint J B – Driver cum OA

Sewerage Sub Division, Pattoor

- Prem Raj N J – Operator
- Manoj M – Dman Gr II
- Jijimol V – Dman Gr II
- Praveen S – Operator

Sewerage Sub Division, Kuriyathy

- Sajin Raj S V – Operator
- Shynaj C V – Operator

Further, in the case of **Shynaj C V**, Earned Leave surrendered as on 01/04/2013 was calculated at 1/11 instead of 1/22 for first year, resulting in excess credit and probable excess payment.

The Division shall:

1. Verify entire Leave Account from date of entry into service.
2. Correct leave debit entries.
3. Recalculate leave balance.
4. Recover excess leave surrender benefits if drawn.
5. Furnish reconciliation statement to Audit.

Non-maintenance of leave account properly violates **KFC principles of financial control and KSR leave provisions**.

B. IRREGULAR INCREMENTS WITHOUT DECLARATION OF PROBATION

As per **KSR Part I – Rule 28 & 31**, read with probation rules:

- Increment shall be sanctioned only after satisfactory completion and declaration of probation.
- Probation declaration is mandatory before sanctioning normal increments.

Audit observed increments sanctioned prior to declaration of probation.

Sewerage Division, Pattoor

- Shameela F – Dman Gr II
- Sindhu L – Dman Gr I

Sewerage Sub Division, Kuriyathy

- Naveen Kumar S – Dman Gr I
- Saritha P – Dman Gr I
- Stella J L – Dman Gr I
- Samuel Thomas – Dman Gr I

Probation not declared in respective cadres before granting increments

The Division shall:

1. Verify probation declaration status.
2. Regularize probation if eligible.
3. Refix pay if increments irregular.
4. Calculate excess drawal.
5. Recover excess amount under intimation to Audit.

Granting increments without probation declaration is a clear violation of **KSR provisions**

and financial propriety under **KFC**.

C. SERVICE BOOK IRREGULARITIES

1. Missing Attestation

- Suresh Babu C – Watchman
(Executive Engineer signature missing – Page 16)

2. Non-Update of Transfer Entries

Sewerage Sub Division, Kuriyathy

- Rajeesh M – Operator
- Shiju C S – Operator

Joining entries not updated even after considerable delay.

3. Pay Revision Entry Error

- Sumesh Kurup – Overseer Gr III

11th Pay Revision entry made w.e.f 01/11/2022 instead of 24/08/2022.

This may result in irregular arrears drawal.

- Update Service Books immediately.
- Correct Pay Revision date.
- Verify arrears drawn.
- Recover excess if any.
- Ensure all entries are attested by competent authority.

Failure to maintain Service Book properly is against **KSR Appendix – Service Book maintenance instructions** and **KFC record control norms**.

XVI.Delay in Execution of Agreement and Non-Levy of Penal Fine – Violation of KPWD Manual (Rules 2009, 2010 & 2107) and KFC Provisions

As per **Rule 2009 of the Kerala Public Works Department Manual (KPWD Manual)**:

- **Rule 2009.1** – The selected contractor shall execute the agreement within the time prescribed in the selection notice.
- **Rule 2009.2** – The agreement shall be executed on the requisite stamp paper within the stipulated period, failing which action as per rules shall be initiated.
- **Rule 2009.3** – If the contractor fails to execute the agreement within the prescribed time, the selection is liable to be cancelled and penal action including forfeiture of EMD shall be taken.

Further, as per **Rule 2010 of KPWD Manual**:

- **Rule 2010.1** – In case of delay in execution of agreement beyond the stipulated period, fine at the prescribed rate (generally 1% of PAC subject to minimum and

maximum limits as specified in the selection notice) shall be levied.

- **Rule 2010.2** – Execution of agreement beyond the original time limit shall be permitted only with approval of the competent authority and on levy of applicable fine.

Moreover, **Rule 2107 of KPWD Manual** clearly stipulates that:

- Departmental officers are responsible for ensuring timely execution of agreements.
- They shall safeguard Government revenue by strictly enforcing contractual conditions.
- Failure to enforce penal provisions constitutes lapse of supervision and financial control.

Further, as per **Article 39 and Article 63 of Kerala Financial Code (KFC) Vol. I**, every Government servant is personally responsible for the assessment and realization of Government dues and for preventing loss of Government revenue due to negligence, omission or failure to enforce rules.

A.

Sl. No	Name & Details	PAC	1% of PAC
1	Selection Notice No. 55/DB1/2022/SEWD-PTR-TVPM dated 31/01/2022 Agreement No. 64/2021-22 dated 24/02/2022 Contractor: Sri. Anoop A.J	Rs.15,75,229/-	Rs.15,752/-
2	Selection Notice No. 62/DB2/2022/SEWD-PTR-TVPM dated 31/01/2022 Agreement No. 68/2021-22 dated 18/03/2022 Contractor: Sri. Santhosh C	Rs.19,55,082/-	Rs.19,551/-

As per the selection notice conditions, the contractor was required to execute the agreement within **14 days** from the date of issue of notice.

Scrutiny of records revealed that:

- The agreements were executed beyond the stipulated 14 days.
- No evidence of levy and realization of penal fine at 1% of PAC (subject to minimum Rs.1,000 and maximum Rs.25,000) was available on record.
- No approval for extension of time by the competent authority was seen.
- No recorded justification for condonation of delay was produced to Audit.

The failure to levy the prescribed fine resulted in non-realization of Government revenue amounting to:

- Rs.15,752/- in Sl. No. 1
- Rs.19,551/- in Sl. No. 2

The omission amounts to:

- Violation of Rules 2009 and 2010 of KPWD Manual.
- Lapse of supervisory control under Rule 2107 of KPWD Manual.
- Contravention of Articles 39 & 63 of Kerala Financial Code.

The delay constitutes non-compliance with the conditions of the Selection Notice and tender provisions. In the absence of documented extension or approval by competent authority, the lapse attracts penal provisions as per rules.

This is a serious financial irregularity.

The Division shall:

1. Reasons for non-execution of agreements within the stipulated period may be furnished.
2. Reasons for non-levy of penal fine may be explained.
3. Action taken to recover the applicable fine (Rs.15,752/- and Rs.19,551/-) may be reported.
4. Responsibility fixed for the lapse may be intimated.

The above irregularities shall be rectified, corrected and compliance report furnished to Audit at the earliest for settlement of the objection.

B. The work “AMRUT 1.0 – Sewer Cleaning Equipment – Supply of Pipe Inspection Camera (Self Levelling Camera), Controller with LCD Display and DVR” (File No. 2309/DB1/2024/SEWD-PTR-TVPM) was awarded to M/s. Asian Contec Limited vide Selection Notice dated 04/11/2024. As per work order conditions and in accordance with **Rule 2009.1 & 2009.2 of KPWD Manual**, the agreement was to be executed on or before 18/11/2024. However, the agreement was executed only on 31/12/2024 vide Agreement No.18/2024-2025, resulting in delay. As per **Rule 2010.1 & 2010.2 of KPWD Manual**, delay in execution of agreement attracts levy of prescribed fine and requires approval of the competent authority with recorded reasons. No evidence of levy or realization of fine, nor sanction for extension, was seen on file.

Further scrutiny revealed that the work was completed on 20/11/2024 as per completion certificate of the Assistant Engineer, whereas the agreement was executed on 31/12/2024, i.e., after completion of the work. Execution of agreement after completion defeats the contractual safeguards and is contrary to **Rule 2107 of KPWD Manual**, which mandates departmental officers to ensure timely execution of agreements and safeguard Government revenue. The omission also violates **Article 39 & Article 63 of Kerala Financial Code (KFC) Vol. I**, regarding responsibility for realization of Government dues, and amounts to lapse of duty under **Rule 3, KSR Part I**.

The above action is highly irregular. Reasons for permitting execution of agreement after completion of work and for non-levy of applicable fine may be furnished. Action taken to realize the fine and fix responsibility for the lapse shall be intimated to Audit for settlement of the objection.

XVII. Belated /Non settlement of Temporary advance

As per Article 99 of KFC Vol.I and related GO(P) No. 419/11/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.

A.Sewerage Subdivision Pattoor.

Sri.P.Balagopal, Assistant Engineer

Date	Cheque No	Amount	Settlement details
05/11/2021	111488	20772/-	Settled on 10/2022. Belated settlement
20/10/2021	111471	25000/-	Settled on 06/2022. Belated settlement
06/12/2021	473948	20000/-	Settled on 06/2022. Belated settlement
03/02/2022	474001	5000/-	Settled on 06/2022. Belated settlement

Sri.SudhakaraShibu, Assistant Engineer

Date	Cheque No	Amount	Settlement details
23/06/2022	884156	10000/-	Settled on 01/2023. Belated settlement
23/06/2022	884156	40000/-	Settled on 01/2023. Belated settlement
05/07/2022	884168	50000/-	Settled on 01/2023. Belated settlement
04/08/2022	884196	45000/-	Settled on 01/2023. Belated settlement
04/08/2022	884196	22600/-	Settled on 01/2023. Belated settlement
06/10/2022	120682	50000/-	Settled on 05/2023. Belated settlement
06/12/2022	120729	15000/-	Not Settled
20/01/2022	120771	22000/-	Settled on 07/2023. Belated settlement
23/05/2023	594090	5000/-	Settled on 09/2023. Belated settlement
15/06/2024	519344	7000/-	Settled on 10/2023. Belated settlement

Sri.Ajesh.R G, Assistant Engineer

Date	Cheque No	Amount	Settlement details
26/07/2025	331501	40000/-	Settled vide CBV No.27 of 11/2025. Belated settlement. It is noticed that an amount of Rs.20/- has been realized as fine for belated settlement. Short recovery of Rs.505/- is noticed.

Sri.B.Vijayan, Assistant Engineer

Date	Cheque No	Amount	Settlement details
30/01/2023	347698	5000/-	Settled on 05/2023. Belated settlement

Sri.Binu.S, Assistant Engineer

Date	Cheque No	Amount	Settlement details
07/06/2024	519324	100000/-	Settled vide CBV No.68 of 10/2024. Belated settlement

Sri.Arun.R S, Assistant Engineer

Date	Cheque No	Amount	Settlement details
14/03/2022	690941	3000/-	Settled vide CBV No.37 of 02/2023. Belated settlement
14/03/2022	690941	3000/-	Settled vide CBV No.36 of 02/2023. Belated settlement
14/03/2022	690941	2400/-	Settled vide CBV No.38 of 02/2023. Belated settlement
17/03/2022	690943	15000/-	Settled vide CBV No.35 of 02/2023. Belated settlement
27/01/2023	347693	20000/-	Settlement details not available

Sri.Anil.R, Assistant Engineer

Date	Cheque No	Amount	Settlement details
28/09/2024	742127	9772/-	Settled vide CBV No.23 of 01/2025. Belated settlement

B. Sewerage Subdivision Kuriathy**Sri.Visakh.M S, Assistant Engineer**

Date	Cheque No	Amount	Settlement details
25/09/2020	555378	10000/-	Settled on 71 of 01/2021. Belated settlement
26/02/2021	892582	11026/-	Settled on 35 of 08/2021. Belated settlement
26/02/2021	892582	10000/-	Settled on 34 of 08/2021. Belated settlement
10/01/2023	199352	25000/-	Settled on 60 of 07/2023. Belated settlement
10/02/2023	199379	25000/-	Settled on 61 of 07/2023. Belated settlement
28/02/2023	Nil	20000/-	Settled on 59 of 07/2023. Belated settlement
16/05/2023	494735	73000/-	Settled on 58 of 03/2024. Belated settlement

13/10/2023	462337	50000/-	Settled on 51 of 03/2024. Belated settlement
21/10/2023	737753	50000/-	Settled on 52 of 03/2024. Belated settlement

Sri.Hari.B, Mechanical Superintendent

Date	Cheque No	Amount	Settlement details
24/12/2024	12778	25000/-	Settled on 08 of 05/2025. Belated settlement
08/01/2025	12791	25000/-	Settled on 32 of 05/2025. Belated settlement

Sri.Akhil A T, Mechanical Superintendent

Date	Cheque No	Amount	Settlement details
07/02/2025	012836	60000/-	Settled on 03/07/2025. Belated settlement
06/03/2025	185472	50000/-	Settled on 07/2025. Belated settlement

Sri.Varadhan.V S, Assistant Engineer

Date	Cheque No	Amount	Settlement details
22/07/2020	555343	25000/-	Settled on 63 of 01/2021. Belated settlement
17/02/2021	892573	25000/-	Settled on 36 of 12/2021. Belated settlement
23/04/2021	892620	25000/-	Settled on 28 of 08/2021. Belated settlement
26/02/2021	892584	10000/-	Settled on 26 of 08/2021. Belated settlement

In this context the audit observes the following

1. It is noticed that further temporary advances were allotted before the settlement of advances already allotted which is irregular.
2. Applicable penal interest as per Rules may be recovered in case of belated settlement of Temporary Advance and remitted to NOA and intimated
3. 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.

XVIII. Irregularities in arranging work through Quotation basis

On verification of the work files under Sewerage Section, Sasthamangalam, it is observed that the following works were arranged via the **Quotation Method** instead of the mandatory **Open e-Tender** process.

Qtn No.	15/2023-24	dated	Deposit work-Smart City-TSS-Reconstruction of old dilapidated brick manholes with RCC and rising of manholes cover in GanapathyKovilroad, Vazhuthacad ward under Sew Sec Sasthamangalam
---------	------------	-------	---

23.12.2023	
Qtn No. 22/2023-24	Deposit work- Laying 200 mm Sew line from kadappathalaJn towards Golf links road near SFS flat Kowdiar-Restoration of BM&BC road of tarcut dated
23.03.2024	portion .Balance work at the R&C of the original contractor under Sew Sec Sasthamangalam

- **Violation of e-Tendering Mandates:** As per Government orders, **(G.O. (P) No. 3/2017/SPD** dated 11.02.2017 (Mandatory e-Tendering)) all works above **₹5.00 Lakhs** (or the departmental threshold) must be e-tendered. Arranging specialized works like **BM&BC (Bituminous Macadam and Bituminous Concrete)** restoration via quotation suggests an attempt to bypass competitive price discovery.
- **Risk & Cost Irregularity (Qtn 22/2023-24):** Since this work was arranged at the **Risk and Cost** of the original contractor, the department is legally required to prove that the "best competitive rate" was obtained. A quotation process is often insufficient in a court of law to recover dues from the original contractor, as it lacks the transparency of an open tender..
- **Lack of Justification:** There is no evidence of "Failed Tenders" (where no one bid for an open tender) or a "Certificate of Urgency" signed by a competent authority (Executive Engineer or above) to justify the quotation route.

The arrangement of these works via quotation has restricted competitive bidding, potentially causing a loss to the **Deposit Fund (Smart City)** and the Department.

Audit observed irregularity and is requested to furnish the specific circumstances and the Administrative Sanction (AS) details that permitted the use of the quotation method for these specific works..

XIX. Auction of Unserviceable Materials on Quotation Basis- Sewerage Sub Division, Pattoor

On verification of the Quotation Register of Sewerage Sub Division, Pattoor, it is noticed that the following quotation notices were issued for disposal of scrap and unserviceable materials:

Sl. No	Quotation No.	Date	Description
1	27/25-26	20.11.2025	Urgent auction for disposal of various scrap materials (6 items) at Sewerage Section, Sasthamangalam
2	28/25-26	20.11.2025	Urgent auction for disposal of various scrap materials (5 items) at Sewerage Section, Sasthamangalam

It is observed that the disposal of scrap and unserviceable materials was conducted through **quotation process** instead of **mandatory e-Auction procedure**.

- No records were produced to show that **e-Auction was attempted and failed** prior to initiating quotation sale.
- No sanction order from the Executive Engineer permitting deviation from mandatory e-auction procedure was made available for verification.
- The scrap consisted of multiple items (6 + 5 items), indicating bulk disposal, which does not appear to fall under "very low value" category.

- Conducting auction through local quotation process amounts to deviation from Finance Department Circular No. 99/2021/FIN and provisions of KFC and KPWD Code.
- Disposal through quotation method reduces transparency and may result in loss of Government revenue due to limited competition.

The action of disposing scrap and unserviceable materials through quotation process without attempting mandatory e-Auction and without producing written sanction from the competent authority is irregular and violative of:

- Finance Department Circular No. 99/2021/FIN
- Articles 150, 151 & 162 of Kerala Financial Code Vol. I
- Relevant provisions of KPWD Code regarding disposal of stores
- Principles of transparency and revenue protection under Store Purchase Rules

This may be treated as a serious procedural irregularity having potential revenue implication.

The Sub Division shall furnish:

1. Copy of condemnation proceedings and technical valuation of scrap.
2. Copy of Executive Engineer's sanction for disposal and mode of sale adopted.
3. Evidence of attempt of e-Auction through MSTC/GeM/NIC, if any.
4. Comparative statement of quotation received and basis of selection.
5. Justification for deviation from mandatory e-Auction procedure.
6. Confirmation whether approval from higher authority was obtained.

Pending receipt and verification of the above documents, the para is retained.

Part III

I. Local Audit Reports-Pending Paras

The Internal Audit team's review of the Local Audit reports reveals a serious state of non-compliance within the Sewerage Division, Pattoor, where 31 Audit Paras remain pending for disposal. Despite multiple directions and repeated reminders, the Division has failed to provide satisfactory disposal actions or adequate responses. This delay is particularly concerning as several pending paras involve significant financial commitments; the failure to resolve these observations reflects a lapse in financial discipline and exposes the organization to substantial audit risks.

Furthermore, a review of the limited replies submitted thus far indicates that the documentation is not in the prescribed format and lacks the necessary supporting evidence required for settlement. The situation is exacerbated by a recent spike in pendency, with over 40% of the total outstanding paras—13 out of 31—originating from the 2023-24 audit period alone, suggesting a growing trend of non-responsiveness. This is compounded by chronic legacy issues, with unresolved paras dating back as far as 2007-08 that should have been settled over a decade ago. It is imperative that these replies are revised, properly documented, and submitted immediately to regularize these accounts. The year wise details are as follows

--	--	--

		Sewerage Division Pattoor		Total number of Pending Paras
		SI Number of pending paras		
SI NO	YEAR	In Part II A	In Part II B	
1	07-08		16	1
2	10-11		4	1
3	13-14		5,6,8,9	4
4	14-15		3,10	2
5	16-18		2,3	2
6	18-20		1,3,4,6,7	5
7	2020-23		1,3,4,	3
8	2023-24		1,2,3,4,5,6,7,8,9,10,11,12,13	13
				31

It is hereby directed to review the list above and submit **revised, comprehensive replies** for all 31 pending paras. Replies must be substantiated with relevant vouchers/documents and submitted in the proper format .

Part IV

Best Practices

NIL

Part V

Acknowledgement

Internal Audit Wing acknowledges the cooperation extended by the auditee institution

INTERNAL AUDITOR

Appendix A.**Incumbency details of Executive Engineer from 01.04.2019 to 31.03.2025**

No	Name	From	To	Remarks
1	Thomas Issac N	01-04-19	17-06-19	
2	Sooraj Sukumar	17-06-19	22-02-23	
3	Hari N R	22-02-23	09-03-23	Full Addnl Charge
4	Sheeja A R	09-03-23	25-05-23	
5	Sujatha A	31-05-23	11-12-23	
6	Rajesh S	11-12-23	22-01-25	
7	Ansal John M S	22-01-25	Till date	

Incumbency details of Technical Assistant from 01.04.2019 to 31.03.2025

No	Name	From	To	Remarks
1	S Rajesh	01-04-19	09-08-19	
2	Manju J Nair	14-08-19	12-08-21	
3	Gopika V S	12-08-21	31-03-23	
4	Bindhu S L	24-11-23	31-08-25	

Incumbency details of Divisional Accounts Officer from 01.04.2019 to 31.03.2025

No	Name	From	To	Remarks
1	Indira L	01-04-19	22-08-19	
2	George P J	22-08-19	31-05-21	
3	Jolly M L	09-08-21	30-06-23	
4	Bijukumar K	27-01-24	28-05-25	
5	Bindhu J R	02-07-25	30-07-25	

Appendix B.**Short Recovery of GIS& SLI**

sl no	Name of Employee	Designation	PAY	PAY+ 18%DA	1.5% OF PAY	SLI recovered	short recovery of SLI	GIS recovered	Short recovery of GIS
1	SUMI N	Asst Exe Eng	81000	95580	1434	500	934	1300	134
2	SINDHU L	Dman Gr 1	44500	52510	788	300	488	800	-12
3	SHAMEELA F	Dman GrII	42300	49914	749	300	449	0	749
4	SURESH K	Junior Superintendent	60700	71626	1074	1000	74	1000	74
5	VIPIN KUMAR R	LDC	56500	66670	1000	1000	0	900	100
6	AJINI GEORGE G	OA	23000	27140	407	1500	0	400	7
7	PADMA KUMARI S	UDC	51400	60652	910	500	410	800	110
8	SREELATHA K	UDC	47800	56404	846	800	46	800	46
9	ANSAL JOHNS M S	EE	118100	139358	2090	600	1490	500	1590
10	SANAL V	Head Operator	45600	53808	807	1300	0	700	107
11	JOHNY JOSE C	Head Operator	59300	69974	1050	1000	50	1000	50
12	PRASAD P R	Head Operator	47800	56404	846	300	546	700	146
13	Sujith S	Lascar	23000	27140	407	0	407	0	407
14	HARI B	mechanical superintendent	56500	66670	1000	500	500	500	500
15	ANAND G	operator	33800	39884	598	300	298	700	0

16	JAYESH D S	operator	33800	39884	598	500	98	500	98
17	KISHORE S	operator	33800	39884	598	500	98	500	98
18	MAHESH M	operator	32900	38822	582	500	82	800	0
19	Muhammed S abin sha s	operator	33800	39884	598	1000	0	500	98
20	RANJITH R	operator	33800	39884	598	500	98	500	98
21	RENJITH T	operator	33800	39884	598	500	98	0	598
22	VINEESH T	operator	33800	39884	598	500	98	500	98
23	SHYNAJ C V	operator	44500	52510	788	1000	0	0	788
24	SURESHKU MAR K	operator	43400	51212	768	700	68	700	68
25	SUSHA L S	operator	39300	46374	696	300	396	500	196
26	MUHAMME D hashim	UNSKILED W ORKER	23000	27140	407	0	407	0	407
27	MUHAMME D SHAMEEL	UNSKILED W ORKER	23000	27140	407	0	407	0	407
28	RAJEEV C	Junior Superint endant	60700	71626	1074	1500	0	1000	74
29	NAVEENKU MAR S	Dman GrI	63700	75166	1127	1000	127	1000	127
30	REJI J S	DRIVER CUM OA	27200	32096	481	0	481	0	481
31	AJEESH S A	Overseer GrIII	27200	32096	481	0	481	0	481
32	SHAJI D R	PLUMBER	40300	47554	713	800	0	600	113
33	JAYAKUMA RAN NAIR	AE	70000	82600	1239	0	1239	0	1239
34	LIGIN ANTO NY A	DRIVER SENI OR Gr	41300	48734	731	600	131	800	0
35	SMRITHI S S	Overseer GrIII	27200	32096	481	0	481	0	481
36	Vimal Kumar V L	Overseer GrIII	27200	32096	481	0	481	0	481
37	RAJASREE G	AEE	93400	110212	1653	1500	153	1500	153

38	ROJI V S	DMAN Gr I	51400	60652	910	1000	0	400	510
39	STELLA J L	DMAN Gr I	51400	60652	910	300	610	400	510
40	SHEEBA B	LDC	27200	32096	481	0	481	0	481
41	RENGITH W S	OA	44500	52510	788	300	488	400	388
42	JITHU KRISHNAN J	UDC	35600	42008	630	1000	0	500	130
43	ROBIN S R	UDC	43400	51212	768	300	468	800	0
44	ANJU R S	UDC	47800	56404	846	300	546	800	46
45	RAJEELA T V	UD TYPIST	42300	49914	749	300	449	400	349
46	VAISAKH R	WATCHMAN	23000	27140	407	0	407	0	407
47	BIJUKUMAR S	WATCHMAN CUM VALVE	28700	33866	508	500	8	800	0
48	RAHUL R	AE	65200	76936	1154	1200	0	1000	154
49	NIJITH R CHANDRAN	OPERATOR	15810	18656	280	0	280	0	280
50	Suja V S	AE	57900	68322	1025	1000	25	1000	25
51	SARAVANA N R P	Head OPERATOR	59300	69974	1050	1500	0	1000	50
52	SAJIN KUMAR B S	OPERATOR	32900	38822	582	500	82	800	0
53	SHAJI C	OPERATOR	33800	39884	598	300	298	800	0
54	Reji A	OPERATOR H G	47800	56404	846	1000	0	800	46
55	Premraj N J	OPERATOR H G	45600	53808	807	1000	0	800	7
56	VIMAL S	OPERATOR H G	45600	53808	807	1300	0	800	7
57	AJESH R G	AE	56500	66670	1000	450	550	0	1000
58	RAJESH P S	Head Operator	47800	56404	846	1300	0	800	46
59	VINOD KUMAR M	Head Operator	55200	65136	977	300	677	0	977

60	ROSHAN BA BU R	LASCAR	23000	27140	407	1000	0	400	7
61	PRAVEEN S	Operator	31100	36698	550	500	50	800	0
62	SREEKUMA R M	Operator	45600	53808	807	900	0	800	7
63	SUNITHA R	Operator	44500	52510	788	700	88	800	0
64	Muhammed S alim	DMAN GrI	40300	47554	713	500	213	800	0
65	ROOPESH K UMAR	DRIVER SENI OR Gr	49000	57820	867	1000	0	800	67
66	MILAN M R	AEE	77200	91096	1366	500	866	1200	166
67	SIJI K V	DMAN Gr II	42300	49914	749	500	249	800	0
68	NAJEEB A	HEAD CLERK	57900	68322	1025	1000	25	800	225
69	SHEEBA U	Senior Gr Typi st	46700	55106	827	800	27	800	27

