



SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थं सत्यनिष्ठा  
Dedicated to Truth in Public Interest

# Report of the Comptroller and Auditor General of India for the period ended March 2024



Government of Kerala  
Report No. 11 of 2025



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Comptroller and Auditor General of India  
for the period ended March 2024**

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## PREFACE

This Report of the Comptroller and Auditor General of India for the period ended March 2024 is prepared for submission to the Governor of Kerala under Article 151 (2) of the Constitution of India, for being laid before the Legislature of the State.

The Report contains significant results of Audit of the Departments and Autonomous Bodies of the Government of Kerala including Departments of Co-operation, Fisheries, Health and Family Welfare, Higher Education, Scheduled Castes Development and Water Resources.

The instances mentioned in this report are those, which came to notice in the course of test audit for the period 2023-24 as well as those, which came to notice in earlier years, but could not be reported in the previous Audit Reports. Instances relating to the period subsequent to 2023-24 are also included, wherever found necessary.

The audit was conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.



# OVERVIEW



## OVERVIEW

This Report of the Comptroller and Auditor General of India contains one Performance Audit paragraph, one Subject-specific Compliance Audit paragraph and five Compliance Audit paragraphs including instances of non-adherence to codal provisions, absence of supervisory control, loss of assistance/revenue, wasteful expenditure, providing of undue benefit, etc., involving ₹1394.64 crore. The major audit findings are mentioned below.

### Performance Audit

#### *Functioning of University of Calicut*

Performance Audit of University of Calicut, established in 1968 as Kerala's second University, revealed significant administrative, academic, and financial shortcomings. The strategic plan lacked Syndicate approval and timelines and key quality assurance mechanisms such as the College Development Council (CDC) and a centralised Management Information System (MIS) were not in place. The CDC functioned as a branch of the University only, without representation of the State Government and Principals of affiliated colleges. Syllabi of 24 out of 45 categories of programmes were not revised as per UGC norms. As the approved amendment to the Statute was yet to take effect, stakeholders such as industrialists, entrepreneurs and students were not included in any of the 119 Boards of Studies. The University of Calicut was ranked at 64<sup>th</sup> position in the NIRF ranking in 2019 and improved its position to 54<sup>th</sup> in 2020. Thereafter there was steady drop in the ranking and the University stood at 89<sup>th</sup> position in 2024. The University's distance education programmes conducted in 2020-21 lacked UGC recognition, affecting 32,651 students. Furthermore, non-adherence of UGC norms in Ph.D. admissions and poor research outcomes, with 41 out of 145 research scholars not submitting their theses despite substantial funding were observed.

We observed delay on the part of the University, ranging from four to five months in preparation of annual accounts and seven to eight months in submission of accounts to Kerala State Audit Department (KSAD). There was also delay of 10 to 19 months in conduct of audit by KSAD. Deficiencies in financial management were evident from the loss of central assistances. Even after 47 years, a self-sustaining pension fund was not created and advances drawn by officials during the period from 1975-76 to 2023-24 worth ₹6.79 crore remained unsettled. Irregularities in Human resource management included appointment of guest faculties exceeding the permissible limit and teachers without required qualifications being appointed on contract/hourly basis in University departments, affiliated colleges and in teacher education centres. Grant of promotions to candidates without adhering to UGC norms and promotions granted to posts discontinued by the Government were also noticed. Examination processes suffered from inconsistencies in evaluation, non-finalisation of results, non-awarding of eligible moderation marks, awarding of excessive moderation marks and delay in conduct of examinations and publication of results. Despite a Committee Report recommending reclamation

of 105.7 cents of land was available since 2012, the University was yet to take a decision. Basic infrastructure facilities such as classrooms, accessibility features like lift, ramp/rail remained inadequate in the selected Departments. Out of 169 buildings, 74 buildings had not been assigned building numbers, indicating that the buildings were constructed without obtaining permission from LSGIs. This constituted a violation of Kerala Panchayat Building Rules and rendered the buildings unauthorised.

**Recommendations:**

- i. The University may ensure that defined timelines and milestones are fixed for achieving Strategic Plan of the University along with mechanism for monitoring the progress of achievement.
- ii. Guidelines issued by UGC /Regulatory bodies may be adhered to and amendments made may be placed before the immediate Syndicate meeting for timely incorporation into the University's Regulations. Further, Government may prescribe a timeline for such incorporations.
- iii. In order to safeguard academic standards and protect students' interests, University may ensure that programmes offered are recognised by the UGC.
- iv. Government may ensure that the University's accounts are duly prepared and submitted to the Kerala State Audit Department (KSAD) within the stipulated timeframe, and that the KSAD completes the audit in accordance with the prescribed schedule.
- v. Government and the University may ensure strict compliance with the conditions prescribed for receiving funds from the UGC and other centrally sponsored schemes. Additionally, proper monitoring mechanisms should be in place to oversee the utilisation of these funds.
- vi. Government may, in consultation with the University ensure that services of adequate number of qualified faculties are available in its institutions.
- vii. University may consider implementing an objective and rigorous answer script evaluation system and hold evaluators accountable for laxity in valuation process and also incorporate adequate checks in the tabulation software to ensure that moderations are provided to students uniformly as per regulations.
- viii. University may ensure that all institutions under its jurisdiction meet at least a minimum set of infrastructure standards, which must be outlined based on the current guidelines of the UGC and other relevant regulatory bodies.
- ix. University may formalise agreements with all parties to whom land and buildings were leased out. These agreements must include provisions for the periodic revision of rent or lease rates to ensure alignment with prevailing market conditions.

*(Chapter II)*

## Subject-specific Compliance Audit

### *Regulation of Co-operative Societies in Kerala*

The Subject Specific Compliance Audit (SSCA) of the Department of Co-operation, Government of Kerala, conducted from July 2024 to February 2025, evaluated the regulation of 16,393 co-operative societies under the Kerala Co-operative Societies Act, 1969 (KCS Act) and Rules for the period 2019-24. The audit aimed to assess statutory compliance, administrative controls and monitoring mechanisms and revealed systemic deficiencies that undermined the development of co-operative movement in Kerala.

As of March 2024, 12,416 societies were functional, 3,291 were non-functional and 686 were under liquidation. Delays in registration were rampant, with 60 *per cent* of 248 applications processed beyond the mandated 90 days, including cases delayed up to 1,007 days. Classification of societies, required to be revised every three years, was not done, leading to outdated staffing norms. The Co-operative Examination Board conducted recruitments by not adhering to current classifications, resulting in excess staffing in four societies. The post of Co-operative Vigilance Officer, mandated to be handled by a Deputy Inspector General of Police, was held by Joint Registrars until August 2024. Of 247 vigilance reports, 195 were delayed by six months to over five years, with inadequate follow-up on 185 cases.

Non-functional societies, labelled “Dormant” or “Records Not Available” (RNA), persisted for up to 46 years, with 3,355 RNA and 302 dormant societies awaiting revival or liquidation, risking record loss and unrecovered dues. The Co-operative Audit Monitoring and Information System (CAMIS) displayed outdated data, excluding unaudited societies, and showed discrepancies in the number of functional societies with the figures of Registrar of Co-operative Societies.

The Department surrendered significant Plan funds, with utilisation dropping to 12.47 *per cent* in 2023-24 due to pending clearances and expenditure restrictions, violating the fiscal discipline requirements laid down by the Kerala Budget Manual. Outstanding Government/National Co-operative Development Corporation loans and shares totalled ₹1,173.29 crore, with ₹492.94 crore remaining unrecovered in 315 cases in test checked districts. We observed mismatches in data maintained by RCS with that of Joint Registrars. Uncollected audit fees amounted to ₹16 crore, with ₹6.63 crore pending over five years, alongside ₹35.44 crore and ₹140.72 crore owed to the Co-operative Member Relief Fund and Professional Education Fund, respectively.

Of 15,273 audit certificates issued, 7,172 were delayed by two to 22 months, and 2,487 were not forwarded to societies. No rectification reports were submitted for 12,786 audit certificates, leaving defects like misappropriation unaddressed. Inspections were irregular, with 354 societies uninspected for five years and no rotation registers maintained. Over 147 arbitration and 9,047 execution cases remained pending for over five years, locking up funds.

Overall, the compliance to strict adherence to timelines of registration, mandatory triennial revisions of classification, a centralised online platform for transparency, statutory action on dormant/RNA societies, timely audits and

inspections, and recovery of dues was not efficient. The RCS must ensure that societies repay loans, remit fees, and utilise assistance effectively to restore accountability and strengthen Kerala's co-operative sector.

**Recommendations:**

- x. The RCS may ensure that registration and returning/rejection of applications of societies are done in adherence to prescribed timelines.
- xi. Government/RCS may devise a system to revise the classification norms and classify societies every three years. It may be ensured that societies submit latest classification certified by the Registrar while applying for recruitment through the Co-operative Examination Board.
- xii. Government may ensure that the Department establishes a centralised and inclusive online platform that enables citizens to view the details of all registered co-operative societies, in the interest of improving public trust, accountability and accessibility.
- xiii. The RCS may take steps to avoid delay in forwarding Special Reports and Vigilance Reports and initiate timely action on these reports. The timelines prescribed for inquiries/inspections under Sections 65, 66 and 68 should be strictly adhered to.
- xiv. The RCS may review Audit Certificates/Memoranda issued by Director of Co-operative Audit including significant deficiencies in working of societies and ensure that the observations of DCA are acted upon by societies in a timely manner.
- xv. Government may consider introducing IT systems to enable conduct of audit and issue of Audit reports and Audit Memoranda and real time monitoring of the same.
- xvi. Government/RCS may consider introducing MIS to track accounting of Government assistance and to ensure that the societies repay their outstanding dues of Government/NCDC loans and shares within prescribed time limit.

*(Chapter III)*

**Compliance Audit paragraphs**

Audit noticed instances where funds released by the Government of Kerala for creating public assets for the benefit of the community remained unutilised/blocked due to misappropriation of Government money, loss of assistance/revenue, wasteful expenditure on buildings, providing of undue benefit, etc., owing to lack of administrative oversight and concerted action at various levels. The details are given below.

**Misappropriation**

- Violation of codal provisions and laxity on the part of the Head of the Office resulted in suspected misappropriation of ₹1.05 lakh as short remittances at the Office of the Assistant Executive Engineer, Harbour Engineering Sub Division, Thalai, Kannur District.

*(Paragraph 4.1)*

***Loss of assistance/revenue***

- Failure on the part of Kerala Fishermen's Welfare Fund Board in claiming eligible income tax exemption and consequent deduction of tax at source on the interest income resulted in avoidable revenue loss of ₹72.02 lakh.

***(Paragraph 4.2)***

- Government of Kerala's lack of timely action in releasing the Government of India (GoI) assistance to Government Medical College, Kozhikode led to a loss of ₹6.85 crore of GoI funds, thereby increasing the burden on the State exchequer. This also led to blocking up of ₹1.37 crore of GoI funds on incomplete works of setting up of College of Paramedical Education at Government Medical College, Kozhikode.

***(Paragraph 4.3)******Wasteful expenditure***

- An expenditure of ₹84.32 lakh incurred by the Scheduled Castes Development Department on the construction of a community hall at Pattuparambu Scheduled Caste Colony, Thykkattusserry Block, Alappuzha proved wasteful, as the construction was undertaken on a private land without ensuring the transfer of ownership of land to the Department.

***(Paragraph 4.4)******Providing undue benefit***

- Incorrect deduction of amount for work not executed in the case of two works by Water Resources Department resulted in bestowal of undue benefit tantamount to ₹53.78 lakh to the contractors.

***(Paragraph 4.5)***



# INTRODUCTION



# CHAPTER I INTRODUCTION

## 1.1. About this Report

This Report of the Comptroller and Auditor General of India (C&AG) relates to matters arising from performance audit of selected programmes and activities and compliance audit of Government Departments and Autonomous Bodies.

Performance audit includes examination of whether the objectives of the programme/activity/department are achieved economically, efficiently and effectively. Compliance audit, on the other hand, refers to examination of transactions relating to expenditure of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by the competent authorities are being complied with.

The primary purpose of the Report is to bring to the notice of the State Legislature important results of audit. The audit findings are expected to enable the Executive to take corrective action as also to frame policies and directives that will lead to improved financial management of the organisations, thus contributing to better governance.

This chapter explains the profile of units under audit jurisdiction, planning and extent of audit and follow-up on previous Audit Reports.

## 1.2. Profile of units under audit jurisdiction

There were 47 Departments in the State at Secretariat level during 2023-24. The Accountant General (Audit I), Kerala (AG (Audit I)), conducts audit of 33 Secretariat Departments<sup>1</sup>, all Public Sector Undertakings/ Autonomous Bodies thereunder and Local Self-Government Institutions (LSGIs) in the State. The Departments are headed by Additional Chief Secretaries/ Principal Secretaries/ Secretaries, who are assisted by Directors/ Commissioners and subordinate officers under them.

A comparative position of expenditure incurred by the Government during the year 2023-24 and in the preceding four years is given in **Table 1.1**.

**Table 1.1: Comparative position of expenditure**

Disbursements	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Revenue expenditure</b>	<b>104719.92</b>	<b>123446.33</b>	<b>146179.51</b>	<b>141950.93</b>	<b>142626.34</b>
General services	55504.03	50360.72	70110.00	69831.68	78185.16
Social services	34044.77	44832.44	50695.61	50275.91	44005.28
Economic services	9107.25	18760.72	15713.81	12280.82	11414.83
Grants-in-aid and contributions	6063.87	9492.45	9660.09	9562.52	9021.07
<b>Capital expenditure</b>	<b>8454.80</b>	<b>12889.65</b>	<b>14191.73</b>	<b>13996.56</b>	<b>13584.45</b>
General services	157.42	259.84	268.26	306.89	247.26
Social services	1090.64	2277.90	3342.63	3030.08	2945.57
Economic services	7206.74	10351.91	10580.84	10659.59	10391.62
<b>Total</b>	<b>113174.72</b>	<b>136335.98</b>	<b>160371.24</b>	<b>155947.49</b>	<b>156210.79</b>

(Source: Finance Accounts of respective years)

<sup>1</sup> The Accountant General (Audit II), Kerala conducts audit of 15 Secretariat Departments (In the case of Fisheries and Ports Department, auditee institutions under Fisheries Department are audited by AG (Audit I) and those under Ports Department by AG (Audit II)).

### **1.3. Authority for Audit – Office of the Accountant General (Audit I), Kerala**

The authority for audit by the C&AG is derived from Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 (C&AG's (DPC) Act). C&AG conducts audit of expenditure of the Departments of the Government of Kerala (GoK) under Section 13 of the C&AG's (DPC) Act. C&AG is the sole auditor in respect of 25 Autonomous Bodies which are audited under Sections 19 and 20(1) of the C&AG's (DPC) Act. In addition, C&AG also conducts audit of 121 Autonomous Bodies which are substantially funded by the Government, under Sections 14 and 15 of the C&AG's (DPC) Act besides 8,392 aided educational institutions<sup>2</sup>, 50 Public Sector Undertakings and 1,200 LSGIs<sup>3</sup>. Principles and methodologies for various audits are prescribed in the Auditing Standards and the Regulations on Audit and Accounts, issued by the C&AG.

### **1.4. Planning and conduct of audit**

The audit process starts with the assessment of risks associated with various Departments of Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls and concerns of stakeholders. Previous audit findings are also considered in this exercise. Based on this risk assessment, the frequency and extent of audit are decided.

After completion of audit, Inspection Reports (IRs) containing audit observations are issued to the Heads of the Offices and Departments. The Departments are requested to furnish replies to the audit observations within four weeks from the date of receipt of the IRs. Whenever replies are received, audit observations are either settled or further action for compliance is advised. The important audit observations arising out of these IRs are processed for inclusion in the Reports of the C&AG of India, which are submitted to the Governor of the State under Article 151 (2) of the Constitution of India for placing in the State Legislature.

During 2023-24, the Office of the AG (Audit I) carried out the audit (compliance, performance and financial audits) of 980 units of various departments/ organisations under its jurisdiction.

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<sup>2</sup> Government-aided Colleges: 192  
Government-aided Engineering Colleges :03  
Government -aided Polytechnic Colleges: 06  
Government-aided Higher Secondary Schools: 856  
Government-aided Vocational Higher Secondary Schools: 128  
Government-aided LP Schools: 3903  
Government-aided UP Schools: 1870; and  
Government-aided High Schools: 1434

<sup>3</sup> Grama Panchayats: 941, Block Panchayats: 152, District Panchayats: 14, Municipalities: 87  
Municipal Corporations: 6. AG (Audit I) brings out an Audit Report on LSGIs every year, comprising of observations relating to audit of LSGIs.

## 1.5. Lack of responsiveness of Government to Audit

### 1.5.1. Outstanding Inspection Reports

The Handbook of Instructions for Speedy Settlement of Audit Objections/ Inspection Reports/ timely disposal of draft audit paragraphs and matters pertaining to the Public Accounts Committee, issued by the State Government in 2017 provides for prompt response by the Executive to the Inspection Reports (IRs) issued by the Accountant General for rectification, in compliance with the prescribed rules and procedures and accountability for the deficiencies, lapses etc., noticed during audit. The Heads of Offices and next higher authorities are required to comply with the audit observations contained in the IRs, rectify the defects and omissions and report their compliance to the Accountant General within four weeks of receipt of IRs. Status of pending IRs are being sent periodically to the Secretaries of the Departments to facilitate monitoring of audit observations.

As on 31 October 2024, 5,294 IRs (26,951 paragraphs) (issued upto 31 March 2024) were outstanding in respect of 29 Departments. Details of IRs and paragraphs outstanding are given in **Appendix 1.1**.

### 1.5.2. Response of Departments to the paragraphs included in this Report

Performance Audit and Compliance Audit paragraphs were forwarded to the Additional Chief Secretaries/ Principal Secretaries/ Secretaries of Departments concerned during February 2025 to June 2025 for furnishing replies. Of the one Performance Audit paragraph, one Subject-specific Compliance Audit paragraph and five Compliance Audit paragraphs featured in this Report, response of Government was received for all the paragraphs. The replies received were suitably incorporated in the Report.

### 1.5.3. Follow-up on Audit Reports

According to the Handbook of Instructions for Speedy Settlement of Audit Objections/ Inspection Reports/ timely disposal of draft audit paragraphs and matters pertaining to the Public Accounts Committee issued by the State Government in 2017, the Administrative Departments should submit Statements of Action Taken Notes on audit paragraphs included in the Reports of the C&AG directly to the Legislature Secretariat, with copies to the Accountant General within two months of their being laid on the Table of the Legislature. As of October 2024, 10 Administrative Departments failed to comply with the instructions and did not submit Statements of Action Taken Notes of 41 paragraphs for the period 2020-21 to 2023-24 as detailed in **Appendix 1.2**.

### 1.5.4. Paragraphs pending discussion by the Public Accounts Committee

Ninety-three paragraphs pertaining to 12 Departments for the period 2020-21 to 2023-24 were pending discussion by the Public Accounts Committee as of October 2024 (**Appendix 1.3**).



# PERFORMANCE AUDIT



## CHAPTER II HIGHER EDUCATION DEPARTMENT

### Functioning of University of Calicut

#### 2.1. Introduction

University of Calicut, the second University, was established by the Government of Kerala in 1968. The Calicut University Act, 1975 (Act) gives the framework for the functioning of the University. The University caters to the higher educational needs in the districts of Kozhikode<sup>4</sup>, Malappuram, Palakkad, Thrissur and major parts of Wayanad<sup>5</sup> providing undergraduate, postgraduate, integrated postgraduate courses and research activities through 31 teaching and research departments, four cost based departments, 12 Centres for Computer Science and Information Technology (CCSIT), 11 Teacher Education Centres (CUTEC), six Schools of Management Studies (SMS), 425<sup>6</sup> affiliated colleges and 119 Boards of Studies (BoS) under 10 faculties. The University has been accredited by the National Assessment and Accreditation Council (NAAC) at A<sup>+</sup> grade level with CGPA of 3.45 points for the five-year period 2022-27, valid till 20 September 2027.

##### 2.1.1. Organisational set up

The Honourable Governor of Kerala is the Chancellor of the University. The Minister of Higher Education is the Pro Chancellor. The Vice Chancellor, appointed by the Governor, is the Principal Academic and Executive Officer. The academic activities are governed by the Guidelines, Regulations and Circulars issued by the University Grants Commission (UGC), All India Council for Technical Education (AICTE) and other regulatory bodies in the Education sector. The Registrar, appointed by the Syndicate on the recommendation of a Selection Committee consisting of the Vice Chancellor and Chairman and two other Syndicate members, is in charge of the administration of the University and has the power to fix the functions and duties of the officers and employees of the University, other than those working under the direct supervision of the Controller of Examinations and the Finance Officer.

##### 2.1.2. Authorities of the University

The activities of the University are organised and supervised by (i) the Senate (ii) the Syndicate (iii) the Academic Council (iv) the Faculties (v) the Boards of Studies (vi) the Students' Council and (vii) the Finance Committee. Functions of the authorities are detailed in **Chart 2.1**.

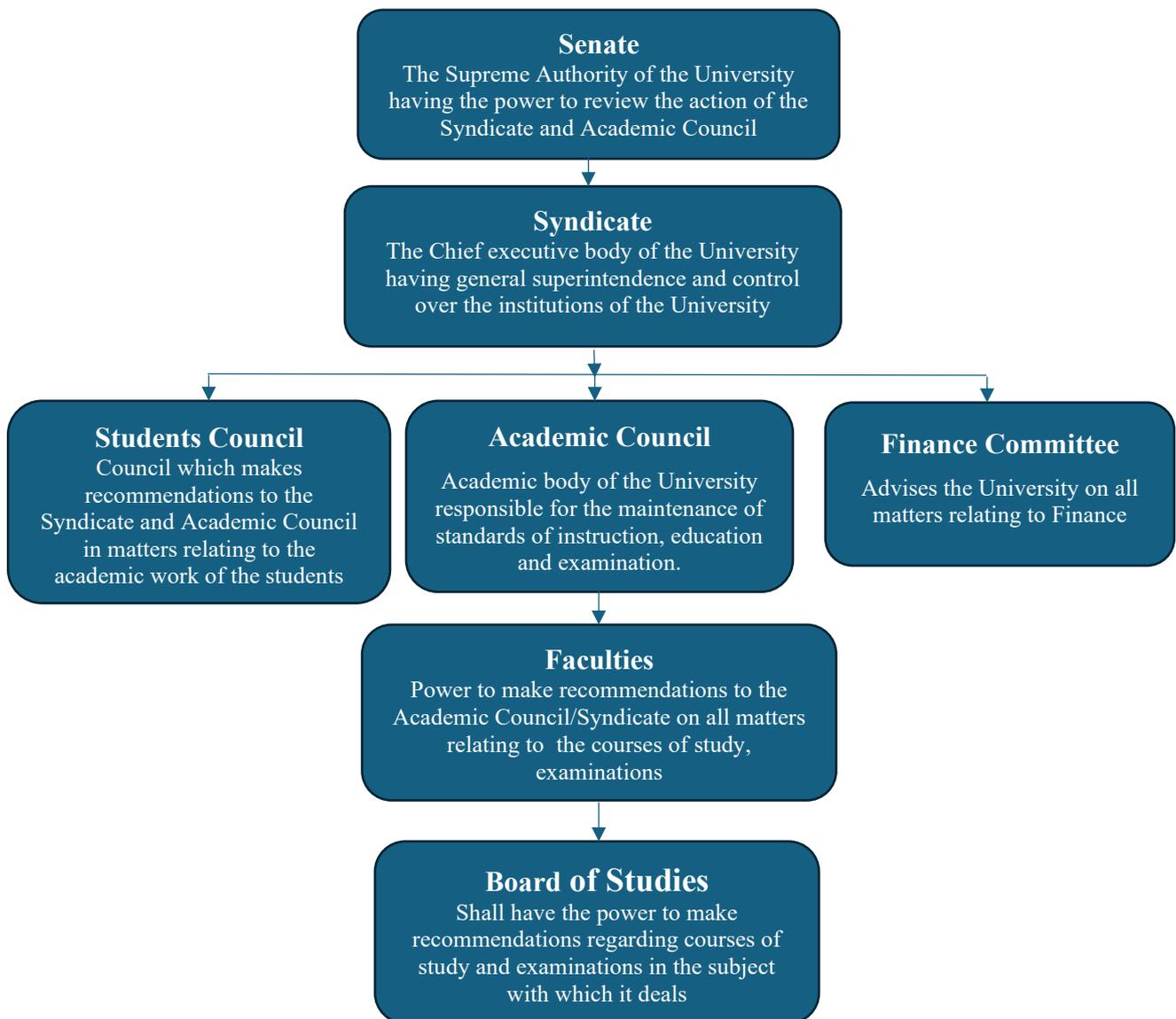
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<sup>4</sup> Formerly known as Calicut.

<sup>5</sup> excluding Mananthavady -Taluk

<sup>6</sup> details as per Annual Report 2023 of the University

**Chart 2.1: Functions of the Authorities in the University**



## 2.2. Audit Objectives

Performance Audit on 'Functioning of University of Calicut' was conducted to ascertain whether;

- the academic activities of the University were planned and properly executed.
- creation and development of human resources and infrastructure facilities were adequate and as per norms, to impart quality education.
- financial management of the University was conducted properly and was in accordance with relevant Rules and Regulations.

## 2.3. Audit Criteria

The functioning of the University was assessed against the following criteria:

- The Calicut University Act, 1975, the Statutes and Ordinance thereunder.
- Guidelines and regulations issued by the University and regulatory authorities like UGC, AICTE, NCTE, NAAC etc.
- Orders issued by Government of India and Government of Kerala
- Kerala Financial Code, 2016
- The Rights of Persons with Disabilities Act, 2016
- Kerala PWD Manual, 2012
- Kerala Panchayat Building Rules, 2019

#### 2.4. Audit, Scope and Methodology

The Performance Audit was conducted from 22 July 2024 to 31 March 2025 covering the period from 2019-20 to 2023-24. The institutions and Departments covered in the Audit along with the sampling methodology adopted for the selection are given in **Appendix 2.1**. Methodology of audit involved scrutiny of documents/ files, joint physical verification of laboratories, civil works and survey of students and faculties of the University. Apart from the above, records of General and Academic branch, Administrative branch and Engineering Department were also verified. The dump data for the last five years available in the Software Applications maintained by Calicut University Computer Centre was also examined.

An Entry Conference was held with the Principal Secretary, Higher Education Department and the Vice Chancellor and other University officials on 02 September 2024 wherein the scope, objectives, criteria and methodology of audit including selection of samples were discussed. An Exit conference was held with the Principal Secretary, Higher Education Department on 28 July 2025 to discuss the audit findings. The replies furnished by Government of Kerala have been suitably incorporated.

#### 2.5. Planning

##### 2.5.1. Lack of timelines and measurable milestones in Strategic Plan

University of Calicut constituted (April 2021) a Committee to frame the Strategic Plan document of the University. The Committee finalised the Strategic Plan of the University, and the Vice Chancellor accorded (November 2021) sanction to implement the Strategic Plan. In the Strategic Plan, University identified seven<sup>7</sup> strategic priority areas and set strategic goals in each area as detailed in **Appendix 2.2**.

Audit observed that the Strategic Plan was not approved (February 2025) by the Syndicate, and no timeline was set to achieve the strategic goals. Further, no

<sup>7</sup> i) Governance and management ii) Teaching and Learning iii) Academic Research and Innovation iv) Academic Support Services v) Student Support Services vi) Community and Outreach activities and vii) Facilities, Systems and Infrastructure

mechanism was in place to measure/monitor the progress of achievement of goals.

Government agreed (July 2025) to the audit findings and stated that the University has prioritised the formulation of an Institutional Development Plan (IDP) to guide its future growth and development. The proposed IDP will address the shortcomings by incorporating a comprehensive action plan with specific timelines, measurable milestones and clearly assigned responsibilities for each initiative. Once implemented, the new IDP will supersede the existing Strategic Plan making it obsolete.

Government response indicating implementation of IDP does not instill confidence, as the Strategic Plan proposed way back in 2021 was yet to be implemented.

### **2.5.2. Inadequate representation in the authorities of the University**

The Senate, Syndicate and the Academic Council are the authorities of the University. Section 43(1) of the Calicut University Act, 1975 (Act) specifies that all vacancies among the members (other than ex-officio members) of any authority or body of the University shall be filled, as soon as possible. Audit observed that during the audit period, the three authorities were reconstituted twice (March 2019 and June 2023).

On verifying the Annual Reports and Minutes of the meetings held by the authorities during the period 2019-24, the following deficiencies were noticed in the reconstitution/functioning:

#### **Senate**

- The number of vacancies in the Senate increased from seven to 43 between two reconstitutions, which remained vacant until the next reconstitution in June 2023.
- Of the 20 meetings held during the audit period, Government representatives from the Departments of General Education and Information Technology and Directors of Collegiate Education and Technical Education attended none of the meetings. The Secretary to the Department of Finance attended two meetings (January and March 2022), while the Secretary to Higher Education and the Chairman of the State Advisory Board attended just one meeting each.

#### **Syndicate**

- The vacancy of members was 17.24 *per cent* at the time of its reconstitution in 2019, which increased to 58.62 *per cent* in 2023 at the time of its subsequent reconstitution.

#### **Academic Council**

- The number of vacant posts in the Academic Council increased from one to 77 during 2019 to 2023 till the next reconstitution in June 2023.

Audit observed that non-filling of vacancies in time and non-attending of the meetings by the key members resulted in non-compliance of the Act.

In the reply (July 2025), Government attributed non-conduct of election to the Senate from the Principal Constituency due to stay by High Court, outbreak of Covid-19 pandemic, procedural delays etc., as the reasons for inadequate representation in the authorities of the University.

Audit acknowledges the Government response that the vacancies occurred due to Covid-19 pandemic, however, audit noted that the vacancies in these authorities continued beyond the Covid period.

### 2.5.3. Improper constitution of College Development Council

According to UGC guidelines on College Development Council (CDC), 1985, the University may set up a CDC for ensuring proper planning and integrated development of affiliated colleges and for providing the colleges with necessary assistance and guidance. The guidelines stipulate that the CDC must consist of the Vice Chancellor, Coordinator/ Director/ Dean of the Council<sup>8</sup>, Principals of some affiliated colleges and senior teachers of the University teaching Departments and a representative of the State Government. The CDC must meet at regular intervals at least twice in an academic year to review the implementation of various programmes and activities. The Director was expected to visit the colleges at least twice a year and to hold meetings of Principals of colleges.

However, Audit observed that, as against the above, the CDC functioned as a branch of the University and not as a council. It was supported by four District level Inspection Commissions (DLIC) and an affiliation sub-committee. The Director was not appointed on the recommendation of the Selection Committee and the charge of Director was entrusted to faculties during the audit period. Representative of the State Government and Principals of affiliated colleges were not included as members of the council. In the absence of a CDC constituted in line with UGC guidelines, no meetings of the council were seen conducted during the audit period.

Thus, CDC which was intended to act as a vital link between the University and its affiliated colleges to ensure proper and integrated development of affiliated colleges, did not serve the purpose due to improper constitution and non-conduct of meetings.

The Registrar accepted (October 2024) that the current CDC was only a part of the broader CDC envisioned by the UGC. Government replied (July 2025) that the CDC acts as a strategic arm of the University, working in compliance with the statutory provisions to guide, support, and monitor the development of affiliated colleges, ensuring adherence to quality standards and fostering overall academic excellence. However, the current structure and position of the CDC will be re-evaluated to review if it is mandatory to form a council, based on the UGC guidelines on CDC formation, and the matter will be presented to the relevant bodies for consideration. During the Exit conference (July 2025) the Principal Secretary emphasised the need for devising a structured format in

<sup>8</sup> The Coordinator/Director/Dean of the Council was to be appointed by the Syndicate on the recommendation of a Selection Committee consisting of the VC as the Chairman, a nominee of the UGC and a nominee of the Syndicate of the University.

which details are to be filled in by the colleges and the University can cross check the same.

Audit noted that the constitution of CDC was not in accordance with the directions of UGC and there was no evidence of CDC meeting regularly, as laid down in UGC Guidelines.

#### **2.5.4. Inspection of affiliated colleges**

According to Section 40 of the Calicut University First Statutes, 1977, every college shall be subject to inspection<sup>9</sup> from time to time and the report of such inspection shall be forwarded to the Principal of the College concerned and his explanation called for before any action is taken on it. Further, Section 77 of the Act states that, at the end of every four years from the commencement of the Act, the Vice Chancellor shall submit a report to the Government on the conditions of affiliated colleges.

Audit observed that instead of conducting periodic inspections, affiliated colleges were inspected by the four District Level Inspection Commissions (DLICs) only on the occasions of affiliation of additional programmes, permanent increase in seats or upon receipt of any complaints on the functioning of colleges, establishment of new colleges, extension/ conferment of autonomous status etc. Report as required under Section 77 of the Act, was also not furnished to the Government.

Government stated (July 2025) that the University effectively constitutes and utilises inspection bodies for the purpose of inspecting affiliated colleges, and the University has operationalised this by establishing four DLICs. Government further stated that DLICs conduct hundreds of inspections every year on various occasions and conducting periodical inspections beyond this was challenging.

Though, the reply speaks about several inspections, no documentary evidence was provided regarding the inspections conducted. Further, reply was silent about the Report to be submitted by the VC to the Government at the end of every four years.

#### **2.5.5. Non-inclusion of industrial representative in Board of Studies**

Section 28(5) of Calicut University First Statutes, 1976 allows each Board of Studies (BoS) to consult specialists to bridge the gap between the University and Industry, for other relevant academic inputs and to create employment-oriented curriculum/ syllabus. Audit noticed that an Amendment to the Statute to include industrial representatives in each BoS was initially approved by Syndicate in September 2023<sup>10</sup>, however the same was yet to take effect (April 2025). Further, it was observed (January 2025) that stakeholders such as industrialists, entrepreneurs and students were not included in any of the 119 BoS. Thus, the intention of bridging the gap between the University and the Industry remained unfulfilled due to the delay in amendment of Statute.

<sup>9</sup> by one or more persons appointed by the Vice Chancellor or the Syndicate or by the Board of Inspection

<sup>10</sup> This was initially approved by Syndicate in September 2023. It was again placed before the Syndicate in March 2025 after complying with the directions given by the Senate on 06 June 2024.

Government replied (July 2025) that amendment of the Statute by inclusion of industrial representative was approved by the Syndicate on 20 March 2025 and would be submitted to the Hon'ble Chancellor for his consideration immediately after receiving approval from the Senate.

### 2.5.6. Functioning of Internal Quality Assurance Cell

National Assessment and Accreditation Council (NAAC) directed (January 2006) the University to establish an Internal Quality Assurance Cell (IQAC) for regular monitoring of the institution. IQAC<sup>11</sup> was expected to meet quarterly and develop quality benchmarks, obtain feedback from stakeholders and maintain institutional database through Management Information Systems (MIS). Higher Education Institutions (HEIs) were also expected (April 2017) to undertake continuous Academic and Administrative Audits (AAA) to improve the quality and sustenance of education. The outcome of AAA was to be placed in IQAC and Syndicate and plan of action prepared to implement the suggestions accepted by IQAC/ Syndicate.

Audit observed that IQAC had not developed (February 2025) a centralised MIS to streamline data management and had not obtained action taken reports on AAA from the respective departments. Further, IQAC or Syndicate had not discussed AAA Reports of the two AAAs conducted<sup>12</sup> by evaluating the performance of the Departments against 31 parameters under 12 categories<sup>13</sup>.

Audit analysed the performance of nine selected teaching Departments (including one cost-based Department) on the basis of the grading scores<sup>14</sup> obtained by them during the two AAAs and observed the following:

- Only two<sup>15</sup> Departments achieved scores above 50 *per cent* in the first AAA and none of the departments scored above 50 *per cent* in the second AAA.
- In comparison to the first AAA, scores of seven departments relegated in the second AAA.
- While three<sup>16</sup> Departments discussed the first AAA report, none of the Departments discussed the second AAA report.

Government replied (July 2025) that IQAC has already taken steps to identify an appropriate MIS software that meets its requirements and the Board meeting held in February 2025 had recommended to invite officials from Mahatma Gandhi University, Kottayam for a demonstration of their web-based MIS software. It was also stated that the gaps in the follow-up procedures of AAA

<sup>11</sup> constituted in the University in June 2007

<sup>12</sup> first one covering the academic years 2016-17 to 2020-21 in 34 departments (October 2021) and the second covering the academic years 2021-22 to 2022-23 in 36 departments (August to September 2023)

<sup>13</sup> Programmes offered, Faculty, Research, Students, Support Staff, Teaching Learning and Evaluation, Feedback mechanism, Activities of the department, Infrastructure facilities of the department, Uniqueness of the department and innovative practices, Strength Weakness Opportunities and Challenges (SWOC) and Future Plans.

<sup>14</sup> Scores of second AAA pertaining to Department of Journalism and Mass Communication and Department of Environment were not furnished to audit.

<sup>15</sup> Statistics and Education

<sup>16</sup> Chemistry, Physics and Russian and Comparative studies

process were identified by IQAC and it was decided to establish a structured mechanism to ensure systematic implementation of expert recommendations emerging from the AAA process.

Audit observed that though the Board had recommended to invite officials from another University for a demonstration, further action in this regard was pending (July 2025).

### 2.5.7. Drop in National Institutional Ranking

The National Institutional Ranking Framework (NIRF) is an initiative by the Ministry of Education, GoI, to rank HEIs in the country. It evaluates institutions based on five broad parameters with sub parameters under each for ranking various universities and institutions annually. The University of Calicut was ranked at 64<sup>th</sup> position in the NIRF ranking (University category) in 2019 and improved its position to 54<sup>th</sup> in 2020. Thereafter there was steady drop in the ranking and the University stood at 89<sup>th</sup> position in 2024.

Score obtained by the University with respect to parameters fixed for the ranking during the period 2022-24 is given in **Appendix 2.3**. Analysis of the score obtained under each sub parameter revealed that in 10<sup>17</sup> out of 16 sub parameters, the score obtained by the University was 50 per cent or below.

Concurring with the audit findings, Government stated (July 2025) that subsequent to announcement of 2024 NIRF ranking, IQAC conducted a parameter-wise gap analysis comparing the scores obtained by the University with those of top-performing affiliating universities in Kerala and with Indian Institute of Science serving as the benchmark and also stated that measures were taken to improve the University's score in the future.

## 2.6. Academic and Research Activities

### 2.6.1. Continuation of affiliation of Engineering college in violation of Government directions

A P J Abdul Kalam Technological University (APJAKTU) Act came into force in May 2014. Department of Higher Education, GoK issued orders (March 2015) mandating affiliation to APJAKTU, for all undergraduate and postgraduate engineering courses starting from the 2015-16 academic year onwards. Section 60 of APJAKTU Act stipulates that the institutions in the technological branch maintained by other Universities of the State as their departments or their respective constituent colleges do not come under the jurisdiction of KTU. Audit observed that despite not maintaining a technological branch, Calicut University continued to offer B.Tech courses through Institute of Engineering and Technology (IET) which was in violation of the Government order.

<sup>17</sup> Student strength including doctoral students, online education, combined metric for publications, combined metric for quality of publications, IPR and patent published and granted, footprint of projects and professional practice, metric for number of Ph.D students graduated, percentage of students from other States/countries, economically and socially challenged students and Academic Peers and employers.

Government stated (July 2025) that being a constituent college of the University, IET was not required to be affiliated under APJAKTU. Further, during the Exit conference (July 2025), the VC stated that the University had not opted for affiliation under APJAKTU, given that it already had its own faculty of Engineering.

Audit observed that Government had directed (January 2018) the University to take urgent necessary action to affiliate all Colleges of Engineering under it to APJAKTU, before the commencement of academic admission of 2018-19. Thus, continuation of B.Tech courses through IET was in violation of Government directions.

### 2.6.2. Non-revision of syllabus/ curriculum

Considering the pace at which conceptual innovations and technology are changing, UGC recommended (January 2017) that curricula of all academic Departments should be reviewed and revised at least once in three years.

Audit observed that syllabi of 24<sup>18</sup> out of 45 categories of programmes were not revised during the last three years and notably the syllabus of BA, LLB was last revised in 2011. The details are given in **Appendix 2.4**.

Government replied (July 2025) that the syllabi of a few programmes not falling under major categories *viz.*, BA/B.Sc/B.Com/MA/M.Sc/M.Com had not been revised regularly, and action has been initiated to identify these programmes and to revise the syllabi.

### 2.6.3. Delay of six years in completion of B.Sc. Printing Technology Course

The Syndicate decided (March 2014) to introduce three-year B.Sc. Printing Technology programme as part of the School of Distance Education (SDE) utilising the facilities available in CUIET. The programme commenced in 2014-15 with an intake of 34 students, against an intake capacity of 60.

Audit observed that the University was able to complete the course only in May 2023, eight years after the programme was introduced<sup>19</sup>. The final results were published, supplementary/improvement examinations for all the six semesters were conducted between November 2023 and April 2024. Audit noticed that the completion of the course was delayed due to reasons like uncertainty regarding Regulations to be followed, anomalies in the syllabus, delay in conduct of practical examinations due to objections raised by the students of CUIET regarding the usage of their laboratory facilities.

Audit observed that the prolonged delay of six years in completing the course due to regulatory ambiguities, poor academic planning and lack of institutional readiness adversely affected the 34 students enrolled for the programme.

Government stated (July 2025) that the University is committed to ensure that such issues in the conduct of courses will not be repeated in the future.

<sup>18</sup> Includes four courses (Faculty of Journalism, Faculty of Science, Faculty of Language and Literature, Faculty of Fine Arts) in which the syllabi of UG courses were revised and of PG courses were not revised

<sup>19</sup> November 2014

#### 2.6.4. School of Distance Education - Loss of UGC recognition

University Grants Commission (Open and Distance Learning) Regulations, 2017, lay down the minimum standards of instructions for the grant of degree, through Open and Distance Learning mode (ODL). As per the above Regulations, in HEIs offering ODL programmes, a Centre for Internal Quality Assurance (CIQA) headed by a full-time Director, a senior academician of the rank of Professor was to ensure the quality of the programmes offered. Further, under the UGC (ODL and Online Programmes) Regulations, 2020 if a HEI offers any programme in ODL mode, after withdrawal of or fails to obtain recognition, the degree obtained pursuant to such programme in HEIs, shall not be treated as a valid qualification.

In the year 2019-20, 26 programmes<sup>20</sup> were conducted by the University. However, Audit observed that none of these programmes received UGC recognition for the academic year 2020-21, due to non-appointment of a full time Director and non-maintenance of prescribed faculty strength. Consequently, the courses were conducted through private registration mode without providing contact classes or study materials to 32,651 students. The lack of recognition for the programmes by UGC also raises question about the validity of degree certificate awarded to the students.

Government stated (July 2025) that the University had submitted its application for the July 2020 session under the earlier guidelines and might have secured recognition had the UGC not annulled those applications due to the pandemic. The University cannot be held accountable for this. It was also stated that the applications invited for the year 2020-21 were under the newly implemented UGC Regulations containing more stringent requirements, which the University was unable to satisfy. Further, it was stated that the students admitted under private registration followed the same syllabus and were awarded the same certificate as those in the ODL mode.

Audit acknowledges the constraints faced by the University in obtaining recognition for ODL programmes, however, the fact remains that the degree obtained through ODL programmes conducted without UGC approval is not a valid qualification.

#### 2.6.5. Admissions to Ph.D programme without adhering to the UGC directions

According to UGC (Minimum Standards and Procedure for award of M.Phil/Ph.D Degree) Regulations, 2016 (Regulations 2016) and its second Amendment dated 16 October 2018, HEIs were required to admit candidates for M.Phil/Ph.D programmes through a two-stage process, an entrance test with weightage of 70 *per cent* and an interview/viva-voce with 30 *per cent* weightage.

Audit observed that though the candidates for the Ph.D programme were admitted through a two-stage process, the prescribed weightage (70:30) was not followed, instead the admissions were conducted in accordance with the Clauses

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<sup>20</sup> 12 Master's programmes and 14 Bachelor's programmes

4.8 and 4.9<sup>21</sup> of the University Research Regulations 2016. In the case of M.Phil programme, no interview was conducted, and the candidates were admitted solely based on the entrance test. The Academic Council did not amend the Calicut University Regulation 2016 to incorporate the provisions of the UGC (second amendment) 2018. As a result, 110 scholars admitted to Ph.D programme and 78 students to M.Phil<sup>22</sup> programme during the period 2019-24 in the selected departments, were admitted without complying with the UGC directions.

Government replied (July 2025) that prior to June 2024 examinations, UGC NET qualified candidates were not awarded marks and hence UGC regulations regarding admission could not be implemented earlier. In the absence of such scores, ranking could not be carried out. However, starting from 2024, UGC has started providing NET scores and accordingly from 2024, Ph.D admissions for candidates having NET scores are conducted by assigning 70 *per cent* weightage to NET score and 30 *per cent* weightage for marks obtained in interview.

The reply is not acceptable as audit observation was specifically regarding non-compliance of UGC Regulations 2018 prescribing 70:30 weightage in the two-stage admission process of Ph.D programme conducted by the University for all PG students, not for NET qualified students alone. The 70:30 weightage under the Regulations, was applicable to all Ph.D admissions conducted by the University, including those for candidates not holding a NET qualification.

#### 2.6.6. Functioning of Directorate of Project

In accordance with Calicut University Research Projects Regulations 2020 (CURPR 2020), the University decided to facilitate research and development activities and a Project Cell was established in the University (30 April 2021). CURPR 2020 envisaged a Project Advisory Committee<sup>23</sup> to be constituted by the VC for the management of all activities related to the Directorate of Projects (DoP).

Guidelines for Establishment of Research and Development Cell in HEIs issued (04 March 2022) by UGC envisions to put in place a robust mechanism for developing and strengthening the research ecosystem and the Cell was to act as a liaison between researchers and relevant research funding agencies, extend guidance in preparation and submission of project proposals and post sanctioning of the grants to oversee adherence to timelines. Assessment of the functioning of the DoP revealed the following deficiencies:

- Project Advisory Committee, as required in CURPR 2020 was constituted only in March 2025 which meant that the activities related to the DoP were not monitored as required by CURPR 2020.

<sup>21</sup> According to these Clauses, all candidates getting a minimum prescribed mark are qualified to apply for registration to Ph.D programme and an interview/ viva-voce shall be conducted in such a way that the candidates would be required to discuss their research interest/area through a presentation.

<sup>22</sup> New admissions for M.Phil programme were discontinued from 2021-22 onwards

<sup>23</sup> Consisting of (i) the VC (ii) the Pro VC (iii) the Convenor, Standing Committee of Syndicate on Courses and Research (iv) the Director, Directorate of Projects (v) two faculties from University Teaching departments, nominated by the VC (vi) one external expert nominated by the VC

- During the period 2019-20 to 2023-24, DoP had given endorsement for 228 Project Proposals submitted by the faculties, but projects were sanctioned by the external funding agencies only in 17 cases (seven *per cent*).

Audit observed that the functions of DoP in facilitating the research projects defined at the time of constitution were not modified subsequently in line with UGC guidelines issued in March 2022. Consequently, the DoP was not acting as a liaison between researchers and relevant research funding agencies and also not extending guidance in preparation and submission of project proposals, as envisaged by UGC.

Government replied (July 2025) that the guidelines issued by UGC in March 2022 will be strictly adhered to in future and necessary modifications will be made in the existing Project Regulation of the University. During the Exit conference (July 2025), the Principal Secretary also added that the DoP mainly served as an administrative body and could not review the project proposals.

Audit observed that according to UGC norms DoP was expected to function as a liaison body.

#### **2.6.7. Non-completion of research works by research scholars**

As per Calicut University First Statutes, 1977, full-time research students shall submit the thesis within a period of five years and the Syndicate shall have the power to extend this time limit by one year in exceptional cases. Further, as per Calicut University Research Regulations 2016, a research scholar shall appear before the Research Advisory Committee (RAC) once in six months to make a presentation of the progress of his/ her work for evaluation and for further guidance. The six-monthly progress reports shall be submitted by the RAC to the University/ College with a copy to the research scholar. In cases of unsatisfactory progress, RAC is required to record the reasons and suggest corrective measures. If the research scholar fails to implement these corrective measures, the RAC may recommend to the institution, with specific reasons, for cancellation of the registration of the research scholar.

Audit observed that during the period of audit, out of the 145 research scholars who were awarded the University Research Fellowship (URF) and whose theses were due for submission within the above-mentioned period, 41 scholars (representing 28.3 *per cent*) either discontinued their research work or failed to submit their theses within the prescribed time limit.

Similarly, in researches funded by agencies such as UGC, CSIR, DST<sup>24</sup>, ICSSR<sup>25</sup>, NFOBC<sup>26</sup>, NFSC/ST and State Government, out of 181 research scholars whose theses submission was due during the period of audit, 44 scholars (24.31 *per cent*) either discontinued their research work or failed to submit their theses within the prescribed time limit.

Out of the 85 research scholars (URF and other agencies funded research) who did not submit the theses in time, 16 were from the selected departments. Audit

<sup>24</sup> Department of Science and Technology

<sup>25</sup> Indian Council of Social Science and Research

<sup>26</sup> National Fellowship for OBC

scrutinised the minutes of the RAC meetings made available to audit for the period 2019-24 in these selected departments and observed that the non-conduct of meetings ranged from 50 *per cent* to 100 *per cent* and the departments had not recommended for any corrective measures or cancellation of registration of the research scholar with specific reason, except in one case in the Department of Education.

Audit observed that inadequate number of meetings by RAC resulted in deprivation of monitoring and timely corrective measures by RAC. During the Exit conference (July 2025) Accountant General reiterated the importance of proper functioning of RAC and stated that non-completion of research by scholars also affects the opportunity of eligible students as there is limitation regarding the number of students a professor can guide.

Government replied (July 2025) that from 2024 Ph.D admissions onwards, it will be made mandatory to upload a six-monthly progress report recommended by the RAC on the college portal and that the term fees will be accepted only upon submission and recommendation of the progress report by RAC. However, the reply is silent about progress of research by the existing research scholars.

#### **2.6.8. Functioning of Intellectual Property Rights Cell**

As per orders (April 2018) of the VC, a five-member committee was constituted to lead the Intellectual Property Rights (IPR) Cell<sup>27</sup>. The committee was required to meet at least twice a year and advise the University on all matters relating to IPR. To identify the reasons for generation of lesser number of patents an IPR Professional was inducted<sup>28</sup> to the University for an internship. The IPR professional submitted a Report (December 2023) with recommendations for improving IPR management. In January 2024 it was also decided to appoint a patent agent, to regulate the patent filing activities of the University.

Audit noticed that after the constitution of the committee in 2018, IPR cell conducted only two meetings<sup>29</sup> during the audit period against the requirement to convene at least two meetings annually. University had not allocated any fund to the IPR cell during the audit period, except in 2023-24. Out of the ₹20 lakh allocated in 2023-24, only ₹13,955 was utilised. Though the recommendations<sup>30</sup> included in the Report submitted by the IPR professional were being implemented, the appointment of patent agent remained pending (March 2025). Further, only two patents<sup>31</sup> were filed by the University during the audit period, of which one<sup>32</sup> was granted.

While acknowledging the concerns raised regarding the limited activity of the IPR cell, Government stated (July 2025) that steps were initiated to conduct periodic discussions and that administrative process for appointment of patent agent was in its final stage. The IPR Cell has already drafted an Annual activity

<sup>27</sup> Established in the year 2009 with the aim of sensitising the students, researchers and faculty members about significance of IPR and to advise and guide them on IPR related issues.

<sup>28</sup> From September to December 2023

<sup>29</sup> On 19 August 2022 and 22 January 2024

<sup>30</sup> Strengthen institutional support, expand awareness initiatives, clarify and strengthen policies etc.

<sup>31</sup> 2019-20 and 2023-24

<sup>32</sup> Filed in 2023-24

plan which includes faculty and scholar sensitisation workshops, patentability assessment clinics, IPR awareness campaigns, filing support in collaboration with the agent etc.

## 2.7. Financial Management

According to Section 45(1) of the Calicut University Act, all grants and loans received from the GoK, GoI, UGC and from any other source, all revenues, all fees received, all incomes such as rent and profits derived from properties, all endowments and donations received, all other miscellaneous receipts and all deposits, remittances and service funds received in connection with the affairs of the University shall form one consolidated fund named 'The Calicut University Fund'. This fund is to be used as stipulated in the Act, Statutes, Ordinance and Rules.

The details of receipts and utilisation of the University fund are detailed in **Table 2.1**.

**Table 2.1. Year-wise details of receipt and expenditure**

(₹ in crore)

Year	State Grant				Earmarked Funds <sup>33</sup>		Fund received from other Agencies such as UGC, RUSA, etc.		Own fund <sup>34</sup> /Miscellaneous receipts <sup>35</sup>	
	Receipt		Utilisation*		Receipt	Utilisation	Receipt	Utilisation	Receipt	Utilisation
	Plan	NP	Plan	NP						
2019-20	8.00	235.21	13.13	235.21	6.38	5.20	3.31	3.51	201.76	99.18
2020-21	13.69	211.69	8.00	211.69	3.50	5.47	3.14	2.62	173.79	93.47
2021-22	13.14	222.27	14.26	222.27	4.53	5.31	2.00	3.01	226.64	214.72
2022-23	20.68	224.12	34.87	224.12	4.73	4.01	2.16	3.82	255.50	223.53
2023-24	11.00	244.50	18.39	244.50	5.11	6.25	6.77	3.16	248.32	205.42
<b>Total</b>	<b>66.51</b>	<b>1137.79</b>	<b>88.65</b>	<b>1137.79</b>	<b>24.25</b>	<b>26.24</b>	<b>17.38</b>	<b>16.12</b>	<b>1106.01</b>	<b>836.32</b>

\* Funds utilised in excess of receipts were met from own fund of the University  
(Source: Details furnished by Finance wing of the University)

During the period from 2019-20 to 2023-24, 48 per cent of the receipts of the University was from Non Plan Grants provided by GoK and 47 per cent from own fund and miscellaneous receipts. Remaining five per cent was contributed as grant by other agencies like UGC/ICSSR, earmarked funds and plan fund allocation by GoK.

### 2.7.1. Delay in Preparation of Annual Accounts

According to Sections 48 and 49 of the Act, the University's annual accounts are prepared under the Syndicate's direction and submitted to Government for audit. The annual accounts together with the audit report thereon are published by the Syndicate, placed before the Senate, and submitted to the Government. Once received, the Government lays the accounts before the State Legislative Assembly.

According to Section 9(1) of the Kerala Local Fund Audit Act, 1994 (KLFA Act), the Executive Authority must prepare and present the accounts relating to

<sup>33</sup> Grants from UGC, grants from outside agencies, grants for individual research projects etc.

<sup>34</sup> Examination fee, affiliation fee, income from self-financing institutions etc.

<sup>35</sup> Recoveries, interest on loans and advances, donations etc.

a financial year within four months of the close of that financial year. Section 10 mandates that the audit of the accounts prepared and presented must be completed within six months of the date of its presentation for audit.

Audit noticed delay on the part of the University, ranging from four to five months in preparation of annual accounts, seven to eight months in submission to Kerala State Audit Department (KSAD), and 10 to 19 months in conduct of audit by KSAD as detailed in **Appendix 2.5**.

Thus, due to the delay on the part of the University and KSAD, audit report relating to a particular year was being received by the University for remedial action after elapse of two to three years from the close of the financial year.

Government stated (July 2025) that the University has initiated the process of computerising the accounting system to avoid delay. It was also stated that University had submitted the annual accounts to the Government within the time period stipulated during 2021-24.

Audit observed that timeline was prescribed for preparation of accounts and audit of accounts by KSAD, for which delays were noticed by audit. However, no timeline was prescribed for submission of annual account/ audit report to Government. Hence, the contention that the annual accounts were submitted to Government within the time period is not tenable.

### 2.7.2. Functioning of Internal Audit Wing of the University

The University constituted (March 2010) an Internal Audit Wing (IAW) with the aim of ensuring financial discipline and propriety in financial transactions. During the audit period, the wing functioned with less than 50 *per cent* of the sanctioned manpower. The extent of coverage of units during the period 2019-20 to 2023-24 was as given in **Table 2.2**.

**Table 2.2: Internal Audit of functional units of the University**

Year	2019-20	2020-21	2021-22	2022-23	2023-24
Total no. of auditable units	72	72	72	72	72
No. of units scheduled for audit	21	5	25	34	21
No. of units in which internal audit was conducted	21	5	25	34	21

(Source: Details received from IAW)

Audit observed that IAW had not prepared a schedule so as to cover the entire units within a specified period. Out of 20 selected departments/centres, four<sup>36</sup> units were not covered in internal audit even once during the period 2019-20 to 2023-24, which includes units like Pareeksha Bhavan entrusted with University's core activities such as conducting examinations and Central Sophisticated Instrumentation Facility (CSIF), where costly scientific equipment are maintained.

Government stated (July 2025) that considering the audit findings steps will be initiated to strengthen the IAW and to provide adequate training to its staff. An audit schedule will also be prepared prioritising high risk units as regards core activities, fund transaction etc.

<sup>36</sup> CUTEC Sulthan Bathery, CCSIT Aranattukara, Pareeksha Bhavan, CSIF

### 2.7.3. Non-receipt of assistance of ₹2.37 crore due to non-settlement of previous UGC research projects

The objective of the General Development Assistance (GDA) Scheme to State Universities (XI and XII Plan)<sup>37</sup> implemented by UGC was to improve the infrastructure and basic facilities in Universities and to promote enhancement of quality. The Universities were expected to utilise the grants in a time bound manner and submit the Utilisation Certificate to the effect that the grant was utilised for the purpose for which it was sanctioned. The Utilisation Certificate was to be furnished as early as possible after the closure of a particular financial year.

Details of allocation of UGC fund, release, utilisation etc., from UGC under GDA scheme and merged scheme<sup>38</sup> to the University are detailed in **Table 2.3**.

**Table 2.3: Allocation, utilisation and amount to be reimbursed by UGC**

(₹ in crore)

Sl. No.	Name of Scheme	Allocation	Amount Released	Interest Accrued	Amount utilised (balance met from own funds)	Amount to be reimbursed by UGC
1	XII Plan GDA	14.52	11.62	1.29	14.55	1.64
2	XI Plan GDA	9.27	5.71	0	5.89	0.18
3	XI (IQAC)	0.05	0	0	0.009	0.009
4	XI Plan (Merged)	5.50	3.25	0.01	3.81	0.55
<b>Total</b>						<b>2.37</b>

(Source: Data furnished by Administration wing of the University)

The University submitted (August 2019-May 2020) the final audited Utilisation Certificate and Statement of Expenditure in respect of GDA received during XII Plan period to UGC. The Registrar requested (June 2020) UGC to settle the XI and XII plan accounts and issue final orders so as to effect the reimbursement of the due amount. Subsequently, the Registrar again requested (July 2021) UGC to release the amount due under GDA, which was expended from the own fund of the University, in anticipation of release of funds. In response to this request, UGC directed (September 2022) the University to immediately settle all outstanding grants received under various UGC schemes<sup>39</sup>, failing which administrative and legal action would be initiated against the University.

From the status of settlement of accounts relating to the 17 research projects implemented under various UGC schemes from 2009 onwards, Audit observed that final audited accounts and statement of expenditure along with UC for four projects were yet to be submitted to UGC (March 2024).

Government replied (July 2025) that out of the 17 UGC assisted projects, 16 projects had been completed successfully, and settlement of one Special Assistance Programme (SAP) was under process.

Thus, non-settlement of the accounts within the prescribed time period by the University led to non-receipt of ₹2.37 crore of GDA under UGC XI and XII Plan, due to the University.

<sup>37</sup> XI Plan 2007-12, XII Plan 2012-17

<sup>38</sup> Instrumentation maintenance facility, basic facility for women etc.

<sup>39</sup> UGC Special Assistance Programme, UGC major research projects etc.

#### 2.7.4. Loss of ₹8.79 crore as Central Assistance due to non-disbursement of Seventh Central Pay Commission arrears

The Department of Higher Education, MHRD, GoI accepted the UGC Pay Review Committee's recommendations (November 2017) to revise pay scales for teachers in HEIs, effective from 01 January 2016, in accordance with UGC Regulations<sup>40</sup> (July 2018). GoI informed (July 2018) GoK to submit the reimbursement proposals in the prescribed format and that GoI would reimburse 50 per cent of the additional financial burden under the Seventh Central Pay Commission (CPC) from 01 January 2016 to 31 March 2019, subject to compliance with UGC Regulations 2018.

GoK decided (June 2019) to implement the CPC recommendations, with arrears to be paid later, depending on the release of GoI assistance and the State's fiscal position and directed (September 2019), all State Universities to incorporate the UGC Regulations in their Statutes within a month. Accordingly, the Registrar of Calicut University, notified (February 2020) implementation of UGC Regulations 2018, effective from 18 July 2018. GoK also ordered (May 2020) the release of the arrears to be credited to the teachers' GPF accounts. However, in July 2022, GoI informed GoK its decision to discontinue the reimbursement scheme with effect from April 2022. Consequently, on 21 January 2023, GoK withheld the arrear payments.

Audit observed that though the University had implemented the Seventh UGC pay revision scheme, arrears amounting to ₹17.59 crore from 01 January 2016 to 31 March 2019 were not disbursed to the teaching staff. Further, the UGC Regulations on qualifications, selection committees, etc., were not incorporated in the University's Statutes, nor in the Calicut University Act. Due to non-compliance with GoI directions by GoK and the University, the University did not receive ₹8.79 crore of Central assistance.

In reply (July 2025), Government stated that given the procedural requirements, the amendment of University Statutes and Regulations took longer than the stipulated timeline. During the Exit conference (July 2025) the Principal Secretary stated that all the documents were submitted to GoI for receiving the assistance.

Government reply is not acceptable as Audit observed that the University has not amended the statutes till date (September 2025). Further, instead of disbursing the amount and subsequently sending the details for reimbursement, GoK had submitted an undertaking outlining the amount proposed to be released to teachers in State Universities and colleges as payment of arrears on account of revision of salary on implementation of UGC revised pay scales scheme for the period from 01 January 2016 to 31 March 2019.

<sup>40</sup> UGC Regulations on Minimum qualifications for appointment of Teachers and Other staff of Universities and Colleges and Measures for the Maintenance of Standards in Higher Education, 2018.

### 2.7.5. Uneconomical institutions under the University

The University operated 41<sup>41</sup> Institutions under Self-financing mode in five districts viz., Thrissur, Malappuram, Palakkad, Kozhikode and Wayanad under the Directorate of University Study Centre (DUSC) on 'no profit no loss' basis.

When the income of all the institutions were reckoned together, the institutions were generating more income than expenditure except during 2023-24. However, Audit noticed that;

- Six institutions<sup>42</sup> were continuously running in loss during all five years, the highest loss being that of IET, Kohinoor (₹6.32 crore). The combined loss recorded by these institutions was ₹8.58 crore.
- Two institutions<sup>43</sup> were running in loss during the last four years recording a combined loss of ₹0.39 crore.
- Six institutions<sup>44</sup> recorded profit and loss intermittently during the five-year period and recorded a combined loss of ₹0.39 crore.

Details are given in **Appendix 2.6**. It was also noticed that during the five years, the average intake of students to all the courses conducted by the above institutions (which recorded continuous loss) ranged between 20 to 72 per cent of the intake capacity. The intake of students averaged above 50 per cent only in three courses viz., B.Sc. Computer Science of CCSIT Thalikulam (53), Department of Law (72) and Information Technology of IET Kohinoor (63) (**Appendix 2.6**). This indicated that low intake of students was a factor affecting the financial performance of the institutions.

Government stated (July 2025) that the loss incurred by the institutions was ascertained and measures were being taken to improve the financial status of the centres. As part of this, courses at IET were revamped, the centres were directed to devise strategies to improve the intake of students and it was also decided to review the feasibility of existing courses in the centres with less than 40 per cent intake.

### 2.7.6. Non-Constitution of Pension Fund in Calicut University

According to the Calicut University First Ordinances, 1978, a Pension Fund must be established and used solely for paying pensions to retired employees and officers of the University, subject to the provisions of the Act.

Audit observed that against the requirement of ₹1,461.44 crore by the University for the period 2019-20 to 2023-24, GoK had released only ₹1,137.79 crore towards pay, pension, DCRG and other non-plan expenditure which resulted in a deficit of ₹323.65 crore during the audit period.

<sup>41</sup> As of 2023-24, 12 Centres for Computer Science and Technology, 11 Calicut University Teacher Education Centres, six Schools of Management Studies, four Cost Based Departments, Institute of Engineering and Technology, CU Regional Centre, School of Health Science, Centre for Physical Education, B.P.Ed. Centre, Centre for Costume and Fashion Designing (CC&FD), Centre for PG Studies in Social Work (CPGSSW), Radiation Physics

<sup>42</sup> CCSITs – Kuttipuram, Manjeri, Muttill, Peramangalam, Pullut and IET Kohinoor

<sup>43</sup> CCSIT Thalikulam and Department of Law CU Campus

<sup>44</sup> CCSIT Pudukkad, CPGSSW Sulthan Bathery, CU Regional Centre, Perambra, CUTECs - Chalakudy, Vatakara, SMS Vatakara

Since 1977, the University had maintained a savings account (TPA 70) and three fixed deposits under the Registrar's name in the Sub Treasury, Tirurangadi, for the Pension Fund. However, adequate funds were not deposited and only ₹141.08 crore (including ₹100 crore invested in 2023) was earmarked (January 2025).

Audit observed that though fixed deposit of ₹141.08 crore was earmarked for Pension Fund, the University had not constituted Pension Fund till date. Thus, even after 47 years from the issue of Calicut University first Ordinance, the University was yet to constitute a self-sustaining pension fund.

In the Government reply (August 2025) it was stated that the University was facing significant challenges in meeting its non-plan expenditure, particularly salary, pension, DCRG etc., due to insufficient non-plan grants. The University had reported that, owing to financial constraints, it was unable to create a pension fund without assistance from GoK and had requested to grant a lumpsum amount as corpus fund. However, the request could not be considered favourably in view of the financial constraints.

### 2.7.7. Advances amounting to ₹6.79 crore pending settlement

According to Article 99 of Kerala Financial Code, temporary advances should be adjusted within three months of the date of drawal by presenting final bills with all supporting vouchers. In case of non-submission of the final bill within the stipulated time frame of three months, interest at 18 *per cent*<sup>45</sup> will be charged on the entire amount of advance from the date the amount was withdrawn to the date of recovery of the amount.

Audit observed that advances drawn for various purposes during the period from 1975-76 to 03 October 2011<sup>46</sup>, amounting to ₹4.79 crore, and those drawn from 04 October 2011 to 31 March 2024, amounting to ₹ two crore, were pending settlement (January 2025). Out of the total ₹6.79 crore pending, ₹4.79 crore was pending for more than 10 years, ₹4.47 lakh was pending for five to 10 years, ₹9.09 lakh was pending for one to five years and ₹1.86 crore upto one year. Additionally, the interest on the advances drawn after 04 October 2011 alone worked out to ₹20 lakh (for the period from 04 October 2011 to 31 March 2024).

Government stated (July 2025) that a Recovery cell was constituted in the University in the year 2015. Following its establishment, measures were implemented to settle the advances pending prior to 2009-10, which were impeded by factors including retirement or demise of original drawers and deterioration or loss of supporting documentation. In respect of advances pertaining to the period post 2009-10, it was informed that the process of settling is ongoing.

Since the advances had not been settled, audit could not ascertain whether the entire amount was utilised for the purpose for which it was sanctioned, or if any amount was retained by the officials who had availed the advance. Further,

<sup>45</sup> Effective from 04 October 2011

<sup>46</sup> Government of Kerala vide GO(P)/No.419/11/Fin. dated 04.10.2011 has stipulated that penal interest of 18 *per cent* per annum will be charged on the unutilised portion of advance from the date of drawal of advances. The rate of penal interest was not specified earlier.

inordinate delay in settlement of advances indicates lack of effective financial control by the University.

### 2.7.8. Non-utilisation of University Medical Inspection Fee

The University had been collecting Medical Inspection Fee of ₹20 per student since April 2019, which was revised to ₹25 per student from June 2023. The UGC Guidelines on Students' Entitlements 2013, emphasise that students are entitled to reasonable health care, including free and periodic health check-ups and treatment/hospitalisation in case of emergencies. Further, under Calicut University First Statutes, 1977, every college is required to have attached to it a Medical Officer to conduct the medical inspection of students.

From the scrutiny of records at eight selected study centres, it was observed that ₹63,760 was collected as medical inspection fee during the period from 2019-20 to 2023-24. However, seven centres<sup>47</sup> had not conducted any health check-ups for students during the audit period.

Government replied (July 2025) that necessary directions will be issued to the Centres to render the services for which special fees are collected.

## 2.8. Human Resources

### 2.8.1. Engagement of guest faculties in excess of the limits prescribed by UGC

According to the UGC Regulations 2018, the number of contract appointments was not to exceed 10 *per cent* of the total number of faculty positions in a College/ University. The numbers of permanent and guest faculties during the period 2019-20 to 2023-24 in the University are shown in **Table 2.4**.

**Table 2.4: Faculty details-Sanctioned Strength and Persons in Position (PIP)**

Year	Sanctioned Strength	PIP	Permanent Faculty		Guest Faculty		Percentage of guest faculties
			PIP	Vacancy	Maximum admissible	PIP	
2019	242	213	124	118	24	89	36.78
2020	250	203	116	134	25	87	34.80
2021	243	220	159	84	24	61	25.10
2022	242	278	171	71	24	107	44.21
2023	241	249	165	76	24	84	34.85
2024	242	298	156	86	24	142	58.68

(Source: Annual Report of the University)

Audit observed that during the audit period, the University had engaged guest faculty in the range of 25.10 to 56.68 *per cent* of the sanctioned strength against the maximum permissible limit of 10 *per cent*.

Government replied (July 2025) that the University had resorted to engagement of guest faculty where the services of temporary teachers were indispensable for the uninterrupted conduct of academic activities. The University Statute confers upon the Vice Chancellor the authority to appoint guest faculty under such circumstances. The appointment of permanent faculty members took place only in 2021.

<sup>47</sup> All centres except CCSIT Calicut

The appointment of guest faculties in excess of the prescribed limit was in violation of UGC regulations. Further, Audit noticed that several guest faculties engaged by the University were underqualified as detailed in subsequent paragraphs of this Report, thereby compromising the quality of education.

### 2.8.2. Appointment of Teachers without prescribed qualification

UGC Regulations 2018<sup>48</sup> mandate a Master's degree with 55 *per cent* marks in the relevant/allied subject and NET/SLET/SET, as minimum qualification for Assistant Professors and equivalent positions, provided that, candidates awarded with Ph.D. in accordance with the UGC Regulations, shall be exempted from the requirement of minimum eligibility condition. Clause 13.0 stipulates that contract/hourly basis appointments must follow the same eligibility criteria as regular appointments.

Audit observed that teachers without prescribed qualifications were working in the University Departments, Centres and affiliated colleges, the details of which are presented below.

**Appointments in University Departments:** On verification of the qualification of faculties in eight selected Teaching and Research Departments during the audit period, it was observed that 60 *per cent* of the Assistant Professors engaged in the Department of Statistics were on hourly basis and lacked the prescribed qualifications of NET/Ph.D.

Government stated (July 2025) that guest faculties were engaged only when the services of temporary teachers were essential to ensure uninterrupted and effective academic functioning. This was done by invoking the statutory powers of the Vice Chancellor and in accordance with the University's guidelines.

The reply is not acceptable since the guidelines issued by the University cannot supersede UGC Regulations and appointing faculties without adequate qualifications may adversely impact the quality of education imparted.

**Appointments in Affiliated Colleges:** On analysis of the database in the college portal of the University, audit noticed that 2035 guest faculties across 74 affiliated colleges<sup>49</sup>, did not possess qualifications as required under the UGC guidelines. To substantiate the findings, Audit selected eight colleges<sup>50</sup> from the abovementioned colleges and observed that, 91 (47 *per cent*) out of 193 teachers did not possess the qualifications required as per UGC Regulations, 2018.

From the analysis of database, Audit also observed that 10,704 faculties in 199 unaided Arts and Science colleges did not possess the required qualifications. According to Kerala Self-financing College Teaching and Non-teaching Employees Act 2021, faculties in unaided colleges who did not possess the required qualifications on the date of commencement of the Act were to obtain the qualification within the date notified by GoK. However, notification prescribing the date by which qualification was to be attained by faculties was not prescribed by GoK till date (July 2025).

<sup>48</sup> Clauses 3.4 and 4.1

<sup>49</sup> 40 aided and 34 Government Arts and Science colleges

<sup>50</sup> four aided colleges and four Government colleges

Government stated (July 2025) that directive will be issued to all affiliated colleges to appoint UGC qualified teachers before the start of the next academic year, upload the details to the centralised college portal and that failure to comply with the Government directions will result in actions including withholding affiliation.

**Appointments in Teacher Education Centres (CUTECS):** As per National Council for Teacher Education Regulations (NCTE), 2014 and Amendment of 2019, prescribing the qualification for appointment to the post of Assistant Professors in institutions offering Teacher Education, Assistant Professors must have prescribed qualifications including NET/Ph.D.

The University is running 11 University Teacher Education Centres (CUTEC) (March 2024). Audit observed that during the period 2019-20 to 2023-24, only two<sup>51</sup> out of 11 CUTECS, had qualified teachers as prescribed in the NCTE Regulations. The details are given in **Appendix 2.7**.

Government replied (July 2025) that appointment of 63 teachers without prescribed qualifications, with a few exemptions was done before the NCTE Regulations 2014 came into force. Since then, the contracts have been renewed annually based on the appraisal report filed from the centres.

The reply is not acceptable as the University should have complied with the NCTE regulations issued from time to time and appointed qualified teachers to ensure the quality of education imparted.

### 2.8.3. Non-filling of reserved category vacancies

In accordance with Section 15(a) of the KS&SSR<sup>52</sup>, if no suitable candidate is available from a specified community or group, the vacancy shall remain unfilled and be notified separately for that community. If no candidate is found after two subsequent re-notifications, the vacancy will be filled through direct recruitment from among the available candidates belonging to the Other Backward Classes (OBC). In the absence of suitable OBC candidates, the selection shall be made from Scheduled Castes (SC) candidates, and if SC candidates are also unavailable, the vacancy will be filled from Scheduled Tribes (ST) candidates.

Following the appointments made in the academic year 2021-22, 11 posts of Associate Professor (out of 29 posts notified in 2019), 10 posts of Assistant Professor (out of 63 posts), and four posts of Professor (out of 24 posts) remained vacant<sup>53</sup> at the University as no eligible candidates were available. Detailed department-wise and post-wise information on vacancies due to No Candidate Available (NCA), as provided by the University, is given in **Appendix 2.8**.

Government replied (July 2025) that the University could not issue notification for special recruitment for the NCA vacancies of Assistant Professor as a Writ Appeal filed in 2021 by one of the candidates was pending at the High Court. As the Court had stayed all proceedings relating to recruitment process,

<sup>51</sup> CUTEC Manjeri and CUTEC Chalakkudy

<sup>52</sup> Kerala State and Subordinate Service Rules

<sup>53</sup> as per the appointment chart

notification for NCA vacancies was issued in July 2024 on disposal of the court case.

The reply is not acceptable as notification for NCA vacancies pertaining to Assistant Professor was issued in July 2024 after a lapse of one year from the disposal of the case in February 2023. Further, the reply was silent regarding the notification process in respect of the other two posts.

#### **2.8.4. Recruitment of contract/daily wage staff without complying with the Employment Exchanges Act, 1959**

The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 insists that every establishment in the Public Sector (establishment owned, controlled or managed by the Government or a Department of the Government) shall, before filling any vacancy in any employment in that establishment, notify the vacancy to the Employment Exchange concerned. GoK directed (05 January 1988) to use the services of Employment Exchanges for vacancies outside the purview of Public Service Commission, warning that violations would lead to serious consequences, including prosecution.

Audit observed that since 2001, a total of 704 employees<sup>54</sup> were appointed on a contract or daily wage basis by the University. It was observed that these appointments were made without utilising the services of Employment Exchanges or obtaining the requisite non-availability certificates, thereby constituting a violation of the applicable legislation.

Government replied (July 2025) that the University is committed to comply with all relevant Statutes and regulations including the Employment Exchanges Act, 1959 and will take necessary steps to prevent similar instances of non-compliance in the future.

#### **2.8.5. Promotion of retired teachers to the post of Professor under Career Advancement Scheme**

According to Paragraph 6.3, Clause V of the UGC Regulations 2018, for promotion under Career Advancement Scheme (CAS), the applicant teacher must be on the role and in active service of the University/College on the date of consideration by the Selection Committee. Government of Kerala issued orders (20 February 2021) to provide promotion under CAS in Colleges, both Government and Aided, strictly in accordance with the norms, standards and procedures set out in the UGC Regulations.

The Assistant Registrar instructed (18 January 2022) that retired and relieved teachers of affiliated Colleges, whose placement as Professor was due on or after 18 July 2018, may process the proposals from the Colleges where they were actively on role on the CAS due date.

Audit observed that, during the period October 2022 to November 2024, 13 teachers of Aided Colleges who were not on the role and in active service on the date of consideration by the Selection Committee, were granted promotion from the post of Associate Professor (Academic Level 13A) to the post of Professor (Academic Level 14) under CAS by the University (**Appendix 2.9**).

<sup>54</sup> 536 non-teaching and 168 teaching staff (February 2025)

The irregular promotions resulted in excess drawal of pay and allowances amounting to ₹11.92 lakh in addition to retirement benefits.

Government replied (July 2025) that all the teachers listed by Audit were in active service in the College on their due date of promotion and had met the eligibility criteria for promotion to the post of Professor. The date of consideration by the Selection Committee is not the date of meeting of the Selection Committee, but the date that is considered by the Selection Committee to effect the promotion. Moreover, there can be instances where a delay in constituting a Selection Committee for various reasons can push an incumbent out of role.

The reply is not acceptable as the UGC guidelines stated that for appointments under CAS, the applicant teacher must be on the role and on active service of the University/College on the date of consideration by the Selection Committee.

#### **2.8.6. Delay in initiating action and non-recovery of dues from an Assistant Professor who violated Citizenship Act, 1955**

Section 9(1) of the Citizenship Act, 1955 stipulates that any citizen of India who by naturalisation, registration or otherwise voluntarily acquires, the citizenship of another country shall, upon such acquisition, cease to be a citizen of India. Further, as per Clauses 2 (a) and (i) under Section 7B of this Act, an overseas citizen of India shall not be entitled to the rights conferred on a citizen of India under Article 16 of the Constitution with regard to equality of opportunity in matters of public employment.

A Lecturer<sup>55</sup> of Department of Life Sciences of the University was on leave without allowance for a period of five years<sup>56</sup> in two spells to pursue higher studies<sup>57</sup>. The official's request for further extension of leave was rejected by the Syndicate (13 December 2006) and he was directed to join duty. The University issued (18 August 2007) a show cause memo and the Syndicate resolved (22 December 2007) to initiate disciplinary action. Subsequently the official was removed (02 July 2010) from service effective from 01 January 2006.

The official appealed (20 November 2010) to the Chancellor against the penalty and the Chancellor directed the University for fresh consideration and appropriate decision in accordance with law after affording an opportunity of being heard, to the appellant. The official was reinstated as a Lecturer in Life Sciences on 26 November 2013. Upon receiving an email petition (18 November 2020) along with details of the official's passport revealing that he had acquired British citizenship in the year 2008, the University initiated (October 2021) an inquiry and suspended the official from service (03 December 2021). Consequently, based on the inquiry report (May 2022) the official was terminated from service (June 2022).

The official suppressed the fact of renouncing Indian citizenship (31 May 2008) and acquiring British citizenship thereby constituting violation of Service Conduct Rules and the Citizenship Act and received an amount of ₹76.88 lakh

<sup>55</sup> Redesignated as Assistant Professor vide University order dated 21.03.2016

<sup>56</sup> from 18 November 2000 to 31 December 2005

<sup>57</sup> Post Doctoral fellowship in the Department of Medicine, University of California and M.Sc. Bio-informatics course in the School of Crystallography, Birkbeck College, London

as pay and allowances (November 2013 to March 2022). Audit observed that despite receiving concrete evidence against the official, there was a delay of 11 months on the part of the University in initiating inquiry against him. The University had also not recovered ₹18.91 lakh (March 2025) outstanding as dues<sup>58</sup> towards advance drawn and rent of residential quarter.

Government stated (July 2025) that the official has been directed (June 2025) to settle ₹8.16 lakh with penal interest of 18 *per cent* on the entire amount of advance from the date of drawal. It was further stated that, as the official had not responded positively to the request for clearing other outstanding dues, the University has decided to seek legal opinion on initiating appropriate action to recover the dues.

### 2.8.7. Granting of promotion to posts discontinued by Government

GoK's directive (26 February 2011) in the Ninth Pay Revision Commission implementation orders, required to discontinue the practice of granting promotion to posts such as Pool Officer, Pump Operator Higher Grade and Senior Electrician. According to the order, only the incumbents who were already holding these posts as on the date of ninth pay revision order were eligible to receive the corresponding revised scale. The Syndicate decided (27 April 2011) to implement the pay revision orders and decided (September 2012) to abolish the posts as and when the incumbents vacate the post and to make amendments to the Calicut University Ordinance in this regard. However, even after a lapse of 13 years from the pay revision order, modification to the Ordinance was not made (March 2025). Audit noticed that the following promotions were made during the period 2014-20 in violation of the Government order.

- **Promotion to the post of Pool Officer**

Since the modification to the Ordinance was not made, officials in the post of Section Officer (Fair Copy and Dispatch) Higher grade which was the feeder category of Pool Officer, approached the Court and obtained orders favouring them. The Honourable High Court directed<sup>59</sup> the University to fill up the vacancies in the post of Pool Officer and to consider the claim of the petitioners for promotion to the post. As a result, 11 persons were promoted to the post of Pool Officer.

- **Promotion to the post of Senior Electrician and Pump Operator Higher Grade**

The University followed the practice of granting promotion to the discontinued posts and six officials were promoted to the post of Senior Electrician and seven to the post of Pump Operator Higher Grade.

The practice of granting promotion to non-existent posts would create avoidable financial liability to the University. Had the University acted promptly and amended the Ordinance, the litigations, and consequent promotions could have been avoided.

<sup>58</sup> ₹8,16,000 drawn as advance on 30 July 2019 for the Global Initiative of Academic Networks (GIAN) Programme, ₹7,95,600 as interest at the rate 18 *per cent* till 31 December 2024 and ₹2,79,528 towards rent and penal rent of residential quarter

<sup>59</sup> During the period 2013-16 in four court cases

Government replied (July 2025) that steps have been initiated by the University to make necessary amendments in the Ordinances and to place the proposal before the Syndicate.

However, Audit noticed that the University is yet to implement the orders issued by GoK in 2011, indicating laxity on the part of the University in abiding by the directions of GoK.

## 2.9. Examination

### 2.9.1. The Examination Process of the University

The examinations for all UG and PG programmes in the affiliated colleges are conducted at various examination centres as per the examination calendar prepared by the University. Answer scripts are evaluated at University-designated valuation camps. After valuation, the answer scripts are tabulated at Pareeksha Bhavan. The process of tabulation involves adding of internal marks, grace marks<sup>60</sup> and application of moderation as per the orders of Pass Board<sup>61</sup>, to the marks awarded in the answer script. Grace marks and revaluation marks are effected before adding moderation. Mark sheets and Certificates are issued to students who clear the examinations. Students can apply for revaluation within 10 days/working days of publication of results by paying the prescribed fee. There is no revaluation for Multiple Choice Question (MCQ) examinations. The tabulation of results is done through 'Tabulation Software'. From November 2022, the processes of examination and valuation were integrated into the College Portal Software in a phased manner.

To assess the integrity of the database and to verify whether internal controls were adequate, audit conducted analysis of database of Student Portal, College Portal and UG/PG Tabulation Software received from the University as of December 2024. The audit findings emanating from this examination are detailed in the subsequent paragraphs.

### 2.9.2. Significant difference in the marks awarded in the valuation of answer scripts

The evaluation process for each course conducted by the University comprises two components: internal assessment (20 *per cent* weightage) and external evaluation (80 *per cent* weightage). Answer scripts are evaluated by examiners using a well-defined scheme of valuation and answer keys provided by the University.

The initial evaluation of the answer scripts is done by the Additional Examiner<sup>62</sup>. The Chief Examiner then evaluates a minimum of 10 *per cent* of these answer scripts and re-tabulate all answer scripts. The Chairman oversees

<sup>60</sup> Participation in National Service Scheme (NSS), performance in various arts and sports activities, etc.

<sup>61</sup> Chairpersons of the centralised valuation camps for each discipline who are members of the Board of examinations collectively serve as the Pass Board for their respective disciplines. Pass Board decides on the moderation to be awarded, if any.

<sup>62</sup> in exceptional cases such as low enrolment, insufficient availability of qualified faculty etc., the Chief examiner/Chairman may assume the role of an Additional examiner.

the re-tabulation<sup>63</sup> of marks, making corrections wherever discrepancies are identified. If no discrepancies are identified, the Chief examiner or Chairman may leave the marks unchanged. If discrepancies arise among the marks awarded by the evaluators, the marks assigned by the most recent evaluator is considered final.

Significant differences were noticed in the marks awarded by Additional examiner, Chief examiner and Chairman in the valuation process, as discussed below.

### 2.9.2.1. Significant difference in marks awarded for theory papers

Analysis of the College Portal database revealed significant variations in the marks awarded for theory papers by the Additional examiner and Chief examiner and between Additional examiner/ Chief examiner, and Chairman, as detailed in **Table 2.5**.

**Table 2.5: Differences in the marks awarded by the examiners**

Exam Year	Number of answer scripts valued	No. of answer scripts with difference in the marks awarded by the Additional examiner and Chief examiner	No. of answer scripts with difference in the marks awarded by Additional examiner/ Chief examiner and Chairman
2022*	20630	3248	46
2023	815526	75312	4076
2024	2478846	212274	12030
<b>Total</b>	<b>3315002</b>	<b>290834</b>	<b>16152</b>

\* valuation was done through the College Portal in a phased manner from November 2022 (Source: Data obtained from the College Portal)

Audit observed that out of 32,37,975<sup>64</sup> answer scripts evaluated by Additional examiner, difference in marks ranging from one *per cent* to 93 *per cent* of the maximum marks occurred in 2,90,834 answer scripts (8.98 *per cent*) on re-evaluation/scrutiny by the Chief examiner.

The re-tabulation process by Chairman culminated in changes to the marks in 16,152 answer scripts. Analysis of these variations showed that the difference in marks ranged from one *per cent* to 90 *per cent* of maximum marks. In 127 answer scripts the variation between the marks awarded by the Additional examiner and the Chief examiner was greater than 40 *per cent* of maximum marks. Answer scripts valued by Additional examiner/ Chief examiner when scrutinised by the Chairman, the variation was more than 40 *per cent* in 80 answer scripts.

Despite the fact that answer scripts were evaluated by examiners using a well-defined scheme of valuation and answer keys provided by the University, there was significant variation in marks when answer scripts were re-evaluated/scrutinised.

<sup>63</sup> Re-tabulation is the process of rechecking the totalling of marks awarded to a student in his answer script. It does not involve re-evaluating the answers, but rather ensures that: All questions have been marked, marks have been correctly added, and marks have been correctly transferred to the cover page or result sheet.

<sup>64</sup> Out of 33,15,002 answer scripts valued, 77,027 were first valued by the Chief examiner.

Government stated (July 2025) that significant discrepancies between the marks occurred primarily due to errors in entry of marks or calculation by the Additional examiner which were identified and rectified by the Chief examiner during detailed verification. It was also assured that the audit observations were being taken seriously, and appropriate corrective measures will be taken. Further, during the Exit conference (July 2025) the Principal Secretary emphasised a zero error policy for the examination system.

Audit observed that, since it is not mandatory to subject all the answer scripts to re-evaluation by the Chief examiner, the possibility of discrepancy if any, in the remaining answer scripts would remain undetected.

**2.9.2.2. Significant difference in marks awarded for Objective type examination**

According to various Regulations, Choice Based Credit Semester System UG Regulations 2019 (UG Regulations 2019), Calicut University Choice Based Credit Semester System UG Regulations 2014 (UG Regulations 2014) and Choice Based Credit Semester System PG Regulations 2019 (PG Regulations 2019) of the University, internal assessment for students of School of Distance Education (SDE) would be based on the marks obtained in ‘fill in the blank type’/MCQ examination conducted along with the external examination of SDE. The marks for the external examination and the objective type examination were evaluated and entered in the database separately.

Analysis of the College Portal database revealed significant variations in the marks awarded by the Additional examiner/Chief examiner/Chairman as detailed in **Table 2.6**.

**Table 2.6: Difference in the marks awarded by the examiners**

Year of the Examination*	Number of answer scripts valued	No. of answer scripts with difference in the marks awarded by the Additional examiner and Chief examiner	No. of answer scripts with difference in the marks awarded by Additional examiner/ Chief examiner and Chairman
2023	165944	1095	240
2024	548712	2665	385
<b>Total</b>	<b>714656</b>	<b>3760</b>	<b>625</b>

\* Discrepancies were not noticed during the year 2022  
(Source: Data obtained from College Portal)

Audit observed that out of 6,97,569<sup>65</sup> answer scripts, 3,760 answer scripts showed difference in marks ranging from four *per cent* to 95 *per cent* of the total marks when re-evaluated/scrutinised by Chief examiner. On re-tabulation of the answer scripts by the Chairman, 625 answer scripts exhibited difference ranging from four *per cent* to 92 *per cent* of the maximum marks. In two cases the mark that was originally awarded as ‘zero’ increased upto 10 marks.

In 142 answer scripts the variation between the marks awarded by the Additional examiner and the Chief examiner was greater than 40 *per cent* of maximum marks. Answer scripts valued by Additional examiner/Chief

<sup>65</sup> Out of 7,14,656 answer scripts 17,087 answer scripts were first valued by Chief examiner

examiner when scrutinised by the Chairman, the variation was more than 40 per cent in 13 answer scripts.

Audit observed that variations in marks awarded for the objective type examinations at different levels of valuation was unjustifiable. Since MCQ/fill in the blank evaluations were objective type and based on pre-determined answer keys, discrepancies in the marks awarded should ideally be 'Nil'.

Government stated (July 2025) that the differences were attributed to errors in entry of marks by examiners which were subsequently identified and corrected by Chief examiner/Chairman. It was also stated that appropriate instructions will be issued to all examiners and that the existing system will be strengthened and additional measures taken to address the shortcomings and enhance the integrity of the evaluation process.

As stated in the preceding paragraph, since it is not mandatory to subject all the answer scripts to re-evaluation by the Chief examiner, the possibility of discrepancy if any, in the remaining answer scripts would remain undetected. Further, lack of revaluation procedure for MCQ based examinations deprives the students of remedial action if he/she feels that they have been awarded lesser marks. Hence, the reply is not acceptable.

### 2.9.3. Non-finalisation of final results in UG/PG Programmes

During the period 2019-23<sup>66</sup>, Pareeksha Bhavan tabulated 1,11,67,145 answer scripts of Under Graduate (UG) programmes and 16,78,845 answer scripts of PG programmes in affiliated colleges.

On verifying the UG tabulation database, Audit observed that results of 116 UG answer scripts<sup>67</sup> were yet to be finalised (December 2024), out of which, in 57 cases the reason for non-finalisation was not recorded by Pareeksha Bhavan. Additionally, in the year 2023, results of two UG answer scripts were withheld due to non-receipt of marks from the valuation camp.

Similarly, in PG programmes, results of 3908 answer scripts<sup>68</sup> out of 16,78,845 were yet to be finalised (December 2024), of which in 3894 cases, the reason for non-finalisation was not seen recorded.

Due to non-finalising of results of answer scripts, examination results were not declared in the above cases. Audit noticed lack of transparency in these cases, as no reasons were attributed by the University for not finalising the answer scripts.

Government stated (July 2025) that non-finalisation of results occurred due to reasons such as complications in consolidating results of re-admission candidates transitioning from one stream to another stream, wrong registration of course/paper and delay in receipt of marks. The cases pointed out by Audit were being reviewed and necessary corrective actions taken to address the issue. It was also stated that measures will be implemented to ensure timely and accurate processing of results. Further, during the Exit conference (July 2025)

<sup>66</sup> Figures pertaining to the year 2024 not included as finalisation process was yet to be completed

<sup>67</sup> 53 cases in 2019, 08 in 2020, 05 in 2021, 10 in 2022 and 40 in 2023

<sup>68</sup> 25 cases in 2019, 38 in 2020, 37 in 2021, 119 in 2022 and 3689 in 2023

the Principal Secretary stated that a specific time frame should be set for finalising the pending answer scripts.

#### **2.9.4. Non-awarding of moderation marks in UG/PG examinations**

The UG examination process was governed by Clause 8 of Regulations 2014 and 2019. The provisions for awarding moderation marks in the evaluation process outlined in Clause 9.4 of CUCBCSS 2014, stipulates that moderation was to be capped at five *per cent* of total external marks per semester, with a maximum of 10 *per cent* per course<sup>69</sup>. If a student fails in a single subject, this limit can be increased to 15 *per cent*. The Board of Examiners concerned may apply moderation percentages within these limits. However, as per Clause 8.9 of CBCSS 2019, moderation was to be granted as per the orders of the Academic Council.

Tabulation of marks for UG programmes in affiliated colleges was managed using the CBCSS tabulation software. After the entry of marks is completed, the respective section finalises the marks and generates moderation statistics. Based on this statistics, the Pass Board determines the applicable moderation. Once the Pass Board minutes is approved by the VC, the digital wing implements the moderation as per the approved records. If modification in marks is effected due to revaluation, grace marks, etc., resetting the moderation to zero, and if a candidate still requires moderation to pass, the necessary moderation is applied manually.

For Postgraduate (PG) programmes, the Credit Semester System (CUCSS PG-2010) was introduced in 2010 and replaced by CBCSS PG Regulations 2019 for 2019 admissions onwards. Although these regulations do not explicitly mention moderation, it was applied as per Academic Council's orders.

The discrepancies observed in the awarding of moderation marks are detailed in subsequent paragraphs.

##### **2.9.4.1. Non-awarding of moderation marks resulting in UG/PG students failing examinations**

On an analysis of the data in UG tabulation database regarding moderation given in the regular UG examinations during audit period, Audit observed that in 2,069 cases, students failed due to non-awarding of eligible moderation and that these students had secured pass marks without moderation in all subjects except for one subject. Despite being eligible for moderation upto 15 *per cent*, no moderation was granted to them and hence declared to have failed.

On verifying the remarks column in UG tabulation database, Audit observed that out of 2,069 cases, in 902 cases, moderation was not given after updating marks obtained in revaluation, in 148 cases, moderation was not given after applying Grace marks for participating in Sports, Arts festival, NSS etc., in one case moderation was not given after combining from SDE CUCBCSS and in 64 cases, the moderation mark was changed to zero with the remarks 'Edited after Finalisation'. In the remaining 954 cases, Audit could not ascertain the reasons as there was no entry in the remarks column.

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<sup>69</sup> Refers to a single subject

Similarly, analysis of PG tabulation database on moderation given in regular PG examinations during the audit period, revealed that six students who had secured pass marks in all subjects except for one were not awarded the eligible moderation and hence declared as failed. On verifying the remarks column in PG tabulation database, it was seen that in one case moderation was not given after applying Grace marks<sup>70</sup>, and in five cases, the moderation mark was changed to zero with the remarks 'Edited after Finalisation'.

Government agreed (July 2025) to the audit findings and stated that instances of non-award of moderation have, in several cases, directly resulted in the failure of candidates in the examinations. Each case is currently being examined and the University is considering long-term solutions to prevent such discrepancies in the future.

#### **2.9.4.2. Declaration of failed UG/PG students as passed on award of excess moderation marks**

During analysis of UG tabulation database on regular students for the period 2019-24, it was noticed that 72 students passed the examination on account of receipt of ineligible moderation.

On verifying the remarks column in the database, it was noticed that in 25 cases, excess moderation was given after applying revaluation marks, in 42 cases, after application of Grace Marks, in four cases, excess moderation was given with the remarks 'Edited after Finalisation', and in one case, there was no entry in the remarks column and hence Audit could not ascertain the reason.

During the analysis of details in PG tabulation database on students who appeared for examination during 2019-24, Audit observed that two candidates passed the examination on account of receipt of excess moderation.

Government acknowledged (July 2025) that ambiguities and differences in interpretation regarding applicability of moderation had led to award of excess moderation marks in certain cases. All instances where moderation marks exceeded the prescribed limits were being examined. It was also stated that, to prevent recurrence, clear and stringent guidelines on moderation policy will be re-circulated to all the branches concerned.

#### **2.9.5. Students passing exam papers without securing the required minimum external marks**

As per the CBCSS UG Curriculum 2019 and B.Voc (Bachelor of Vocation) Curriculum 2021 Regulations, a student must secure an aggregate P grade (combining external and internal marks) in each course to pass and qualify for a degree. A minimum of 20 *per cent* marks in external evaluation was mandatory to pass a course, and no minimum was prescribed for internal evaluation. However, for integrated programmes under CBCSS (2020 admission onwards), a minimum of 30 *per cent* marks in external evaluation was required to pass a course.

On an analysis of the UG tabulation database, it was observed that seven students as detailed in **Table 2.7** passed the examination despite not securing the minimum external marks required.

<sup>70</sup> Grace marks for participating in Sports, Arts festival, NSS etc.

**Table 2.7: Students who passed papers without securing minimum external marks**

Sl. No.	Registration No.*	Course	Year of admission	Name of the Paper (Paper code)	External mark obtained	Moderation awarded	Total	Minimum external mark required to pass	Maximum External mark
1	XXXXBCM111	B.Com Taxation	2019	Corporate Taxation and Tax Planning (BTSE604)	13	2	15	16	80
2	XXXXBCM114	B.Com Taxation	2019	Corporate Taxation and Tax Planning (BTSE604)	13	2	15	16	80
3	XXXXBVH006	B.Voc-Tourism and Hospitality Management	2021	Basic Skills in Arabic (CARA133)	13	2	15	16	80
4	XXXXBVH007	B.Voc-Tourism and Hospitality Management	2021	Basic Skills in Arabic (CARA133)	14	1	15	16	80
5	XXXXBCM055	B.Com Co-operation	2019	Writing For Academic and Professional Success (CEGA236)	14	1	15	16	80
6	XXXXBPA044	B.Voc-Professional Accounting and Taxation	2021	Malayala Bhashayum Sahithyavum I (CMAA135)	15	0	15	16	80
7	XXXXISY007	Integrated MA Sociology	2020	Applied Botany (IBCD524)	15	0	15	18	60

\* Original Registration number has been masked

(Source: Data obtained from UG Tabulation database of affiliated colleges)

Thus, the absence of a proper validation mechanism in the tabulation and result processing procedures resulted in students being declared as passed the examination, which was in violation of the academic regulation set by the University. Further, Audit noticed that the student mentioned at serial number one in the table above was awarded Degree certificate.

Audit further noticed that a student who had secured only 44 marks<sup>71</sup> out of 100 and failed in the Internship and Project paper in the sixth semester of B.Voc Fashion Technology was awarded Degree certificate (April 2024) by the University.

In response to audit observation on awarding of Degree certificate to the aforementioned student, Government stated (July 2025) that the incident occurred due to incorrect setting of pass minimum, which was attributed to a software error. Further, it was stated that corrective measures were being considered to address the issue without affecting the student.

<sup>71</sup> As per B.Voc. Regulations 2014, a minimum of 50 per cent marks is required to pass the Project/Internship examination.

### 2.9.6. Awarding internal/external marks beyond maximum permissible limit

As per the UG Regulations (2014 and 2019) for the Choice-Based Credit and Semester System, a student's final mark comprises of external marks from semester-end examination and internal marks. The evaluation scheme allocates 80 per cent to external examination and 20 per cent to internal assessment. The Board of Studies sets the minimum and maximum internal/external marks in the syllabus, and the University conducts external examinations for all semesters. Internal marks are awarded based on attendance, assignments/seminars/viva voce (viva), tests, records, and lab involvement/records. External marks awarded should not be beyond the maximum permissible limit.

On an analysis of the UG tabulation database, audit observed that for the period 2019-24 in six instances, the final external marks awarded to the students exceeded the maximum permissible limit. Details are given in **Table 2.8**.

**Table 2.8: Details of students who were awarded external marks in excess of maximum permissible limit**

Sl No.	Programme	Paper Name	Registration Number	Year of Examination	Internal Mark received	External Mark received	Maximum External Mark Permissible	Difference	Total Mark received
1	B.Sc Physics	Mathematics- 3	XXXXSPH004	2020	13	61	60	1	74
2	B.Sc Mathematics	Problem Solving Using C	XXXXSMT027	2020	14	61	60	1	75
3	BA Economics	Individual/Group Activity (Project)	XXXXAECR34	2021	9	41	40	1	50
4	B.Sc Biotechnology	Environmental Biotechnology	XXXXSBT046	2021	15	73	64	9	88
5	B.Sc Biotechnology	Physical and Applied Chemistry Practical	XXXXSBT046	2021	15	69	64	5	84
6	Bachelor of Social Work	Project	XXXXBSW024	2022	14	61	60	1	75

(Source: Data obtained from UG Tabulation database)

Further, on scrutiny of UG Tabulation database, it was observed that during the period 2019-24, internal marks awarded exceeded the maximum permissible limit in 22 instances (**Appendix 2.10**).

In response, the Government stated (July 2025) that, in five instances, external marks exceeded the maximum permissible limit due to application of grace marks and in one case due to non-adjustment of marks on re-admission of the student from the old scheme to new scheme. In cases where internal marks exceeded the maximum, the discrepancy was attributed to deficiencies in the software functionality. It was also informed that corrective measures were being taken in all such cases and effective mechanism will be implemented and strict action will be initiated against those found responsible for such lapses.

### 2.9.7. Awarding of maximum internal marks to students without sufficient attendance

As per UG Regulations 2019, UG Regulations 2014 and Integrated Programmes (from 2020 admission onwards), internal assessment is based on a system,

comprising written tests, assignments, seminars, viva, and attendance in theory courses.

Components with percentage of marks of Internal Evaluation of theory courses under UG Regulations 2014, were attendance (25 per cent), assignment/seminar/viva (25 per cent) and test paper (50 per cent). Attendance of each course was evaluated as given in **Table 2.9**.

**Table 2.9: Percentage of marks allotted as per the attendance**

Attendance (in per cent)	Percentage of marks allotted against the component 'attendance'
Above 90 per cent attendance	100 per cent
85 to 89 per cent	80 per cent
80 to 84 per cent	60 per cent
76 to 79 per cent	40 per cent
75 per cent	20 per cent

(Source: CUCBCSS UG Regulations 2014)

Internal evaluation components for theory courses under UG Regulations 2019 and Integrated Programmes included test paper (40 per cent), assignment (20 per cent), seminar (20 per cent), and classroom participation based on attendance (20 per cent). The details of scheme for awarding internal marks based on classroom participation were as shown in **Table 2.10**.

**Table 2.10: Details of maximum and minimum internal marks**

Split up of marks for Classroom participation (CRP) Range of	CRP Out of 4 (Maximum Internal mark 20)	Out of 3 (Maximum internal mark 15)
50 per cent ≤ CRP < 75 per cent	1	1
75 per cent ≤ CRP < 85 per cent	2	2
85 per cent and above	4	3

(Source: UG Regulations 2019 and Regulations for Integrated Programmes (CBCSS 2020 admission onwards))

Attendance is maintained by the Department/College<sup>72</sup>, and as per all the three Regulations, a student must have at least 75 per cent attendance per semester to appear for examinations.

On verification of database, Audit observed 3,206 instances where students were awarded full internal marks in theory papers despite having shortage in attendance and having availed condonation.

The Controller of Examination replied (20 March 2025) that even if a student has shortage in overall attendance, there was a chance for the student to obtain full internal marks in some subjects.

Subsequent to the reply given by the Controller of Examination, Audit selected 18 colleges and test checked the attendance records pertaining to courses in which the students were awarded maximum internal marks and observed that 64 per cent of the students<sup>73</sup> were awarded full internal marks despite not having minimum required attendance. Details are given in **Appendix 2.11**.

<sup>72</sup> University may grant condonation for shortages in attendance. Students can avail condonation of shortage of attendance in a maximum of four semesters during the entire programme (Either four single condonations or one double condonation and two single condonations during the entire programme)

<sup>73</sup> 454 students out of 713 students in 18 colleges

Government stated (July 2025) that instructions were issued to colleges to ensure that the internal marks are awarded in proportion to each student's attendance status for individual subjects. It was also clarified that the University's role was limited to issuing common guidelines, and that awarding of internal marks was under the purview of the respective colleges and it was practically not feasible for the University to examine each individual case.

University cannot absolve from its responsibility of ensuring the correctness of internal marks awarded by the affiliated colleges and hence the contention of Government is not tenable.

### **2.9.8. Revaluation of Papers- difference between original and revaluated marks**

Revaluation process allows students to request re-evaluation of their answer scripts, by paying the prescribed fee. On verifying the UG/PG tabulation database for the period 2019-24, it was observed that in UG programmes out of 94,959 cases where students had applied for revaluation, in 77,665 (81.79 *per cent*) cases there was difference in marks after revaluation. Out of 77,665 cases in which there was difference in marks on account of revaluation, in 23,837 answer scripts (30.69 *per cent*) the variation in marks was more than 10 *per cent*, as detailed in **Appendix 2.12**.

In PG courses, 24.10 *per cent* of revaluated answer scripts had changes in marks (31,966 out of 1,32,651 answer scripts), with 44.61 *per cent* (14,260 answer scripts) varying by over 10 *per cent*. Five papers were not taken into consideration as first evaluation or revaluation marks were marked as 'absent'.

As per University order<sup>74</sup> (19 August 2016), revaluation marks are awarded without limit. If the increase is 30 *per cent* or more of the maximum marks, a second revaluation is conducted, and the final score is the average of both revaluations. As per University order<sup>75</sup> (28 January 2019) valued answer scripts are to be disposed of after two weeks from the date of declaration of revaluation results, due to which physical copies were unavailable for scrutiny by Audit. Hence, Audit selected random samples of answer scripts of the recently conducted examination which were available with the University, to substantiate the findings Audit arrived at on the basis of data analysis. The details in this regard are given in **Appendix 2.13**.

The high percentage of answer scripts that showed changes in marks after revaluation, along with the substantial discrepancies between the first and second evaluations, indicates a lack of consistency and reliability in the valuation process.

Government stated (July 2025) that observations made by Audit have been taken seriously, and further measures will be taken by appropriate academic/administrative bodies of the University to strengthen the system.

<sup>74</sup> U.O. No. 456/2016/PB

<sup>75</sup> U.O. No. 67/2019/PB

### 2.9.9. Delay in conduct of examinations and publication of results

According to Clause 6.6 of UG Regulations 2019 of the University, the University shall prepare a uniform calendar for conduct of examinations and publication of results.

On verifying the records furnished by Pareeksha Bhavan regarding details of the regular examinations conducted during the years 2019-20 to 2023-24, Audit observed that there was delay in the conduct of 229 UG examinations and publication of results. Conduct of 100 examinations was delayed by 60 days or more<sup>76</sup>, with maximum delay ranging upto 357 days and publication of results of 174 examinations were delayed by 60 days or more, with maximum delay ranging upto 718 days.

On a cross verification of the details of 42 examinations<sup>77</sup> (**Appendix 2.14**) in the UG tabulation database, Audit observed delay ranging from 69 to 576 days in publishing results, causing hardships to 10,03,145 students who attended these examinations.

Government replied (July 2025) that significant delays occurred in the conduct of examinations during the period 2020-23, primarily due to the disruptions and backlogs resulting from Covid-19 pandemic. Since then, sustained efforts were taken to normalise the examination schedule and is now adhering to the prescribed academic calendar.

Audit acknowledges the progress made by the University in normalising the examination schedule. However, in 2023-24 also, instances were noticed wherein the conduct of examination was delayed by 95 days and publication of results by 100 days.

## 2.10. Infrastructure

### 2.10.1. Functioning of Centre for Computer Science and Information Technologies and School of Management Studies without mandatory Infrastructure facilities

AICTE Approval Process Handbook lays down the norms for essential and desirable requirements and standards regarding land, built-up area requirements, Smart Board, internet connection, LCD projectors in classrooms, etc., for technical institutions. Deficiencies observed in the infrastructure facilities across the three selected CCSITs and two Schools of Management Studies (SMS) were as follows:

- Though internet connection was available in the computer laboratory, of the selected CCSITs, this facility was not available in the classrooms of two<sup>78</sup> CCSITs, and smart boards were not available in any of the three CCSITs. Grievance Redressal Committees and Committees for SC/STs were not established in CCSIT Manjeri and CCSIT Aranattukara.

<sup>76</sup> As an Examination Manual was not prepared by the University, Audit considered instances in which the delay was 60 days or more.

<sup>77</sup> B.Sc, BCA, BA

<sup>78</sup> CCSIT CU campus and CCSIT Manjeri

- School of Management Studies, Vatakara, was functioning in rented building and had no strong rooms for keeping the question papers/answer sheets. Online grievance redressal mechanism, internal complaint committee and committee for SC/ST were not established in Vatakara and Palakkad SMSs.

The functioning of CCSITs and SMSs without the mandatory facilities is a violation of AICTE guidelines and may adversely impact the academic progress of students.

Government replied (July 2025) that necessary directions were issued to the centres to form Internal complaint committee, Grievance Redressal cell etc., and CCSITs have since been provided with computers and all basic equipment such as projectors, smart boards etc., and purchase proposal for improving the infrastructure of centres has been sanctioned by the University. However, the reply was silent regarding the non-availability of strong rooms.

### 2.10.2. Inadequate infrastructural facilities in Departments of the University

The inadequacies noticed in the infrastructural facilities during the joint physical inspections (May, June 2025) with the officials of the University, in the eight Departments selected by Audit, are detailed below:

- Department of Chemistry was facing shortage of space in respect of storing equipment in laboratories and in conducting classes for elective students. The sitting space allotted for Research Scholars was insufficient, and seminars were conducted in the seminar hall of Department of Botany and in the seminar hall of Aryabatta/ Central Sophisticated Instrumentation Facility.
- In Department of Psychology, regular classes of PG Diploma in Rehabilitation Psychology were conducted in seminar hall as classroom space was not available. Four year UG programme was not started due to shortage of space. No action was taken by the Engineering wing of the University for rectifying the floor leakage, due to which rest room facility at the department was nonfunctional from 2022.
- Department of Education was facing difficulty in conducting lecture classes, practicals and examinations effectively as the existing classrooms were too small to accommodate the students enrolled for the courses. Though the department had applied for Integrated Teacher Education Programme in three streams<sup>79</sup> for the academic year 2026-27, sufficient number of rooms and laboratories as stipulated in NCTE regulations were not available.
- Integrated PG courses (BA and MA Folklore) were not started due to non-availability of academic space.
- Department of Statistics was facing shortage of classrooms for conducting Integrated PG programme. High end computers essential

<sup>79</sup> B.Sc.Ed, BA.Ed and B.Com.Ed

for M.Sc and Ph.D students for effectively handling high dimensional data were not available.

Government stated (July 2025) that the issue of inadequate class room facilities in the Departments of Chemistry and Psychology were expected to be resolved on completion of construction of a new academic block building under PM-USHA<sup>80</sup> scheme.

However, the reply was silent regarding the issues observed in other departments.

### **2.10.3. Inadequacies in the hostel facilities provided to students**

The University provided accommodation for students. The women's hostel comprising five blocks with a total intake capacity of 1805, accommodates 1678 inmates and men's hostel comprising seven blocks with a total intake capacity of 579 accommodates 529 inmates (April 2025).

Guidelines on Safety of Students on and off campuses under the Twelfth Plan of University Grants Commission for HEIs require that, any physical infrastructure housing students should be secured by a boundary wall, the entry points should be manned by security guards, CCTV cameras, identity verification mechanism etc. Further, HEIs were to install fire safety system including sprinkler systems or other fire extinguishing systems, fire detection devices etc.

The deficiencies noticed in the accommodation provided to the students were (i) CCTV cameras were not installed at the entry points of the hostel and (ii) Fire detection devices, stand-alone smoke alarms, devices that alert the presence of fire etc., were not available in any of the blocks.

The above deficiencies revealed that the safety of students as mandated by UGC guidelines were not addressed by the University.

Government stated (July 2025) that necessary steps were being initiated to install fire detection devices and CCTV cameras in the hostels.

### **2.10.4. Inadequate safety measures and poor maintenance of laboratory equipment**

According to UGC Guidelines<sup>81</sup> (January 2011), University shall make sure that students wear appropriate personal protection equipment, and are aware of the location and mode of use of all safety and emergency equipment. In addition to this, Guidelines on Safety of Students on and off Campuses of HEIs issued by UGC (July 2018), stipulate that HEIs should install a fire safety system and undertake mock drills for fire situations at least once in a semester.

Audit conducted joint physical inspection (September-October 2024) along with Heads of Departments (HoDs) and officials in charge of 15 laboratories<sup>82</sup>

<sup>80</sup> Pradhan Mantri Uchchar Shiksha Abhiyan

<sup>81</sup> UGC Guidelines for Universities, Research Institutes and Colleges for procurement, storage, usage and disposal of radioactive and other Hazardous Materials/Chemicals

<sup>82</sup> Seven from the Department of Physics and eight from the Department of Chemistry

of two Departments. The issues observed in these laboratories, relating to maintenance of equipment and infrastructure were as follows:

- Fire detection devices, stand-alone smoke alarm devices or fire extinguishers had not been installed in any of the laboratories, instead, fire extinguishers were installed in the corridors.
- Seven out of eight laboratories in the Department of Chemistry were not equipped with eye wash and safety shower. None of the laboratories were equipped with fire blankets and mercury spill kits. The roof of Advanced materials research laboratory collapsed in August 2024 and the laboratory had been nonfunctional since then. The hot air oven, Rudolph Automatic Polarimeter, Differential scanning Calorimeter and freezer were non-operational. Research scholars were conducting tests outside the University due to non-availability of high-end equipment in the Chemistry laboratories.
- Security/safety measures such as radiation detection instruments, screening facility at the entry and exit points, personal dosimeters for users, engagement of security personnel etc., were not available in the Radiation Physics laboratory, where nuclear substances/radioactive elements were kept. Experiments in Nuclear Physics were being conducted outside the University as the Particle Accelerator was not fully functional.

Out of the 50 research scholars who responded to the Survey, 22 were from the Science stream and needed laboratory facilities for their research. Ten out of 22 research scholars (45 *per cent*) responded that laboratory tests /experiments were conducted outside the University due to unavailability/nonfunctioning of equipment in the University. Seven research scholars stated that the delay in getting the results from the outside laboratory/institution had affected their research work.

Government stated (July 2025) that under PM-USHA project, it was decided to procure essential safety equipment for all the laboratories under Department of Chemistry. It was also informed that Hot air oven and Polarimeter had been repaired, additional equipment were acquired under DST-FIST<sup>83</sup>, PM-USHA, and that action was being taken to repair the ceiling of Advanced materials research laboratory. Further, the process of providing fire safety training, mock drills, installing safety signage, procurement of fire extinguishers etc., are in planning stage.

#### **2.10.5. Improper maintenance of equipment in Central Sophisticated Instrumentation Facility**

Central Sophisticated Instrumentation Facility (CSIF) of the University houses 19 sophisticated instruments worth ₹10.58 crore used for material characterisation, different physical and chemical analyses, precision chemical analysis and computational analysis. According to the Stores Purchase Manual 2013, issued by GoK, the Purchase department may enter into Annual Maintenance Contract (AMC) for proper maintenance and trouble-free service

<sup>83</sup> Department of Science and Technology- Fund for Improvement of Science and Technology Infrastructure (FIST)

of goods, especially for sophisticated equipment and machinery which are not otherwise covered by warranty.

During Joint Physical Verification conducted (November 2024) along with the Director, CSIF, Audit observed that, of the 19 equipment maintained in CSIF, only four had valid AMC. AMC was not taken/renewed for 10 equipment worth ₹6.88 crore after the warranty period, and five of these were non-functional. Of the remaining five equipment, whose AMC expired between February and September 2024, three were not working.

As these advanced machines are essential for data analysis, simulations and testing across multiple disciplines, the malfunction had not only delayed research progress but also affected students and faculty who rely on these equipment for their academic work.

Government stated (July 2025) that at present, out of the 19 instruments, 12 were fully functional and one was irreparable. It was also informed that steps were being initiated to rectify the defects in the remaining six instruments and for executing AMC for those instruments which were not covered under AMC.

The reply is silent about the reason for not renewing AMCs on time.

#### **2.10.6. Lack of facilities for differently abled persons**

The Rights of Persons with Disabilities Act, 2016, aims to ensure that students with disabilities have equal access to educational opportunities, support services, and infrastructure in HEIs.

Details obtained from two CCSITs<sup>84</sup>, two SMSs<sup>85</sup> and three Teacher Education Centres<sup>86</sup> functioning outside the University campus revealed that basic facilities like ramps/rails were not available in both SMSs, facilities of lifts were absent in the multi-storied buildings of the seven institutions, and disabled friendly toilets were not available in one CCSIT<sup>87</sup> and two SMSs (**Appendix 2.15**).

During joint inspection of 27 buildings (February 2025) of the selected nine Departments and one individual unit/one CCSIT/other facilities<sup>88</sup> within the University campus, Audit observed non-availability of functional lifts, ramps, tactile paths and disabled friendly toilets (**Appendix 2.15**).

Government stated (July 2025) that as part of making the University buildings barrier free, facility of lifts and ramps, construction of tactile paths etc., are being proposed to be installed in the buildings, subject to availability of fund. In respect of the Centres outside the campus, it was stated that necessary steps will be taken to provide ramps and rails in the buildings under construction and all possible measures were taken to rearrange the classes on the ground floor of the buildings.

<sup>84</sup> CCSIT Manjeri, CCSIT Aranattukara

<sup>85</sup> SMS Palakkad, SMS Vatakara

<sup>86</sup> CUTEC Manjeri, CUTEC Sulthan Bathery, CUTEC Calicut

<sup>87</sup> CCSIT Aranattukara

<sup>88</sup> Pareeksha Bhavan, two hostels

### 2.10.7. Non-reclamation of the University land and illegal subletting of land by Co-operative Societies

The Syndicate constituted (April 2012) a committee under the convenorship of an Advocate Sri.P M Niyas, to inquire about the allocation of the land owned by the University to various agencies. The Committee submitted its report with recommendations on 26 July 2012, for review by the Syndicate. In this report, the Committee recommended to reclaim 105.7 cents of land held unauthorisedly by six co-operative societies and two Academic Chairs<sup>89</sup> and to frame necessary Rules for allotment of land to societies. Though three sub-committees<sup>90</sup> were constituted subsequently by the Syndicate for studying the report and the first sub-committee submitted (April 2018) an interim report, no action was initiated by the University to reclaim the land.

Audit observed that the University had allotted land/buildings to Co-operative societies of the employees of the University on the terms and conditions in the agreements that (i) The lessee shall not at any time carry on or permitted to be carried on upon the premises for any other purpose than for the purpose for which it is leased and (ii) The lessee shall not transfer or sublet the premises or the building to any other person without written consent from the lessor.

Audit observed that the University had allotted/leased out land and buildings to 18 agencies such as Co-operative Societies, banks, post-offices etc., and in eight cases, renewal of the agreement was not done on expiry of the lease period. Details are given in **Appendix 2.16**. Audit conducted joint site verifications (January 2025) with the officials of the University and observed that out of the eight societies functioning within the University, five had violated the terms of the lease agreement and were gaining undue financial benefit through illegal sub-letting of University properties. The details are given in **Appendix 2.17**.

Government replied (July 2025) that decision on the report submitted by Niyas committee was still pending and action will be taken upon receipt of the report from the current sub-committee. Further it was stated that the land was allotted to the societies in the initial phase of the University, considering the convenience of the university community. The societies have been asked to provide explanations on the issues pointed out by Audit. Steps have been initiated to revise the lease amount in a timely manner. Necessary inspections will be conducted and clarification will be provided to Audit.

It is a matter of concern that although a Report of the Committee recommending reclamation of 105.7 cents of land was available since 2012, the University was yet to take a decision (July 2025). Land and buildings were allotted to the societies for providing services to the employees of the University. Audit observed that by sub-letting the properties of the University to third parties, the Co-operative societies had violated the conditions stipulated in the lease agreements and gained undue benefits.

<sup>89</sup> Established by the University to create, promote and disseminate scientific knowledge and information to foster integrity and ensure advancement of society.

<sup>90</sup> In March 2018, May 2019 and August 2024.

### **2.10.7.1. Unauthorised possession of University land**

#### **Excess Land Occupied by Academic Chairs**

The Building Committee at its meeting (February 2003) recommended that the area of land allotted to each Academic Chair<sup>91</sup> instituted in the University be limited to 20 cents, which was approved (June 2003) by the Syndicate.

Audit conducted joint site inspection (January 2025) with the officials of Engineering wing of the University and took measurement of land allotted to the Chairs. It was observed that Chair for Islamic Studies and Research and EMS Chair for Marxian Studies and Research were occupying 27.2 cents and 53.4 cents of land respectively.

#### **Encroachment by Chelambra Grama Panchayat**

University Engineer conducted an inspection along with the Assistant Security Officer and submitted (02 March 2020) a report regarding the unauthorised construction of a road by Chelambra Grama Panchayat (GP) in the University land. The GP authorities claimed that the land was handed over to them by the University for construction of a road, years ago. The Registrar had sent letters<sup>92</sup> to the Secretary of the GP requesting to produce the records relating to the handing over of the land to the GP by the University. Apart from this no other action or follow-up were seen taken by the University.

Government stated (July 2025) that Academic Chairs are part of the University and governed by a body formed based on the order of the University. Considering the audit observation, the Engineering Division was directed to measure and demarcate the land allotted to the Chair for Islamic Studies and Research. If possession of land exceeded the allotment, action will be taken to reclaim the surplus land. In respect of EMS Chair for Marxian Studies and Research, it was informed that no specific land was allotted/earmarked for the Chair and that permission was given only to utilise the land where a building was constructed by the Chair utilising its own fund. As such, excess land will be reclaimed as and when it was found essential for the purpose of the University. Regarding encroachment by the GP, it was stated that the GP authorities failed to submit documents regarding the transfer of University land, and that steps will be taken to clear the encroachment after verifying the asset register of the University.

The reply provided in respect of EMS Chair for Marxian Studies and Research indicates lack of control on the part of University on its assets. Moreover, the response offered by the Government is not acceptable, as the University is obliged to adhere to its own orders concerning the prescribed limits of land allotment to each Chair.

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<sup>91</sup> Seven Chairs

<sup>92</sup> 08 May 2020 and 14 August 2020

### 2.10.8. Construction of buildings without obtaining permission from Regulatory Bodies

According to Rule 4 of the Kerala Panchayat Building Rules (KPBR), 2019, no person shall develop, redevelop, or modify any land or building without obtaining a permit from the Secretary.

During 2023, the University submitted<sup>93</sup> application forms along with drawings for the regularisation of its 13 buildings located within the jurisdiction of two Grama Panchayats<sup>94</sup> (GP) to the Secretaries of the respective GPs. After examining the records, the Secretaries of the GPs directed the University to submit the approval from District Town Planner. Additionally, one GP<sup>95</sup> directed the University to furnish a No Objection Certificate from Fire and Rescue Services Department.

In light of the above, Audit conducted a verification to ascertain whether all structures constructed within the University campus were assigned with building numbers. It was observed that, out of a total of 169 buildings, 74 had not been assigned building numbers, indicating that the buildings were constructed without permission of the LSGI which constitutes a violation of the KPBR and renders these buildings unauthorised.

The University did not maintain a Register of buildings as stipulated in KPWD Manual, instead, only an asset register, as per Kerala Financial Code Form 23, was maintained. As the asset register maintained by the Engineering wing of the University did not include details regarding the year of construction of the buildings, Audit was unable to determine since when these buildings were existing without the approval of the LSGIs.

Government stated (July 2025) that the applications were rejected by GPs stating that under the provisions of KPBR, it is mandatory to submit a single application for the regularisation of all existing buildings on a plot. Since it was practically impossible to consolidate the details of all the buildings in the campus into a single application, particularly since some smaller buildings are exempt from fire safety, an exemption from the above Rule of KPBR was sought (September 2024) from GoK. The application is presently under the consideration of Town Planning Department and if exempted, it would allow the University to submit separate applications for each building.

In the absence of permits from LSGIs, there is no assurance that the buildings constructed comply with the provisions of KPBR.

### 2.10.9. Non-commissioning of lifts due to non-receipt of licence from Electrical Inspectorate

According to Rule 3(1) of the Kerala Lifts and Escalators Rules, 2012, every owner of a place intending to erect a lift/escalator shall make an application to the Electrical Inspector of the Electrical Inspectorate. On receipt of an application, the Electrical Inspector shall conduct a scrutiny and either grant or refuse permission within one month.

<sup>93</sup> During the period 20 February 2023 to 11 April 2023

<sup>94</sup> Pallikkal and Thenhipalam

<sup>95</sup> Thenhipalam

Administrative and financial sanctions were granted (February-March 2023) by the University to install six<sup>96</sup> lifts at a total cost of ₹146.65 lakh. The tenders for supply, installation, testing and commissioning with AMC for six passenger lifts were invited separately and selection notices issued in December 2023<sup>97</sup>.

On joint physical verification (April 2025) conducted along with Assistant Engineer of the Electrical wing, Audit noticed that work relating to installation of lift in CEAM building had not commenced and in Mathematics block was in process. The remaining four lifts were not functional. In this regard Audit observed that,

- The Electrical Inspectorate directed that the buildings be regularised from the local authority and the documents proving the same be submitted along with the completion report for obtaining the licence for the lift. As regularisation of building was insisted upon, two lifts<sup>98</sup> could not be made operational.
- In CHMK building and Senate building the installation of passenger lifts were completed, but were not operational owing to pending permission from the Electrical Inspectorate due to non-availability of approved building plans.
- The lift installation work at CEAM had not commenced since the contractor proposed modifications to the existing lift framework after the award of contract. The Engineering wing prepared an estimate amounting to ₹16.20 lakh based on these suggestions. As administrative /financial sanction for the civil works were yet to be obtained (August 2024) from the Syndicate, the work was yet to commence.

Thus, despite signing the agreement with contractors in January 2024 and prescribing the period of completion as three months, none of the six lifts could be made operational till date (July 2025).

Government stated (July 2025) that as regularisation of the buildings in which the lifts were installed could not be received from the local bodies concerned, an application was submitted to the Chief Electrical Inspector seeking permission to make the lifts functional. In respect of lift in CEAM building, it was informed that the estimate for the civil works was under the consideration of Works Committee and after approval of the estimate and completion of civil work, installation of lift will be completed.

Non-availability of lifts in multi-storied buildings poses additional challenges to the differently abled.

#### **2.10.10. Non-compliance to conditions of contract regarding Insurance Policies**

As per Clause 12 (Insurance) of the Standard Bid Document relating to the civil works, the contractor shall provide, in the joint names of the Employer

<sup>96</sup> in Pareeksha Bhavan, Humanities Block, New building for Mathematics, CHMK Library, CEAM building, Senate House

<sup>97</sup> M/s Esccon Elevators Pvt. Ltd. (five) and M/s Infra Elevators Pvt. Ltd. (one)

<sup>98</sup> in Pareeksha Bhavan, Humanities Block

(University) and the contractor, insurance covers in two parts (a) from the start date to the completion date and (b) for the Defect Liability period.

The value of insurance shall generally be 0.5 *per cent* of the contract value subject to a minimum of ₹ two lakh and maximum of ₹ five lakh. In the event of failure to obtain the insurance by the contractor within 15 days of start date, 0.2 *per cent* of the contract amount shall be deducted by the employer.

The Engineering wing implemented 529 works during 2019-20 to 2023-24 with an aggregate estimate cost of ₹108.46 crore. On a test check of 57 works executed under the Engineering wing of the University, Audit observed that the insurance requirement specified in the letter of acceptance/contract was not enforced and an amount of ₹3.66 lakh<sup>99</sup> was not deducted.

Government replied (July 2025) that from 17 February 2025 onwards, the conditions for providing insurance by the contractor has been incorporated in the selection notice and the contractors have submitted insurance policy taken by them.

The reply is silent about ₹3.66 lakh which was not deducted from the contractors.

#### **2.10.11. Non-adherence to Quality Assurance and Quality Control in civil works**

According to Kerala Public Works Department (KPWD) Manual Revised Edition 2012, a three-tier<sup>100</sup> quality control system is to be followed, in which first and second-tier tests have to be carried out during the work/construction and third tier (technical audit) after completion of construction. The work bill submitted for payment was to be accompanied by Quality Control (QC) test results.

On a test check of 57 works undertaken by the Engineering wing of the University, Audit observed that in 24 works in which the estimated amount was more than ₹15 lakh, no comprehensive mandatory QC tests were conducted, and final payment was released without ensuring the quality of construction/maintenance works.

Audit also noticed that the University did not incorporate the list of QC tests and their frequency in the tender documents, as specified in Section 2103 of the PWD Manual.

Government stated (July 2025) that performing second-tier quality monitoring by maintaining a separate QC cell similar to that in KPWD was not economical and was impossible with the existing staff strength. Provisions of KPWD Manual, KPWD QC Manual and KPWD QC Lab Manual cannot be followed as such in the University with limited number of technical employees and lesser volume of work. However, possibility of second-tier quality monitoring will be explored.

<sup>99</sup> 0.2 *per cent* of the contract amount

<sup>100</sup> First-tier mandatory for all projects with estimated cost above ₹15 lakh was to be done by the Contractor at his own cost, second-tier on a random basis by the QC wing of Engineering Department, third tier (Technical Audit) for projects with estimated cost more than ₹five crore was to be conducted by an external agency/expert empanelled for the purpose within six months of completion of a project.

The explanation citing inadequate manpower as a reason for not conducting the required Quality Assurance checks on various works undertaken by the University Engineering Department is not justifiable.

### **2.11. Recommendations**

- *The University may ensure that defined timelines and milestones are fixed for achieving Strategic Plan of the University along with mechanism for monitoring the progress of achievement.*
- *Guidelines issued by UGC /Regulatory bodies may be adhered to and amendments made may be placed before the immediate Syndicate meeting for timely incorporation into the University's Regulations. Further, Government may prescribe a timeline for such incorporations.*
- *In order to safeguard academic standards and protect students' interests, University may ensure that programmes offered are recognised by the UGC.*
- *Government may ensure that the University's accounts are duly prepared and submitted to the Kerala State Audit Department (KSAD) within the stipulated timeframe, and that the KSAD completes the audit in accordance with the prescribed schedule.*
- *Government and the University may ensure strict compliance with the conditions prescribed for receiving funds from the UGC and other centrally sponsored schemes. Additionally, proper monitoring mechanisms should be in place to oversee the utilisation of these funds.*
- *Government may, in consultation with the University ensure that services of adequate number of qualified faculties are available in its institutions.*
- *University may consider implementing an objective and rigorous answer script evaluation system and hold evaluators accountable for laxity in valuation process and also incorporate adequate checks in the tabulation software to ensure that moderations are provided to students uniformly as per regulations.*
- *University may ensure that all institutions under its jurisdiction meet at least a minimum set of infrastructure standards, which must be outlined based on the current guidelines of the UGC and other relevant regulatory bodies.*
- *University may formalise agreements with all parties to whom land and buildings were leased out. These agreements must include provisions for the periodic revision of rent or lease rates to ensure alignment with prevailing market conditions.*

**SUBJECT-SPECIFIC  
COMPLIANCE AUDIT**



## CHAPTER III DEPARTMENT OF CO-OPERATION

### Regulation of Co-operative Societies in Kerala

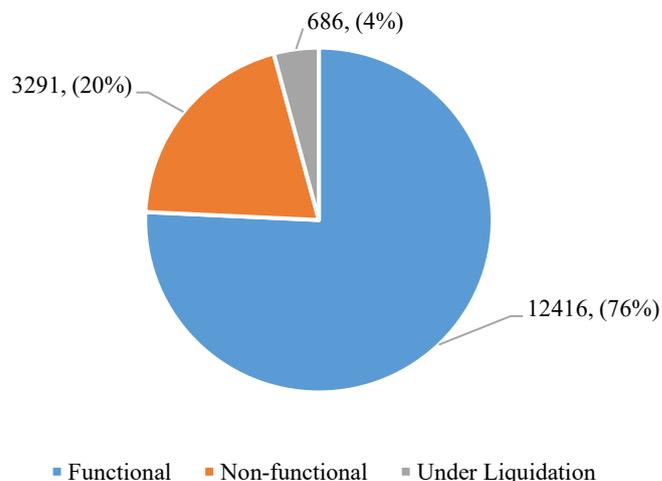
#### 3.1. Introduction

The Kerala State Co-operative Societies Act 1969 (KCS Act) was enacted on 15 May 1969, with a view to providing for the orderly development of Co-operative movement in the State, in accordance with the Directive Principles of State Policy enunciated in the Constitution of India. The Act provided for the establishment, registration, operation, regulation, supervision and management of co-operative societies in Kerala. In exercise of the powers conferred under Section 109 of the KCS Act, the Government formulated the Kerala Co-operative Rules 1969 (KCS Rules) on 14 July 1969.

The co-operative societies in the State were engaged in various promotional activities, particularly in agricultural credit, public distribution system, distribution of agricultural commodities, health, education including professional education, housing, agro processing, Scheduled Caste/Scheduled Tribe (SC/ST) sector, women development etc., and served the people through diverse economic activities. The Department of Co-operation, Government of Kerala (Department) was responsible for the disbursement of assistance and loans to co-operative institutions for implementing various schemes, monitoring the utilisation of funds, recovery of principal/interest on loans etc. In addition to the above, the Department also discharged statutory functions like audit/inspection of co-operatives, providing assistance in the form of share, loan and subsidy, liquidation/winding up of non-functioning societies, dispute redressal, conduct of elections to the committee of a society etc.

The status of co-operative societies in the State as on 31 March 2024 is depicted in **Chart 3.1**.

**Chart 3.1: Status of 16,393 co-operative societies under the control of the Department in the State as on 31 March 2024**



The administrative control of these societies was vested with the Registrar of Co-operative Societies (RCS). Further, there were 6,911 co-operative societies regulated by other Departments which were under the administrative control of respective functional registrars<sup>101</sup>. Audit functions of all the above societies were entrusted with the Director of Co-operative Audit (DCA), who reported to the RCS.

The organisational set up of the functionaries under the Department is shown in **Appendix 3.1**.

### 3.2. Audit Objectives, criteria, scope and methodology

The Subject Specific Compliance Audit (SSCA) was conducted to assess whether;

- the provisions of Co-operative Societies Act/Rules were adhered to in the regulation of co-operative societies; and
- the accountability and monitoring mechanisms were in place and working effectively as envisaged in the Act.

The audit observations were benchmarked against the criteria derived from the KCS Act and its amendments, KCS Rules and its amendments and various notifications and circulars issued by the Government and Department from time to time.

The SSCA covered the period from 2019-20 to 2023-24 and was conducted from 04 July 2024 to 28 February 2025. Audit team visited the Office of the Department in Government Secretariat, offices of RCS and two functional registrars viz., Director of Coir Development and Director of Dairy Development as well as the district and taluk level institutions in four test checked districts, Thiruvananthapuram, Alappuzha, Thrissur and Kannur. The district and taluk level institutions were selected using Simple Random Sampling without Replacement Method (**Appendix 3.2**). The extent of compliance with the provisions of the Act in exercising administrative control over the societies, the functioning of co-operative audit<sup>102</sup> mechanism, extent of utilisation of annual plan funds/GoI funds and lapses in monitoring were covered in Audit.

Audit methodology included scrutiny of files/records and collecting response of auditee institutions to the audit enquiries issued. Audit also conducted joint physical verification of 72<sup>103</sup> co-operative societies in the test checked districts along with departmental officials, to examine whether financial assistance provided by Government was utilised for the intended purposes.

The Entry Conference of the SSCA was conducted on 03 July 2024 with the Secretary of the Department, in which the audit objectives, scope and criteria were discussed. The Exit conference of the SSCA was conducted with the Special Secretary of the Department on 23 July 2025, wherein the audit findings

<sup>101</sup> Director of Industries, Director of Handloom, Director of Coir Development, Director of Khadi and Village Industries, Director of Dairy Development, Director of Fisheries

<sup>102</sup> As the CA report includes reference to audit of Director of Co-operative Audit also, the term 'Audit' with 'A' in upper case, specifically refers to audit of Accountant General

<sup>103</sup> Thiruvananthapuram-16, Alappuzha-16, Thrissur-14, Kannur-26

were discussed in detail. The reply of the Government has been obtained (July 2025) and suitably included in the Report.

### 3.3. Impediments to Audit and limitation of scope of audit due to non-production of records and denial of access to database by the Department

All through the course of the SSCA, Audit encountered persistent non-production of essential records/ critical information by the audited institutions at all levels. Audit was denied access to the dump database of the Integrated Co-operative Database Management System (ICDMS), which was the online platform developed as part of the scheme for modernisation of the Department. The platform catered to the registration and amendment of bylaws of co-operative societies, status of audit of co-operative societies and its follow-up, etc. Even though 345 Audit Requisitions/ enquiries were issued to the offices under RCS, only 104 were responded to. The response rate to the audit observations on the regulatory mechanism in the co-operative sector of the State stood at a meagre 30 *per cent*, with the remaining requisitions left unanswered, despite repeated reminders.

The aforesaid non-production of records by institutions was a violation of the provisions of Section 18(1) of the Comptroller and Auditor General (CAG)'s (Duties, Powers and Conditions of Service) Act, 1971, which empowered the CAG to call for any accounts, books, papers and other documents which dealt with or formed the basis of transactions to which his duties in respect of audit extended, and to put questions or make observations, to the person in charge of the office for the preparation of any account or report. Section 18(2) of the above Act advocated that the person in charge of any office or department, the accounts of which have to be inspected and audited by the CAG, was to afford all facilities for such inspection and comply with requests for information expeditiously, in complete form.

The Department's failure to comply with the statutory obligation of furnishing above-mentioned records and denial of access to system resulted in limitation of scope with respect to verification of audit findings, assessment of statutory compliance, extent of fund utilisation, systemic analysis and evaluation of follow-up actions.

As Audit relies upon evidence in the form of data, information and documents to shape its findings and resultant conclusions, persistent reluctance of auditee in providing sufficient and appropriate evidence in support of compliance to the provisions in the Act/Rules and in furnishing response to audit observations on deviations noticed, raises concerns on the Department's transparency and accountability mechanisms, besides carrying the risk of suppression of material facts by auditee. The matter was taken up with the Special Secretary and Chief Secretary vide DO letters dated 19 December 2024 and 22 January 2025 respectively and was reiterated in the Exit conference held on 23 July 2025.

### *Audit Findings*

#### 3.4. Delay in registration of co-operative societies

As per Section 6 of KCS Act, an application for the registration of a co-operative society was to be made to the Registrar along with the required information

pertaining to the society. If the Registrar was satisfied that the application has complied with the provisions of the Act and Rules and all other requirements, he could register the society within a period of 90 days<sup>104</sup> from the date of receipt of the application.

Section 7(2) of the Act stipulated that in case of refusal of an application, the Registrar was to communicate the order of refusal together with the reasons thereof, within seven days of receipt of the application. An application for registration of a society was to be disposed of by the Registrar within 90 days from the date of receipt of the application.

Verification of details of registration in the test checked districts during 2019-24 revealed that there was delay in registration as well as in returning/rejecting applications. District-wise details of processing of applications for registration of societies are given in **Table 3.1**.

**Table 3.1: District-wise details of registration of societies during 2019-24**

Particulars	Thiruvananthapuram	Alappuzha	Thrissur <sup>#</sup>	Kannur	Total
No. of applications received	122	65	33	70	290
No. of applications rejected/returned/pending	17	21	4	Nil	42
No. of societies registered	105	44	29	70	248
No. of societies registered after 90 days	79	31	13	26	149
Average delay in registration (in days)	156	199	194	39	-

<sup>#</sup> Date of receipt of application for registration in respect of 11 cases were not furnished.  
(Source: Details furnished by respective Joint Registrars)

Audit observed that,

- The registration was provided after 90 days in respect of 149 (60 per cent) out of 248 societies with a delay ranging from 91 to 1007 days.
- Audit verified 25 of these 149 registered cases, in which registration was granted after 90 days. The timelines prescribed in the Act/Rules were not adhered to in 15<sup>105</sup> cases due to the delay on the part of Joint Registrars (JR)/Assistant Registrars (AR) in processing of applications.
- In nine<sup>106</sup> out of 11 test checked cases of returning applications, delay ranging from 94 to 509 days was observed.

Government stated in the Exit conference (July 2025) that the process of registration was carried out entirely through the ICDMS web application. However, there were systemic problems in capturing data on account of improper Software Requirement Specification (SRS) resulting in incorrect data. It was also stated that development of new version of ICDMS Version 2.0 was in progress, and the registration process would be streamlined with no delay.

Audit had verified the physical files of registration and observed the delay on the part of the ARs/JRs in processing applications. The extent of delay could have been avoided and timely processing of applications facilitated by the officials concerned.

<sup>104</sup> Reduced to 60 days vide KCS (Amendment) Act 2023 w.e.f April 2024

<sup>105</sup> JR, Thiruvananthapuram (7), JR, Alappuzha (5), JR, Kannur (1), JR, Thrissur (2)

<sup>106</sup> JR, Thiruvananthapuram (2), JR, Alappuzha (7)

### 3.5. Classification of societies

Section 80(1) of the KCS Act, empowered the Government to classify the co-operative societies according to their type and financial position. Rule 182(1) of the KCS Rules, 1969, prescribed detailed classification of societies<sup>107</sup> in the State with effect from 01 July 1974. The classification was to be revised once every three years, with effect from November 2014.

#### Examinations for recruitment conducted without ascertaining current classification of societies

Rule 188 of the KCS Rules stipulated every society to adopt the staff pattern indicated in Appendix III to the Rules, according to the type and class to which it belonged. The Co-operative Examination Board (Board) was responsible for conducting examinations to select eligible candidates for filling up of vacancies in the societies covered under Section 80B of the KCS Act. According to Rule 182 of the KCS Rules, such societies were to report the vacancies along with other details *viz.*, latest classification, sanctioned strength as per the classification, post with number of vacancies etc., to the Board in the prescribed proforma.

The RCS issued (April 2013) Guidelines amending conditions for classification of Primary Credit Co-operative Societies, Primary Agricultural Credit Co-operative Societies, Farmers' Service Co-operative Banks, Employees Credit Co-operative Societies, Regional Banks and Rural Banks as various classes<sup>108</sup>, based on parameters such as share capital, deposits, loan arrears, profit, audit classification, loan recovery, etc.

As a test check, Audit scrutinised the applications submitted to the Board by 12 societies<sup>109</sup> in Thiruvananthapuram during 2022-23, for conducting examinations to fill up the posts of Junior Clerk and Systems Administrator. Since the RCS had not classified all the societies once in every three years as per instructions issued in April 2013, Audit collected the details of working capital, deposits, outstanding loan amount, classification by the DCA etc., as stipulated in the proforma, from Audit Reports<sup>110</sup> of 12 societies sourced from Assistant Director's(AD) office Thiruvananthapuram and assessed the current classification of these societies.

The exercise revealed that, of the above 12 societies, the classes of four societies were to be downgraded and that of one society, be upgraded. There was no change in the classification of the remaining seven societies. Audit compared the sanctioned strength reported by the societies with the strength as per norms, in the case of five societies with change in classification, as given in **Table 3.2**.

<sup>107</sup> as in Appendix III to the KCS Rules, which included the sanctioned list of staff to be employed in each class of society.

<sup>108</sup> Class I – Super Grade, Class I – Special Grade, Class I, Class II, Class III, Class IV, Class V, Class VI and Class VII

<sup>109</sup> Pappanamcode State Co-operative Bank (SCB) (No. 1108), Madhavavilasom SCB (No. 1347), Anchuthengu SCB (3166), State Planning Board Staff CS (4352), Commercial Taxes Department Staff Housing CS (4385), Chembur SCB (T202), Nagaroor SCB (T219), Kerala University Employees CS (T233), Karavaram SCB (T324), Muttathara SCB (T413), Police CS (T696), Vettoor SCB (T728)

<sup>110</sup> pertaining to the period 2016-17 to 2021-22

**Table 3.2: Details of staff strength reported by societies in excess of strength as per norms**

Name of society	Class reported by the society	Sanctioned strength as per classification reported by society	Classification worked out by Audit	Sanctioned strength as per norms
Karavaram SCB	Class II	18	Class V	7
Chembur SCB	Class III	16	Class V	7
Pappanamcode SCB	Class II	18	Class V	7
Kerala State Commercial Tax Department Staff Housing Co-operative Society	Class I	26	Class III	16
Police Co-operative Society	Class I	26	Class I Special Grade	32

(Source: Details furnished by the Board and data consolidated by Audit from the Audit Reports of AD, Thiruvananthapuram)

Thus, the Examination Board accepted the last available classification of the society and not the one as on the date of application. Hence, Audit could not ascertain whether the posts required to be filled in were in consonance with the staff pattern as per the latest classification. Persistent excess/deficient staff strength in a society point to arbitrariness in complying with service conditions, which may adversely affect the overall functioning of societies.

Government stated (July 2025) in the Exit conference that the proposal of RCS seeking revision in classification was pending with the Government. The RCS explained that a software, Co-operative Inspection Management Application (CIMA) was developed with effect from 01 March 2025, for monitoring the management of the societies including the classification, for the first time in the country.

### 3.6. Functioning of Co-operative Vigilance

#### 3.6.1. Non-appointment of a Police officer as Co-operative Vigilance Officer

Section 68A of KCS Act envisaged appointment of a Vigilance Officer not below the rank of Deputy Inspector General of Police with powers to inquire into and investigate the cases of misappropriation, corruption and any other major irregularity in the societies as may be referred to him by the RCS.

Contrary to the above, Audit observed that, during the period April 2019 to July 2024, Additional Registrar/JRs in the Office of the RCS were vested with additional charge of Vigilance Officer, instead of a person holding the rank of Deputy Inspector General of Police. Government appointed a Superintendent of Police as Co-operative Vigilance Officer in August 2024. As such, the Department was deprived of the technical competence of a police official as Vigilance Officer with powers to enquire and investigate cases of misappropriation, corruption and any other major irregularity in the societies, during the period.

Government stated (July 2025) that the appointment of IPS officer of DIG rank was a difficult procedure due to dearth of personnel and that currently an IPS officer of SP rank was posted as Vigilance Officer based on Government policy decisions (August 2024). It was also stated that FIRs were being registered for

complaints at field level itself and if police intervention was needed, the complaints were forwarded to the Vigilance Officer.

Audit noted that the charge of Vigilance Officers being held by the ARs/JRs during the audit period was against the provisions of KCS Act. As long as the extant rules have not allowed the appointment of an officer not below the rank of DIG of Police as Co-operative Vigilance Officer, the legality of inquiry reports submitted by officials other than the above was likely to be challenged in judicial forum.

### **3.6.2. Delay in completion of inquiry on vigilance cases and lack of follow-up action on vigilance reports**

As per Rule 66A of KCS Rules, the Co-operative Vigilance Officer shall inquire, investigate and report to the Registrar on matters of corruption, misappropriation, fraud, manipulation, tampering or destruction of records, etc., as referred to him by the Registrar. The inquiry or investigation was to be ordinarily completed by the Vigilance Officer within a period of three months, which may be extended for a further period of three months by the Registrar, if satisfied by the interim report submitted by the Vigilance Officer.

As per the Circular issued (May 2008) by RCS, the Vigilance section in RCS was to maintain a register in the prescribed format to monitor cases referred to the Co-operative Vigilance Officer and monitor the progress of each case every three months.

During the period 2019-24, the Co-operative Vigilance Officer submitted 247 inquiry reports to the RCS of which remedial action was recommended in 185 cases, including action under Indian Penal Code(IPC)/Code of Criminal Procedure (CrPC). One hundred and ninety five cases were submitted to RCS with a delay ranging from six months to more than five years.

The Vigilance section under the RCS did not maintain registers to monitor the cases referred to the Vigilance Officer and progress of action on inquiry reports of the Vigilance Officer. Of the 185 reports in which action was recommended, 143 reports were forwarded to various sections in the office of the RCS/JRs. Fifty seven of these reports were forwarded with a delay ranging from 31 to 690 days. Details with respect to forwarding of the remaining 42 reports were not available. Test check of 11 out of these 42 cases revealed that in 10 cases action under IPC/CrPC was recommended, indicating serious offences like misappropriation, fraud, embezzlement etc., which demanded expedient remedial action.

Government acknowledged (July 2025) the delay in reporting the action taken on vigilance reports by administrative sections and conveyed that directions were circulated (December 2024) to review vigilance reports and maintain a register to monitor the cases referred to Co-operative Vigilance Officer.

It was also stated that in 41 out of 185 vigilance reports, compliance reports were received from JRs and in the remaining cases, recommendations of Vigilance Officer were being acted upon by the JRs. The above fact was not acceptable, as the reply was silent on the 42 vigilance cases which were not seen forwarded to other sections for initiating action.

### 3.7. Irregular grouping of societies as Dormant/Records Not Available and ineffective action on non-functioning societies

During the course of Audit, it was observed that the co-operative societies were classified as ‘Dormant’<sup>111</sup> or ‘RNA’<sup>112</sup> and retained in the same status for more than 40 years. The KCS Act, 1969, and the Rules framed thereunder did not contain any definition/mention or explicit recognition of the above terms, nor prescribe any statutory procedure or course of action to be specifically taken in respect of such categories of societies.

During the Exit conference (July 2025), Government agreed that usage of terms ‘dormant’ and ‘RNA’ was non-statutory and informed that administrative circulars have been issued, detailing procedures for reactivating or winding up such societies.

#### 3.7.1. Absence of follow-up action on ‘Dormant’ societies

Section 71 of the KCS Act, laid down the provision for winding up of a society, after holding inquiry under Section 65 or conducting inspection under Section 66 or on receipt of application requesting wind up from members of the society. The Circular issued (October 1972) by RCS reiterated that the existence of large number of bad and dormant societies would bring disrepute to the co-operative movement and that it was necessary to pursue vigorous action to revive or liquidate such societies.

Verification of details of dormant societies in the test checked Taluks revealed that there were 336 dormant societies pending revival/liquidation as of March 2024. The status of dormant societies was as given in **Table 3.3**.

**Table 3.3: Status of dormant societies as of March 2024 in test checked Taluks**

Name of Taluk	No. of dormant societies pending liquidation	No. of dormant societies whose period of dormancy was known	Year from which period of dormancy started	No. of dormant societies in which liquidation proposal was submitted to JR	No. of societies in which no liquidation/winding up action was initiated
Nedumangad	104	104	2016 to 2022	16	88
Neyyattinkara	43	4	1998 to 2018	4	39
Chengannur	7	7	2008 to 2019	0	7
Mavelikkara	20	20	1995 to 2021	0	20
Kunnamkulam	18	18	1977 to 2018	0	18
Mukundapuram	39	39	1977 to 2022	0	39
Payyanur	53	53	2001 to 2019	3	50
Taliparamba	52	17	1996 to 2023	11	41
<b>Total</b>	<b>336</b>	<b>262</b>		<b>34</b>	<b>302</b>

(Source: Information consolidated from data furnished by AR Offices)

It was observed that,

- In respect of 34 cases pertaining to four selected Taluks, even though liquidation proposal was submitted by the AR to the JR, no further action was initiated by the JR to revive/ liquidate and/or cancel the registration

<sup>111</sup> Societies which were not functional or not having any regular transactions as per the General Wing, Office of the RCS

<sup>112</sup> Records Not Available as per DCA

of the societies. In the case of 302 societies lying dormant for over a total span of 46 years (1977 to 2023), no action has been initiated to revive/liquidate/cancel the registration of these societies. The delay in initiating the liquidation procedures would lead to loss of records, difficulties in recouping the money due from societies etc., which would further undermine the liquidation process.

- Out of 336 dormant societies, the date from which dormant was not available in 74<sup>113</sup> cases (22 per cent), which indicated lack of regular monitoring of the functioning of the societies by the RCS.

Government stated (July 2025) that a comprehensive strategy for timely liquidation of societies was being carried out since September 2024, which included systematic training of officers and fortnightly review.

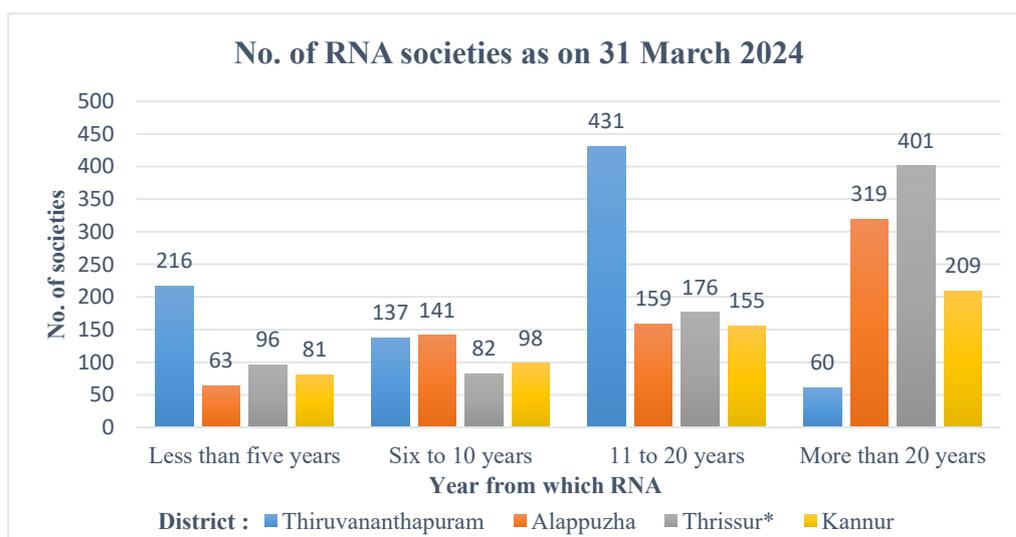
However, the reply was silent on reasons for non-submission of proposals for liquidation/revival.

### 3.7.2. Absence of follow-up action on RNA societies

Circulars issued by the Government in May 1974 and December 1975, in allegiance with Section 65 of KCS Act, imparted the right to issue summons to societies for production of records for Audit. If the societies did not produce records even after issue of summons under Section 65, the DCA was to initiate action to liquidate the societies and then transfer the file to the office of the Registrar for further action. In case of societies for which records were not available (RNA), RCS could initiate steps under Section 71(2) of the Act to wind up the societies.

Verification of data on societies classified as RNA in the offices of the JD in the test checked districts revealed that there was a total of 3,355<sup>114</sup> such societies, awaiting necessary action of winding up. Age-wise data on ‘RNA societies’ as of March 2024 are shown in **Chart 3.2**.

**Chart 3.2: Status of ‘RNA societies’ as of March 2024 in selected districts**



\* As the year from which RNA was not available, year of last audit was considered.  
(Source: Data furnished by JD Offices)

<sup>113</sup> Neyyattinkara (39), and Taliparamba (35)

<sup>114</sup> Thiruvananthapuram (1375), Alappuzha (682), Thrissur (755) and Kannur (543)  
(1,477 societies under the Department of Co-operation and 1,878 societies under functional registrars)

In Thiruvananthapuram, out of 1,375 RNA societies, there were 531 societies for which details of year of last audit/year from which RNA were not traceable. The JDs in Alappuzha, Thiruvananthapuram and Thrissur districts did not recommend to the JRs concerned to revive or wind up the RNA societies. Even though JD, Kannur had sent intimation to the respective JR for winding up these societies, no conclusive action was taken in this direction, and the societies continued to figure in the RNA list.

The major reasons for delay in process of revival/liquidation were cited as non-completion of audit, non-availability of status of accounts due to which liability could not be fixed, undue delay in completing inquiry/inspection under Sections 65/66, etc.

The absence of regular inspection of all societies by departmental officials (as mentioned in Paragraph No.3.19.1 of this Report) and non-submission of annual returns by the societies to RCS as mandated by Section 66C of the KCS Act, point to the absence of effective monitoring and regulation system in the Department.

Government stated in the Exit conference (July 2025) that the liquidation of societies was a lengthy process and the Department was short of qualified staff to do this. Also, the Department was conducting training programmes like 'Mikavu' for staff to enable faster liquidation process as well as fortnightly reviews. Justifying delay in liquidation process citing shortage of staff was not acceptable as impediments in liquidation process need to be addressed on priority.

### **3.8. Lack of comprehensive data on co-operative societies in Management Information System**

The Co-operative Audit Monitoring and Information System (CAMIS) launched in September 2021 served as the central digital platform for accessing audit related information on co-operative societies in Kerala. Currently, the CAMIS portal displays data pertaining exclusively to those societies audited/auditable by the office of the DCA. The co-operative societies that have not been audited were not represented in the system, resulting in a significant gap in public access to comprehensive and updated data. In the case of societies whose last audit was conducted many years ago, CAMIS displayed data as on the date of last audit with no updates or remarks, thereby making the information outdated. Further, the portal did not provide insight into extent of delay in audit, current operational status of societies, irregularities in the functioning of the societies etc.

Audit also observed variation in data uploaded in CAMIS with the number statement<sup>115</sup> prepared by the Statistical wing in the office of the RCS. The total number of functional societies in the State as per the records of RCS as of March 2024 differed<sup>116</sup> from that shown in CAMIS. This was indicative of the absence of a reliable and comprehensive database of societies in the State.

<sup>115</sup> Type-wise and district-wise information of Co-operative societies in the State under the administrative control of the RCS.

<sup>116</sup> The number of functional Societies as per number statement of the RCS was 12,416, whereas it was displayed as 12,893 in CAMIS.

Government stated in the Exit conference (July 2025) that attempts were underway to make the entire audit process online so that real time information on societies could be made available. It was also stated that they were working on a new version, CAMIS 2.0 to rectify the issues in the old version of the software.

### 3.9. Delayed action on Special Reports

As per Section 64(10) of the KCS Act, 1969, if the result of audit held under Section 63 disclosed any serious defect in the working of a society, the DCA or the person authorised by him was to communicate the same forthwith to the RCS for immediate further action. In cases where irregularities of criminal nature were observed during the course of audit, DCA/ Joint Director (JD) was to initiate action to register the case, and the action taken along with the recommendation for any further action to be initiated was to be communicated to the RCS/JR concerned, within seven days. These irregularities of serious nature which chiefly related to violation of CrPC/IPC Sections were communicated through Special reports.

As per the information furnished by the selected offices of JDs in Audit wing, there was delay in forwarding Special reports to the respective offices of JRs in General wing, as detailed in **Table 3.4**.

**Table 3.4: Details of delay in forwarding of Special reports from offices of JDs to offices of JRs**

District	No. of Special reports received in the offices of JDs in 2019-24	No. of Special reports forwarded to offices of JRs within one month	No. of delayed cases (Range of Delay)
Alappuzha	17	8	7* (1-10 months)
Kannur	150	97	53 (1-10 months)
Thiruvananthapuram	24	17	7 (1-21 months)
Thrissur	147**	86	53 (1-22 months)
<b>Total</b>	<b>338</b>	<b>208</b>	<b>120</b>

\* In two cases, the reports were not forwarded to the Office of the JR

\*\* Date of receipt/date of forwarding missing in eight cases

(Source: Information furnished by Offices of JDs)

Verification of the action taken on the Special reports received during the period 2019-24 at the selected JRs' Offices revealed the following:

- Fifteen Special reports were forwarded to the JR's office Alappuzha by JD concerned, for necessary action. In 11 of these reports, inquiry/inspection was continuing for a period ranging from 10 to 49 months. In two cases, revenue recovery (RR) was pending since 2020, due to non-submission of application by JR through RR portal.
- The JD, Thiruvananthapuram forwarded 25 Special reports to the JR's office. The details of action taken in these reports were not furnished by the JR's office. Verification of three Special report files<sup>117</sup> made available to Audit revealed delay in finalising the cases and absence of conclusive action to fix responsibility and/or remedy the loss.

<sup>117</sup> Files relating to T976 Ottoor SCB, T 1884 Adimalathura Rural Development CS Ltd. and T 1837 Anchalikkonam Residence Welfare CS

- Though JR, Kannur reported that action has been initiated on 153 Special reports, details were not furnished. The RCS stated (July 2025) to Audit that of 147 Special reports received, enquiry under Section (u/s) 65 was ordered in 48 cases, inspection u/s 66 was ordered in 30 cases and explanation sought in respect of 69 cases.
- Of the 139 Special reports received by JR, Thrissur, inquiry/inspection was going on in 113 cases. Among these, the period of inquiry/inspection ranged from seven to 37 months in 75 cases.

As the Special reports tend to highlight the frauds, misappropriations and other significant defects in the functioning of co-operative societies, delay in resorting to corrective actions would affect the financial stability of societies.

Government stated in the Exit conference (July 2025) that specific interventions were being made through IT systems where registers are done away with and Special reports get forwarded to the next level automatically after a certain period.

### **3.10. Lapses in conducting inquiry/inspections under Sections 65, 66 and 68 of the Act**

In accordance with Section 65 of the KCS Act, an inquiry by the Registrar into the constitution, working and financial condition of the society, was to be completed within a period of six months. Section 66(1) of the KCS Act empowered the Registrar to supervise the working of every society for issuing necessary directions to the society or its officers to take action as specified in the order within the time limit mentioned.

If any defects are noticed on the basis of inquiry/inspection report u/s 65/66 inquiry, then inquiry u/s 68(1) is carried out to fix the surcharge<sup>118</sup>. On the basis of 68(1) report, notice shall be issued to the parties and hearing conducted by the JR and if necessary, a surcharge order u/s 68(2) would be issued by the JR, providing the details of the case and the amount to be recovered from each party.

Verification of inquiry/inspection cases initiated under Sections 65, 66 and 68 in the offices of the JR in selected districts during the period 2019-24 revealed that there was delay in completion of inquiry/inspection as detailed in **Appendix 3.3**.

The following observations were made:

- No inquiry or inspection registers were maintained in the selected AR/JR offices. In the absence of registers, Audit relied upon data furnished by the JRs, consolidated on the basis of available records/files.
- Of the 300 inquiry/inspection cases initiated by Thiruvananthapuram, Alappuzha, Thrissur and Kannur JRs, surcharge order u/s 68(2) was issued and/or action completed only in respect of 54 cases. In respect of 197 pending cases in four districts<sup>119</sup> involving a money value of ₹343.47 crore (69 cases), no conclusive action has been taken to rectify

<sup>118</sup> Money, property, interest, cost or compensation to be repaid or restored from the party responsible for causing loss to the society.

<sup>119</sup> Thiruvananthapuram (55), Alappuzha (32), Thrissur (78), Kannur (32)

the defects even after a period ranging from three months to over five years.

- Even though orders to repay or restore the money/property were issued post inquiry under Section 68(2) in 31 cases, no follow-up actions were taken to ensure that the loss was made good. These cases were not included in the list of inquiry/inspection cases, in the monthly DO Narrative to the higher authorities. This left the Department without any mechanism to watch the status of recovery of amount due in these cases.
- Scrutiny of 41<sup>120</sup> inquiry/inspection files provided to Audit revealed a series of lapses, viz., repeated extension of inquiry/inspection period, extensions granted without submission of interim report<sup>121</sup>, delay in initiating 68(1) inquiry, inquiry/inspection stopped without ascertaining the actual status of court cases, not finalising cases despite repeated hearing sessions held, no follow-up action initiated on order u/s 68(2), etc.

Government replied (July 2025) that the Department has implemented Co-operative Inspection Management Application (CIMA) with effect from 01 March 2025. All enquiries are assigned specific timelines and their progress can be monitored, thereby streamlining the completion of statutory inquiries and inspections without delay.

The Department had not prioritised or prepared a road map to finalise such long pending cases. Timely completion of inquiries/inspections would have acted as a deterrent to malpractices, thereby facilitating effective functioning of societies.

### 3.11. Delayed/non-submission of finalised accounts of societies for Audit

Section 63(4) of the Act stipulated that it shall be the duty of the managing committee to cause to audit the accounts of every society at least once every year, within six months of the close of the financial year to which such accounts relate. Further, Section 94(4) of the Act provides for imposing fine of ₹5000 on the society/member for failure to furnish any information required from him.

As per the progress report of the test checked districts, 183 audits were pending in 100 societies<sup>122</sup> as of March 2024. Along with the societies that were removed from the list of auditable societies as records were not available, a total of 3,455 societies had failed to furnish the accounts on time as detailed in **Table 3.5**.

<sup>120</sup> Thiruvananthapuram (16), Alappuzha (8), Thrissur (4) and Kannur (13).

<sup>121</sup> Rule 66 (3) of KCS Rules stipulates that if the inquiry or inspection cannot be completed within the time specified, the person conducting the inquiry or inspection, shall submit an interim report stating the reasons for failure to complete the inquiry or inspection.

<sup>122</sup> excluding societies classed as RNA

**Table 3.5: Details of delayed/non-submission of accounts for audit**

District	No. of audits completed as of 2023-24	No. of audits pending as of March 2024	No. of societies in which Audit was pending	Societies classified as RNA societies as of March 2024	Total no. of societies against which fine to be imposed
Thiruvananthapuram	1844	143	83	1375	1458
Alappuzha	1277	17	10	682	692
Thrissur	1256	23	7	755	762
Kannur	1551	0	0	543	543
<b>Total</b>	<b>5928</b>	<b>183</b>	<b>100</b>	<b>3355</b>	<b>3455</b>

(Source: Information consolidated by Audit from the Progress reports and data furnished by JD offices)

The RCS had failed to impose a fine amounting to ₹1.73 crore<sup>123</sup> against these societies which had delayed submission of accounts/not submitted the accounts.

Government assured (July 2025) that the Department is implementing a Uniform software across Kerala, which will centralise financial data and streamline accounting processes for all co-operative societies, thereby eliminating the problem of delayed submission of accounts by societies.

#### **Delay in submission of Audit reports and issue of Audit certificates**

The RCS had issued (March 1975) circular insisting that, on completion of audit of a society, the auditor was to submit the report to the AD within 15 days in respect of single concurrent auditor<sup>124</sup>, and within five days in respect of other auditors.

- In JD office, Alappuzha and in four<sup>125</sup> AD offices, there was delay in furnishing of Audit reports by the Auditor to the respective offices. In 3,964 instances of audit completed, 1,920 reports (48.44 per cent) were submitted after 15 days, with a delay ranging from 355 days to 977 days.
- The JD, Thiruvananthapuram did not maintain a register to monitor the receipt of reports.
- In the offices of JD/AD at Thrissur and Kannur, as the date of submission of the Audit report was recorded as the date of completion of audit in the Inward and Approval registers, Audit could not ascertain the actual delay in submission of Audit report.
- In 20 cases, the Audit reports were not submitted by the auditors to the AD's office at Nedumangad on completion of audit. These reports were pending submission from 32 to 1370 days as of March 2024.

Accepting the audit observation, Government stated in the Exit conference (July 2025) that the process can be streamlined only by opting for a complete online procedure. It was intimated that action is being taken in respect of officials who had failed to submit the Audit reports at AD, Nedumangad.

According to paragraph 4B under Section 64 of KCS Act, the Director of Co-operative Audit (DCA) was to issue an Audit certificate to the society concerned

<sup>123</sup> 3455 x ₹5,000

<sup>124</sup> Auditor whose full service is availed by a society for the audit of its accounts is termed as a single concurrent auditor.

<sup>125</sup> Neyyattinkara, Nedumangad, Mavelikkara, Chengannur

with a copy of Audit memorandum<sup>126</sup> within three months from the date of receipt of the Audit report.

- Of the 15,273 Audit certificates issued during 2019-24, 7,172 certificates (46.96 *per cent*) were issued after three months, with delay ranging from two to 22 months (**Appendix 3.4**).
- In the eight test checked AD offices, though marked as issued in the approval registers, 2,487 certificates pertaining to the period 2018-19 to 2022-23 were not seen forwarded to the respective societies. A total of 342 major irregularities were included in these reports.

Government replied (July 2025) that issues discussed above will be addressed through the implementation of Online Auditing System Software. The software will manage issuance, tracking and monitoring of Audit certificates and Audit memoranda.

### 3.12. Ineffective follow-up action on Audit certificates

Sections 64(9) and 64(10) of the KCS Act stated that, if the result of the audit held under Section 63 of the Act disclosed any defects in the working of a society, the DCA may bring such defects to the notice of the society, and in case of serious defects, to the notice of the RCS, for immediate further action. As per Section 64(11) of the Act, the DCA was to direct the society or its officers to take action within the time specified and to rectify the defects disclosed in audit, under intimation to the RCS. Further, Section 64(12)(c) required the society to submit rectification reports on the defects mentioned in the Audit certificate, to the DCA and RCS within two months of receipt of the certificate.

Instructions were circulated (July 1975) among the Registrars to open separate file and Register of summary of defects for recording details such as year of audit, name of auditor, date of receipt of summary of defects, file number, date of closure of file etc., and to verify the register regularly.

During the test check of 12 offices each of AD/JD and AR/JR in selected districts, Audit observed that:

- No separate files and/or registers on the defects observed in audit were seen maintained, in the absence of which, regular follow-up on the defects noticed in audit was not ensured by the General/administrative wing.
- During the audit period, 12,786 out of the total 15,273 Audit certificates were issued to the societies in the test checked offices. However, not even a single rectification report was seen forwarded by the societies concerned to the DCA and/or RCS.
- No revenue recovery procedure was seen initiated by the DCA for recovering from a society or its past/present/deceased member, any dues to the Government.

The aforementioned laxity resulted in failure to initiate follow-up action on defects mentioned in Audit certificates as revealed in the following instances:

<sup>126</sup> The statement issued to the society after completion of audit, stating the important observations, summary of defects, details of receipts and expenditure, profit and loss statement, balance sheet etc.

- The Department sanctioned ₹five lakh during 2019-20 to Ulloor SC Society for establishing a computer centre. The Society did not establish a computer centre and the above lapse was reported in the Audit Certificate for the year 2019-20. The failure of Thiruvananthapuram JR/JD to initiate timely action on the report had resulted in suspected misappropriation of the entire amount. Though action was recommended against the Governing body and Secretary through Section 65 inquiry report (December 2023) by the JR, the amount has not been transferred to the Government account till date.
- An amount of ₹20 lakh provided to Vithura SCB No.1048 during 2021-22 for starting a tourism facilitation centre was not utilised for the purpose. An amount of ₹17.95 lakh was diverted for constructing retaining wall and compound wall. As the society was not able to furnish the utilisation certificate, Audit Reports of 2022-23 and 2023-24 mentioned that the amount, along with the interest, was to be refunded to Government. However, no repayment has been effected till date.
- An amount of ₹10 lakh was provided to Mavelikkara Taluk Yuva Printing and Publishing Co-operative Society in 2022-23 for setting up an Offset Printing unit. In the Audit Certificate for the year 2023-24, it was mentioned that the society, being non-functional, has not initiated any steps to start the printing unit and that the amount along with interest at 18 *per cent*, was to be remitted back to Government. No follow-up action on the comment was seen pursued (October 2024).
- As per the Audit certificate for 2019-20 of Pullukulangara SCB Ltd. No. 2992, the members of the working committee had outstanding loans, which made them disqualified to hold the membership as per Rule 44 (1)(c) of the KCS Rules. However, the irregularity persisted without corrective action and was seen recorded in the Audit Certificate for the year 2022-23 also.
- As per Annexure II of the number statement for the month of March 2024 of AR, Kunnankulam Taluk, the Priyadarshini Hospital Co-operative Society Ltd. No. R 756 was functional. However, during joint verification (December 2024), Audit noticed that apart from a shed erected at the site, no hospital building existed. The Audit certificates issued to the society for the year 2022-23 and 2023-24 stated that the society did not furnish details of utilisation of ₹5.50 crore received from Consumerfed in connection with transfer of the above property to the



Figure 3.1: The shed at the site of Priyadarshini Hospital Co-operative Society Ltd. Photo taken by Audit party on 04 December 2024

society. The AR, Kunnampulam did not initiate action to compute the assets of the society and prepare financial statements for ₹5.50 crore.

- The JR Kannur accorded sanction (January 2023) for release and utilisation of ₹10 lakh towards Peringome Area Yuvajana Co-operative Society Ltd. Kannur for starting an Event Management and Catering Unit. The Audit certificate for the year 2022-23 mentioned that the society did not utilise the sanctioned amount fully. The society has not refunded the unutilised amount worth ₹8.95 lakh yet to the Government (October 2024), which remained parked in its bank account.
- The Thrissur District SC/ST Motor Transport Co-operative Society was registered (August 1984) with the objective of providing jobs to SC/ST youth by operating Bus Service and Goods Transport Service. The Audit Certificate issued to the society in 2015-16 had mentioned that the society was not keeping records of Receipts/Expenditure, bills in respect of the procurement of spare parts and that there was no authenticity in the accounts maintained. As per the Audit certificate, the society incurred a loss of ₹318.94 lakh<sup>127</sup>.

The Administrative Committee of the society filed a complaint (March 2023) to the RCS and JR, Thrissur on occurrence of theft, misuse and misappropriation of assets in the society. As per the complaint, the buses purchased and operated by the society were either missing with no traceable records or left to rust in the open.

As per the Inspection Report (September 2024) of enquiry initiated under Section 66 of the KCS Act, even though the society had availed financial assistance/loan amounting to ₹2.22 crore (1996-2015) from GoK, Kerala State Federation of SC/ST Development Co-operatives Ltd. and Kerala State Development Corporation for SC/ST Ltd. the society failed to run the bus service. The JPV conducted (November 2024) by Audit at the site of the Garage workshop of the society confirmed the absence of remedial action. Ten out of 25 buses purchased were left abandoned in the society premises, covered with thicket/bushes. Of these, only six buses had registration numbers.

Government replied (July 2025) that with the implementation of “Online Auditing System Software” the audit certificates would be forwarded automatically and there would be real time visibility of the rectification status of defects pointed out in Audit.

No specific reply was furnished with respect to the defects observed by Audit.

### 3.13. Financial Management

#### 3.13.1. Trend in Receipt and Expenditure of Funds

Funds for the Department of Co-operation and offices thereunder were provided in the budget under the Heads of Accounts 2425 and 4425 and through Central schemes. Budget allocation and expenditure of the Department of Co-operation during the audit period 2019-24 indicated total receipt of ₹3602.80 crore and

<sup>127</sup> The net loss was inclusive of amounts of ₹62.63 lakh in respect of vehicles and ₹160.56 lakh related to unrealised advances

expenditure worth ₹2692.33 crore, as detailed in **Table 3.6**.

**Table 3.6: Details of receipt/allocation and expenditure of funds during 2019-24**  
(₹ in crore)

Year	State Grant				National Co-operative Development Corporation assistance (NCDC) <sup>128</sup>		NABARD assistance		Total Receipt/allocation	Total Expenditure
	Receipt/Allocation		Expenditure		Receipt/Allocation	Expenditure	Allocation	Expenditure		
	Plan	Non Plan	Plan	Non Plan						
2019-20	177.35	359.10	90.33	249.71	70.31	45.88	18.31	18.31	625.07	404.23
2020-21	542.13	348.11	514.10	285.06	113.62	109.77	23.63	23.63	1027.49	932.56
2021-22	162.33	398.65	77.02	344.17	65.00	21.51	19.92	19.92	645.90	462.62
2022-23	155.93	362.76	52.33	267.74	246.12	222.82	0.00	0.00	764.81	542.89
2023-24	141.35	363.27	17.62	325.24	34.91	7.17	0.00	0.00	539.53	350.03
<b>Total</b>	<b>1179.09</b>	<b>1831.89</b>	<b>751.40</b>	<b>1471.92</b>	<b>529.96</b>	<b>407.15</b>	<b>61.86</b>	<b>61.86</b>	<b>3602.80</b>	<b>2692.33</b>

(Source: Figures provided by RCS)

The analysis of funds received and expenditure incurred during the period 2019-20 to 2023-24 indicated that fund utilisation was at its peak during the COVID year (2020-21), with utilisation of Plan funds and NCDC funds pegged at 94.83 per cent and 96.61 per cent respectively. However, the utilisation of Plan allocations declined after 2020-21, rose again in 2022-23, and then dipped to 12.47 per cent in 2023-24. A similar pattern was observed in NCDC allocations, where utilisation plummeted to 20.54 per cent in 2023-24.

Government replied (July 2025) that, as additional amount was received from NCDC and State Plan fund, there was an abnormal hike in expenditure in 2020-21. During the financial years 2022-23 and 2023-24, expenditure of State Plan fund declined due to limitation in budget allocation and pending ways and means clearance. In 2023-24, the percentage of expenditure of NCDC assistance was low due to shortage of eligible proposals and pending release orders from Government.

### 3.13.2. Surrender of funds under Plan Schemes

The Kerala Budget Manual set forth the need for Departments to ensure that the estimates are neither inflated nor underpitched, but as accurate as practicable with provisions for all items that can be foreseen to maintain budgetary accuracy and fiscal discipline.

A detailed scrutiny of the budget allocation and annual expenditure on Plan funds meant for implementation of various schemes and activities of the Department during the audit period revealed that funds were surrendered in an average of 47 out of 55 Heads of accounts (**Appendix 3.5**).

Government replied (July 2025) that during financial years 2022-23 and 2023-24, expenditure in State Plan declined due to limitation in budget allocation, pending ways and means clearance etc.

### 3.14. Negligence in recovery of outstanding Government loan/shares from societies

As per Section 42 of the KCS Act, the Government could subscribe directly to the share capital of a society with limited liability. The other forms of State aid

<sup>128</sup> The National Co-operative Development Corporation (NCDC) is a statutory Corporation under the Ministry of Co-operation. NCDC provides loans and grants to State Governments for financing co-operative societies.

to the societies included loans, advances, guarantees, subsidies etc., as permitted under Section 53 of the Act. Additionally, loan or share assistances were provided by NCDC, for the development of co-operative societies. Section 79(1) of the Act stipulated that all sums due to the Government from a society/officer/member, past or deceased, will have to be recovered on the basis of a certificate issued by the RCS or DCA, in the same manner as arrears of public revenue due on land. The Department of Finance had directed (March 2018) the Head of the Office to identify the institutions that defaulted in repayment, so as to collect the pending amount along with interest.

Audit observed that an amount of ₹1,173.29 crore was outstanding from the co-operative societies in the State as on 31 March 2024, as shown in **Table 3.7**.

**Table 3.7: State-wide details of shares and loans received and balance amount outstanding from societies**

(₹ in crore)

Nature of assistance	Amount Sanctioned	Balance amount outstanding				
		Principal	Interest	Penal interest	Dividend	Total
NCDC Share	561.97	112.89	NA	5.12	0.19	118.20
NCDC Loan	298.19	161.89	218.49	33.13	NA	413.51
Government Share	410.62	136.00	NA	12.19	0.35	148.54
Government Loan	433.95	108.84	370.61	13.59	NA	493.04
<b>Total</b>	<b>1704.73</b>	<b>519.62</b>	<b>589.10</b>	<b>64.03</b>	<b>0.54</b>	<b>1,173.29</b>

NA : Not applicable

(Source: Details furnished by RCS)

In this regard, the following observations were made in Audit:

- In the selected districts, financial assistances were sanctioned in 2230 cases, of which no repayment of loan/share was made for ₹492.94 crore in 315 cases as given in **Appendix 3.6**.
- Audit noticed that there was mismatch in details of outstanding loans and shares furnished by the offices of JRs in test checked districts with the data provided in the Half yearly report of the RCS as of March 2024, as given in **Appendix 3.7**. As per the monthly progress report of outstanding loan, share, interest and penal interest furnished to Audit, JRs at Thiruvananthapuram, Alappuzha and Thrissur had a total outstanding amount of ₹6.27 crore, ₹8.19 crore and ₹4.45 crore respectively, as of March 2024. Revenue recovery was seen initiated by JR, Thiruvananthapuram for ₹84.73 lakh, whereas JR, Alappuzha and JR, Thrissur did not furnish details of recovery.
- In the case of JR, Kannur, an amount of ₹874.95 crore was outstanding as of March 2024. The major chunk of outstanding dues related to Kerala State Co-operative Hospital Complex and Centre for Advanced Medical Service Ltd.<sup>129</sup> (₹213.19 crore), RUBCO<sup>130</sup> (₹524.77 crore), AGREENCO<sup>131</sup> (₹35.51 crore), RAIDCO<sup>132</sup> (₹23.79 crore) and Thalassery Taluk Rubber and Agricultural Marketing Society (₹1.05 crore), for which recovery action/ action on request for write-off of dues

<sup>129</sup> Pariyaram Medical College

<sup>130</sup> Kerala State Rubber Corporation Limited

<sup>131</sup> Kerala State Agro Co-operative Limited

<sup>132</sup> Regional Agro Industrial Development Co-operative of Kerala Limited

were in progress. In the remaining cases, demand notices for ₹14.56 lakh were stated to have been issued through Revenue Recovery online portal.

- An amount of ₹30 lakh was sanctioned to Kundukadu Co-operative Health Centre (Society) for purchase of modern medical equipment under the scheme 'Assistance to Miscellaneous Co-operatives'. The JR, Thrissur directed<sup>133</sup> the AR, Thalappilly Taluk, to obtain Utilisation Certificates from the society or to obtain reasons for non-submission. In response, AR reported (December 2017) that only ₹3.89 lakh out of the ₹30 lakh had been used for the sanctioned purpose and that the remaining amount had been diverted for unauthorised purposes<sup>134</sup>. Consequently, the JR directed AR to initiate recovery of amount due to Government along with accrued interest. Audit observed that the AR, after a delay of more than four years, ordered (March 2023) for Revenue Recovery of ₹1.06 crore<sup>135</sup> from the society. Despite the JR instructing AR in December 2017 to initiate recovery of amount due to Government as ₹26.11 lakh of assistance received was diverted, no recovery was seen effected till date.
- Kerala State Agro Co-operative Ltd. No.4437 (AGREENCO), Kannur received (2004-05) ₹14.57 crore<sup>136</sup> as assistance from GoK for setting up an export oriented pineapple processing unit. Based on a Special Report of DCA which pointed out non-maintenance of vouchers and receipts by AGREENCO, the RCS ordered (January 2014) an Inspection under Section 66 of KCS Act, with direction to furnish the Inspection report within one month, which was also not received.

The DCA's report for the year 2013-14 (last audit conducted till date) stated that an amount of ₹24.14 crore was transferred by AGREENCO to subsidiary companies which were created by AGREENCO without obtaining sanction of RCS. AGREENCO also failed to execute any Agreement/Guarantee with these subsidiary companies, to ensure repayment of Government Loan/Grant/Subsidy. AGREENCO did not initiate any action against these subsidiaries for not remitting the Government dues even though the directors of AGREENCO were also part of the Board of Directors of these subsidiary companies.

JPV conducted by Audit at AGREENCO, Kannur on 29 October 2024 revealed that the said society was not functioning, and the buildings and plant and machinery were idling at site, in a dilapidated condition. Thus, the lack of necessary action against the lapses of the society resulted in non-utilisation/refund of the loan provided and idling of plant and machinery worth ₹6.61 crore<sup>137</sup>.

Apathy on the part of officials to reclaim the amount due to Government with interest from societies, besides violating Section 79(1) of the Act, facilitates evasion of Revenue Recovery procedures by societies.

<sup>133</sup> through five consecutive correspondences issued between June 2016 and November 2017

<sup>134</sup> Payment of arrears of salary of doctors, repayment of erstwhile advances drawn, expenses for medicinal plant garden, repayment of loan and interest to District Co-operative bank, etc.

<sup>135</sup> including interest @12 per cent and penal interest @2.5 per cent and Audit fee of ₹5,720

<sup>136</sup> ₹9.72 crore was reimbursed by NCDC to GoK

<sup>137</sup> as stated in the status report dated 04 June 2011

Government replied (July 2025) that issues stemmed from difficulties in monitoring and reconciling demand collection and balance (DCB) precisely. In order to address the critical concerns, a DCB online platform will be launched to ensure transparency, showing outstanding demand to Government, real time status of repayment and defaults. This will significantly enhance the efficacy of the recovery mechanism for Government dues.

However, no specific reply was furnished on the action initiated to recover the outstanding amount, in cases pointed out by Audit.

### 3.15. Audit Fee and cost pending collection

As per Section 64(6) of the KCS Act, the amount of fee or cost for audit of accounts of society was to be fixed by DCA and paid by the society concerned within 30 days of intimation thereof. In case of non-payment within the period, it was to be recovered by RCS from the account maintained in the financing bank by the society.

The total audit fees pending collection in the State as of March 2024 was ₹16 crore, of which, ₹6.63 crore was pending for more than five years. In the test checked districts, an amount of ₹8.69 crore was pending in respect of audit fee and cost.

Government stated (July 2025) that through the upcoming DCB online platform, recovery of audit fee dues will be resolved. The reply was silent on the action initiated by RCS to recover the long pending dues.

### 3.16. Short remittance of contribution towards Co-operative Member Relief Fund and penal interest on defaulted amount

On the basis of Section 56(1)(c) of KCS Act and Rule 53A of KCS Rules, the Co-operative Member Relief Fund, maintained and administered by the RCS was to be utilised for providing assistance to members of co-operative societies who were undergoing treatment for various ailments, partially or totally disabled due to accidents, dependants of the members who had died or were bed ridden due to accidents, etc. A society was to transfer 10 *per cent* of the net profit annually, subject to a maximum of ₹ one lakh, to the Fund.

In case of failure of remittance to the Fund, the Chief Executive of the society making such default would be liable to pay a penal interest at the rate of six *per cent* per annum on the default amount.

As per the information furnished by the office of the RCS, against a total contribution of ₹68.22 crore due to Co-operative Member Relief Fund for the period 2019-20 to 2023-24, ₹39.27 crore was seen remitted by the societies, which indicated that ₹35.44 crore<sup>138</sup> was pending collection from societies.

Government replied (July 2025) that orders have been issued, instructing Joint Director (Audit) to ensure collection of Member Relief Fund before issue of Audit certificates and Joint Registrar (General) to maintain registers for monitoring.

<sup>138</sup> ₹28.95 crore (pending contribution) + ₹6.49 crore (Penal Interest)

### 3.17. Kerala Co-operative Professional Education Fund Scheme

Section 56 of KCS Act and Rule 53 of KCS Rules envisaged the constitution of Professional Education Fund (Fund) maintained by the RCS, through transfer of five *per cent* of net profit of societies to the Fund. The Fund was constituted with the objective of providing assistance for the promotion of professional education in the Co-operative Sector of the State of Kerala.

On scrutiny of the files, registers and connected records of the Fund, the following observations were made:

- In allegiance with Paragraph 7 of the Guidelines of Kerala Co-operative Professional Education Fund Scheme, the societies were to remit the amount due to the Fund within a period of two months from the date of receipt of Audit Certificate. Audit noticed that against ₹220.71 crore due, only ₹79.99 crore was collected, and an amount of ₹140.72 crore (63.76 *per cent*) was pending realisation from societies as on March 2024.
- Audit of accounts of the Fund was to be conducted annually by the DCA free of cost, who was also required to submit reports consisting of Receipts and Disbursements account and Balance sheet duly certified, to the Registrar within five months from the end of every financial year. It was noticed that audit of accounts of the Fund has not been conducted till date, since its constitution in March 2016.
- The RCS was to prepare an Annual report of the scheme and submit it along with the Annual Accounts statement, to the Government within six months from the end of every financial year. However, no Annual report was furnished by RCS even after a lapse of eight years from the inception of the scheme.

Government replied (July 2025) that orders were issued, instructing Joint Director (Audit) to ensure collection of Professional Education Fund before issue of Audit certificates.

### 3.18. Irregularities in utilisation of Government assistance by societies as revealed in Joint Physical verifications

As per Section 42 of KCS Act, the Government could subscribe directly to the share capital of a society with limited liability or hold more than one fifth of the total share capital of the society, as enabled by Section 22. Section 53 of the Act specified other forms of State aid to the societies including loans, advances, guarantees, subsidies etc. The society seeking financial assistance was to furnish documents such as Detailed Project Report (DPR), project feasibility report of Assistant Registrar, non-corruption certificate from Joint Registrar (General), last Audit Certificate, signed agreement etc. The funds provided were to be utilised only for implementing the approved projects, and the society was expected to adhere to the rules for financial assistance and the terms of agreement executed.

Audit conducted Joint physical verification (JPV) along with departmental officials in 72 societies in the selected districts, to verify the extent of utilisation of Government assistance and observed irregularities in the form of diversion of funds, short/non-utilisation, delayed utilisation of funds, idling of assets etc.,

(Appendix 3.8). During the Exit conference (July 2025), Government acknowledged the audit findings and stated that a new system is being developed with the help of State Planning Board to create a template for standardising the projects. It was also stated that an experienced person will handhold the society to prepare the DPRs and project creche will be introduced to resolve the issue.

### 3.19. Internal Control Mechanism

#### 3.19.1. Non-conduct of regular inspection of societies

The Joint Registrars (JRs) were to report to the RCS, the names of societies inspected, dates of inspection and dates of communication of defects in their monthly DO Narrative Reports. Rotation registers were to be maintained at district and taluk levels, containing details of inspections conducted and inspection of societies were to be completed at regular intervals of time as per targets set and responsibility was to be fixed for shortfall in inspections.

Audit observed that:

- Rotation registers were not maintained in the selected AR/JR Offices.
- Surprise or detailed inspection of societies were not carried out by the JR and AR (SC/ST)<sup>139</sup> in JR office, Thiruvananthapuram during the period 2019-24.
- In the AR offices of Thiruvananthapuram and AR/JR offices of Alappuzha, Thrissur and Kannur, no targets for inspection were seen fixed. The societies to be inspected were selected arbitrarily by the ARs/Inspectors concerned without prior approval of the JR/AR. There was no system in place to ensure that the inspection of all societies in the district/taluk were completed at regular intervals.
- Scrutiny of DO Narratives in these districts revealed that no details other than the names of societies inspected by JRs/ARs/Inspectors were recorded, for information of higher authorities.

As no separate targets were fixed by the AR/JR offices, Audit verified the number of actual inspections conducted by the offices of the JR against the targets mentioned in the Circular issued by RCS in August 1993, as detailed in Table 3.8.

**Table 3.8: Details of targets and achievements of inspections during 2021-24**

District <sup>140</sup>	Joint Registrar				Assistant Registrar (SC/ST)			
	Detailed checks		Surprise checks		Detailed checks		Surprise checks	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
Alappuzha	36	22	72	43	72	32	108	49
Thrissur	36	2	72	13	72	63	108	92
Kannur	36	32	72	70	72	16	108	38

(Source: Information consolidated by Audit from DO Narratives of JR offices)

In order to ascertain the impact of inspections, the inspection reports in the office of JR, Alappuzha during the period 2023-24 were called for. Against 78

<sup>139</sup> The AR (SC/ST) oversees the functioning of the SC/ST societies under the JR office, conducts the inspection of SC/ST societies and assists in implementing the Government policies and schemes relating to SC/ST co-operatives.

<sup>140</sup> Except Thiruvananthapuram, where no inspections were conducted during the five year audit period

inspections conducted by JR, Alappuzha in 2023-24, the office could produce only 28<sup>141</sup> inspection reports. Verification of related files revealed that:

- The letters intimating the defects noticed during inspections were communicated to the societies, with delays extending upto 123 days. In six cases, letters intimating defects were not dispatched to societies inspected.
- Action taken reports on the inspection reports were not furnished by the societies and/or no details regarding the same were available with the JR.

Failure in maintenance of rotation register and setting of targets for inspections, non-preparation of inspection reports and lapses in intimating results of inspections to the societies, defeat the purpose of conducting inspections.

Verification of the DO Narratives of inspections conducted at Taluk level by the Assistant Registrars during the period 2019-24 revealed that the inspection of societies was not carried out at regular intervals and that 354 societies<sup>142</sup> were not inspected even once during the entire audit period of five years. ARs' office-wise data on inspection of societies which are functioning, are given in **Table 3.9**.

**Table 3.9: Details of inspections conducted at Taluk level by the test checked offices of AR during the period 2019-24**

AR offices	Number of societies				
	No inspections conducted	1 to 5 inspections conducted	6 to 20 inspections conducted	21 to 40 inspections conducted	Above 40 inspections conducted
Mavelikkara	59	20	42	17	4
Chengannur	37	10	11	19	1
Nedumangad	18	120	111	3	0
Neyyattinkara	68	126	124	3	0
Taliparamba	42	83	68	10	2
Payyanur	62	60	56	8	2
Kunnamkulam	19	24	29	8	0
Mukundapuram	49	56	47	0	0
<b>Total</b>	<b>354</b>	<b>499</b>	<b>488</b>	<b>68</b>	<b>9</b>

(Source: Information consolidated by Audit from DO Narratives and information furnished by RCS and AR offices concerned)

Interestingly, when significant number of institutions were left without inspection, Audit observed that more than 40 inspections were conducted in just four societies in Mavelikkara, one society in Chengannur and two societies each at Taliparamba and Payyanur.

Government replied (July 2025) that an application named Co-operative Inspection Management Application (CIMA) has been successfully implemented across the State since March 2025, with real time monitoring that ensures systematic and effective inspection processes.

### 3.19.2. Arbitration and Execution cases

Section 69(h) of KCS Act, 1969 mandated the disputes among members, past members, between the society or its committee etc., to be referred to the Co-operative Arbitration Court in the case of non-monetary disputes and to the RCS

<sup>141</sup> two inspections conducted by JR and 26 by AR SC/ST

<sup>142</sup> excluding dormant societies and societies under liquidation

in the case of monetary disputes. The RCS, with a view to execute the statutory responsibilities of arbitration, execution and liquidation with efficiency, directed (November 1991) the JRs to verify the cases pending for more than five years and initiate prompt action to settle these cases and report to the RCS.

Details of pending arbitration/execution cases in the selected districts as of March 2024 are as mentioned in **Table 3.10**.

**Table 3.10: Details of pending Arbitration and Execution cases as of March 2024**

Particulars	Thiruvananthapuram	Alappuzha	Thrissur	Kannur
Total no. of arbitration cases	5,954	2,377	8,083	7,251
Amount involved (₹ in crore)	244.95	162.81	606.27	147.32
No. of arbitration cases pending for more than five years	28	6	110	3
Total no. of execution cases	27,963	7,552	46,500	16,439
Amount involved (₹ in crore)	905.69	294.55	2,654.78	534.56
No. of execution cases pending for more than five years	1,906	236	6,905	0

(Source: Details furnished by JR offices)

Even though the number/amount of arbitration/execution cases disposed were mentioned in the DO Narratives submitted to RCS, the action taken for disposing the long pending cases was not furnished.

Government replied (July 2025) that in 2,22,103 arbitration cases involving ₹8,488 crore and 86,622 execution cases involving ₹3,407 crore, recovery was effected during the period September 2024 to June 2025. However, the reply was silent on the long pending arbitration and execution cases mentioned in the paragraph.

### 3.20. Conclusion

Delay on the part of JR/AR in processing the applications resulted in delay in providing registrations to societies in the selected districts. There was also delay in returning/rejecting the applications for registration of societies. The pattern of classification of societies according to the type and financial conditions was not revised regularly as envisaged in the statutes, rather, were done arbitrarily on the basis of requests from the societies. Audit observed that there was delay ranging from 31 to 690 days in 57 cases, in forwarding the Vigilance Inquiry Reports to sections concerned/JRs for further follow-up action.

No action was seen initiated to revive/liquidate/cancel the registration of 302 societies lying dormant for over a total span of 46 years in the selected districts. There was delay on the part of JRs in initiating action on Special reports forwarded by the JDs, as well as in completion of inquiry/inspection under Sections 65, 66 and 68. Considerable delay was also noticed in forwarding the Audit certificate by the DCA to the respective societies after the receipt of Audit Reports.

An amount of ₹1173.29 crore was outstanding as Government/NCDC loans and shares and their interest/dividend from the co-operative societies in the State as on 31 March 2024. An amount of ₹16 crore was pending collection in respect of audit fees from the societies. There was short collection of ₹35.44 crore in respect of Co-operative Member Relief Fund and ₹140.72 crore in respect of Kerala Co-operative Professional Education Fund Scheme. Lack of monitoring

and oversight by the Department led to diversion of financial assistance, wasteful expenditure and idling of assets by the societies. The test checked offices of JR/AR were not maintaining rotation registers for regular monitoring of detailed and surprise inspections. There were more than 147 arbitration cases and 9,047 execution cases pending for more than five years in the test checked districts.

### **3.21. Recommendations**

- *The RCS may ensure that registration and returning/rejection of applications of societies are done in adherence to prescribed timelines.*
- *Government/RCS may devise a system to revise the classification norms and classify societies every three years. It may be ensured that societies submit latest classification certified by the Registrar while applying for recruitment through the Co-operative Examination Board.*
- *Government may ensure that the Department establishes a centralised and inclusive online platform that enables citizens to view the details of all registered co-operative societies, in the interest of improving public trust, accountability and accessibility.*
- *The RCS may take steps to avoid delay in forwarding Special Reports and Vigilance Reports, and initiate timely action on these reports. The timelines prescribed for inquiries/inspections under Sections 65, 66 and 68 should be strictly adhered to.*
- *The RCS may review Audit Certificates/Memoranda issued by Director of Co-operative Audit including significant deficiencies in working of societies and ensure that the observations of DCA are acted upon by societies in a timely manner.*
- *Government may consider introducing IT systems to enable conduct of audit and issue of Audit reports and Audit Memoranda and real time monitoring of the same.*
- *Government/RCS may consider introducing MIS to track accounting of Government assistance and to ensure that the societies repay their outstanding dues of Government/NCDC loans and shares within prescribed time limit.*

# COMPLIANCE AUDIT PARAGRAPHS



## CHAPTER IV COMPLIANCE AUDIT PARAGRAPHS

### *Misappropriation*

#### FISHERIES DEPARTMENT

##### 4.1. Suspected misappropriation of ₹1.05 lakh of Government money

**Violation of codal provisions and laxity on the part of the Head of the Office resulted in suspected misappropriation of ₹1.05 lakh as short remittances at the Office of the Assistant Executive Engineer, Harbour Engineering Sub Division, Thalai, Kannur District.**

Kerala Treasury Code (KTC) stipulates that a Government servant who receives any money on behalf of the Government shall give the payer a receipt in Form TR-5 and all monetary transactions should be entered in the Cash Book as soon as they occur and attested by the Head of the Office in token of check. Further, when Government money in the custody of a Government officer is paid into the Treasury or Bank<sup>143</sup>, the Head of the Office should satisfy himself that the amounts have been actually credited into the Treasury or Bank before attesting entries in cashbook.

Audit test checked (February 2024) the records of Harbour Engineering Sub Division, Thalai<sup>144</sup> as part of the local audit of the Office of the Executive Engineer, Harbour Engineering Division, Kannur<sup>145</sup> for the period 01 April 2018 to 31 December 2023.

The Sub Division generated revenue from ground lease rent, room rent, sale of tender forms and collection of toll for entry of vehicles into the Harbour. The Senior Clerk/Clerk who was in charge of writing of cashbook was the custodian of TR-5 Receipt books.

Audit observed that TR-5 receipts<sup>146</sup> were issued for revenue received in cash directly at the Sub Division and the collected revenue was remitted at Sub Treasury, Thalassery. The corresponding GST portion was deposited in the Current Account maintained at SBI, Thalassery in the name of Assistant Executive Engineer and subsequently paid to the GST head of account.

Audit scrutinised the receipts and remittances of money at the Sub Division, Thalai and observed that there was short remittance to the tune of ₹1.05 lakh, to the Sub Treasury Thalassery/bank account. The details of short remittance were as given below:

<sup>143</sup> Kerala Financial Code requires that the daily collection of each officer should be remitted into the Treasury, the next working day or at least once in a week on the last working day.

<sup>144</sup> Under the Assistant Executive Engineer

<sup>145</sup> Kannur Division coming under the North Circle has three Sub Divisions, namely, Thalai, Mopla bay and Azheekkal.

<sup>146</sup> As the Government of Kerala introduced electronic TR-5 receipt system w.e.f. 01.07.2022 for collection of revenue, Sub Division started issuing electronic TR-5 receipts w.e.f. 12.07.2022. The GST portion was remitted directly to the GST head of account without routing through the bank account.

- The total receipts under TR-5 amounted to ₹36.06 lakh which was inclusive of ₹4.62 lakh as GST. Of this, only ₹31.29 lakh was seen remitted to the treasury and ₹4.05 lakh, to the bank account as GST. This accounted for short remittance of ₹0.72 lakh.
- An amount of ₹2550 received by the office for which TR-5 was issued, was shown as remitted to the treasury. However, scrutiny of treasury reconciliation statement revealed that only ₹550 was remitted to the treasury. Audit observed that the figure '2' was fraudulently prefixed to 550, thereby making it '2550', in the counterfoil of remittance challan. However the amount was retained as 'Rupees five hundred and fifty' in words. This was evidently a case of forgery of entries relating to remittance in the challan, to enable misappropriation of ₹2000.
- The Sub division issued toll coupons<sup>147</sup> worth ₹7.97 lakh, of which, toll coupons worth ₹1.78 lakh were used. However, only ₹1.45 lakh of the collected amount was remitted into the treasury. This resulted in short remittance of ₹0.33 lakh.

Audit observed the following systemic deficiencies in management and accounting of Government moneys.

- The office did not maintain cashbook and other registers in proper form. Only establishment-related expenditures such as salary, loans and advances, etc., were entered in the cashbook. Other cash receipts for which TR-5 receipts were issued were not entered in the cashbook.
- TR-5 receipts were not issued for all moneys received. No TR-5 receipts were issued for an amount of ₹24,479 received through sale of tender form. Similarly, TR-5 receipts were not seen issued to Kudumbashree members who deposited the moneys collected through issue of toll coupons at the Sub Division office. Of the collected amount of ₹1.45 lakh, TR-5 receipts were issued for ₹15,800 only.
- Periodical reconciliation of the revenue realised and its remittance was not carried out by the Head of the Office to ensure proper collection, accounting and remittance of revenue. This allowed for falsification of remittance challan facilitating misappropriation of the amount as detailed above.
- There were 61 shops/locker rooms under the jurisdiction of the Sub Division, which were rented out. However, the Sub Division did not maintain proper records or any Demand Collection and Balance statements to keep track of revenue generated and revenue due, through room rent.
- The receipt head of GST could not be accessed by Harbour Engineering Department in the electronic treasury portal, due to which, the office could not generate receipts for the GST collected.

<sup>147</sup> Toll for entry of vehicles into the Harbour was collected using Kudumbashree members by issuing toll coupons.

The GST amount collected was recorded manually in the electronic TR-5 receipts. Non-issue of receipt for the GST amount carried the inherent risk of mishandling of collected amount by persons.

Thus, violation of codal provisions and laxity on the part of the Head of the Office as revealed from scrutiny of test checked records, resulted in short remittance of ₹1.05 lakh and suspected misappropriation of the amount at Sub Division Thalai. Considering the lack of proper maintenance of records and serious systemic deficiencies observed, a detailed inquiry into the financial transactions of the Sub Division needs to be carried out to bring out the total extent of loss, so as to fix responsibility for the financial indiscipline.

Government stated in reply (September 2025) that an enquiry was conducted by the Chief Engineer, Harbour Engineering Department on the matter and charge memos issued to Clerk and Senior Clerk. Disciplinary action against the then Assistant Executive Engineer was under process in Government. The irregularities were formally reported (July 2025) to Police for initiating criminal proceedings and recovery of financial loss sustained by Government was in progress.

#### *Loss of assistance/revenue*

### FISHERIES DEPARTMENT

#### 4.2. Loss due to failure in claiming eligible exemption from income tax

**Failure on the part of Kerala Fishermen's Welfare Fund Board in claiming eligible income tax exemption and consequent deduction of tax at source on the interest income resulted in avoidable revenue loss of ₹72.02 lakh.**

As per Section 10(46) of the Income Tax (IT) Act, 1961, any specified income arising to a body or authority or Board or Trust or Commission which has been established by or under a Central, State or Provincial Act, or constituted by the Central or State Government, with the object of regulating or administering any activity for the benefit of the general public, not engaged in any commercial activity and notified by the Central Government in the official gazette, is exempted from income tax.

The Kerala Fishermen's Welfare Fund Board (Board) is a non-profit autonomous body functioning under the Government of Kerala and carrying out welfare activities for the fishermen/ allied workers' community solely sourced from Government grants and contribution/ fees etc<sup>148</sup>. The Board earns interest on fixed deposits from Kerala Fishermen's Welfare Fund (KFWF) and Allied Workers Welfare Fund (AWWF) maintained in nationalised banks and carries out activities financed from these funds.

Audit observed that the Board was eligible to be notified under Section 10(46) of the IT Act, 1961, for exemption from Income Tax. The Chartered

<sup>148</sup> collected as per Section 3(2) of the Kerala Fishermen's Welfare Fund Act, 1985

Accountants, while auditing the accounts of the Board for the year 2018-19, had opined that the Board should get a tax exemption certificate from the Income Tax Authorities, as the Board was a non-profit organisation under Government category, functioning for the welfare of fishermen and allied workers. However, the Board was yet to initiate the process of getting itself notified by the Central Board of Direct Taxes (CBDT) for being exempt from Income Tax. The Board had also not obtained non-profit registration under Section 10(23C)(iv) of IT Act. Consequently, an amount of ₹72.02 lakh was deducted as tax at source<sup>149</sup> by the banks from the interest earned on the fixed deposits during the period 2018-19 to 2022-23. The Board had also not filed Income Tax returns during the entire period.

Audit observed that Section 27 of the Kerala Fishermen's Welfare Fund Act required submission of annual accounts of the Board audited by a Chartered Accountant, to Government before the end of July every year. The Board, in order to claim tax exemption, had to submit annual audited report to CBDT every year. However, it was observed that during the period 2018-19 to 2024-25, audit of accounts was conducted only upto 2021-22, that too with a delay ranging from 803 to 1063 days. Consequently, the Board was not in a position to submit audited reports and thereby turn eligible for tax exemption.

On pointing this out, Government acknowledged (August 2025) that the primary reason for non-filing of IT returns was the delay in completing statutory audits. Although audit for 2021-22 was completed and a draft report submitted by the Chartered Accountant, the report was not approved due to several discrepancies arising from errors in tally entries. Unless the tally accounts from 2012 to 2025 are rectified and furnished to the auditors, the audit proceedings from 2021 cannot be completed satisfactorily. It was further stated that, the Board had been advised to first obtain non-profit registration under Section 10(23C) of IT Act before applying for waiver of delay in filing returns and that action in this regard was underway.

Thus, delay in rectifying errors in tally accounts and registration as non-profit organisation resulted in avoidable deduction of tax amounting ₹72.02 lakh to the Board, for the assessment years 2018-19 to 2022-23.

## HEALTH AND FAMILY WELFARE DEPARTMENT

### 4.3. Loss of Government of India assistance of ₹6.85 crore

**Government of Kerala's lack of timely action in releasing the Government of India (GoI) assistance to Government Medical College, Kozhikode led to a loss of ₹6.85 crore of GoI funds, thereby increasing the burden on the State exchequer. This also led to blocking up of ₹1.37 crore of GoI funds on incomplete works of setting up of College of Paramedical Education at Government Medical College, Kozhikode.**

Government of India (GoI) formulated<sup>150</sup> a Centrally Sponsored Scheme (CSS) namely 'Setting up of State Institutions of Paramedical Sciences in States and setting up of College of Paramedical Education' with a view to provide one time

<sup>149</sup> at the rate of 10 per cent

<sup>150</sup> As part of Twelfth Five year plan (2012-17)

institutional grant for supporting State Government Medical Colleges for conducting allied health (paramedical) courses. The one time grant was capped at ₹13.70 crore for each State and the centre and state share was to be in the ratio of 60:40<sup>151</sup>.

Government of Kerala (GoK) submitted (November 2017) a proposal for setting up of College of Allied Health and Paramedical Institute at the Government Medical College, Kozhikode (GMCK) under the CSS. GoI approved the proposal of GoK and released (February 2018) an amount of ₹4.11 crore as first instalment.

Comprehensive Administrative Sanction for the project was accorded (August 2019) by GoK and an amount of ₹6.85 crore (₹4.11 crore as Central Share and ₹2.74 crore as State share) was sanctioned (August 2019), with permission to deposit the amount in a bank account opened exclusively for the scheme.

Audit observed that the Principal, GMCK submitted (October 2019) a bill for transfer of the amount to the bank account opened for the purpose. However, the same was rejected for lack of Ways and Means clearance<sup>152</sup>. It was seen that based on requests of the Director of Medical Education (DME) (January 2020) and the Principal, GMCK (February 2020), the Ways and Means clearance was granted (October 2020) and the fund was transfer credited to the dedicated bank account only in March 2021.

Meanwhile, GoI had informed (June 2019 and October 2019) that the scheme would end on 31 March 2020 and called for submission of pending Utilisation Certificates (UC), along with physical status report and the proposal for next instalment immediately, for further release of funds. It was further informed that no funds will be released after 31 March 2020 and liabilities, if any, will have to be borne by the State.

Audit observed that an amount of ₹1.37 crore was transferred to the Public Works Department (PWD) for starting the works in August 2021 and PWD requested (September 2021) that the balance amount available with the GMCK (₹5.48 crore) be transferred to PWD before inviting tenders for the work. As the GoI had already discontinued the scheme, it was decided (June 2022) to implement the project in a phased manner. The first phase was to be undertaken with the available funds and was to be initiated by November 2022. Further, Audit noticed that PWD had incurred an expenditure of ₹0.60 crore on the work, as of November 2024.

Though the Principal, GMCK made repeated requests<sup>153</sup> for grant of permission for transfer of the remaining ₹5.48 crore to PWD to initiate the construction work, the same was not granted. Audit observed that as of April 2025, only pile capping works were done with regard to the setting up of College of Allied Health and Paramedical Institute at GMCK, under the CSS.

<sup>151</sup> ₹8.22 crore will be released by Central Government in two equal instalments of ₹4.11 crore each. Second instalment will be released, only after receipt of UC and progress report of first instalment.

<sup>152</sup> As a measure to manage liquidity of the State, payments from treasury have been regulated by the Government fixing Ways and Means limit from time to time. Any payment above the Ways and Means limit fixed by the Government requires Ways and Means clearance from Finance Department.

<sup>153</sup> Vide letters dated September 2021, April 2022, December 2023 and May 2024

Meanwhile, GoI issued multiple letters<sup>154</sup> to GoK calling for the physical/financial progress report and UC for the scheme and directed that the unspent balance be remitted back. Accordingly, GoK refunded (April 2025) ₹2.74 crore<sup>155</sup> to GoI.

GoK stated (September 2025) in reply that the delay in project implementation was due to procedural constraints. The GoK's lack of timely action in releasing the GoI assistance to GMCK led to a loss of ₹6.85 crore<sup>156</sup> in GoI funds thereby increasing the burden on the State exchequer and also blocking up of ₹1.37 crore of funds received from GoI. Additionally, approximately 500<sup>157</sup> paramedical students at GMCK were deprived of the benefits that would have accrued from the setting up of the college of Allied Health and Paramedical Institute.

### *Wasteful expenditure*

## SCHEDULED CASTES DEVELOPMENT DEPARTMENT

### 4.4. Construction of building without ensuring transfer of ownership of land resulted in wasteful expenditure of ₹84.32 lakh

**An expenditure of ₹84.32 lakh incurred by the Scheduled Castes Development Department on the construction of a community hall at Pattuparambu Scheduled Caste Colony, Thykkattusserry Block, Alappuzha proved wasteful, as the construction was undertaken on a private land without ensuring the transfer of ownership of land to the Department.**

The Kerala Land Relinquishment Act, 1958 and Rules made thereunder make provision for the relinquishment of lands in the State of Kerala in favour of the Government. As per the Kerala Land Relinquishment Rules, 1958, every application for relinquishment of registered land should be given in writing and should specify the details of the land<sup>158</sup> and purposes for which the land is relinquished. Applications for relinquishment may be presented to the Revenue Divisional Officer (RDO) of the Division in which the land is situated. The RDO shall forward the application to the Tahsildar and the Tahsildar shall direct the Village Officer (VO) to inspect the land. If the relinquishment of land is found valid after due process<sup>159</sup>, the RDO shall pass an order of acceptance of the relinquishment. The Kerala Land Relinquishment Act, 1958 states that the RDO may, at any stage of the proceedings reject an application, if it is found that the title of the registered holder is defective.

During the local audit (August 2023) of the Office of the District Scheduled Castes Development Officer (DSCDO), Alappuzha covering the period December 2021 to July 2023, it was observed that failure to abide by statutory

<sup>154</sup> Letters dated 14 August 2023, 19 September 2023, 09 November 2023, 28 December 2023, 26 April 2024, 06 September 2024 and 28 February 2025

<sup>155</sup> ₹4.11 crore - ₹1.37 crore = ₹2.74 crore

<sup>156</sup> ₹8.22 crore - ₹1.37 crore = ₹6.85 crore

<sup>157</sup> As stated in the letter dated 21 December 2024 by the Principal, GMCK to the DME

<sup>158</sup> The name of the registered holder, the name of the village, survey number, the total extent of land, the area to be relinquished and the tax on such area.

<sup>159</sup> The VO shall report whether the land is free from encumbrances and submit the records. On receipt of the report from VO, the RDO shall issue a notice calling for objections to the relinquishment of the land and dispose of the same after having the objections duly enquired.

requirements led to irregular acceptance of the land, resulting in legal ambiguity regarding the Government's title over the property. This resulted in idling of a building constructed in the above land, and consequent unfruitful expenditure of ₹84.32 lakh, as detailed below.

Based on a proposal submitted (May 2018) by the Director, Scheduled Castes Development Department (SCDD), Government of Kerala (GoK) accorded (July 2018) administrative sanction for construction of a community hall at Pattuparambu Scheduled Caste (SC) Colony, Thykkattusserry Block, Alappuzha for a total cost of ₹97 lakh. The Assistant Executive Engineer, Local Self Government Department Sub Division, Thykkattusserry Block was designated as the implementing officer of the project. The construction of the building was completed in May 2022 and an amount of ₹84.32 lakh was transferred to the implementing officer for the work. Audit observed that the building has been idling since and not used for any purpose.



*Figure 4.1: Photo of the community hall building constructed at Pattuparambu SC Colony, Thykkattusserry Block, Alappuzha. Photo taken by Audit party on 05 June 2025*

Scrutiny of records revealed that the land selected by the DSCDO for construction of the building belonged to a private party<sup>160</sup> and the land was yet to be acquired by the SCDD.

Audit observed that the said land was selected and construction work commenced (February 2019), based on a consent letter (February 2019) from the private party. It was seen that the DSCDO did not follow the due process as per the Kerala Land Relinquishment Rules, 1958 for

getting the land relinquished by the private party in favour of Government and eventual transfer of ownership of land to the Department before commencement of construction work. Instead, the DSCDO forwarded the consent letter and property documents<sup>161</sup> to the VO, Arookkutty for transfer of ownership in September 2021.

The VO informed (November 2021) that as a written complaint was received from the private party with regard to the transfer of the above land, follow-up action on the request of the DSCDO could be pursued only after the complaint was settled. Further, it was seen that the private party put forth (March 2022) conditional claims to agree to the transfer of land to SCDD, such as 50 per cent revenue sharing, transfer of land along with the building back to them after 20 years, space for functioning of their office, complete managerial control of the community hall, etc. Disregarding the fact that the ownership of the land was vested with the private party and the same was not transferred to the

<sup>160</sup> The President, Treasurer and Secretary of Harijan Marana Fund, a fund started in 1978 with contributions from SC families in the locality of Pattuparambu SC colony for the benefit of its members.

<sup>161</sup> Possession certificate, Land tax receipt and location sketch

Department, the construction of the structure of the building including tiling and electrical works were completed (December 2021).

Audit observed that though several rounds of discussions were held in the presence of MP/MLA/Head of the Department, the issue of transfer of land could not be resolved. The status report on the project submitted (December 2024) by the DSCDO to SCDD mentioned that even if the conditional clauses of the private party were accepted, there were legal hurdles<sup>162</sup> to the transfer of the land, as unless the question of rightful ownership of the land was settled, the possibility of utilising the building for the intended purpose continued to be remote.

Thus, failure to apply the provisions of the Kerala Land Relinquishment Act, 1958 and the associated Rules, along with the premature initiation of construction on private land by the DSCDO, led to a wasteful expenditure of ₹84.32 lakh.

GoK replied (September 2025) that directions have been issued to the Director, SCDD and the Block SCDO concerned to seek leave of the court to allow temporary use of the premises solely for the purposes of safeguarding the asset from damage and disuse, and for non-exclusive, public benefit use under custodial management, without granting title or rights to any group until the final adjudication of the suit.

Given that the land has not been formally transferred to the Department and there is ambiguity regarding its ownership, the likelihood of the Department eventually acquiring ownership of the constructed asset appears remote.

#### *Providing undue benefit*

## WATER RESOURCES DEPARTMENT

### 4.5. Undue benefit to contractors

**Incorrect deduction of amount for work not executed in the case of two works by Water Resources Department resulted in bestowal of undue benefit tantamount to ₹53.78 lakh to the contractors.**

The project 'Comprehensive Water Supply Scheme to Perumatty, Pattancherry, Elappully, Nallepilly – Phase II' executed as augmentation to Phase I of the project was formulated to provide drinking water to all wards in Pattancherry and Perumatty Grama Panchayats in Palakkad district. The project was funded by Kerala Infrastructure Investment Fund Board (KIIFB) and implemented by Kerala Water Authority (KWA) which acted as Special Purpose Vehicle<sup>163</sup>.

Government of Kerala (GoK) accorded (June 2018) administrative sanction for the project for ₹25 crore and KIIFB accorded (November 2018) financial sanction to the tune of ₹25.99 crore. Technical sanction was issued (February 2019) by Chief Engineer (Northern Region), KWA for ₹25.97 crore.

<sup>162</sup> Though the land was purchased in 1978 in the name of Harijan Marana Fund, the Fund was not legally registered as a Trust at that time. Though the current office bearers of the Harijan Marana Fund registered the Trust in September 2023, there were no legal records to prove that the organisation registered now had any rights on the assets created by the erstwhile unregistered entity.

<sup>163</sup> vide G.O (Ms) No.444/2018/Fin. dated 26 November 2018

The KWA invited tenders for two works relating to Phase II of the above project, Package I<sup>164</sup> and Package II<sup>165</sup>, as lumpsum contracts in February 2019 and August 2019 respectively. These works were inclusive of road restoration, which were to be executed in compliance with the guidelines issued (November 2018) by Government for KIIFB funded works, wherein the responsibility of execution of the work relating to road restoration shall be on the SPV concerned.

The Superintending Engineer, Public Health Circle, KWA Palakkad (SE) awarded the works, to two different contractors in July 2019 and February 2020, for ₹1409 lakh and ₹889 lakh respectively. Separate agreements were executed with the contractors for the above works which included road restoration charges as part of break up of payments.

During the course of audit (May 2024) of the Office of the Executive Engineer (EE), Project Division, Chittur, Palakkad for the period 2019-24, it was observed from records that the dates of completion of the works relating to Package I and Package II were 30 September 2021 and 31 May 2021 respectively. As per the break up of payments of the works, the road restoration works constituted 1.97 *per cent* of agreed Probable Amount of Contract (PAC) in the case of Package I and 24 *per cent*, for Package II. However, on scrutiny of final bills related to both the works, Audit noticed that the percentage of completion of the items related to road restoration for Package I and Package II was only zero and 17.647 respectively.

Condition No 4.6 of Package I and Condition No 3 of the Package II in the General Conditions of Notice Inviting Tenders (NIT) for the works stipulated that the quantity of work mentioned in NIT should be carried out fully. For incomplete or omitted work, a proportional amount for the quantity not carried out in each item shall be deducted from the contractor's bill at either the rate approved in break up of payments or the estimate rate, whichever is higher.

In violation of the above, the EE, while passing the final bills of both the works (February 2023), resorted to make deductions for incomplete works at the rates approved in break up of payments, despite the estimate rates being higher, as detailed in the **Appendix 4.1**. The aforementioned deviations from contract stipulations resulted in bestowal of undue benefit tantamount to ₹53.78 lakh to the contractors.

Based on the audit observation, the EE, Project Division, Chittur issued notices (September 2024) to both the contractors for the recovery of amount for non-executed works. Subsequently, the contractors appealed to the Hon'ble High Court (September 2024) against the action of the Department in belatedly issuing recovery notice, over three years after the completion of work. The Court issued interim order staying the recovery in October 2024 and in August 2025.

The Additional Chief Secretary, Water Resources Department, Government of Kerala informed Audit (December 2025) that counter affidavits in the respective

<sup>164</sup> KIIFB – 2017-18- Comprehensive WSS to Perumatty, Pattancherry, Elappully and Nallepilly Gram panchayaths - Phase II - Package I

<sup>165</sup> KIIFB – 2017-18- Comprehensive Drinking Water Scheme to Perumatty, Pattancherry, Elappully and Nallepilly Panchayaths in Palakkad District – Phase II –Package II

cases have been forwarded to the Standing counsel and are expected to be filed before the Honourable High Court.

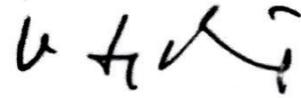
Thus, KWA, by not complying with the General conditions of NIT while deducting amount for work not executed, extended undue benefit amounting ₹53.78 lakh to the contractors. Notice of recovery was issued belatedly, only after Audit pointed out the irregularity, which led to the contractors filing petitions, thereby staying the process of recovery. Timely deduction of amount from the final bills of contractors at higher estimate rates could have avoided litigations and consequent delay in recovery of excess amount.



**(PREETHI ABRAHAM)**  
Accountant General  
(Audit I), Kerala

**Thiruvananthapuram,  
The 21 January 2026**

**Countersigned**



**New Delhi,  
The 27 January 2026**

**(K. SANJAY MURTHY)**  
Comptroller and Auditor General of India

# APPENDICES



## Appendix 1.1

## Department-wise details of outstanding Inspection Reports and paragraphs as on 31 October 2024

(Reference: Paragraph 1.5.1; page 3)

Sl. No.	Name of Department	Number of outstanding	
		Inspection Reports	Paragraphs
1.	Agriculture Development and Farmers' Welfare	155	863
2.	Animal Husbandry and Dairy Development	21	79
3.	AYUSH	119	478
4.	Backward Communities Development	20	67
5.	Coastal Shipping and Inland Navigation	12	49
6.	Co-operation	35	194
7.	Election	7	22
8.	Fisheries and Ports	96	458
9.	Food, Civil Supplies and Consumer Affairs	56	225
10.	General Administration	14	69
11.	General Education	220	1253
12.	Health and Family Welfare	698	4199
13.	Higher Education	289	1953
14.	Home	272	1379
15.	Housing	6	30
16.	Information and Public Relations	6	29
17.	Labour and Skills	89	440
18.	Law	48	146
19.	Local Self-Government	1937	8641
20.	Minority Welfare Development	2	10
21.	Parliamentary Affairs	2	06
22.	Personnel and Administrative Reforms	6	37
23.	Revenue	584	3678
24.	Scheduled Castes and Scheduled Tribes Development	278	1263
25.	Social Justice	83	398
26.	Sports and Youth Affairs	19	120
27.	Vigilance	12	38
28.	Water Resources	159	666
29.	Women and Child Development	49	161
	<b>Total</b>	<b>5294</b>	<b>26951</b>

**Appendix 1.2**

**Details of Action Taken Notes pending as of October 2024**

*(Reference: Paragraph 1.5.3; page 3)*

Sl. No.	Department	Performance Audit Report on Preparedness and response to floods in Kerala	2022	PA on Pre and Post Matric Scholarship Schemes for SC,ST and Minority Students	Total
1.	Agriculture	-	2	-	2
2.	Consumer Affairs	-	1	-	1
3.	Food and Civil Supplies				
4.	Fisheries and Ports	-	1	-	1
5.	General Education	-	-	1	1
6.	Labour and Skills	-	1	-	1
7.	Minority Welfare	-	-	4	4
8.	Revenue	2	2	-	4
9.	Scheduled Castes and Scheduled Tribes Development	-	-	26	26
10.	Water Resources	-	1	-	1
<b>Total</b>		<b>2</b>	<b>8</b>	<b>31</b>	<b>41</b>

## Appendix 1.3

## Statement showing the details of paragraphs pending discussion by the Public Accounts Committee as of October 2024

(Reference: Paragraph 1.5.4; page 3)

Sl. No.	Department	Performance Audit Report on Preparedness and response to floods in Kerala	2021	Performance Audit Report on Functioning of the University of Kerala	2022	PA on Pre and Post Matric Scholarship Schemes for SC, ST and Minority Students	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Agriculture	-	-	-	2	-	2
2.	Consumer Affairs	-	-	-	1	-	1
3.	Food and Civil Supplies	-	-	-	1	-	1
4.	Fisheries and Ports	-	-	-	-	1	1
5.	General Education	-	-	-	-	1	1
6.	Health and Family Welfare	-	1	-	-	-	1
7.	Higher Education	-	1	41	-	-	42
8.	Labour and Skills	-	-	-	1	-	1
9.	Minority Welfare	-	-	-	-	4	4
10.	Revenue	9	-	-	2	-	11
11.	Scheduled Castes and Scheduled Tribes Development	-	-	-	-	26	26
12.	Water Resources	2	-	-	1	-	3
<b>Total</b>		<b>11</b>	<b>2</b>	<b>41</b>	<b>8</b>	<b>31</b>	<b>93</b>

## Appendix 2.1

### List of institutions covered in Audit

(Reference: Paragraph 2.4; page 7)

**Eight out of 31 Teaching and Research Departments and One out of four Cost based departments** were selected using Simple Random Sampling without Replacement (SRSWOR) based on number of seats and expenditure incurred.

1. Department of Chemistry
2. Department of Psychology
3. Department of Physics
4. Department of Education
5. Department of Russian and Comparative studies
6. Department of Statistics
7. Department of Journalism and Mass communication
8. Department of Folklore studies

**Cost based Department:** Department of Environment

**Three out of 12 Centres for Computer Science and Information Technology** were selected using Simple Random Sampling without replacement based on average number of seats.

1. Computer Science and Information Technology, Aranattukara
2. Computer Science and Information Technology, Manjeri
3. Computer Science and Information Technology, CU Campus

**Three out of 11 Teacher Education Centres** were selected using Simple Random Sampling based on expenditure incurred.

1. Calicut University Teacher Education Centre
2. Teacher Education Centre, Manjeri
3. Teacher Education Centre, Sulthan Bathery

**Two out of six Schools of Management Studies** were selected using Simple Random Sampling based on expenditure incurred.

1. School of Management Studies, Palakkad
2. School of Management Studies, Vatakara

**Three out of nine single units** were selected using Simple Random Sampling.

1. Department of Life long learning and Extension
  2. Pareeksha Bhavan
  3. Central Sophisticated Instrumentation Facility
- Survey of 1091 students<sup>166</sup> (including research scholars and former students) and 118 faculties of the selected departments and centres of the University were conducted.
  - Based on the expenditure, 57 out of 529 works and 52 out of 716 purchases were selected using Stratified Random Sampling from among the works/purchases during the audit period.

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<sup>166</sup> Survey of students and faculties of eight selected departments and centres of the University

**Appendix 2.2**  
**Strategic Priorities and Goals set under Strategic Plan**  
*(Reference: Paragraph 2.5.1; page 7)*

Strategic Priority	Strategic Goal
1. Governance and management	1.1 Review, update and establish a comprehensive set of academic and administrative policies, rules and regulations
	1.2 Establish distinct administrative machinery for the University departments and affiliated institutions
2. Teaching and Learning	2.1 Offer a high-quality learning environment that produces resilient, productive and confident graduates
	2.2 Create a “learning always” and “learning from everywhere” opportunity for all students
3. Academic Research and Innovation	3.1 Encourage, promote and sustain excellence in research
	3.2 Promote innovation and entrepreneurship
4. Academic Support Services	4.1 Ensure efficient academic support services and resources through appropriate empowerment
5. Student Support Services	5.1 Enhance student experience on the campus by ensuring an enabling environment
6. Outreach and Community Engagement	6.1 Creatively contribute to the overall development of the community
	6.2 Strengthen continuous learning processes and community outreach programmes
7. Facilities, System and Infrastructure	7.1 Ensure best of possible facilities, systems and infrastructure to the students and staff
	7.2 Provide state-of-the-art infrastructure and facilities for the stakeholders

**Appendix 2.3**

**Percentage of scores obtained by the University across NIRF Ranking Parameters**

*(Reference: Paragraph 2.5.7; page 12)*

Parameter	Sub Parameter	Score obtained by the University			Percentage of score obtained by the University		
		2022	2023	2024	2022	2023	2024
<b>Teaching, Learning and Resources (TLR)</b>	Student Strength including Doctoral Students (SS)	9.02	10.04	10	45.10	50.20	50
	Faculty-student ratio with emphasis on permanent faculty (FSR)	25	25	25	100	100	100
	Combined metric for Faculty with Ph.D. (or equivalent) and Experience (FQE)	17.03	17.67	17.82	85.15	88.35	89.10
	Financial Resources and their Utilisation (FRU)	12.05	12.92	12.19	60.25	64.60	60.95
	Online Education (OE)	2	3.50	5.50	13.33	23.33	36.67
<b>Research and Professional Practice (RP)</b>	Combined metric for Publications (PU)	8.08	7.40	6.73	23.08	21.14	22.43
	Combined metric for Quality of Publications (QP)	8.97	8.64	7.01	25.62	24.68	23.36
	IPR and Patents: Published and Granted (IPR)	0	0	0	0	0	0
	Footprint of Projects and Professional Practice (FPPP)	0.04	0.06	0.08	0.27	0.40	0.53
	Publication and Citations (SDG)	-	-	2.26	0.00	0.00	22.60
<b>Graduation Outcomes (GO)</b>	Metric for University Examinations (GUE)	46.40	47.35	53.66	77.33	78.92	89.43
	Metric for Number of Ph.D. Students Graduated (GPHD)	14.80	13.97	8.78	37.00	34.93	21.95
<b>Outreach and Inclusivity (OI)</b>	Percentage of Students from Other States/Countries (Region Diversity RD)	0.31	0.44	0.42	1.03	1.47	1.40
	Percentage of Women (Women Diversity WD)	30	30	30	100	100	100
	Economically and Socially Challenged Students (ESCS)	8.24	6.96	6.89	41.20	34.80	34.45
	Facilities for Physically Challenged Students (PCS)	20	20	20	100	100	100
<b>Peer Perception</b>	Academic Peers and Employers (PR)	21.71	29.94	24.33	21.71	29.94	24.33

**Appendix 2.4**  
**Revision of Syllabus/Curriculum**  
*(Reference: Paragraph 2.6.2; page 13)*

Sl. No.	Name of programme	Year of last revision
1.	BA LLB programme	2011
2.	Bachelor of Physical education (B.PEd) integrated	2014
3.	Bachelor of Physical education (B.PEd) two years	2014
4.	Three-year LLB Unitary Programme	2015
5.	Master of Law (LLM)	2015
6.	B.Com LLB Programme	2018
7.	All UG and PG programmes under faculty of Journalism	PG-2020 UG- 2024
8.	BA Multimedia	2024
9.	All PG programmes in the teaching department under faculty of Journalism	2024
10.	All B.Voc programmes	2021
11.	All UG programmes under faculty of Humanities	2024
12.	All PG programmes under teaching department under faculty of Humanities	2024
13.	Integrated MA programme in Development Studies	2024
14.	Integrated MA Political Science	2020
15.	Integrated MA Sociology	2020
16.	All B.Voc. programmes under Faculty of Humanities	2021
17.	Bachelor of Education (B.Ed)	2021
18.	Master of Education (M.Ed)	2022
19.	All UG and PG programmes under faculty of Science	PG-2020 UG-2024
20.	All UG and PG Programmes in the teaching department under faculty of Science	2022
21.	Integrated M.Sc Biology (affiliated colleges)	2023
22.	Integrated M.Sc Bioscience	2024
23.	Integrated Botany with computational Biology (affiliated colleges)	2023
24.	Integrated M.Sc Statistics	2021
25.	Integrated M.Sc Psychology	2021
26.	Integrated M.Sc Geology	2023
27.	Integrated M.Sc Physics	2024
28.	Integrated M.Sc Chemistry	2022
29.	B.Sc. Bio Chemistry	2024
30.	All B.Voc. and M.Voc. programmes under faculty of Science	2021
31.	Master of Law (LLM) affiliated colleges	2013
32.	B.Tech	2024
33.	B.Arch	2022
34.	MCA	2020
35.	All UG programmes under the faculty of Commerce and Management Studies	2024
36.	All B.Voc. programmes under the faculty of Commerce and Management studies	2021
37.	All UG and PG programmes under faculty of Language and Literature	UG-2024 PG-2020
38.	All PG Programmes in the teaching department under faculty of Language and Literature	2024
39.	Integrated MA Malayalam	2020
40.	Integrated MA English and Media Studies	2020
41.	All PG programmes in the teaching department under faculty of Fine Arts	2024
42.	Bachelor of Theatre Arts (BTA)	2024
43.	All UG and PG programmes under Faculty of Fine Arts except Bachelor of Fine Arts and Bachelor of Fine Arts in Art History and Visual Studies	UG-2024 PG-2020
44.	Bachelor of Fine Arts and Bachelor of Fine Arts in Art History and Visual Studies (Faculty of Fine Arts)	2019
45.	B.Des (Graphics and Communication Design)	2023

**Appendix 2.5**

**Delay in preparation/submission/audit of annual accounts**

*(Reference: Paragraph 2.7.1; page 19)*

Year of account	2019-20	2020-21	2021-22	2022-23	2023-24
Period within which accounts to be prepared	July 2020	July 2021	July 2022	July 2023	July 2024
Month in which accounts prepared and submitted to Syndicate	December 2020	December 2021	December 2022	November 2023	November 2024
Month in which the accounts approved by the Syndicate	December 2020	December 2021	December 2022	December 2023	December 2024
Delay in preparation of accounts (in months)	5	5	5	4	4
Month in which accounts submitted to KSAD	March 2021	March 2022	March 2023	March 2024	February 2025
Delay in submission of accounts to KSAD (in months)	8	8	8	8	7
Month in which annual accounts submitted to Government	July 2021	April 2022	March 2023	March 2024	Not submitted
Period within which audit of Accounts to be completed by KSAD (reckoned from the date of submission of accounts by the University)	September 2021	September 2022	September 2023	September 2024	August 2025
Month in which audit of accounts completed/Audit report submitted by KSAD	April 2023	January 2024	July 2024	Not received	Not received
Delay (in months)	19	16	10	5 months (upto February 2025)	-
No. of months after which Audit Report was received by the University for rectification of defects (reckoned from the close of the particular financial year)	37	34	28	-	-

## Appendix 2.6

## Details of uneconomic institutions and intake of students in the institutions

(Reference: Paragraph 2.7.5; page 22)

## a) Uneconomic Institutions

Sl. No.	Centre/Institution	Financial performance (– Loss,+ Profit)					Net Loss/ Profit during 2019-24
		2019-20	2020-21	2022-23	2023-24	2023-24	
<b>Continuous loss in all five years</b>							
1	CCSIT Kuttipuram	-8,04,917	-10,09,466	-8,47,761	-10,05,855	-14,44,760	-51,12,759
2	CCSIT Manjeri	-1,92,358	-8,21,198	-5,27,622	-9,42,887	-13,29,589	-38,13,654
3	CCSIT Muttill	-3,75,930	-17,22,323	-7,87,284	-11,05,981	-15,77,622	-55,69,140
4	CCSIT Peramangalam	-2,50,033	-6,24,535	-9,86,288	-4,96,130	-7,38,063	-30,95,049
5	IET Kohinoor	-32,86,699	-68,59,012	-1,97,95,622	-1,42,19,895	-1,90,55,299	-6,32,16,527
6	CCSIT Pullut	-5,86,816	-17,99,571	-4,42,575	-4,58,723	-17,36,603	-50,24,288
	<b>Total</b>						<b>-8,58,31,417</b>
<b>Continuous loss in last four years</b>							
1	CCSIT Thalikulam	+4,56,140	-9,65,419	-8,96,202	-15,76,201	-10,52,163	-40,33,845
2	Dept. of Law, CU Campus	+680345	-17,395	-3,10,465	-1,88,182	-73,806	+90,497
	<b>Total</b>						<b>-39,43,348</b>
<b>Intermittent Profit/Loss during the five years</b>							
1	CCSIT Pudukkad	-2,37,199	-5,47,723	-2,48,575	-78,124	+7,24,980	-3,86,641
2	CPGSSW Sulthan Bathery	+7,41,412	-2,15,065	+2,40,159	-3,01,166	-8,61,332	-3,95,992
3	CU Regional Centre, Perambra	No course	No course	+ 18,52,027	-7,75,885	-16,32,842	-5,56,700
4	CUTECH Chalakkudy	+6,14,044	-6,97,376	-15,53,994	+8,14,793	-21,25,584	-29,48,117
5	CUTECH Vatakara	+2,78,790	-3,50,759	-6,38,753	+9,42,883	+11,56,789	+13,88,950
6	SMS Vatakara	+88,834	-9,15,735	-1,16,529	+4,86,287	-5,17,675	-9,74,818
	<b>Total</b>						<b>-66,51,218</b>
	<b>Grand Total</b>						<b>-9,64,25,983</b>

## b) Details of intake of students to the courses conducted in uneconomic institutions

Name of the Centre	Intake capacity					Actual intake					Average intake (percentage)
	2019-20	2020-21	2021-22	2022-23	2023-24	2019-20	2020-21	2021-22	2022-23	2023-24	
IET Kohinoor - ECE	60	60	60	60	60	33	31	16	19	21	24 (40)
IET Kohinoor - EEE	60	60	60	60	60	28	21	17	10	12	18 (30)
IET Kohinoor - IT	60	60	60	60	60	30	41	31	39	48	38 (63)
IET Kohinoor - ME	60	60	60	60	60	44	26	23	10	8	22 (37)
IET Kohinoor - PT	30	30	30	30	30	19	16	19	4	12	14 (47)
CCSIT Muttill - MCA	30	30	30	30	Nil	10	3	13	5	0	6 (20)
CCSIT Muttill – B.Sc IT	--	--	30	--	--	--	--	3	--	--	3
CCSIT Kuttipuram	30	30	30	30	30	0	11	10	10	0	6 (20)
CCSIT Manjeri – M.Sc	24	24	24	24	24	13	11	6	7	9	9 (38)
CCSIT Manjeri – MCA	30	30	30	30	30	2	17	17	16	9	12 (40)
CCSIT Manjeri – BCA	--	--	--	30	30	--	--	--	17	8	13 (43)
CCSIT Thalikulam- B.Sc Computer Science	30	30	30	30	30	8	15	22	17	16	16 (53)

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Name of the Centre	Intake capacity					Actual intake					Average intake (percentage)
	2019-20	2020-21	2021-22	2022-23	2023-24	2019-20	2020-21	2021-22	2022-23	2023-24	
CCSIT Thalikulam – MCA	30	30	30	30	30	18	9	8	7	11	11 (37)
CCSIT Peramangalam-MCA, M.Voc.	30	30	30	30	30	0	12	13	22	22	14 (47)
Department of Law	45	20	20	20	20	45	11	10	14	10	18 (72)
CCSIT Pullut-MCA	30	30	30	30	30	0	4	23	14	8	10 (33)

## Appendix 2.7

## Teachers appointed without specific qualifications in CUTECS

(Reference: Paragraph 2.8.2; pages 26)

Name of the Institution	Academic Year	Total No. of teachers	Total No. of contract teachers	No. of teachers with only NET qualification	No. of teachers with only Ph.D qualification	No. of teachers with both Ph.D and NET qualification	No. of Teachers without Ph.D or NET (Required Qualification)
CUTECS, Sulthan Bathery	2019-20	8	8	7	NIL	NIL	1
	2020-21	8	8	7	NIL	NIL	1
	2021-22	8	8	6	NIL	1	1
	2022-23	8	8	6	NIL	1	1
	2023-24	8	8	6	NIL	1	1
CUTECS, Chakkittapara	2019-20	8	8	7	NIL	NIL	1
	2020-21	8	8	7	NIL	NIL	1
	2021-22	8	8	7	NIL	NIL	1
	2022-23	8	8	7	NIL	NIL	1
	2023-24	8	8	7	NIL	NIL	1
CUTECS, Aranattukara	2019-20	8	8	7	NIL	1	NIL
	2020-21	8	8	7	NIL	1	NIL
	2021-22	8	8	7	NIL	NIL	1
	2022-23	8	8	7	NIL	NIL	1
	2023-24	8	8	7	NIL	NIL	1
CUTECS, Valapad, Thrissur	2019-20	8	8	5	NIL	1	2
	2020-21	8	8	5	NIL	1	2
	2021-22	8	8	5	NIL	1	2
	2022-23	8	8	6	1	1	NIL
	2023-24	8	8	6	1	1	NIL
CUTECS, Malappuram	2019-20	8	8	6	NIL	NIL	2
	2020-21	8	8	6	NIL	NIL	2
	2021-22	8	8	6	NIL	NIL	2
	2022-23	8	8	6	NIL	NIL	2
	2023-24	8	8	6	NIL	NIL	2
CUTECS, Kaniyambetta	2019-20	8	8	7	NIL	NIL	1
	2020-21	8	8	7	NIL	NIL	1
	2021-22	8	8	5	NIL	2	1
	2022-23	8	8	5	NIL	2	1
	2023-24	8	8	6	NIL	1	1
CUTECS, Manjeri	2019-20	8	8	8	NIL	NIL	NIL
	2020-21	8	8	8	NIL	NIL	NIL
	2021-22	8	8	7	NIL	1	NIL
	2022-23	8	8	7	NIL	1	NIL
	2023-24	8	8	7	NIL	1	NIL
CUTECS, Palakkad	2019-20	8	8	4	1	1	2
	2020-21	8	8	4	1	NIL	3
	2021-22	8	8	4	1	NIL	3
	2022-23	8	8	4	1	NIL	3
	2023-24	8	8	4	1	NIL	3

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Name of the Institution	Academic Year	Total No. of teachers	Total No. of contract teachers	No. of teachers with only NET qualification	No. of teachers with only Ph.D qualification	No. of teachers with both Ph.D and NET qualification	No. of Teachers without Ph.D or NET (Required Qualification)
CUTEC, Kallai	2019-20	8	8	5	NIL	1	2
	2020-21	8	8	5	2	1	NIL
	2021-22	8	8	4	2	1	1
	2022-23	8	8	3	3	1	1
	2023-24	8	8	3	3	1	1
CUTEC, Vatakara	2019-20	8	8	4	1	1	2
	2020-21	8	8	4	1	1	2
	2021-22	8	8	5	NIL	1	2
	2022-23	8	8	4	NIL	2	2
	2023-24	8	8	4	NIL	2	2
CUTEC, Chalakkudy	2019-20	8	8	6	NIL	2	NIL
	2020-21	8	8	6	NIL	2	NIL
	2021-22	8	8	6	NIL	2	NIL
	2022-23	8	8	6	NIL	2	NIL
	2023-24	8	8	6	NIL	2	NIL
<b>Total</b>			<b>440</b>				<b>63</b>

**Appendix 2.8**  
**Department-wise details of NCA vacancy**  
*(Reference: Paragraph 2.8.3; page 26)*

Sl No.	Department	Vacancy	Category
<b>Assistant professor</b>			
1.	School of Drama	2	SC-1, PH-1
2.	Statistics	1	LC/AI
3.	Economics	1	OBC
4.	Arabic	1	SC
5.	Computer Science	1	SIUC Nadar
6.	Life Science	1	SCCC
7.	Botany	1	Dheevara
8.	Russian and Comparative studies	1	Hindu Nadar
9.	Journalism and Mass Communication	1	PH
<b>Total</b>		<b>10</b>	
<b>Associate Professor</b>			
1.	Library Science	1	Ezhava/Thiyya/Billava (ETB)
2.	Malayalam	1	SC
3.	Education	1	LC/AI
4.	Physics	3	OBC-1, SC-1, Muslim-1
5.	Nano Science and Technology	1	SC
6.	Journalism and Mass Communication	1	Viswakarma
7.	History	1	LC/AI
8.	Statistics	1	PH
9.	Economics	1	PH
<b>Total</b>		<b>11</b>	
<b>Professor</b>			
1.	Zoology	1	SC
2.	Physics	1	ETB
3.	Economics	1	Viswakarma
4.	Political Science	1	LC/AI
<b>Total</b>		<b>4</b>	

**Appendix 2.9**

**Details of promotions granted under CAS to Retired teachers**

*(Reference: Paragraph 2.8.5; page 27)*

Sl No.	Date of retirement	Date of recommendation by the Selection Committee	Date of approval of promotion by the Syndicate	Date of effect of promotion to academic level 14	Pay in the lower post (₹131400-₹217100)	Pay fixed in the higher post (₹144200-₹218200)	Excess Pay and allowances disbursed (₹)
1	31.05.2021	16.03.2022	11.10.2022	18.07.2018	143600	148500	156279
2	30.04.2020	18.03.2022	11.10.2022	18.07.2018	187300	193800	100230
3	31.05.2021	16.03.2022	13.04.2023	18.07.2018	176500	182700	194343
4	31.05.2020	16.03.2022	11.10.2022	18.07.2018	181800	188200	105159
5	30.04.2020	13.11.2023	17.10.2024	18.07.2018	147900	153000	0
6	31.03.2019	16.02.2024	17.10.2024	18.07.2018	176500	182700	0
7	31.03.2021	20.05.2022	11.10.2022	18.07.2018	161600	167200	163428
8	31.03.2020	05.09.2022	14.02.2023	18.07.2018	192900	199600	95169
9	31.03.2022	24.08.2022	14.02.2023	18.07.2018	Principal w.e.f 24.05.2018. Hence no pay fixation.		0
10	31.05.2021	13.12.2021	14.02.2023	18.07.2018	171400	177400	189576
11	31.05.2020	31.08.2022	21.07.2023	18.07.2018	171400	177400	99954
12	31.05.2020	06.08.2022	14.02.2023	18.07.2018	181800	188200	0
13	31.03.2020	07.06.2023	02.12.2023	18.07.2018	176500	182700	88224
<b>Total</b>							<b>1192362</b>

## Appendix 2.10

## Instances where internal marks awarded exceeded the maximum permissible limit

(Reference: Paragraph 2.9.6; page 37)

Sl. No.	Programme Name	Exam Year	Semester	Paper Name	Registration No.	Exam Code	Exam Type	Paper Code	Internal marks obtained	Maximum internal marks
1	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG001	AT2042020	R	SGGC203	18	15
2	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG002	AT2042020	R	SGGC203	18	15
3	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG003	AT2042020	R	SGGC203	18	15
4	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG004	AT2042020	R	SGGC203	19	15
5	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG005	AT2042020	R	SGGC203	19	15
6	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG006	AT2042020	R	SGGC203	18	15
7	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG008	AT2042020	R	SGGC203	18	15
8	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG009	AT2042020	R	SGGC203	18	15
9	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG010	AT2042020	R	SGGC203	18	15
10	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG011	AT2042020	R	SGGC203	18	15
11	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG012	AT2042020	R	SGGC203	17	15
12	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG015	AT2042020	R	SGGC203	18	15
13	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG017	AT2042020	R	SGGC203	18	15
14	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG018	AT2042020	R	SGGC203	17	15
15	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG007	AT2042020	R	SGGC203	18	15
16	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG013	AT2042020	R	SGGC203	17	15
17	B.Sc Geography	2020	2	Soil Geography	XXXXSSGG016	AT2042020	R	SGGC203	17	15
18	B.Sc Geography	2021	3	Geography of Water Resource	XXXXSSGG003	AU3112021	R	SGGC304	19	15
19	B.Sc Psychology	2022	3	Psychological Statistics	XXXXSPY041	AV3112022	S	SPYC313	17	15
20	B.Sc Computer Science	2023	4	Mathematics	XXXXSCS041	AV4042023	S	SMTTC417	18	15
21	B.Sc Biotechnology	2022	2	Physical Chemistry	XXXXSBT046	AV2042022	S	SCHC201	18	16
22	B.Sc Computer Science	2019	1	Electronic Devices	XXXXSCS016	AT1112019	R	SELC102	16	15

**Appendix 2.11**

**Number of students who were awarded maximum internal marks in respective courses without having sufficient attendance**

(Reference: Paragraph 2.9.7; page 38)

Name of the college	No. of students who availed condonation and received maximum internal marks	No. of students whose attendance details were provided by college	No. of students found to be ineligible for full internal marks (based on attendance details)
Darul Uloom Arabic College	1	1	0
Yuvakshetra Institute of Management Studies	3	3	3
Tharananellur Arts and Science College	1	1	0
E.M.E.A College of Arts and Science	92	89	35
Malabar College of Advanced Studies	50	50	44
Government Arts and Science College, Pathirippala	1	1	1
C.M College of Arts and Science	27	27	26
M.E.S Arts and Science College, Chathamangalam	93	0	0
M.A.O College of Arts and Science, Elayur	21	21	14
Zamorin's Guruvayurappan College, Calicut	49	49	8
W.M.O. Arts and Science College, Muttill	74	71	22
Kadathanad Arts and Science College, Vatakara	43	41	34
Naipunnya Institute of Management and Information Technology, Koratty	1	1	1
National College of Arts and Science, Puliayavu	55	55	1
Regional College of Science and Humanities, Kizhisseri	124	124	124
College of Applied Sciences, Muthuvallur	2	2	2
Ideal Arts and Science College, Cherpulassery	72	72	42
Moulana College of Arts, Science and Commerce, Chennara	105	105	97
<b>Total</b>	<b>814</b>	<b>713</b>	<b>454</b>

**Appendix 2.12**  
**Change in the examination results following revaluation**  
*(Reference: Paragraph 2.9.8; page 39)*

<b>UG Programmes</b>		
<b>Examination Year</b>	<b>No. of papers for which students applied for revaluation</b>	<b>No. of cases with a difference in marks after revaluation</b>
2019	16950	14202
2020	20391	16580
2021	12985	10611
2022	15235	12828
2023	17078	14051
2024	12320	9393
<b>Total</b>	<b>94959</b>	<b>77665</b>
<b>PG Programmes</b>		
<b>Examination Year</b>	<b>No. of papers for which students applied for revaluation</b>	<b>No. of cases with a difference in marks after revaluation</b>
2019	16093	3955
2020	20226	4780
2021	24335	5793
2022	25141	6240
2023	28832	7082
2024	18024	4116
<b>Total</b>	<b>132651</b>	<b>31966</b>

**Appendix 2.13**

**Change in marks on revaluation of answer scripts**

*(Reference: Paragraph 2.9.8; page 39)*

UG Course							
Sl. No.	Registration No.	Paper Code	Exam Code	Evaluation Marks	First Revaluation Marks	Second Revaluation Marks	Marks awarded to student (out of 80 marks)
1.	XXXXSMT005	CEGA272	AX2042024	3	51	17	34
2.	XXXXAECR04	CEGA439	AW4042024	7	65	12	39
3.	XXXXAECR46	CEGA421	AW4042024	13	0	-	0
4.	XXXXAHDR19	CEGA421	AW4042024	14	0	-	0
5.	XXXXSCS007	CEGA273	AX2042024	2	25	-	25
6.	XXXXSCF024	CEGA273	AX2042024	10	43	33	38
7.	XXXXSPH020	CHIA418	AW4042024	27	70	69	70
8.	XXXXCA038	CEGA272	AX2042024	14	53	47	50
9.	XXXXSFT046	SFTB407	AW4042024	12	42	33	38
PG Course							
Sl. No.	Registration No.	Paper Code	Evaluation Marks	First Revaluation Marks	Second Revaluation Marks	Marks awarded to student (out of 144 marks)	
1.	XXXXMBA068	MBA407	55	93	-	93	
2.	XXXXMBA166	MBA407	51	89	-	89	
3.	XXXXMBA041	MBA409	22	64	-	64	
4.	XXXXMBA098	MBA401	34	69	-	69	
5.	XXXXMBA007	MBA401	50	82	-	82	
6.	XXXXMBA021	MBA401	44	74	-	74	
7.	XXXXMBA130	MBA403	32	66	-	66	

## Appendix 2.14

## Details of delay in conduct of examination and publication of results

(Reference: Paragraph 2.9.9; page 40)

Sl No.	Year	Name of examination	Scheduled date of Commencement of Examination	Actual date of Commencement of Examination	Delay in commencement (days)	Scheduled date of publication of result	Actual date of publication of result	Delay in publication of result (days)	No. of students attended the examination
<b>B.Sc/BCA</b>									
1.	2019-20	First Semester November 2019	27.11.2019	05.02.2020	70	03.03.2020	30.09.2021	576	31443
2.	2019-20	Second Semester April 2020	08.05.2020	08.02.2021	276	14.08.2020	14.02.2022	549	27908
3.	2020-21	Third Semester November 2020	16.11.2020	02.11.2021	351	05.02.2021	10.03.2022	398	23512
4.	2019-20	Fourth Semester April 2020	01.04.2020	11.11.2020	224	18.07.2020	27.07.2021	374	23572
5.	2020-21	First Semester November 2020	31.03.2021	16.12.2021	260	16.06.2021	22.06.2022	371	27174
6.	2019-20	Third Semester November 2019	07.11.2019	27.11.2019	20	06.02.2020	01.01.2021	330	23721
7.	2021-22	Second Semester April 2022	19.07.2022	26.07.2022	7	30.09.2022	25.07.2023	298	27910
8.	2020-21	Fourth Semester April 2021	07.04.2021	05.10.2021	181	16.07.2021	05.04.2022	263	22653
9.	2021-22	First Semester November 2021	16.03.2022	13.10.2022	211	10.06.2022	15.02.2023	250	27823
10.	2020-21	Second Semester April 2021	20.10.2021	04.03.2022	135	29.01.2022	01.10.2022	245	28039
11.	2022-23	First Semester November 2022	21.01.2023	16.03.2023	54	24.04.2023	15.11.2023	205	30466
12.	2022-23	Third Semester November 2022	18.11.2022	16.01.2023	59	28.02.2023	13.09.2023	197	26615
13.	2020-21	Fifth Semester November 2020	23.10.2020	15.03.2021	143	28.01.2021	12.08.2021	196	20955
14.	2021-22	Third Semester November 2021	23.02.2022	12.05.2022	78	25.05.2022	05.12.2022	194	25174
15.	2022-23	Second Semester April 2023	19.07.2023	05.09.2023	48	20.10.2023	07.03.2024	139	27591
16.	2022-23	Fourth Semester April 2023	19.04.2023	31.05.2023	42	18.07.2023	01.12.2023	136	23093
17.	2019-20	Fifth Semester November 2019	14.10.2019	13.11.2019	30	16.01.2020	29.05.2020	134	20402
18.	2020-21	Sixth Semester April 2021	02.03.2021	29.04.2021	58	15.04.2021	27.08.2021	134	20577
19.	2023-24	First Semester November 2023	30.11.2023	04.03.2024	95	31.01.2024	09.05.2024	99	29837
20.	2022-23	Fifth Semester November 2022	19.10.2022	21.11.2022	33	25.01.2023	05.04.2023	70	22992
21.	2019-20	Sixth Semester April 2020	03.03.2020	02.03.2020	No delay	30.04.2020	08.07.2020	69	20100

**Report of the Comptroller and Auditor General of India  
for the period ended March 2024**

Sl No.	Year	Name of examination	Scheduled date of Commencement of Examination	Actual date of Commencement of Examination	Delay in commencement (days)	Scheduled date of publication of result	Actual date of publication of result	Delay in publication of result (days)	No. of students attended the examination
<b>BA Branch</b>									
22	2019-20	First Semester November 2019	27.11.2019	05.02.2020	70	03.03.2020	30.09.2021	576	26944
23	2019-20	Second Semester April 2020	08.05.2020	08.02.2021	276	14.08.2020	14.02.2022	549	24808
24	2020-21	Third Semester November 2020	16.11.2020	08.11.2021	357	05.02.2021	09.03.2022	397	20663
25	2019-20	Fourth Semester April 2020	01.04.2020	11.11.2020	224	18.07.2020	27.07.2021	374	18388
26	2020-21	First Semester November 2020	31.03.2021	13.12.2021	257	16.06.2021	20.06.2022	369	25195
27	2019-20	Third Semester November 2019	07.11.2019	27.11.2019	20	06.02.2020	01.01.2021	330	18736
28	2021-22	Second Semester April 2022	19.07.2022	08.12.2022	142	30.09.2022	24.07.2023	297	26700
29	2020-21	Fourth Semester April 2021	07.04.2021	29.11.2021	236	16.07.2021	31.03.2022	258	20690
30	2021-22	First Semester November 2021	16.03.2022	13.10.2022	211	10.06.2022	15.02.2023	250	26389
31	2020-21	Second Semester April 2021	20.10.2021	04.03.2022	135	29.01.2022	30.09.2022	244	24748
32	2022-23	First Semester November 2022	24.01.2023	10.03.2023	45	24.04.2023	16.11.2023	206	29139
33	2022-23	Third Semester November 2022	18.11.2022	16.01.2023	59	28.02.2023	13.09.2023	197	24489
34	2020-21	Fifth Semester November 2020	23.10.2020	15.03.2021	143	28.01.2021	11.08.2021	195	16751
35	2021-22	Third Semester November 2021	23.02.2022	12.05.2022	61	25.05.2022	05.12.2022	194	21371
36	2022-23	Fourth Semester April 2023	19.04.2023	31.05.2023	42	18.07.2023	04.12.2023	139	22313
37	2022-23	Second Semester April 2023	19.07.2023	05.09.2023	48	20.10.2023	04.03.2024	136	27858
38	2019-20	Fifth Semester November 2019	14.10.2019	13.11.2019	30	16.01.2020	29.05.2020	134	15615
39	2020-21	Sixth Semester April 2021	02.03.2021	28.06.2021	118	15.04.2021	18.08.2021	125	15908
40	2023-24	First Semester November 2023	30.11.2023	04.03.2024	95	31.01.2024	10.05.2024	100	29349
41	2022-23	Fifth Semester November 2022	19.10.2022	21.11.2022	33	25.01.2023	05.04.2023	70	20664
42	2019-20	Sixth Semester April 2020	03.03.2020	02.03.2020	No delay	30.04.2020	08.07.2020	69	14870

**Appendix 2.15**  
**Details of facilities available for differently abled persons**  
*(Reference: Paragraph 2.10.6; page 44)*

Sl. No.	Name of the Department/CCSIT/ SMS/ CUTECH/ other facilities	Whether ramps/rails available	Whether institution is functioning in the multi-storied building	If yes, whether lift is available	Disabled friendly toilet available
1.	SMS, Palakkad	No	Yes	No	No
2.	CUTECH, Manjeri	Yes	Yes	No	Yes
3.	CUTECH, Sulthan Bathery	Yes	Yes	No	Yes
4.	CUTECH, Calicut	Yes	Yes	No	Yes
5.	CCSIT, Manjeri	Yes	Yes	No	Yes
6.	CCSIT, Aranattukara	Yes	Yes	No	No
7.	SMS, Vatakara	No	Yes	No	No
8.	Department of Chemistry	Yes	Yes	No*	No
9.	Department of Psychology	Yes	Yes	No	Yes
10.	Department of Physics	Yes	Yes	No*	No
11.	Department of Education	Yes	Yes	No	No
12.	Department of Russian and Comparative studies	Yes	Yes	Yes	Yes
13.	Department of Statistics	Yes	Yes	No*	No
14.	Department of Journalism and Mass Communication	Yes	Yes	No	Yes
15.	School of Folklore Studies	Yes	Yes	No*	No
16.	Department of Environment Science	Yes	Yes	No	No
17.	Department of Lifelong Learning and Extension	Yes	No	NA	No
18.	CCSIT, Calicut University	Yes	Yes	No	No
19.	University administrative branch	Yes	Yes	Yes	No
20.	Computer Centre	Yes	No	NA	No
21.	Library	Yes	Yes	No*	Yes
22.	Engineering wing	Yes	No	NA	No
23.	Printing Press	Yes	No	NA	Yes
24.	Publication Division	Yes	Yes	No	No

Sl. No.	Name of the Department/CCSIT/ SMS/ CUTEC/ other facilities	Whether ramps/rails available	Whether institution is functioning in the multi-storied building	If yes, whether lift is available	Disabled friendly toilet available
25.	Health Centre	Yes	No	NA	No
26.	Men's Hostel	Yes	Yes	No	Yes
27.	Ladies Hostel	Yes	Yes	No	Yes
28.	Guest House	No	Yes	Yes	No
29.	Central Sophisticated Instrumentation Facility	Yes	Yes	No*	No
30.	Pareeksha Bhavan (CE's Office Building)	Yes	Yes	No*	No
31.	Pareeksha Bhavan (Main building)	Yes	Yes	Yes	No
32.	Pareeksha Bhavan (SSH)	Yes	No	NA	Yes
33.	Pareeksha Bhavan (EOE B.Com Branch)	No	Yes	No	No
34.	Pareeksha Bhavan (PG, B.Tech Branch)	No	Yes	No	No
<ul style="list-style-type: none"> <li>• Tactile paths were not available in any of the Departments/ CCSIT/ other facilities.</li> <li>• Integrated buildings for Science Departments connected using stairs had no ramps.</li> <li>• In the Department of Journalism and Mass Communication, office and the rooms were located at an elevated place and had no ramp constructed alongside the stairs.</li> <li>• The ramp outside the Computer Centre building was not connected to the main road. Furthermore, the Computer Centre, which was functioning at a lower level than other parts of the building, was connected to the rest of the building by stairs without any ramp.</li> <li>• In CE's building (Pareeksha Bhavan) though a ramp was available, its entrance was located at the rear of the building, and the access route to the ramp was not fully functional.</li> </ul>					

\* Lift recently installed but not functioning

**Appendix 2.16**  
**Details of properties let out by the University**  
*(Reference: Paragraph 2.10.7; page 45)*

Sl. No.	Name of Agency	Extent of Land/Building leased	Date of agreement	Period of lease/rent	Period up to which rent received
1.	State Bank of India	3650 Sq.ft	11.10.2021	31.12.2023	October 2024
2.	BSNL	Land with Building	23.01.1989	99 years	October 2024
3.	Post Office	Building	Data not furnished	Data not furnished	October 2024
4.	Kudumbasree Mission Malappuram District	Canteen Building	22.06.2022	21.06.2024	November 2024
5.	Smt. Mini P.K, Pottasserry House, Thrissur	Ladies Hostel Store	18.10.2023	17.10.2024	November 2024
6.	Sudeep P.K, Chemmalapparamba, Thenhipalam	DPE refreshment centre	06.03.2023	12.03.2024	November 2024
7.	CU Women's Co-operative Society M 399	10 Cents	03.10.2000	30 years	November 2024
8.	CU Co-operative Credit Society M 266	10 Cents	07.05.1988	30 years	November 2024
9.	CU Employees Welfare Co-operative Society No. 453	10 Cents	21.12.2018	30 years	November 2024
10.	CU Co-operative Society Ltd. No. M 24	10 Cents	22.10.1987	30 years	November 2024
11.	Calicut University Central Co-operative Society M 4347	10 Cents	07.05.2001	30 years	November 2024
12.	CU Employees Housing Co-operative Society No. M284	50 Cents	03.10.2000	30 years	November 2024
13.	M/s KNR Constructions	2.5 Acres, 6.5 Acres	23.06.2022	Data not furnished	Data not furnished
14.	CU Women Welfare Co-operative Society Ltd. No. M 860	Quarters No. H 3B	31.03.2014	Five years	November 2024
15.	Ration Shop	Quarters No. H 3A	06.05.2019	One year	November 2024
16.	Shaini K Pallikkal	Guest House mess	02.09.2023	One year	November 2024
17.	District Police Chief Malappuram	J1 Quarters	Data not furnished	Data not furnished	2017-18
18.	District Police Chief Malappuram	E Type Quarters	Data not furnished	Data not furnished	2018-19

**Appendix 2.17**

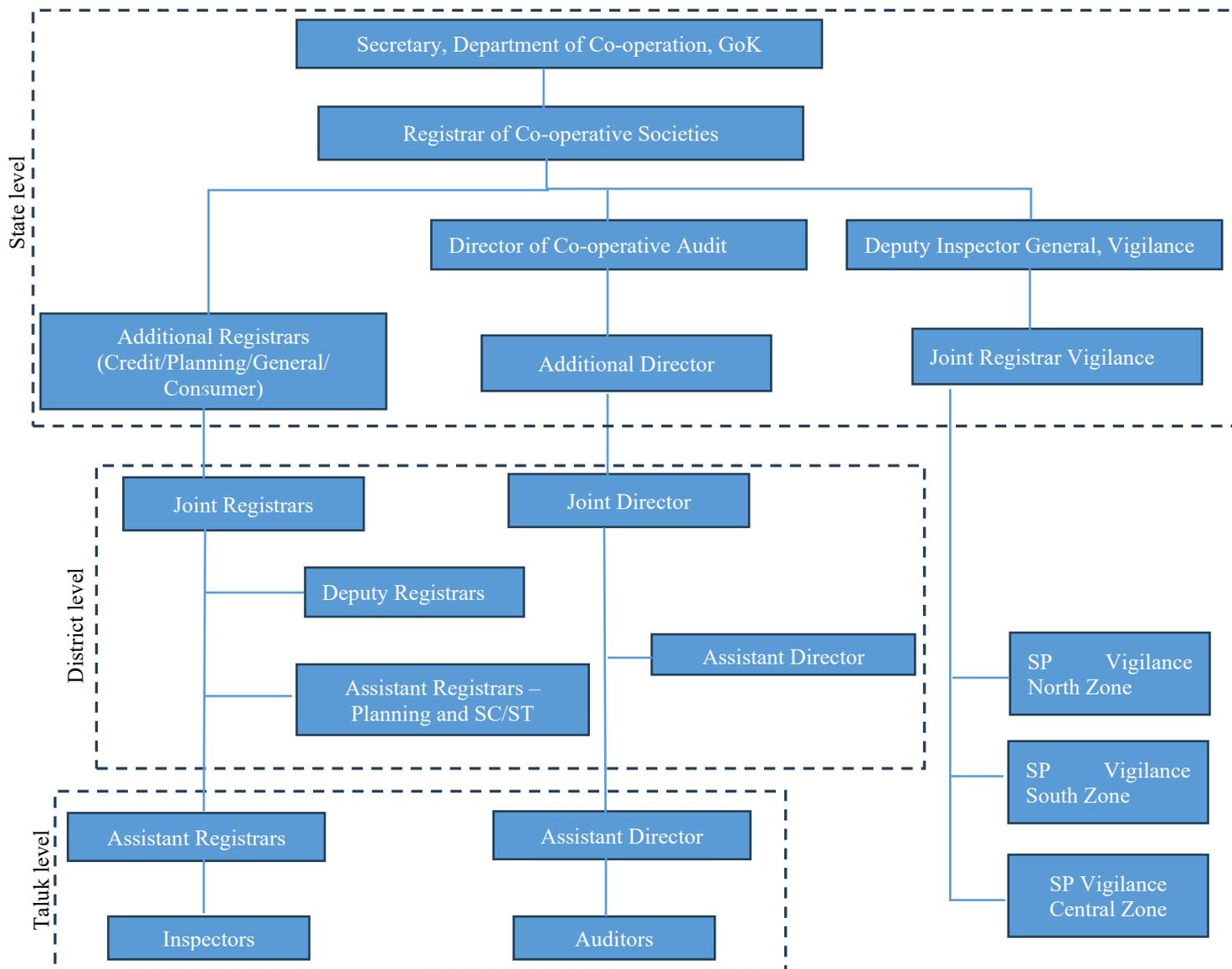
**Details of properties sublet by Co-operative societies**

(Reference: Paragraph 2.10.7; page 45)

Name of the Society	Remarks
Calicut University Co-Operative Society Ltd. No.M24	The University allotted (October 1987) 10 cents of land to Calicut University Co-operative Society Ltd. No.M24 for 30 years at a monthly rent of ₹167 for construction of a building and the lease agreement was further extended for another 30 years in 2019, with no revision in monthly rent. During joint site inspection, Audit observed that six shops <sup>167</sup> were functioning in the building held by society and that, against the 10 cents of land allotted to the society, it was occupying 18 cents of land. In addition to the above establishments, the society sublet a food court to a third party in Pareeksha Bhavan campus at a monthly rent of ₹25,000. It was also observed that the food court was functioning without obtaining mandatory licence from the Local body.
Calicut University Vanitha Co-operative Society	In October 2000, the University allocated 10 cents of land to the Calicut University Vanitha Co-operative Society for 30 years at an annual rent of ₹8,000, for the purpose of constructing a building for the society. During joint site inspection Audit observed that the society was operating a Cool bar within the society building and was collecting ₹1,101 per day as rent from the shop.
Calicut University Staff Co-Operative Credit Society Ltd. No. M266	Ten cents of land was allotted (May 1988) to Calicut University Staff Co-operative Credit Society Ltd. No. M266 for the construction of an office building for the society for a period of 30 years for a monthly rent of ₹167 (₹2,004 annually). During joint site inspection, Audit noticed that an ATM centre was functioning in the building and the society was collecting ₹5,000 per month as rent for the ATM.
Calicut University Employees Welfare Co-Operative Society M453	During joint inspection, Audit observed that the Calicut University Employees Welfare Co-operative Society M453 was operating a Snack Bar within the Pareeksha Bhavan premises through a third party by collecting a monthly rent of ₹38,200. Licence from Local body was not obtained for the establishment.

<sup>167</sup> Coffee house, Milma booth, internet cafe and photostat centre, fish mart, supermarket, vegetable shop

**Appendix 3.1**  
**Organisational Chart**  
*(Reference: Paragraph 3.1; page 52)*



**Appendix 3.2**

**Institutions selected for audit**

*(Reference: Paragraph 3.2; page 52)*

**Registrar Offices in the selected districts**

District	Offices at District Level	Offices at Taluk level
Alappuzha	Joint Registrar	1. Assistant Registrar (Mavelikara) 2. Assistant Registrar (Chengannur)
Kannur	Joint Registrar	1. Assistant Registrar (Payyanur) 2. Assistant Registrar (Thaliparamba)
Thiruvananthapuram	Joint Registrar	1. Assistant Registrar (Nedumangad) 2. Assistant Registrar (Neyyattinkara)
Thrissur	Joint Registrar	1. Assistant Registrar (Mukundapuram) 2. Assistant Registrar (Kunnamkulam)

**Audit Offices in the selected districts**

District	Offices at District Level	Offices at Taluk level
Alappuzha	Joint Director	1. Assistant Director (Mavelikara) 2. Assistant Director (Chengannur)
Kannur	Joint Director	1. Assistant Director (Kannur) 2. Assistant Director (Thaliparamba)
Thiruvananthapuram	Joint Director	1. Assistant Director (Nedumangad) 2. Assistant Director (Neyyattinkara)
Thrissur	Joint Director	1. Assistant Director (Mukundapuram) 2. Assistant Director (Thalippilly)

**Appendix 3.3**  
**Details of Inquiry/Inspections**

(Reference: Paragraph 3.10; page 62)

**(a): Details of status of inquiry/inspection under Sections 65 and 66**

Particulars	Thiruvananthapuram	Alappuzha	Thrissur	Kannur
No. of inquiries/inspection initiated u/s 65, 66	73	46	89	35
No. of inquiry/inspection u/s 65, 66 completed within 6 months	27	19	32	23
No. of inquiry/inspection u/s 65, 66 completed after 6 months	41	24	40	12
No. of cases in which inquiry u/s 68 was initiated after 65, 66 (Time taken to initiate action u/s 68 after submission of report u/s 65/66)	37 (0 to 64 months)	16 (3 to 30 months)	40 (0 to 30 months)	4 (0 to 13 months)
No. of cases pending action after receipt of report u/s 65/66	28	12	19	27
No. of inquiry/inspection u/s 65, 66 pending for more than 6 months (Range of delay as of March 2024)	2 (6 to 23 months)	3 (8 to 44 months)	2 (7 to 23 months)	0

(Source: Information furnished by JR Offices)

**(b): Details of status of inquiry under Section 68**

Particulars	Thiruvananthapuram	Alappuzha	Thrissur	Kannur
No. of inquiries initiated u/s 68	38	20	75	6
No. of inquiries u/s 68 was completed and 68(2) order issued	11	3	16	1
No. of cases in which action was pending after receipt of report u/s 68 (1)	8	0	34	3
No. of inquiries u/s 68 (1) pending for more than 6 months (Range of delay as of March 2024)	6 (6 to 25 months)	12 (8 to 38 months)	0 (NA)	0 (NA)
No. of cases pending finalisation (Maximum delay in months after initiation of inquiry/inspection u/s 65/66/68 as on 31 March 2024)	55 (70 months)	32 (54 months)	78 (53 months)	32 (54 months)

(Source: Information furnished by JR Offices)

**Appendix 3.4**  
**Delay in receipt of Audit Reports and issue of Audit Certificates to the societies**

*(Reference: Paragraph 3.11; page 65)*

Joint Director/ Assistant Director Office	No. of Audit certificates issued during 2019-24	No. of audit reports for which dates of completion of audit and receipt of Audit certificate was available	No. of Audit reports submitted after 15 days of completion of Audit (Upper limit of range of delay)	No. of Audit certificates issued within three months from the receipt of report	No. of Audit certificates issued after three months of receipt of report	Maximum delay (in months) for issue of audit certificate
JD, Thiruvananthapuram	515	NA	NA	390	125	13
AD, Neyyattinkara	3,616	2,144	1,221 (396 days)	743	2,873	21
AD, Nedumangad	1,245	781	449 (977 days)	579	666	22
JD, Alappuzha	285	258	205 (505 days)	105	180	18
AD, Mavelikkara	861	582	36 (355 days)	545	316	15
AD, Chengannur	408	199	9 (371 days)	210	198	9
JD, Thrissur	925	NA	NA	650	275	12
AD, Mukundapuram	1,480	NA	NA	781	699	18
AD, Thalappilly	922	NA	NA	666	256	13
JD, Kannur	570	NA	NA	545	25	10
AD, Kannur	2,400	NA	NA	1,373	1,027	6
AD, Thaliparamba	2,046	NA	NA	1,514	532	2
<b>Total</b>	<b>15,273</b>	<b>3,964</b>	<b>1,920</b>	<b>8,101</b>	<b>7,172</b>	

*(Source: Inward and Approval registers of AD/JD offices)*

**Appendix 3.5**  
**Details of year-wise surrender of funds**

*(Reference: Paragraph 3.13.2; page 68)*

Year	No. of heads of account	Amount allotted (₹ in crore)	Amount spent (₹ in crore)	Amount surrendered (per cent of surrender)	No. of Heads with Surrender	No. of heads where entire amount surrendered	Total amount of full surrender (per cent of amount surrendered)	Reasons for Surrender
2019-20	51	247.66	136.20	111.46 (45.01)	47	6	24.22 (21.73)	<ul style="list-style-type: none"> <li>• Pending ways and means clearance</li> <li>• Restriction of plan expenditure to 65 per cent</li> <li>• Non-issue of release order by Government</li> </ul>
2020-21	54	655.75	623.86	31.89 (4.86)	32	2	0.15 (0.47)	<ul style="list-style-type: none"> <li>• Lack of eligible proposals from districts (Member Relief Fund, Farmers' Service Centre, etc.)</li> <li>• Non-issue of release order by Government</li> </ul>
2021-22	55	227.33	98.53	128.80 (56.66)	48	6	33.24 (25.81)	<ul style="list-style-type: none"> <li>• Lack of eligible proposals from districts</li> <li>• Non-issue of release order by Government</li> <li>• Orders of approval/release issued in fag end of the year</li> </ul>
2022-23	57	402.04	275.15	126.89 (31.56)	55	8	68.46 (53.95)	<ul style="list-style-type: none"> <li>• Lack of ways and means clearance</li> <li>• Non-issue of release order</li> <li>• Treasury bill limit capped at 62 per cent of budget</li> <li>• Re-appropriation proposals not sanctioned</li> </ul>
2023-24	59	176.26	24.79	151.47 (85.94)	54	29	53.14 (35.08)	<ul style="list-style-type: none"> <li>• Non-utilisation of previous year's funds</li> <li>• Non-issue of release order</li> <li>• Treasury bill limit capped at 65 per cent of budget</li> <li>• Re-appropriation proposals not sanctioned</li> <li>• Lack of administrative approval</li> </ul>

*(Source: Details furnished by RCS)*

**Appendix 3.6**

**Details of outstanding loans and shares in selected districts**

*(Reference: Paragraph 3.14; page 69)*

District	Type	No of financial assistances given to societies	No of cases where no refund made	Amount outstanding (₹ in crore)
Alappuzha	Government loan	124	17	5.02
	Government share	344	70	0.85
	NCDC loan	18	1	0.00
	NCDC share	49	3	0.15
	<b>Total</b>	<b>535</b>	<b>91</b>	<b>6.03</b>
Kannur	Government loan	107	6	198.82
	Government Share	541	54	84.11
	NCDC loan	15	4	172.75
	NCDC share	44	4	25.80
	<b>Total</b>	<b>707</b>	<b>68</b>	<b>481.49</b>
Thiruvananthapuram	Government loan	84	22	0.85
	Government Share	282	59	0.99
	NCDC loan	55	31	0.24
	NCDC share	45	11	0.35
	<b>Total</b>	<b>466</b>	<b>123</b>	<b>2.42</b>
Thrissur	Government Loan	80	5	1.53
	Government Share	385	23	1.44
	NCDC loan	16	2	0.02
	NCDC share	41	3	0.02
	<b>Total</b>	<b>522</b>	<b>33</b>	<b>3.00</b>
<b>Grand Total</b>		<b>2230</b>	<b>315</b>	<b>492.94</b>

*(Source: Details furnished by RCS)*

## Appendix 3.7

**Comparison of district-wise details of outstanding shares and loans in Monthly progress report of Joint Registrar with Half yearly statement of RCS as of March 2024**

*(Reference: Paragraph 3.14; page 69)*

*(₹ in lakh)*

Outstanding loan/share		Thiruvananthapuram			Alappuzha			Thrissur			Kannur		
		Outstanding shares/loans as in		Difference									
		Monthly progress report of JR	Half yearly statement of RCS		Monthly progress report of JR	Half yearly statement of RCS		Monthly progress report of JR	Half yearly statement of RCS		Monthly progress report of JR	Half yearly statement of RCS	
Outstanding loan	Govt	69.47	80.88	11.41	440.16	424.21	-15.95	72.70	67.16	-5.54	24038.79	6575.21	-17463.58
	NCDC	54.83	45.49	-9.34	3.49	11.77	8.28	4.21	89.21	85.00	6180.40	6181.64	1.24
Interest	Govt	16.15	14.43	-1.72	119.32	126.52	7.20	67.71	78.08	10.37	34202.48	31892.20	-2310.28
	NCDC	21.67	7.10	-14.57	4.39	5.87	1.48	13.51	13.51	0.00	10855.23	10267.50	-587.73
Penal Interest	Govt	8.38	0.04	-8.34	42.05	43.42	1.37	13.77	18.10	4.33	606.27	272.19	-334.08
	NCDC	0.57	0.00	-0.57	0.20	0.57	0.37	0.65	0.70	0.05	1759.58	1561.16	-198.42
Outstanding Share	Govt	180.33	150.78	-29.55	155.00	177.67	22.67	229.52	447.00	217.48	5933.74	7372.24	1438.50
	NCDC	252.26	100.49	-151.77	20.70	22.43	1.73	1.56	1.65	0.09	2381.11	2387.52	6.41
Penal Interest	Govt	22.07	0.00	-22.07	31.29	31.29	0.00	41.12	15.47	-25.65	1248.41	1011.36	-237.05
	NCDC	0.16	0.00	-0.16	2.64	2.64	0.00	0.66	0.00	-0.66	289.00	289.00	0.00
Dividend	Govt	1.27	0.00	-1.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.32	1.32
	NCDC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Appendix 3.8

Irregularities in utilisation of Government assistance by societies as revealed in Joint Physical verifications

(Reference: Paragraph 3.18; page 73)

Sl. No.	Name of cooperative society and district	Total project cost (₹ in lakh)	Amount of Government assistance (₹ in lakh) (Year of release)	Amount of Government assistance unutilised/diverted/idling (₹ in lakh)	Purpose for which funds released	Observations in JPV
<b>Diversion of fund</b>						
1.	Tourfed, Thiruvananthapuram	100	50 (2020-21 & 2021-22)	38.72	Infrastructure facilities to the existing Event Management work (₹75 lakh) setting up of Tourfed Hospitality Academy (₹25 lakh).	Tourfed Hospitality Academy was not started. The amount received was utilised to repay the liabilities of the society such as GST, service tax, NCDC loans and shares. Out of the ₹50 lakh received, only ₹1.13 lakh was utilised for the Event Management project and the balance amount of ₹10.15 lakh remained unutilised.
2.	Kundukadu Co-operative Health Centre, Thalappilly	NA	30	26	For purchase of modern medical equipment under the scheme "Assistance to Miscellaneous Co-operatives".	AR reported (December 2017) that only ₹3.89 lakh out of the ₹30 lakh had been used for the sanctioned purpose and that the remaining amount had been diverted for unauthorised purposes.
3.	Vithura SCB No. 1048, Thiruvananthapuram	98	20 (2021-22)	20	Tourism facilitation centre in 50 cents of land. DPR envisaged refurbishing the existing building, setting up dormitory, food court, vehicle parking, children's park etc.	Tourism facilitation centre project not implemented and an amount of ₹17.95 lakh was expended for the construction of retaining and compound walls for the land. An artificial turf for games constructed in 15 cents of the land earmarked for Tourism facilitation centre.
4.	K-TRACK Youth Co-Operative Society T-2284, Thiruvananthapuram	135	10 (2022-23)	10	To set up an app-based business model to connect various service providers with the consumer.	The project was not implemented and the society was not functioning. The cash balance as per passbook as on 19 July 2023 was ₹2,000 only and details of utilisation were not furnished (November 2024).
5.	Yuva Agro Marketing CS No. A 1245, Alappuzha	55.55	10 (2022-23)	7	To start a Copra Drying unit for the supply of copra to coconut oil producing mill units.	The society had used a portion of the allocated fund for non-project expenses including office expenses (October 2023 and February 2024). It was observed that copra drying unit was not established and status of utilisation of fund was not furnished (November 2024).

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6.	Mavelikkara Block Vanitha CS No. A 912, Alappuzha	13	10 (2019-20)	9.54	To start a ready made garment unit and stitching centre. The DPR proposed for purchase of sewing machines, embroidery machines, tables for cutting and ironing, sewing materials, cloth materials for garment unit etc., and to provide training classes.	Two new sewing machines and a cutting machine were purchased for ₹46,000. However, readymade garment unit was not functioning and training classes were not provided as envisaged in the DPR (October 2024). On verification of accounts it was noticed that garments worth ₹5.28 lakh were purchased on 26 December 2021 and sold to a self help group on 30 December 2021 and the sales were marked as loan of ₹five lakh to another self help group thereby diverting the amount for other purpose.
7.	Kavalam Black Limeshell Industrial Co-operative society No. A886, Alappuzha	NA	30 (2020-21)	5.51	To establish lime shell processing unit.	Society submitted a partial utilisation certificate of ₹6.96 lakh (2021-22) and stated that the project was not started due to public protest. No construction had begun on the site. Passbook showed a closing balance of ₹17.53 lakh (as on 24 March 2024) against a balance of ₹23.04 lakh resulting in a shortage of ₹5.51 lakh.
8.	Irinjalakuda Vanitha Co-operative Society No.R.983, Thrissur	5	3 (2019-20)	3	For implementation of a Tailoring Unit and manufacture of Readymade Garments during the year 2019-20.	There was only one sewing machine in the tailoring unit instead of 10 as envisaged in the Project (02 December 2024). There wasn't any sign of readymade garment unit of Project costing ₹five lakh (equipment worth ₹two lakh or cloth materials of ₹2.50 lakh as envisaged in the project report).
9.	Taliparamba Block SC/ST Co-operative Society Ltd. No.C804, Thrissur	NA	21 (2018-19)	16	To establish a coffee shop, ice cream parlour and a mini restaurant.	The café was not functioning, furniture and machinery in the shed were idling in the site and only ₹1.63 lakh was remaining in the bank account. (October 2024)
10.	Manalur Co-operative Hospital, Thrissur	NA	157.50 (2017-21)	97.49	To renovate a Medical Laboratory and to procure hospital equipment under the Development and Diversification Scheme.	The medical laboratory building was not completed and equipment were not purchased by the Society (04 December 2024). The AR Thrissur, reported (09 August 2023) that 31 piles were constructed at an expense of ₹46.82 lakh by utilising the funds earmarked for the procurement of hospital equipment. It was also reported that as per the Passbook the cash balance of the Society stood at ₹13.19 lakh as on 17 July 2023.
11.	Ulloor SC society No. 635, Thiruvananthapuram	5	5 (2019-20)	5	To establish a computer centre.	Society did not establish a computer centre. The inquiry under section 65 also states recovery of amount from the Board members and Secretary.
<b>Total amount diverted</b>			<b>346.5</b>	<b>238.26</b>		

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Sl. No.	Name of cooperative society and district	Total project cost (₹ in lakh)	Amount of Government assistance (₹ in lakh) (Year of release)	Amount of Government assistance unutilised/ diverted/idling (₹ in lakh)	Purpose for which funds released	Observations in JPV
<b>Non/short Utilisation of fund</b>						
1	Kera Karshaka Yuva CS No. T 2285, Thiruvananthapuram	NA	10 (2022-23)	10	For support of Yuva Co-operative societies for production and marketing of coconut oil and other coconut products.	The society was not functioning and found closed. Also, no documents were made available regarding the functioning of the society and in support of the utilisation of the funds.
2	Aruvikkara Farmers SCB Ltd. No. 603, Thiruvananthapuram	54.75	25 (2021-22)	5.22	For Project Farmers Service Centre that was to be used for development of training hall and office, training expenses, financial assistance to group members to develop production units.	The Society furnished a utilisation certificate to Audit on 18 November 2024 stating that an amount of ₹19,78,039 had been spent on building, furniture, loans etc., and an unspent balance of ₹5,21,961 was remaining in the bank account.
3	Mavelikkara Taluk Yuva Printing and Publishing Co-operative Society Ltd. No. A 1241, Alappuzha	149.33	10 (2022-23)	10	For support of Yuva Co-operative societies for setting up of an Offset Printing unit.	During the Joint Verification, the society remained closed and no documents were furnished for Audit. The project was not started and the status of funds provided was also not available.
4	Kainakary lime shell industrial Co-operative society No. 2065, Alappuzha	26	26 (2017-18)	12	To be used as working capital and interest free revolving fund to beneficiaries for purchase of boat and engine.	Though the amount was available from 30 August 2017, the society utilized ₹14 lakh only (to 28 beneficiaries @ ₹50,000 from 26 December 2017 to January 2023). However, utilization certificate was available neither with the Society nor with the Assistant Registrar's office.
5	Karthikappally Rural Welfare CS – A 1193, Alappuzha	NA	1 (2019-20)	1	For collection of raw coconut, extracting coconut oil and delivering to houses.	The amount was not utilised and coconut collection or extraction units were not setup.
6	Pullukulangara SCB Ltd. No 2992, Alappuzha	50	25 (2022-23)	7	To establish a supermarket.	An amount of ₹18 lakh has been expended for renovation of building and construction of racks as on date. However, the supermarket has not started functioning till date (October 2024).
7	Peringome Area Yuvajana Co-operative Society Ltd. No.C 2143, Kannur	15	10 (2022-23)	8.50	To start an event management and catering unit to promote young entrepreneurs and service providers.	Out of ₹10 lakh only ₹1.50 lakh was utilised. Balance amount of ₹8.50 lakh was remaining in the bank account unutilised. It was noticed that the event management unit was closed and was not functioning.

Sl. No.	Name of cooperative society and district	Total project cost ( <i>₹ in lakh</i> )	Amount of Government assistance ( <i>₹ in lakh</i> ) (Year of release)	Amount of Government assistance unutilised/diverted/idling ( <i>₹ in lakh</i> )	Purpose for which funds released	Observations in JPV
8	Taliparamba Area Youth Welfare Co-operative Society C.2145, Kannur	10	10 (2022-23)	8.48	To start an Event management Service Unit.	It was noticed that only an amount of ₹77,302 was utilized and the balance amount of ₹8,47,837 was remaining in the bank account unutilised. The event management unit building was closed and not functioning.
9	Irinjalakuda Vanitha Co-operative Society No.R.979, Thrissur	12	10 (2020-21)	10	To establish Day Care Centre.	The Society was functioning in a two storied building, in which one room intended for kindergarten, where pictures of cartoon characters were painted on the wall but no activities had been commenced (December 2024).
10	Palayad Public Welfare Co-operative Society Ltd. No. 1868, Kannur	7.35	3 (2022-23)	3	For revival of the Paper Bag unit.	Utilisation certificate for ₹three lakh was not available in the records of the Joint Registrar, Kannur. The paper bag unit was not established.
<b>Total non/short utilisation amount</b>			<b>130</b>	<b>75.20</b>		
<b>Idling Assets</b>						
1	Technopark hospital – No. 2131, Thiruvananthapuram	75	75 (2022-23)	25.08	For purchasing Radiography (X-ray) and Mammogram machines and laser printer for starting a Radiology Department.	During JPV, it was observed that X-ray machine was idling due to lack of required power supply. The laser printer for the X-ray and Mammogram machines was purchased only on 13 June 2024, due to which the mammogram machine has been kept idle till date. The warranty period of the machines had expired even before the machines were put to use.
2	Puthupally SCB 2730, Alappuzha	13.79	10 (2022-23)	10	Project for Promotion of Grameen Markets / Vegetable Collection Centres (CITA) for construction of a 1500 kg capacity chilled warehouse, purchasing a vehicle for the procurement and sale of vegetables etc.	It was observed that the chilled warehouse was lying unused since the project did not yield the intended result.
3	Thiruvananthapuram Jilla Adivasi Parambrya Chikilsa CS Ltd. No T 1297, Thiruvananthapuram	13.60	11.56 (2022-23)	5.65	Project for the purchase of machines to start an ayurveda medicine production unit, employing medical practitioner, etc.	The existing medicine shed was altered by increasing area and height by expending an amount of ₹9.45 lakh. The society had dropped the ayurveda medicine production unit project. The machines and utensils procured for the project was lying underutilized.
4	Cherthala thekk SC SCS No A 275, Alappuzha	4.50	4.50 (2020-21)	4.5	Project for (Assistance to Development of SC/ST Co-operatives) for starting a Computer Training Centre .	The amount has been utilised for the purchase of 11 computers, two printers, etc., for the Computer Centre. On JPV it was observed that the computer centre has not yet been functioning for the past two years.

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Sl. No.	Name of cooperative society and district	Total project cost (₹ in lakh)	Amount of Government assistance (₹ in lakh) (Year of release)	Amount of Government assistance unutilised/diverted/idling (₹ in lakh)	Purpose for which funds released	Observations in JPV
5	Dharmadam Panchayath Vanitha Co-operative Society Ltd. No C 2070, Kannur	3.50	2 (2023-24)	2	To establish an Akshaya Kendram.	On JPV (December 2024), Audit noticed that computer and printer worth ₹1.32 lakh were purchased (February 2024) and lying idle in the society. Society also rented a building to start Akshaya kendram, which was lying vacant and not functioning.
6	Irinjalakuda Vanitha Co-operative Society No.R.979, Thrissur	NA	5 (2019-20)	5	For implementation of a Manufacturing Unit of cotton School bags and office bags during the year 2019-20.	During JPV (December 2024), Audit noticed that the bag manufacturing unit was not functioning. One room was converted into a bag manufacturing unit where five sewing machines were kept idle.
7	Iritty Block Vanitha Co-operative Society Ltd. No1099, Kannur	NA	3 (2019-20)	3	As working Capital Grant to the society to start a beauty parlour.	During JPV (December 2024), Audit noticed that the Beauty Parlour with equipment were idling.
8	Mattannur Pattikajathi Service Co-operative Society C.870, Kannur	5.50	5 (2022-23)	5	As building renovation grant for paper bag making unit, lamination and Screen printing unit for an existing Mini Offset Printing Press.	During JPV (October 2024) Audit noticed a shed was constructed utilising an amount of ₹five lakh and was lying idle.
<b>Total idling asset</b>			<b>116.06</b>	<b>60.23</b>		

## Appendix 4.1

## Details of Road Restoration Works not executed/completed

(Reference: Paragraph 4.5; page 85)

Item	Details of CWSS Phase II - Package I	Details of CWSS Phase II - Package II
Agreed PAC (₹)	14,09,55,156	8,89,00,000
Percentage of agreed PAC	1.97	24
Amount as per breakup of payment (₹)	27,76,817	2,13,36,000
Amount in estimate and in scope of work(₹)	57,88,417	2,93,18,170
Work done as percentage of agreed PAC	0.00	17.647
Amount paid for percentage of work done (₹)	0.00	1,56,88,183
Amount to be deducted (₹)	57,88,417	77,60,764
Amount deducted for non-executed portion as per break up (₹)	27,76,817	56,47,817
Short deduction (₹)	30,11,600	21,12,947
Excess payment (Short deduction + GST @ 12%, if paid) (₹)	30,11,600	23,66,500
<b>Total excess (₹)</b>		<b>53,78,101</b>





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