

## TABLE OF CONTENTS

Particulars	Reference to	
	Paragraph(s)	Page
<b>Preface</b>	...	v
<b>Overview</b>	...	vii
<b>Chapter-I: General</b>		
Introduction	1.1	1
Profile of Departments under purview	1.2	1
Authority for conducting audit	1.3	2
Audit universe and coverage of units	1.4	3
Planning and conduct of audit	1.5	3
Coverage of the Report	1.6	3
Response of the Departments/PSUs to Audit	1.7	4
Follow-up action on Audit Reports	1.8	6
Discussion of Audit Reports by the Public Accounts Committee (PAC)/Committee on Public Undertakings (CoPU)	1.9	7
<b>Part-I: State Government Departments</b>		
<b>Chapter-II: Compliance Audit Paragraphs of State Government Departments</b>		
<b>Forest and Wildlife Department</b>		
Implementation of preventive and mitigative measures in respect of Human Wildlife Conflict	2.1	9
Failure of Forest and Wildlife Department in identifying forest land received in lieu of land transferred for road resulted in non-execution of compensatory afforestation and reconstruction of a State Highway	2.2	40
<b>Public Works Department</b>		
Construction and maintenance activities by the Buildings Wing of Kerala Public Works Department	2.3	42
Modification of Bill of quantities and non-levy of liquidated damages led to an undue favour to the contractor of ₹21.84 crore	2.4	77
Incorrect estimate leading to excess expenditure and undue benefit to an accredited agency	2.5	81
Irregular repayment of duly recovered amount by reopening closed work bills and improper adjustments made in the final bills resulting in loss to Government	2.6	85

Particulars	Reference to	
	Paragraph(s)	Page
<b>Directorate of Mining and Geology</b>		
Mining activities in Kerala	2.7	86
<b>Department of Cultural Affairs</b>		
Idling of assets purchased costing ₹63.42 lakh	2.8	109
Undue benefit to contractors	2.9	111
<b>Directorate of Coir Development</b>		
Wasteful expenditure	2.10	113
<b>Part-II: State Public Sector Undertakings</b>		
<b>Chapter-III: Compliance Audit Paragraphs of State Public Sector Undertakings</b>		
Operational Performance of Traco Cable Company Limited	3.1	117
<b>Steel Industrials Kerala Limited</b>		
Execution of works for State Water Transport Department	3.2	138
<b>The Kerala State Cashew Development Corporation Limited</b>		
Extra expenditure	3.3	140
<b>Kerala State Construction Corporation Limited</b>		
Irregular sanction of mobilisation advance without security and non-recovery of risk and cost liability	3.4	142
<b>Kerala State Electricity Board Limited</b>		
Non-release of funds to the Master Trust amounting to ₹26,401.16 crore	3.5	145
Implementation of pay revision without approval of Government	3.6	147
Non-inclusion of price variation clause in purchase order resulted in avoidable extra expenditure	3.7	149
<b>Responsiveness on the Paras by Government on this Report</b>	3.8	151

## APPENDICES

Appendix No.	Description	Reference to	
		Paragraph	Pages
1	Profile of audited entities	1.2	153
2	Statement showing age-wise analysis of Inspection Reports and paragraphs outstanding in Departments	1.7.1.1	155
3	Statement showing age-wise analysis of Inspection Reports and Paragraphs outstanding in Public Sector Undertakings	1.7.1.2	156
4	Details of Encroachment	2.1.7.4	160
5	Non implementation of sanctioned fencing projects	2.1.8.1	161
6	Lapses in functioning of Rapid Response Team	2.1.8.8	162
7	Details of rent paid for the period from 2019-20 to 2021-22	2.3.4.1	163
8	Details of works arranged without Hindrance Free land	2.3.4.4	166
9	Details of works involving issues in Investigation, Estimation, Technical Sanction and Tendering	2.3.4.5, 2.3.6.1, 2.3.6.3	170
10	Details of Security Deposits not collected/short collected/expired Bank Guarantees	2.3.5.3	174
11	Details of Risk and Cost not realized/not assessed	2.3.5.4	177
12	Details of delay in execution of works	2.3.6.2	178
13	Details of works where Insurance not collected / deductions not effected	2.3.6.4	185
14	Details of works where less Defect Liability Period provided	2.3.6.6	189
15	Details of buildings pending handing over to user Department	2.3.6.7	191
16	List of Buildings where handing over was delayed	2.3.6.7	193
17	Frequency of Quality Control Tests	2.3.7.1	194
18	List of works with Nil QC tests and without QC tests on masonry items	2.3.7.1	195
19	Details of works without approved Design Mix	2.3.7.1	198
20	Lapses in setting up of Field Lab at site noticed during Joint Physical Verification	2.3.7.2	199
21	Non/Short deployment of contractor's engineering personnel at site for monitoring the work	2.3.7.3	200
22	Loss due to allowance of actual conveyance for materials in case of four major items	2.5(a)	202
23	Unwarranted provisions in the estimate	2.5(b)	203
24	Excess amount paid/ non-recovered amount in respect of Bitumen	2.6	206
25	Details of mineral reserves in Kerala as of March 2022	2.7.1	208

Appendix No.	Description	Reference to	
		Paragraph	Pages
26	Loss of revenue due to short recovery of royalty	2.7.8.1	209
27	Non-recovery of royalty and price for excess extraction of minerals	2.7.8.4	210
28	Non-recovery of royalty, price, and fine	2.7.8.9	211
29	Quantity of illegal extraction for which penalty of ₹25,000 each was imposed	2.7.10	213
30	Non-recovery of market rate for unlawful extraction and disposal of minor minerals	2.7.10	214
31	Location co-ordinates of sites where suspected illegal quarrying in adjacent lands was noticed	2.7.13.2	217
32	Illegal mining outside permitted quarrying area	2.7.13.3	221
33	Suspected cases of mining in buffer zone	2.7.13.4	222
34	Quarrying without bench cutting	2.7.13.5	223
35	Extra expenditure due to arbitrary purchase of raw material	3.1.13	224
36	Unproductive wages due to shortage of working capital	3.1.14.1	225
37	Loss due to labour inefficiency	3.1.14.2	226
38	Loss due to sale without upward price revision clause	3.1.15.2	227
39	Chronology of important events relating to Master Trust	3.5	228
40	a. Funding pattern of unfunded liability by Government of Kerala and KSEBL	3.5	229
	b. Contribution of Government of Kerala towards Master Trust through KSEBL		
41	Liability for payment of additional interest due to belated transfer of funds for redemption of Bonds	3.5	230
42	Avoidable extra expenditure	3.7	231