



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
DISTRICT GOVERNMENT  
BANNU**

**AUDIT YEAR 2017-18**

**AUDITOR GENERAL OF PAKISTAN**

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## ABBREVIATIONS AND ACRONYMS

AA	Administrative Approval
AIR	Audit and Inspection Report
ADP	Annual Development Plan
AOM&R	Annual Ordinary Maintenance and Repair
BOQ	Bill of Quantity
CMD	Chief Minister Directives
CPWA Code	Central Public Works Account Code
CPWD Code	Central Public Works Department Code
C&W	Communication and Works
DAC	Departmental Accounts Committee
DAC	District Accounts Committee
DC	Deputy Commissioner
DHO	District Health Officer
GFR	General Financial Rules
HRA	House Rent Allowance
IPC	Interim Payment Certificate
IPSAS	International Public Sector Accounting Standards
KPPRA	Khyber Pakhtunkhwa Public Procurement Regularity Authority
LGA	Local Government Act
MB	Measurement Book
MFDAC	Memorandum for Departmental Accounts Committee
NIT	Notice Inviting Tender
PAO	Principal Accounting Officer
PAC	Public Accounts Committee
PC-I	Planning Commission One
PCC	Plain Cement Concrete
PHE	Public Health Engineering
RCC	Reinforced Concrete Cement
RDA	Regional Directorate of Audit
TS	Technical Sanction
WSS	Water Supply Scheme
XEN	Executive Engineer

## **Preface**

Articles 169 & 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Sections-8 and 12 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 and Section-37 of Khyber Pakhtunkhwa Local Government Act 2013 require the Auditor General of Pakistan to conduct audit of the receipts and expenditure of District Fund and Public Account of District Governments.

The report is based on audit of the accounts of various offices of District Government, Bannu for the financial year 2016-17. The Director General of Audit, District Governments, Khyber Pakhtunkhwa conducted audit during 2017 on test check basis with a view to report significant findings to the relevant stakeholders. The main body of the audit report includes the systemic issues and significant audit findings. Relatively less significant issues are listed in the Annex-1 of the Audit Report. The audit observations listed in the Annex-1 shall be pursued with the Principal Accounting Officer at the DAC level. In all cases where the PAO does not initiate appropriate action, the audit observations will be brought to the notice of District Accounts Committee through the next year's Audit Report.

Audit findings indicate the need for adherence to the regularity framework besides instituting and strengthening internal controls to avoid recurrence of similar violations and irregularities.

The observations included in this Report have been finalized without the written replies of the departments. DAC meetings were not convened despite repeated requests.

The Audit Report is submitted to the Governor, Khyber Pakhtunkhwa in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 37 of Khyber Pakhtunkhwa Local Government Act, 2013, for laying before the appropriate legislative forum.

Islamabad  
Dated:

**(Javaid Jehangir)**  
**Auditor General of Pakistan**

## EXECUTIVE SUMMARY

The Director General Audit District Governments, Khyber Pakhtunkhwa carries out the audit of twenty five District Governments. Regional Directorate of Audit Bannu, on behalf of the Director General Audit, District Governments, Khyber Pakhtunkhwa carried out the audit of two District Governments namely Bannu and Lakki Marwat.

The Regional Directorate has a human resource of five officers and staff with a total of 1250 man-days. The annual budget amounting to Rs8.423 million was allocated to the office during financial year 2017-18. The office is mandated to conduct regularity (financial attest audit and compliance with authority audit) and performance audit of programs/ projects.

District Government, Bannu conducts its operations under Khyber Pakhtunkhwa Local Government Act 2013. It comprises one Principal Accounting Officer (PAO) covering eighteen groups of offices as mentioned in Chapter – 1 of this report. Financial provisions of the Act describe the Government fund as District Local Fund and District Public Account for which Annual Budget Statement is authorized by the District Council in the form of budgetary grants.

### **a. Scope of audit**

There are eighteen departments in District Bannu out of which the accounts of four departments were examined in detail. These departments were selected for detailed audit by excluding the last year audited entities keeping in view the available mandays.

The total expenditure of District Government Bannu for the Financial Year 2016-17, was Rs 7,229.033 million. Out of this, RDA Bannu audited an expenditure of Rs 2,637.514 million which, in terms of percentage, was 36.49% of auditable expenditure.

The receipts of District Government, Bannu for the Financial Year 2016-17 was 40.145 million. Out of this, RDA Bannu audited receipts of Rs 3.538 million of the selected four departments which, in terms of percentage, was 8.81% of total auditable receipts.

The total of expenditure and receipts of District Government Bannu for the financial year 2016-17 was Rs 7,269.178 million. Out of this, RDA Bannu audited transactions of Rs 2,641.052 million which, in terms of percentage, was 36.33% of auditable amount.

**b. Recoveries at the instance of audit**

Recovery of Rs 1,013.916 million was pointed out during the audit. Out of the total recoveries pointed out, Rs 773.843 million was not in the notice of the executive before audit. However no recovery was made till finalization of this report.

**c. Audit Methodology**

Audit was conducted after understanding the business processes of District Government Bannu with respect to their functions, control structure and key controls. This helped auditors in understanding the systems, procedures, environment of the audited entity before starting the audit. Audit used desk audit techniques for analysis of compiled data and review of actual vouchers called for scrutiny and substantive testing.

**d. Audit Impact**

Audit pointed out various irregularities of serious nature. Cases related to weak internal controls were also pointed out to which management has been sensitized. In certain cases management has taken action which may further be verified. However, no impact was visible as the management failed to reply and the irregularities could not come to the light in the proper forum i.e. DAC.

**e. Comments on Internal Control and Internal Audit Department**

The purpose of internal control system is to ensure effective operation of an organization. It consists of measures employed by the management to achieve objectives, safeguard assets, accuracy, timeliness and reliability of financial and accounting information for decision making.

Another basic component of internal control, as envisaged under section 37(4) of LGA 2013, is internal audit which was not found in place in the domain of District Government.

**f. Key audit findings of the report;**

- i. Non Production of record of Rs 705.089 million was noted in two cases <sup>1</sup>
- ii. Irregularities / Non-compliance of Rs 1,974.119 million was noted in forty four cases. <sup>2</sup>
- iii. Internal Control Weakness of Rs 101.812 million was noted in six cases. <sup>3</sup>

Minor irregularities/weaknesses pointed out during the audit are being pursued separately with the authorities concerned, as detailed at Annex-1.

**g. Recommendations**

- i. Corrective actions need to be taken for production of record and disciplinary action needs to be taken against person (s) regretting production of record.
- ii. Corrective actions need to be taken to stop the practice of violation of the rules and regulations in spending the public money.
- iii. Strenuous efforts need to be made by the departments to recover long outstanding dues on account of water charges.
- iv. Departments need to strengthen internal controls mechanisms to ensure that lapses of the kind reported in this audit report are preempted and fair value for money is obtained from public spending.
- v. Deduction of taxes on supplies and contracts need to be ensured.
- vi. Internal controls in all areas i.e. financial, managerial, operational, administrative and accounting need to be strengthened to pre-empt the reported lapses and fair value for money is obtained from public spending.
- vii. Inquiries need to be held to fix responsibility for losses, irregular payments and wasteful expenditure.

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<sup>1</sup> 1.2.1.1 to 1.2.1.2

<sup>2</sup> 1.2.2.1 to 1.2.2.44

<sup>3</sup> 1.2.3.1 to 1.2.3.6

## SUMMARY TABLES & CHARTS

### I: Audit Work Statistics

(Rs in million)

Sr. No.	Description	No.	Budget		
			Expenditure	Receipts	Total
1	Total Entities (PAO) in Audit Jurisdiction	01	7,229.033	40.145	7,269.178
2	Total formations in audit jurisdiction	18	7,229.033	40.145	7,269.178
3	Total Entities (PAO) Audited	01	2,637.514	3.538	2,641.052
4	Total formations Audited	04	2,637.514	3.538	2,641.052
5	Audit & Inspection Reports	04	2,637.514	3.538	2,641.052

### II: Audit observations Classified by Categories

(Rs in million)

Sr. No.	Description	Amount Placed under Audit Observation
1	Unsound asset management	0
2	Weak financial management	1,974.119
3	Weak Internal controls relating to financial management	101.812
4	Others	705.089
<b>Total</b>		<b>2,781.02</b>



### III: Outcome Statistics

(Rs in million)

S.No	Description	Expenditure on Acquiring Physical Assets (Procurement)	Civil Works	Receipts	Others	Total Current year 2016-17	Total last year 2015-16
1	Outlays Audited	2.500	2,124.004	3.538	511.01	2,641.052	2,177.619
2	Amount Placed under Audit Observations /Irregularities of Audit	2.500	2,121.980	2.080	654.460	2,781.02	3,401.549
3	Recoveries Pointed Out at the instance of Audit	-	1,000.105	0	13.811	1,013.916	1,145.698
4	Recoveries Accepted /Established at the instance of Audit	-	-	-	-	-	-
5.	Recoveries Realized at the instance of Audit	-	-	-	-	-	-

#### IV: Table of Irregularities pointed out

(Rs in million)

S. No	Description	Amount Placed under Audit Observation
1	Violation of Rules and regulations, principle of propriety and probity in public operation	1,974.119
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources	0
3	Accounting Errors (accounting policy departure from NAM <sup>4</sup> , misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	0
4	Quantification of weaknesses of internal control systems.	101.812
5	Recoveries and overpayment, representing cases of establishment overpayment or misappropriations of public monies	0
6	Non-production of record	705.089
7	Others, including cases of accidents, negligence etc.	0
<b>Total</b>		<b>2,781.02</b>

#### V: Cost Benefit Ratio

(Rs in million)

S #	Description	Amount
1	Outlays Audited (item 1 of Table 3)	2,641.052
2	Expenditure on audit	8.423
3	Recoveries realized at the instance of audit	0
	Cost-Benefit Ratio	1:0

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<sup>4</sup> The Accounting Policies and Procedures prescribed by the Auditor General of Pakistan which are IPSAS(Cash).

## CHAPTER 1

### 1.1 District Government Bannu

#### 1.1.1 Introduction

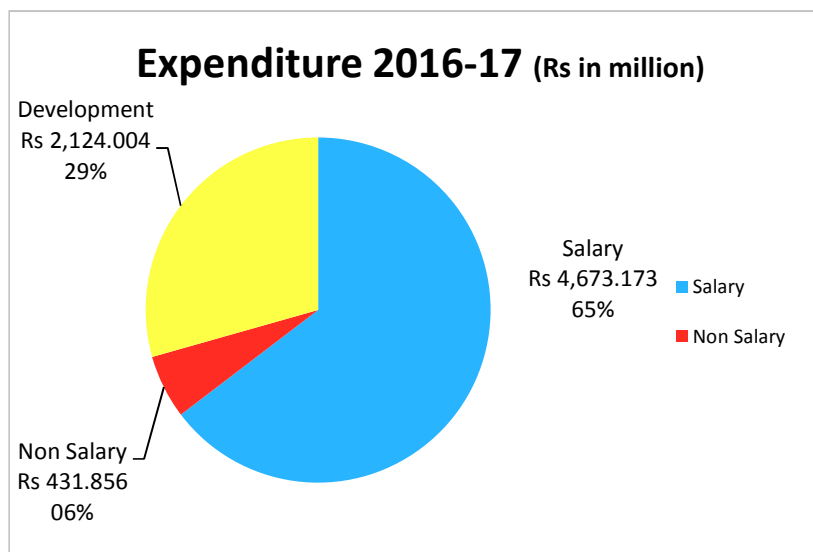
Activities of District Government are managed through offices of Deputy Commissioner and District Officers under Khyber Pakhtunkhwa Local Government Act 2013 (LGA 2013). Each group of District Offices is headed by District Officer (DO). The DO by means of a standing order distributes the work among the officers, branches, and/or sections of each district office. The offices which manage the activities of District Government are Deputy Commissioner (DC), XEN C&W, XEN Public Health, District Officers Agriculture, Education, Health, Water Management, Fisheries, Population Welfare, LG & RDD, Sports, Enterprises & Investment Promotion, Live Stock & DD, Soil Conservation, Cooperation, Social Welfare, Public Transport and Municipal Services.

#### 1.1.2 Comments on Budget and Accounts (Variance Analysis)

(Rs in million)

2016-17	Budget	Expenditure	Saving/ Excess	%age Excess/Saving
Salary	4,707.557	4,673.173	-34.384	7%
Non-salary	500.859	431.856	-69.003	2%
Developmental – A/C-IV	536.204	536.204	0	0%
Developmental – A/C-I	1,587.800	1,587.800	0	0%
<b>Total</b>	<b>7,332.42</b>	<b>7,229.033</b>	<b>-103.387</b>	
<b>Receipts</b>	<b>40.145</b>	<b>40.145</b>	<b>0</b>	

The savings of Rs 103.387 million indicates inefficiency in the capacity of District Government Department to utilize the allocated budget.



### 1.1.3 Comments on the status of compliance with DAC / PAC Directives

The audit reports pertaining to following years have been submitted to the Governor of Khyber Pakhtunkhwa. Details of PAC/DAC meetings are given below:

S. #	Audit Year	PAC/DAC meeting
1	2002-03	Not Convened
2	2003-04	Not Convened
3	2005-06	Not Convened
4	2006-07	Not Convened
5	2007-08	Not Convened
6	2008-09	Not Convened
7	2009-10	Not Convened
8	2010-11	Not Convened
9	2011-12	Convened
10	2013-14	Not Convened
11	2016-17	Not Convened

## 1.2 AUDIT PARAS

### 1.2.1 Non-Production of Record

#### 1.2.2.1 Non-production of record – Rs 701.821 million

According to Section 14 (3) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 the Auditor General of Pakistan shall have access to all the books and documents pertaining to the accounts and may also examine any public servant or premises of the Local Government concerned.

Executive Engineer C&W Division, Bannu spent Rs 701,821,000 on account of various developmental schemes during 2016-17. However, following records was not produced despite repeated requests.

Sr. No.	Name of Work	Record not produced	Expenditure
1	KGN Hospital Bannu	IPCs	96.000
2	PHC Bannu Bench	IPCs	89.965
3	Bannu Medical College	IPCs	114.000
4	Standardization of GHSS	IPCs	160.000
5	Road Narmi Khel to Miryan	MBs	42.892
6	RCC Bridge over Tochi River	MBs	137.423
7	Bannu Medical College	Escalation	16.243
8	Peshawar High Court Package-I	Escalation	21.679
9	Peshawar High court Package-II	Escalation	1.125
10	KGN Block 7-11	Escalation	9.994
11	KGN Package-IV	Escalation	1.748
12	Tehsil Building Domel	Escalation	10.752
<b>Total</b>			<b>701.821</b>

Non production of record was occurred due to non-compliance of rules, which resulted in to non-authenticity of public spending.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017 which could not be convened till finalization of this report.

Audit recommends inquiry, fixing responsibility and action against person (s) at fault for non-production of record.

**AIR No 19 & 20 (A/C-I) (2016-17)**

**1.2.1.2 Non-production of record – Rs 3.268 million**

According to Section 14 (3) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 the Auditor General of Pakistan shall have access to all the books and documents pertaining to the accounts and may also examine any public servant or premises of the Local Government concerned.

During audit of DC, Bannu for the year 2016-17, the following record was not produced despite repeated requests.

- i. Record of District ADP, Prime Minister Directive, Chief Minister Directive etc.
- ii. Newly appointment / promotion record of different Government employees.
- iii. Record pertaining to Circuit House.
- iv. Rs 3,268,347 were spent on account of leave salary.

Non production of record was occurred due to non-compliance of rules, which resulted in to non-authenticity of public spending.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017 which could not be convened till finalization of this report.

Audit recommends inquiry, fixing responsibility and action against person (s) at fault for non-production of record.

**AIR No 60 (2016-17)**

## **1.2.2 Irregularities / Non-Compliance**

### **1.2.2.1 Unauthorized expenditure without Technical Sanction – Rs 615.060 million**

Para 56 of CPWA code states that no work shall be executed without obtaining Technical Sanction and A.A.

XEN PHE, Bannu awarded works valuing Rs 634.48 million during 2016-17. Works were executed and department spent Rs 615.060 million without obtaining Technical Sanction (Details is given at Annexure-2).

Unauthorized expenditure occurred due to weak internal control, which resulted in violation of rules and without ascertaining the estimate of actual quantities to be executed during the work based on engineering specifications and schedule of rates.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry by the competent forum into the actual quantities required to be executed and action against the person (s) at fault.

**AIR No 40 & 07 (A/C-I) (2016-17)**

### **1.2.2.2 Loss due to non-imposition of penalty for non-completion of work within stipulated period – Rs 299.665 million**

According to clause-2 of the contract agreement, the contractor “for delay in the completion of work within stipulated period of time, compensation @ 1 % per day subject to maximum of 10% of the estimated cost of the work was required to be recovered.



XEN C&W, Bannu awarded different works to various contractors during 2016-17. However, neither the contractors completed the work within stipulated period of time nor applied for extension of time limit. The department did not impose penalty Rs 299.665 million (Details is given at Annexure-3).

Non imposition of penalty occurred due to non-compliance of contractual obligations which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017, management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry, fixing responsibility and recovery of amount of penalty from person (s) at fault.

**AIR No 14, 18 & 22 (A/C-I) (2016-17)**

**1.2.2.3 Non-realization of water charges - Rs 240.073 million**

Para 26 of GFR Vol-I stipulates that controlling officer is required to ensure that all sums due to government are regularly and promptly assessed regularized and duly credited in the government account and that no amount due to government should be left out standing without sufficient reasons.

XEN PHE, Bannu failed to recover the water user charges of Rs 240.073 million recoverable from 16,017 consumers accumulated up to 30.06.2017.

Non realization of water charges occurred due to non-compliance of rules, which resulted in non-recovery of public money.

The irregularity was pointed out to management in December 2017, management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends action against the person (s) at fault and recovery of the outstanding amount.

**AIR No 30 (2016-17)**

**1.2.2.4 Non-deduction of Sales Tax on services – 180.681 million**

Sr. No. 26 of Government of Khyber Pakhtunkhwa Revenue Authority notification No F-16(4) KPRA / Notification / WH / 1323 dated: 31.08.2015 states that 15% service tax on service is required to be deducted from the services provided by the person engaged in contractual execution of work or furnishing supplies.

XEN C&W, Bannu paid Rs 1,204,543,229 to contractors on account of various developmental works during 2016-17. Sales Tax on Services @ 15% was not deducted, which resulted in loss of Rs 180,681,485 as detailed below:

Sr. No	Sector	Expenditure 2016-17	Sales Tax @ 15%
1	Agriculture	9,180,617	1,377,093
2	Auqaf	5,978,532	896,780
3	Finance	114,435,666	17,165,350
4	Building & Housing	28,657,346	4,298,602
5	Primary Education	78,439,428	11,765,914
6	Secondary Education	292,127,453	43,819,118
7	Food	46,021,980	6,903,297
8	Hospitals	224,990,080	33,748,512
9	Higher Education	57,075,237	8,561,286
10	Law & Justices	193,264,778	28,989,717
11	Social welfare	99,456	14,918
12	Tourism	4,828,433	724,265
13	Highway & Bridges	149,444,223	22,416,633
<b>Total</b>		<b>1,204,543,229</b>	<b>180,681,485</b>

Non deduction of sales tax on services was occurred due to non-compliance of rules, which resulted in non-recovery of Government revenue.

The irregularity was pointed out to management in December 2017, management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry for fixing responsibility and recovery besides action against person (s) at fault.

**AIR No 13 (A/C-I) (2016-17)**

**1.2.2.5 i. Irregular expenditure without of contract agreement – Rs 168.030 million**

**ii. Non forfeiture of Earnest Money – Rs 3.650 million**

According to condition of the work orders issued, “work should be start and contract agreement must be sign within 7 days, if the contractor failed to do so, the earnest money already deposited will be forfeited in favor of Government”.

XEN PHE, Bannu awarded works valuing Rs 168.030 million to various contractors on account execution of various developmental schemes during 2016-17 without signing and sanction of contract agreement. The earnest money of Rs 3.650 million was required to be forfeited by the department. (Details is given at Annexure-4).

Irregular expenditure incurred without approval of contract agreement due to non-compliance of rules, which resulted in violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and action against the person (s) at fault and forfeiture of earnest money.

**AIR No 25 (2016-17)**

- 1.2.2.6**
- i. Irregular payment without rate analysis – Rs 117.692 million**
  - ii. Non deduction of Sales Tax Rs 20.007 million**

Section 3 of sales tax act 1990 provides for deduction of sales tax @ 17 % on all Government suppliers.

XEN C&W, Bannu executed non schedule items amounting to Rs 117,692,317 in the work “Construction of KGN Hospital and Rehabilitation of DHQ Hospital Bannu” without rate analysis during 2016-17. Moreover, Sales Tax @ 17% worth Rs 20.007 million was also not deducted.

Sr. No.	Name of item	Amount	Sales Tax
1	Black Carbon Pipe 6”	10,878,400	1,849,328
2	Black Carbon Pipe 4”	2,736,000	465,120
3	4 core Cable	56,114,600	9,539,482
4	Electric work Non-Schedule Items	17,222,000	2,927,740
5	Dampa Ceiling	10,337,322	1,757,345
6	Canopy 30*30	9,213,445	1,566,286
7	Canopy 60*60	8,129,511	1,382,017
8	Car park Shed	1,755,489	298,434
9	Greaser 30 Gallon	255,550	43444
10	AC and Stabilizer for DHQ Hospital	1,050,000	178500
<b>Total</b>		<b>117,692,317</b>	<b>20,007,696</b>

Irregular payment was occurred due to non-compliance of rules, which resulted in unauthorized expenditure.

The irregularity was pointed out to management in December 2017, management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery of sales tax besides action against person (s) at fault.

**AIR No 16 (A/C-I) (2016-17)**

**1.2.2.7 Loss due to non-deduction of Sales Tax on services – 61.851 million**

Sr. No. 26 of Government of Khyber Pakhtunkhwa Revenue Authority notification No F-16(4) KPRA / Notification / WH / 1323 dated: 31.08.2015 states that 15% service tax on service is required to be deducted from the services provided by the person engaged in contractual execution of work or furnishing supplies.

XEN PHE, Bannu paid Rs 412,340,700 to contractors on account of various developmental works without recovering sales tax on services @ 15% worth Rs 61,851,105 as per detail given below:

<b>Sr. No.</b>	<b>Description of Funds</b>	<b>Expenditure 2016-17</b>	<b>Sales Tax @ 15%</b>
1	CMD District 1246/150632	186,850,000	28,027,500
2	ADP 757 CMD	3,015,000	452,250
3	ADP 762 CMD	3,015,000	452,250
4	ADP 202-Constrecution / Rehabilitation of WSS	41,344,000	6,201,600
5	ADP 206-Constrecution / Rehabilitation of WSS	89,420,700	13,413,105
6	ADP 204-Solarization of WSS	33,235,000	4,985,250
7	ADP 131-Construction WSS	51,461,000	7,719,150
8	ADP-214-AOM&R WSS	4,000,000	600,000
<b>Total</b>		<b>412,340,700</b>	<b>61,851,105</b>

Non deduction of sales tax on services was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery besides action against person (s) at fault.

**AIR No 38 & 03 (A/C-I) (2016-17)**

**1.2.2.8 Un-authorized retention of money in bank accounts – Rs 36.053 million and Doubtful drawl – Rs 2.363 million**

Para 6 of General Financial Rules Volume-I requires the prior approval of Government for opening of designated bank account in banks other than State Bank of Pakistan / National Bank of Pakistan.

DC, Bannu retained Rs 14,864,334 in Bank accounts Nos. 4044763655 maintained for PDMA fund and Rs 21,188,657 in designated bank account No 4044750356 of Tehsildar Bannu in National Bank of Pakistan, Bannu City during 2016-17. Audit observed that:-

- i. No approval of the competent authority regarding authorization of bank accounts was provided to audit.
- ii. Funds under contingency heads of Rs- 27,671,839 were deposited under designated bank account No. 4044786470 of Deputy Commissioner Bannu, which was required to be issued in the name of vender /suppliers etc.
- iii. Rs 21,188,657 closing balance under designated bank account of Tehsildar Bannu was retained on 30th June, 2017 instead of public account and without any approval of the finance department.

- iv. Rs 2.363 million opening balance in designated bank account of Deputy Commissioner on dated 01.07.2016 was observed which was not clear to whom and on which purpose used.

Unauthorized retention was occurred due to non-compliance of rules, which resulted in to violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry, regularization and action against person (s) at fault.

**AIR No 49 (2016-17)**

**1.2.2.9 Less deduction of Income Tax – Rs 30.114 million**

According to Income Tax Department letter WHU-II/RTO-PR/2015-16/396 dated: 12.11.2015 required the deduction of Income Tax from non-filer contractors @ Rs 10%.

XEN C&W, Bannu paid Rs 1,204,543,229 to contractors on account of various developmental works during 2016-17. Income Tax @ 7.5% was deducted instead of @ 10%, which resulting in to loss of Rs 30,113,581 (as detailed below).

Sr. No	Sector	Expenditure 2016-17	IT deducted @ 7.5%	IT Required @ 10%	Difference
1	Agriculture	9,180,617	688,546	918,062	229,515
2	Auqaf	5,978,532	448,390	597,853	149,463
3	Finance	114,435,666	8,582,675	11,443,567	2,860,892
4	Building & Housing	28,657,346	2,149,301	2,865,735	716,434
5	Primary Education	78,439,428	5,882,957	7,843,943	1,960,986

6	Secondary Education	292,127,453	21,909,559	29,212,745	7,303,186
7	Food	46,021,980	3,451,649	4,602,198	1,150,550
8	Hospitals	224,990,080	16,874,256	22,499,008	5,624,752
9	Higher Education	57,075,237	4,280,643	5,707,524	1,426,881
10	Law & Justices	193,264,778	14,494,858	19,326,478	4,831,619
11	Social welfare	99,456	7,459	9,946	2,486
12	Tourism	4,828,433	362,132	482,843	120,711
13	Highway & Bridges	149,444,223	11,208,317	14,944,422	3,736,106
<b>Total</b>		<b>1,204,543,229</b>	<b>90,340,742</b>	<b>120,454,324</b>	<b>30,113,581</b>

Less deduction of income tax was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery besides action against person (s) at fault.

#### **AIR No 12 (A/C-I) (2016-17)**

#### **1.2.2.10 Irregular award to non-responsive contractor - Rs 20.00 million**

Serial No 20(1) of Government of Khyber Pakhtunkhwa Public Procurement Regularity Authority (KPPRA Rules 2014) requires the bidders to deposit 2% bid security in case of procurement of works. If the bidders failed to do so the Bid will be consider as non-responsive.

XEN PHE, Bannu awarded three contracts of Rs 20,000,000 to contractors during 2016-17. As per NIT condition the bidders was required to deposit 2% call Deposit / earnest money, but the contractors failed to deposit call



deposit. Instead of re-tender the work was awarded to the non-responsive contractors.

Irregular award was occurred due to non-compliance of rules, which resulted in violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and regularization besides action against the person (s) at fault.

**AIR No 06 (A/C-I) (2016-17)**

**1.2.2.11 Loss to Government – Rs 16.806 million**

According to Para 23 of GFR Vol-1 every Government officer should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence either on his part or on the part of his subordinate staff.

DHO, Bannu posted 71 ward orderlies in the Basic Health Units and Civil Dispensaries during 2016-17. Audit observed that neither wards existed nor any admissions of patients were made in these institutions. Payment of Rs 16,805,798 as salaries to ward orderlies resulted in recurring loss to Government exchequer.

Loss was occurred due to non-compliance of rules, which resulted in to recurring loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry besides regularization of expenditure from competent authority and action against the person (s) at fault.

**AIR No 05 (2016-17)**

**1.2.2.12 Non Utilization of developmental funds - Rs 15.00 million**

Para 95 of the GFR Vol-I that saving which could not be utilized should be surrendered to Government.

Deputy Commissioner Bannu issue Administrative Approval to 02 schemes vide Finance & Planning letter No 405-13/PA/F&P/DADP/16-17 dated: 07.05.2017. Funds were placed at the disposal of XEN PHE Bannu. Neither with drawl of funds was shown to audit nor surrendered to Government and stand lapsed. Audit holds that the objectives for which the funds were provided could not be achieved and the people of the area were deprived of the drinking water supply schemes, which is a serious lapse on the part of the local office.

Non utilization of developmental funds occurred due to non-compliance of rules, which resulted into violation of rules.

When reported in December 2017, management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends regularization and action against the person (s) at fault.

**AIR No 32 (2016-17)**

**1.2.2.13 Loss to Government due to missing of valuable machinery Rs 15.00 million**

According to Para 131 and 134 of CPWD Code, all material / items received in the store shall be physically verified and result of verification of stock shall be reported to the competent authority.

XEN PHE, Bannu spent Rs 33.235 million on Solarization of 10 Water Supply Schemes during 2016-17. Before Solarization pumping machinery along with transformers and allied accessories were available in these tube wells. However where about of the old pumping machinery along with transformers & allied accessories were not known. Neither the pumping machineries are available in the stores nor were items taken on stock register. The estimated value of machinery along with transformers and allied accessories was Rs 15,000,000 (Rs 1.5 for each tube well).

Loss was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery of machinery along with all accessories besides action against the person (s) at fault.

**AIR No 10 (A/C-I) (2016-17)**

**1.2.2.14 Non supply of medicine – Rs 11.903 million and non-recovery of penalty Rs 0.833 million**

According to rule 290 of CTR, No money shall be drawn from the treasury unless it is required for immediate disbursement. It is not permissible to draw money from the treasury in anticipation of demands or to prevent the lapse

of budget grants read with Sr. No. 18 of guidelines issued by medicine Coordination Cell that “the supply of the ordered goods shall be completed by the supplier within 30 days. Upon delay in supply from (46 to 60) days a total penalty of 7% on total amount shall be levied.

DHO, Bannu drawn in advance Rs 11,902,596 on account of purchase of medicines during 2016-17. Supply orders were issued to all the supplier well in time i.e. 17.11.2016 and 31.05.2017, whereas some suppliers failed to complete their supply within stipulated period of time. Penalty of Rs 833,182 @ 7% was not recovered from the supplier (Details is given at Annexure-5).

Non supply of medicine was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends recovery and action against the person (s) at fault.

**AIR No 01 (2016-17)**

#### **1.2.2.15 Non forfeiture of earnest money – Rs 11.565 million**

According to Condition of the Work Order issued, “work should be start and contract agreement must be sign within 7 days, if the contractor failed to do so, the earnest money already deposited will be forfeited in favor of Government”.

XEN C&W, Bannu award work “Establishment of Bannu Medical College Package-I” and “Construction of Waligai Road” and expended 120.123 million during 2016-17. The work was awarded to the contractors with the condition to start the works within 07 days. However the contractors failed to start the work within stipulated period of time. Instead of re-tender the work and

forfeiture of earnest money of Rs 11.565 million the contractor continued the execution of work.

Non forfeiture of earnest money was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery besides action against person (s) at fault.

**AIR No 15 (A/C-I) (2016-17)**

**1.2.2.16 Loss to government due to non-functioning of Operation Theatre – Rs12.880 million**

According to Para 23 of GFR Vol-1 every Government officer should realized fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence either on his part or on the part of his subordinate staff.

Operation theatres in four Health Institutions under the administrative control of DHO Bannu were non-functional, as no operation was conducted in these operation theatres. Heavy amount of Rs 11,200,000 (Rupees Two point eight million per OT) was spent on the construction and on the purchase of furniture, machinery & equipment etc. In addition payment of Rs 1,680,000 per year was also made as salaries of OT unit staff. Resultantly due to improper administrative and financial control the government was put to loss of Rs 12,880,000.

Loss was occurred due to non-compliance of rules, which resulted into loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and action against the person (s) at fault besides regularization.

**AIR No 08 (2016-17)**

**1.2.2.17 Less deduction of Income Tax – Rs 10.309 million**

According to Income Tax Department letter WHU-II/RTO-PR/2015-16/396 dated: 12.11.2015 required the deduction of Income Tax from non-filer contractors @ Rs 10%.

XEN PHE, Bannu paid Rs 412,340,700 to contractors on account of various developmental works during 2016-17. Income Tax worth Rs 30,925,553 @ 7.5% was deducted instead of @ 10% Rs 41,234,070, which resulting in to loss of Rs 10,308,518 (as detailed below).

Sr. No.	Description of Fund	Expenditure 2016-17	IT Deducted @ 7.5%	Deduction Required @ 10%	Difference
1	CMD District 1246/150632	186,850,000	14,013,750	18,685,000	4,671,250
2	ADP 757 CMD	3,015,000	226,125	301,500	75,375
3	ADP 762 CMD	3,015,000	226,125	301,500	75,375
4	ADP 202-Constrecution / Rehabilitation of WSS	41,344,000	3,100,800	4,134,400	1,033,600
5	ADP 206-Constrecution / Rehabilitation of WSS	89,420,700	6,706,553	8,942,070	2,235,518
6	ADP 204-Solarization of Water Supply Schemes	33,235,000	2,492,625	3,323,500	830,875
7	ADP 131-Construction WSS & Distribution System	51,461,000	3,859,575	5,146,100	1,286,525

8	ADP-214-AOM&R of WSS	4,000,000	300,000	400,000	100,000
<b>Total</b>		<b>412,340,700</b>	<b>30,925,553</b>	<b>41,234,070</b>	<b>10,308,518</b>

Less deduction of income tax was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery besides action against person (s) at fault.

**AIR No 39 & 04 (A/C-I) (2016-17)**

**1.2.2.18 Non-deposit of saving into Government Treasury of Rs 8.381 million**

Para 95 of the GFR Vol-I that saving which could not be utilized should be surrendered to government.

XEN PHE, Bannu award following works to contractors on 14% below valuing 59.861 million during 2016-17. The local office deducted Rs 8.381 million from the contractor's bills as 14% below (rate offered by contractor). The local office utilized the amount on other schemes instead of depositing into Government Treasury.

Sr. No.	Name of Work	Estimated Cost	14% Below	Saving
1	Installation of Pressure Pumps in UC Kala Khel	14.854	12.774	2.080
2	Installation of pressure pumps In UC Mandew	19.937	17.146	2.791
3	Installation of pressure pumps in UC Mamash Khel	15.070	12.960	2.110
4	Installation of pressure pumps in UC Mandan	10.00	8.600	1.400
		59.861	51.48	8.381

Non deposit of saving occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery besides action against the person (s) at fault.

**AIR No 09 (A/C-I) (2016-17)**

**1.2.2.19 Non deduction of Sales Tax - Rs 5.650 million**

Section 3 of sales tax act 1990 provides for deduction of sales tax @ 17 % on all Government suppliers.

XEN PHE, Bannu spent Rs 33.235 million on account of purchase of pumping machinery for Solarization of 10 Water Supply Schemes during 2016-17. Neither sales tax @ 17% was deducted Rs 5,649,950, nor was any documentary proof i.e. sales tax invoices / returns against the supplies available on record. Non deduction of sales tax deprived the Government from revenue Rs 5,649,950.

Non deduction of sales tax was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends recovery and action against the person (s) at fault.



**AIR No 27 (A/C-I) (2016-17)**

**1.2.2.20 Non imposition of penalty due to non-completion of work within stipulated period – Rs 5.596 million**

According to clause-2 of the contract agreement, for delay in the completion of work within stipulated period of time, compensation @ 1 % per day subject to maximum of 10% of the estimated cost of the work was required to be recovered.

XEN PHE, Bannu awarded different works to various contractors during 2016-17. However, neither the contractors completed the work within stipulated period of time nor applied for extension of time limit. The department did not impose penalty Rs 5.596 million (Details is given at Annexure-6).

Non imposition of penalty occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery of amount of penalty besides action against the person (s) at fault.

**AIR No 08 (A/C-I) (2016-17)**

**1.2.2.21 Doubtful expenditure on account of POL & repair of vehicles – Rs 5.371 million**

As per S. No. 12 of second schedule of the KPK delegation of powers-2001 lays that, in case of the replacement of tyres, batteries and routine repair where repairing cost exceeding Rs. 15,000, will be carried out in the Agriculture Engineering Workshops situated in various districts. In case the Agriculture

Engineering Workshop is unable to carry out the required repair, the repair work will be undertaken in a private workshop after obtaining N.O.C., from the Assistant Engineer, Agriculture Engineering Workshop, in absence of Government workshop open tender are invited before execution of works.” Government of Khyber Pakhtunkhwa S & G A Department letter No. SO (T)(S&GAD) 3-22/99 dated 4-12-99 states that all the government officers irrespective of their rank/ status shall be entitled to use only one vehicle for official duty.

DC, Bannu spent Rs 3,731,149 and Rs 1,650,000 on account of POL and repair of vehicles respectively during 2016-17. Audit observed that:-

- i. Log books of the vehicles were not produced to audit except two (2).
- ii. Rs 567,058 were spent on repair of vehicles exceeding Rs 15,000 in one time, but neither NOC was obtained from Assistant Engineer Agriculture Engineering workshop nor does any technical committee examine the vehicles.
- iii. According to TA Bills and 2 Nos log books of the vehicles of the officers concerned were mostly on visit to Peshawar, D. I. Khan and different area of District Bannu, while on the same date the vehicle was got repaired in District Bannu workshops.
- iv. Four vehicles were used by Deputy Commissioner Bannu instead of one, and spent heavy expenditure on POL and repair of these vehicles bearing registration Nos.A-1414, A-1212, A-1292 and A-1020.
- v. Spare parts replaced neither taken in relevant stock register nor shown auctioned or cost deducted.

Doubt full expenditure was occurred due to non-compliance of rules, which resulted in to violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry, regularization and action against person (s) at fault.

**AIR No 44 (2016-17)**

**1.2.2.22 Loss to government due to non-functional of dental unit – Rs 5.00 million and re-curing loss of Rs 3.819 million per year**

According to Para 23 of GFR Vol-1 every Government officer should realized fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence either on his part or on the part of his subordinate staff.

Dental Units in two Health Institutions under the administrative control of DHO were non-functional, as no OPD was conducted in these dental units. Heavy amount of Rs 5,000,000 (Rupees Two point five million per dental unit) was spent on the construction and on the purchase of furniture, machinery & equipment etc. In addition payment of Rs 3,819,000 per year was also made as salaries of dental unit staff. Resultantly due to improper administrative and financial control the government was put to loss of Rs 8,819,000.

Loss was occurred due to non-compliance of rules, which resulted into loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and action against the person (s) at fault besides regularization.

**AIR No 11 (2016-17)**

### **1.2.2.23 Unauthorized cash payment – Rs 4.909 million**

Government of KPK Finance department letter No. FA/FD/1-14/2007/Salary dated 10-05-2007 states that the salaries of the employees in BPS-5 and above shall be disbursed in the manner which has described by AGP by direct credit transfer to the employees Bank Accounts w. e. f. 1.7.2007.

DC, Bannu paid Rs 4,909,634 on account of salaries of 19 employees through DDO instead of credit to their respective bank accounts during 2016-17.

Unauthorized cash payment was occurred due to non-compliance of rules, which resulted in to violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry, regularization and action against person (s) at fault.

**AIR No 47 (2016-17)**

### **1.2.2.24 Un-transparent award of work Rs 4.00 million involving loss / over payment of Rs 0.400 due to manipulation in tender document**

Para 89 of CPWD Code read with Rule 7 of Delegation of Powers Rules-2001 requires the tendering in the most open and public manner and to execute work under proper agreement. Detail transparent procedure of NIT, Tendering opening process and conclusion of contracts are given in the KKPRRA Rules 2014.

XEN PHE, Bannu award work “Installation of Pressure Pumps Union Council Kakki-II (ADP-14) to contractor “Pak Insaf Construction” on AT PAR of estimated cost of Rs 4.00 million during 2016-17. The contractors offered rate of 10% below on MRS 2016 instead of AT PAR. On tender form the rate of 10%

below was manipulated by overwriting (BOQ Attached). The comparative statement was incorrectly prepared, which indicates the non-transparency and manipulation. Resultantly loss / Overpayment of Rs 400,000 involved.

Un-transparent award and overpayment was occurred due to non-compliance of rules, which resulted in loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and action against the person (s) at fault besides making loss good from responsible.

**AIR No 23 (2016-17)**

**1.2.2.25 Irregular execution of AOM&R works without tender – Rs 4.00 million**

Para 01 Chapter-II of KPPRA Rules 2014 requires that, “the Procuring entity shall use open competitive bidding as the principal method of procurement of goods over the value of Rs 100,000. Chapter-V of KPPRA Rules 2014 requires that, “A procuring entity shall announce in an appropriate manner all proposed annual procurement and shall proceed accordingly without splitting or regrouping of any procurements so planned. According to Government of Khyber Pakhtunkhwa Finance Department letter No. BOI/2-7(2005-06)/FD dated: 23-06-2006 “All PC-I for M&R works for Rs 0.500 million and above shall require the approval of DDC concerned. According to delegation of financial and re-appropriation rules 2001 Note (a) S. No21-1 (d) , AOM & R works may be got approved from the Zilla Council or Government as the case may be.

XEN PHE, Bannu spent Rs 4,000,000 on account of AOM&R of water supply schemes without the approval of DDC during 2016-17. Audit further observed that:-

1. Technical Sanction of each scheme was not obtained.
2. Open Competitive bidding system was not adopted.
3. Application of Tube well operators was not available on record.
4. Financial Sanction for the incurrence of the expenditure was also not obtained from Competent Authority.
5. PC-I of the schemes were also not available on record of the local office.

Irregular execution of works without tender & DDC approval was occurred due to non-compliance of rules, which resulted in violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and regularization besides action against person (s) at fault.

**AIR No 01 (A/C-I) (2016-17)**

**1.2.2.26 Non-deposit of saving into Government Treasury – Rs 3.868 million**

Para 95 of the GFR Vol-I that saving which could not be utilized should be surrendered to government.

XEN PHE, Bannu award following works to contractors for execution of 110 number Pressure Pumps valuing 19,000,000 during 2016-17. The contractor installed 117 numbers of pressure pumps and the department paid Rs 15,131,573

leaving a balance of Rs 3,868,357. The saving amount was required to be deposited in to Government Treasury, which was not done (detailed below).

Sr. No.	Name of Work	Estimated Cost	Expenditure	Savings	No of P/P in PC-I	No of P/P Installed
1	1246/UC Mira Khel	4,000,000	2,972,610	1,027,390	30	30
2	1246/UC Mama Khel	4,000,000	3,563,597	436,403	30	30
3	1246/UC Dherma Khel	3,000,000	1,870,556	1,129,444	15	16
4	1246/UC Hinjal	3,000,000	2,534,569	465,431	12	18
5	1246/UC Jando Khel	3,000,000	2,398,019	601,981	13	13
6	1246/UC Hassani-Imran	2,000,000	1,792,222	207,708	10	10
		<b>19,000,000</b>	<b>15,131,573</b>	<b>3,868,357</b>	<b>110</b>	<b>117</b>

Non deposit of saving occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends surrender of savings and action against the person (s) at fault.

**AIR No 34 (2016-17)**

**1.2.2.27 Less deduction of income tax & non-deduction of stamp duty – Rs 3.619 million**

Deputy Commissioner Income Tax Regional Tax Office Peshawar vide letter No. WHU/-II/RTO-PR/ 2015-16/396 dated: 12.11.2015, stated that the rate of tax to be deducted on execution of contract under clause (C) of sub section (1) of section 153 has been increased from 6.5% to 7.5% in case of filer taxpayers other than companies.

Government of Khyber Pakhtunkhwa Board of Revenue vide letter no. AS/8-3/240/2014-15/310-70 dated: 06.01.2015 stated that all purchases of store i.e. stationery, vehicles, medicine, dead stock etc 1% stamp duty is to be charged.

DHO, Bannu spent Rs 42,574,773 on account of purchase of medicines during 2016-17. Income Tax worth Rs 3,193,108 @ 7.5% was not deducted from the bills of supplier, which resulting in to loss of Rs 3,193,108.

Similarly stamp duty was also not deducted @ 1% Rs 425,748.

Less deduction of income tax and non-deduction of stamp duty were occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends recovery and action against the person (s) at fault.

**AIR No 02 (2016-17)**

#### **1.2.2.28 Non deduction of Sales Tax - Rs 3.552 million**

Section 3 of sales tax act 1990 provides for deduction of sales tax @ 17 % on all Government suppliers.

XEN PHE, Bannu paid Rs 24,444,000 to different contractors on account of purchase of submersible pumps during 2016-17. Neither sales tax was deducted nor was any documentary proof i.e. sales tax invoices / returns against the supplies available on record. Non deduction of sales tax deprived the Government from revenue to Rs 3,551,692.



Non deduction of sales tax was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery besides action against person (s) at fault.

**AIR No 37 (2016-17)**

**1.2.2.29 Waste full expenditure on salaries of thirteen drivers - Rs 3.549 million**

Para 10 (i) of General Financial Rules Volume I provides that every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys, as a person of ordinary prudence would exercise in respect of expenditure of his own money.

DHO Bannu spent Rs 3,548,660 on the salaries of fourteen number drivers despite the fact that only one vehicle has been provided by the Government. The services of other thirteen number drivers were not being utilized. Expenditure incurred as salaries of drivers who are not engaged in any work since long is held as waste full.

Waste full payment of salaries was occurred due to weak financial management, which resulted into wastage of public money.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and action against the person (s) at fault besides regularization.

**AIR No 15 (2016-17)**

**1.2.2.30 Irregular & Un-authorized appointment of staff and payment of - Rs 3.413 million**

Government of Khyber Pakhtunkhwa Establishment & Administration Department (Regulation Wing letter No SOR-V(E&AD)/15-3/2010 dated: 15.06.2010 re-constitute the Departmental Selection / Promotion Committee for appointment at District Level from BPS-1 to 15, wherein the representative of the DC Office is mandatory. Serial No. 10 of Austerity Measures issued by Finance Department, Government of Khyber Pakhtunkhwa letter No. BO.I/FD/5-8/2016-17 dated: 04.07.2016 stated that No appointment will be made against vacant posts (except Class-IV) without obtaining NOC from the concerned surplus pool.

XEN PHE, Bannu appointed 40 employees and spent Rs 3,413,178 as salaries during 2016-17. Audit observed that:-

- i. Posts were not advertised.
- ii. No test / interview conducted.
- iii. NOC from the district surplus pool / district employment exchange was not obtained.
- iv. Merit list was not maintained to ascertain the factual position.
- v. Appointment was made without the representative of the District Administration Bannu.

Irregular & Un-authorized appointment of staff and payment was occurred due to non-compliance of rules, which resulted in to violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and action against person (s) at fault.

**AIR No 35 (2016-17)**

**1.2.2.31 Non-deduction of Income Tax - Rs 3.324 million**

According to Income Tax Department letter WHU-II/RTO-PR/2015-16/396 dated: 12.11.2015 required the deduction of Income Tax from non-filer contractors @ Rs 10%.

XEN PHE, Bannu paid Rs 33.235 million to various contractors on account of Solarization of 10 water supply schemes during 2016-17. Income tax Rs 3,323,500 @ 10% was not deducted.

Non deduction of income tax was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends recovery and action against the person (s) at fault.

**AIR No 26 (A/C-I) (2016-17)**

**1.2.2.32 Unauthorized payment of salaries for absent period –Rs 3.218 million**

Para 23 of GFR Vol-I requires that every government officer should realize fully and clearly that he will be held personally responsible for any loss sustained by government through fraud or negligence either on his part or on the part of his subordinate staff.

DHO, Bannu paid Rs 3,217,975 to various employees on account of pay & allowances during 2016-17, who remained absent without sanction of leave for several months. Instead of taking action for willful absence, pay and allowance were regularly paid to them. During physical verification of RHC Domel on 04.10.2017 the Doctor In-Charge (Dr Zahid) confirms the plea of the Audit.

Sr. No.	Name	Designation	Personal No	Salary 2016-17
1	Dr. Rehmatullah	Medical Officer	415275	1,841,680
2	Naem Khan	Junior Clerk	688906	292,516
3	Mir Gulap Khan	Junior Technician	173138	646,995
4	Altaf U Rehman	Naib Qasid	567980	212,662
5	Kamran Khan	Sweeper	696555	224,122
<b>Total</b>				<b>3,217,975</b>

Unauthorized payment was occurred due to weak financial management, which resulted in loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and action against the person (s) at fault besides recovery of amount.

**AIR No 06 (2016-17)**

**1.2.2.33 Loss to Government due to non-execution of TST – Rs 2.501 million**

Para 96 of GFR states that it is contrary to the interest of the state that money should be spent hastily or in an ill-considered manner merely because it is available or that the lapse of a grant could be avoided. A rush of expenditure particularly in the closing month of financial year will ordinarily be regarded as breach of financial regularity.

XEN C&W, Bannu paid Rs 2,501,363 for item of work granular sub base and water bound macadam in work “Jando Khel to titter Khel Road and Jando Khel road KM-4 during 2016-17 without TST, which is unjustified.

Loss was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and regularization besides action against person (s) at fault.

**AIR No 24 (A/C-I) (2016-17)**

**1.2.2.34 Irregular, unauthorized expenditure of Rs 2.500 million on account of purchase of solar system involving overpayment of Rs 252,000**

Chapter-II of KPPRA Rules 2014 requires that, “Purchases up to Rs. 2.5 million, shall be posted on the procuring entity’s website or public procurement regulatory authority (PPRA’s) or both. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring entity. (2) For all purchases, other than those being covered by the Khyber Pakhtunkhwa Procurement rules 3 and 10, shall be advertised in print media, appearing in at least one national English and one Urdu newspaper with nationwide circulation along with advertising the same either on the procuring entity or Authority website. Chapter-V of KPPRA Rules 2014 requires that, “The procuring entity may decide the response time for receipt of bids or proposals including proposals for pre-qualification from the date of publication of an advertisement or notice, keeping in view the contract’s complexity, and urgency. However, under no circumstances the response time shall be less than fifteen days for national

competitive bidding and thirty days for international competitive bidding from the date of publication of advertisement or notice in the national newspaper.

District Health Officer Bannu spent Rs 2,499,600 on the purchase of Solar System during 2016-17. Audit observed that:-

- i. NIT was published on 27.12.2016 in daily Ausaf through information department, the local office was required to place the NIT on the procuring entity's website or public procurement regulatory authority (PPRA's) website or both, which was not done.
- ii. NIT was published on 27.12.2016 with response time of 15 days. i.e. 12.01.2017 and the contractor's bids reached in the procurement entity on 12.01.2017.
- iii. Procurement entity opens bids on 09.01.2017, despite the fact that rates offered were placed by the contractor on 12.01.2017, which creates doubts.
- iv. Item wise rates were offered by the contractors, however lowest were ignored without any justification.
- v. Solar Panel were purchased at higher rates, i.e. Integrated Solution offered rate of Rs 15,750 for (250W), however panel were purchased @ Rs 20,250 per panel, which resulted in to overpayment of Rs 252,000 (Rs 4500 x 56).
- vi. Medicare Pharma offered different rates for same specification solar panel (250W) i.e. Rs 20,250 in RHC and Rs 22,500 in BHU /CD.
- vii. Demands from the concerned health institutions were not obtained.
- viii. Items were issued to concerned health institutions, but during physical verification 2 RHCs, the systems along with all accessories were not taken on stock register.
- ix. Acknowledgement receipt, as required under rule 205 of FTR, was not obtained from the legal recipient.
- x. Solar System were purchased and supplied to concerned RHC on 17.04.2017.
- xi. During physical verification of both the RHC on 03.10.2017 and 04.10.2017 along with the doctor in-charge, it was astonishing to note that the solar system were damaged and out of order within 05 months.

Irregular expenditure was occurred due to non-compliance of rules, which resulted into violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and action against the person (s) at fault besides regularization and recovery of overpaid amount.

**AIR No 17 (2016-17)**

**1.2.2.35 Irregular and unauthorized running of private x-ray business in RHC Ghoriwala and loss on deterioration of costly x-ray machinery – Rs 2.500 million**

Para 23 of the GFR Vol- I requires that every government officer is personally responsible for any loss sustained by government through fraud or negligence either on his part or on the part of his subordinate staff.

During physical verification of RHC Ghoriwala on 04.10.2017, it was noticed that a new x-ray machine purchased at the time of establishment of RHC was lying idle since its purchased. The X-Ray Technician brought his private x-ray machine and charged Rs 60 to Rs 150 per X-ray. Rs 35 (Government rate deposited in to Government treasury and the remaining amount was pocketed. Moreover, electricity charges were also paid from the budget of RHC.

Unauthorized running of private business was occurred due to non-compliance of rules, which resulted in loss violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and action against the person (s) at fault besides regularization and recovery of x-ray fees.

**AIR No 19 (2016-17)**

**1.2.2.36 Misuse of Government Receipts / Dues Rs 2.080 million**

Serial No. 15 of Austerity Measures issued by Finance Department, Government of Khyber Pakhtunkhwa letter No. BO.I/FD/5-8/2016-17 dated: 04.07.2017 dated: 04.07.2016 states that No department shall retain receipts in Bank Accounts, the department must remit all receipts to Provincial Government Account.

Rule 7 (i) of Central Treasury rules states that, “All the money received by or tendered to government officers on account of the revenue shall without undue delay be paid in full into a treasury.

DHO, Bannu collected receipts of Rs 2,079,699 from various health institutions during financial year 2016-17. The representative of health institutions handed over amount to revenue clerk in DHO Office. The revenue clerk retained the amount for more than a month and in some cases for more than 60 days in his pocket and later on deposited in to Government treasury.

Misuse of Government receipts was occurred due to non-compliance of rules, which resulted in to violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.



Audit recommends inquiry and action against the person (s) at fault besides regularization.

**AIR No 20 (2016-17)**

**1.2.2.37 Unauthorized payment on account of salaries for absent period Rs 1.881 million**

Para 23 of GFR Vol-I requires that every government officer should realize fully and clearly that he will be held personally responsible for any loss sustained by government through fraud or negligence either on his part or on the part of his subordinate staff.

XEN PHE, Bannu paid Rs 1,881,318 during 2016-17 to (05) ladies staff despite the fact that they remained absent without sanction of leave since long. Instead of taking action for willful absence salaries were regularly paid to them. Attendance Registers are also silent regarding their presence.

<b>Sr. No.</b>	<b>Name of employee</b>	<b>Place of Posting</b>
1	Razina Bibi	WSS Abdullah Jan
2	Nabila Bibi	WSS Lapri Killa Gul Akram
3	Tajaffah	WSS Haji Gulan Daud Shah
4	Shabana Gul	PHE Office
5	Zaib Un Nisa	Jadid Abadi Domel

When pointed out it was replied by the inhabitant of the area that in our traditions ladies are not allowed to work outside the house. The ladies appointed by the PHE department are sitting at their home and drawing salaries for nothing.

Unauthorized payment was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery besides action against person (s) at fault.

**AIR No 36 (2016-17)**

**1.2.2.38 Non maintenance of stock register – Rs 1.500 million**

Para 148 of GFR Vol- I states that materials received should be examined, counted, measured or weighed as the case may be and the officer receiving the stores should also be required to certify that he has actually received the materials and recorded them in the appropriate stock register.

DC, Bannu purchased valuable items worth Rs 1,500,000 without maintaining stock register during 2016-17. Moreover, each financial year the local office purchased valuable stock items, but no stock register was maintained.

Non maintenance of stock register was occurred due to non-compliance of rules, which resulted in to violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and maintenance of stock registers besides action against person (s) at fault.

**AIR No 50 (2016-17)**

**1.2.2.39 Irregular expenditure on account of others – Rs 1.340 million**

Para 01 Chapter-II & V of KPPRA Rules 2014 requires that, “the Procuring entity shall use open competitive bidding as the principal method of procurement of goods over the value of Rs 100,000 and shall announce in an appropriate manner without splitting or regrouping of any procurements so

planned. As per Sr. No 5(xxvi) second schedule of delegation of power prescribed the sanction power of Administrative Department under head “Other Items” Non-Recurring Items Rs 30,000 and Recurring Items Rs 10,000.

DC, Bannu spent Rs 1,340,095 under head “Other A-03970” without obtaining sanction of the competent authority and without adopting open competitive bidding during 2016-17.

Irregular expenditure was occurred due to non-compliance of rules, which resulted in to violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry, regularization and action against person (s) at fault.

**AIR No 45 (2016-17)**

**1.2.2.40 Non supply of Medicines – Rs 1.287 million**

According to rule 290 of CTR, No money shall be drawn from the treasury unless it is required for immediate disbursement. It is not permissible to draw money from the treasury in anticipation of demands or to prevent the lapse of budget grants.

DHO, Bannu withdrew Rs 1,511,073 on account of purchase of following seven (7) medicines during 2016-17. Supply order was issued to firm on 17.11.2016. However, the supplier delivered incomplete quantities of Rs 1,286,517 as per detailed below.

Sr. No.	Name of Item	Quantity ordered	Quantity Delivered	Difference	Rate	Amount
1	Metronidazole 400 mg	50,000	29,117	20,883	1.29	26,939
2	Tab Cadla 0.5 mg	100,000	17,735	82,265	3.5	287,928
3	Conesten 100mg	667	0	667	147.75	98,549
4	FML Neo Eye Drop	13,740	0	13,740	35.24	484,197
5	Famotidine tab	200,000	0	200,000	0.74	148,000
6	Levo 500mg	8,974	3,000	5,974	39	232,986
7	Inj: Xylocain +adr	1,000	500	500	15.84	7,918
					<b>Total</b>	<b>1,286,517</b>

Non supply of medicines was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends recovery and action against the person (s) at fault.

**AIR No 03 (2016-17)**

#### **1.2.2.41 Non recovery of electricity charges – Rs 1.047 million**

Para 23 GFR Vol-I requires that every Government officer should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government officer.

Residents of two bungalows and one quarter in RHC Domel failed to deposit electricity charges Rs 1,047,164 since 2014-15 as detailed below.

Sr. No.	Bungalow No	Electricity Bill up to 06-2017
1	Bungalow No 2	294,702
2	Bungalow Dental Surgeon	307,788

3	Quarter No 3	444,674
<b>Total</b>		<b>1,047,164</b>

According to the in-charge doctor of the RHC Domel, the matter was so many times brought to the notice of DHO Bannu for necessary action, but neither action was taken against the concerned resident nor were the electricity charges recovered.

Non recovery of electricity charges was occurred due to weak financial management, which resulted into loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and action against the person (s) at fault besides recovery.

**AIR No 13 (2016-17)**

**1.2.2.42      Loss to government due to missing of ECG machine - Rs 1.00 million**

Para 23 of the GFR Vol- I requires that every government officer is personally responsible for any loss sustained by government through fraud or negligence either on his part or on the part of his subordinate staff.

During physical verification of RHC Ghoriwala on 03.10.2017, Audit observed that one ECG Machine purchased during 2011 was not physically found available.

Audit observed that missing of machine was occurred due to non-compliance of rules of stock & store, which resulted in loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery besides action against the person (s) at fault.

**AIR No 07 (2016-17)**

**1.2.2.43 Non deposit of receipts into Government Treasury – Rs 0.875 million**

Para 8 and 26 of GFR Vol-I states that each administrative department to see that the dues of the government are correctly and promptly assessed collected and paid into government treasury.

DC, Bannu collected Rs 875,250 @ Rs 250 as social welfare fund against arms license during 2016-17. Receipt so collected was not deposited in to Government Treasury.

Non deposit of receipts into Government treasury was occurred due to non-compliance of rules, which resulted in to violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and deposit of amount in Government treasury besides action against person (s) at fault.

**AIR No 59 (2016-17)**

#### 1.2.2.44 Irregular occupation of residential accommodations

Government of Khyber Pakhtunkhwa notification dated 7<sup>th</sup> January 2015 “Procedure for Allotment Rules 2015” section 5 & 6 of Chapter II states that A civil Servant who own his house is not entitle for Government accommodation. Section 6 of Chapter V require maintenance of Waiting List and apply through concerned department.

Seven official accommodations were occupied by private persons or those Government servants whose are posted outside district Bannu during 2016-17 as per detailed below:

Sr. No.	Name of Occupants	Type of Residence	Status
1	Fakhrudin (Advocate)	Quarter No 6	Private
2	Malik Gul Baz khan	New Bungla No 3	Private
3	Shah Muhammed	New Bungla No 5	DDAC Chairman
4	Shah Muhammed	Old Bungla No 3	DDAC Chairman
5	Kafayat ullah	Bungla No 7	Tehsildar Tank
6	Faheem Rehman	Quarter No19	CM Secretariat Peshawar
7	Amjad Imran	Quarter No 7	Tehsildar Mansehra

Irregular occupation was occurred due to non-compliance of rules, which resulted in to violation of rules.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and vacation of residential accommodation besides action against person (s) at fault.

**AIR No 55 (2016-17)**

### **1.2.3 Internal Control weakness**

#### **1.2.3.1 Overpayment due to inadmissible quantities – Rs 64.814 million**

Para 220 of CPWA code requires the payment for work duly measured in accordance with quantity, quality rates and specification approved in the PC-I.

XEN C&W, Bannu overpaid Rs 64,813,993 on account of various item of work in excess of approved quantities (details is given at Annexure-7).

Overpayment was occurred due to weak internal control, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry for fixing responsibility and recovery besides action against the person (s) at fault.

**AIR No 11 & 21 (A/C-I) (2016-17)**

#### **1.2.3.2 Un-authorized execution of work in deviation of PC-I / Administrative Approval - Rs 14.019 million**

Para 56 of CPWD Code stipulates that if subsequent to the grant of T.S, material structural alterations are contemplated; orders of the original sanctioning authority should be obtained, even though no additional expenditure may be involved by the alterations.

XEN PHE, Bannu spent Rs 13,030,000 on account of Installation of 81 Pressure Pumps in various UC-ADP 762 & 757". As per Original PC-Is, 81



Pressure pumps were to be installed at already identified sites. However, Audit observed that the contractor installed only 18 Pressure Pump on already identified site as per original PC-I and the remaining Pressure pumps were installed on other site location (details is given at Annexure-8).

Similarly, Executive Engineer PHE, Bannu spent Rs 11,000,000 on account of Installation of 53 Pressure Pumps in various UC". As per Original PC-Is, 53 Pressure pumps were to be installed on already identified sites. However, as per final bills 30 number Pressure Pumps was installed, ignoring 23 number Pressure Pumps by increasing the quantities in pressure Pumps (detail is given at Annexure-8).

Unauthorized execution in deviation of AA/PC-I was occurred due to weak internal control, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery besides action against the person (s) at fault.

**AIR No 27 (2016-17)**

**1.2.3.3 Excess payment due to excess execution of work than PC-I / AA - Rs 13.545 million**

Para 56 of CPWD Code stipulates that if subsequent to the grant of T.S, material structural alterations are contemplated; orders of the original sanctioning authority should be obtained, even though no additional expenditure may be involved by the alterations. Serial No 9 of the approval of contract issued by Superintendent Engineer Public Health Engineering department vide No. /M-2/S.E/PHE dated: 03.05.2017 stated that work should be done according to the approved BOQ/PC-I.

XEN PHE, Bannu spent Rs 45,564,569 on account of installation of 290 Number Pressure Pumps in various UC” during 2016-17. As per original PC-I, 290 numbers Pressure pumps were to be installed. However as per final bills 394 number Pressure Pumps were installed which were in excess of approved PC-I/AA (details is given at Annexure-10).

Excess payment was occurred due to weak internal control, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery besides action against the person (s) at fault.

**AIR No 28 (2016-17)**

#### **1.2.3.4 Irregular payment - Rs 6.773 million**

According to Para-23 of GFR Vol-I, every Government Officer should realize fully and clearly that he would be personally responsible for any loss sustained by Government to fraud or negligence on his part or on the part of his subordinate.

XEN PHE, Bannu spent Rs 6,772,830 on account of work “Installation of Pressure Pumps in UC Koti Sadat & Mammand Khel during 2016-17. Work order was issued vide No 02-07/M-29/PHE dated: 19.04.2017 and No 19-24/M-29/PHE dated: 28.04.2017. However, according the MB 24-B & MB 2, the contractor started the work on 18.04.2017 and 24.04.2017, i.e. before issuance of work order. Moreover, during physical verification on 20.10.2017 the Inhabitant of the local area stated that the Pressure Pumps were installed in June & July 2016 (year before). Audit holds that the work was not actually executed, but the payment was made on already installed pressure pumps.

Irregular payment was occurred due to weak internal control, which resulted in to loss to Government.

Unauthorized execution in deviation of AA/PC-I was occurred due to weak internal control, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry to ascertain the factual position and recovery besides action against the person (s) at fault.

**AIR No 24 (2016-17)**

**1.2.3.5 Overpayment on account of volume of steel – Rs 1.770 million**

Para 220 of CPWA code requires the payment for work duly measured in accordance with quantity, quality rates and specification approved in the T.S.

XEN C&W, Bannu executed fabrication of mild steel and RCC in various developmental schemes during 2016-17. Fabrication of mild steel occupies volume in the RCC, which was required to be deducted from the quantity of RCC, which action was not taken and the contractors was overpaid for Rs 1,769,912.

Overpayment was occurred due to weak internal control, which resulted in to loss to Government.

Unauthorized execution in deviation of AA/PC-I was occurred due to weak internal control, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery besides action against person (s) at fault.

**AIR No 17 (A/C-I) (2016-17)**

#### **1.2.3.6 Overpayment due to inadmissible rates – Rs 0.891 million**

Para 220 of CPWA code requires the payment for work duly measured in accordance with quantity, quality rates and specification approved in the PC-I.

XEN PHE, Bannu award 2 schemes “Installation of Pressure Pumps in UC Kala Khel Masti Khan and UC Mandev”. Contractor offered rebate rate of 14% below on all items (MRS-Non MRS), whereas payment was made on AT PAR during 2016-17, which resulted in overpayment of Rs 891,005.

Overpayment was occurred due to weak internal control, which resulted in to loss to Government.

Unauthorized execution in deviation of AA/PC-I was occurred due to weak internal control, which resulted in to loss to Government.

The irregularity was pointed out to management in December 2017. Management did not respond to Audit observation.

Request for convening the DAC meeting was made on 11.12.2017, which could not be convened till finalization of this report.

Audit recommends inquiry and recovery besides action against person (s) at fault.

**AIR No 02 (A/C-I) (2016-17)**

## ANNEXURES

### Annex-1

#### Detail of MFDAC Paras

Sr. No.	AIR No.	Department	Caption	(Rs in million)
1.	04	District Health Office	Irregular expenditure	0.398
2.	09	District Health Office	Overpayment on account of HPA	0.360
3.	10	District Health Office	Irregular payment	0.396
4.	12	District Health Officer	Loss to Government	0.500
5.	14	District Health Office	Irregular payment	0.181
6.	16	District Health Office	Non availability of APRs	0.600
7.	18	District Health Office	Missing of items	0.645
8.	21	District Health Office	Irregular expenditure	0.454
9.	26	XEN PHE (Account-IV)	Irregular award	0.900
10.	31	XEN PHE (Account-IV)	Irregular award of work	2.060
11.	33	XEN PHE (Account-IV)	Loss to Government	0.150
12.	42	XEN PHE (Account-IV)	Irregular expenditure	192.880
13.	43	XEN PHE (Account-IV)	Irregular payment	0.738
14.	46	Deputy Commissioner	Non deposit of Income Tax	2.010
15.	48	Deputy Commissioner	Unjustified payment	2.848
16.	51	Deputy Commissioner	Irregular allotment	0.000
17.	52	Deputy Commissioner	Unauthorized expenditure	0.482
18.	53	Deputy Commissioner	Unauthorized drawl	0.450
19.	54	Deputy Commissioner	Loss to Government	0.095
20.	56	Deputy Commissioner	Unauthorized drawl	0.184
21.	57	Deputy Commissioner	Irregular drawl	0.025
22.	58	Deputy Commissioner	Non deduction of HRA	0.240
23.	61	Deputy Commissioner	Overpayment	0.073
24.	05	XEN PHE (Account-I)	Non forfeiture	0.220
25.	23	XEN C&W (Account-I)	Overpayment	1.007
26.	25	XEN C&W (Account-I)	Irregular expenditure	850.379

**Annex-2**  
**Para No. 1.2.2.1**

**Detail of schemes not technically sanctioned**

Sr. No.	Name of Schemes	Estimated Cost	Expenditure
1	Installation of 02-Nos P/Pumps 8" i/d and 12-Nos P/Pumps 6" i/d	3.015	3.015
2	Installation of 02-Nos P/Pumps 8" i/d and 12-Nos P/Pumps 6" i/d	3.015	3.015
3	Installation of P/Pumps in U/C Koti Sadat	4.00	4.00
4	Installation of P/Pumps in U/C Muhammad Khel Wazir	4.00	4.00
5	Installation of P/Pumps in U/C Slima Sikander Khel.	4.00	4.00
6	Installation of P/Pumps in U/C Shahbaz Azmat Khel	4.00	4.00
7	Installation of P/Pumps in U/C Khandar Khan Khel	4.00	4.00
8	Installation of P/Pumps in U/C Spirka Waziran	4.00	4.00
9	Installation of P/Pumps in U/C Bizen Khel	4.00	4.00
10	Shingle Road in U/C Jhando Khel.	4.00	4.00
11	Installation of P/Pumps in U/C Takhti Khel	4.00	4.00
12	Installation of P/Pumps in U/C Nar Jaffar	5.00	5.00
13	Installation of P/Pumps in U/C Kakki-I	4.00	4.00
14	Installation of P/Pumps in U/C Bharat	4.00	4.00
15	Installation of P/Pumps in U/C Mama Khel	4.00	4.00
16	Installation of P/Pumps in U/C Kakki-II	4.00	4.00
17	Installation of P/Pumps in U/C Mira Khel	4.00	4.00
18	Installation of P/Pumps in U/C Ismail khel	4.00	4.00
19	Installation of P/Pumps in U/C Amandi	4.00	4.00
20	Installation of P/Pumps in U/C Ghari Sher Ahmad	4.00	4.00
21	Installation of P/Pumps in U/C Lalozaï	2.00	2.00
22	Installation of P/Pumps in U/C Bazzar Ahmad Khan	2.00	2.00
23	Installation of P/Pumps in U/C Amandi	2.00	2.00

24	Installation of P/Pumps in U/C Bazzar Ahmad Khan	2.00	2.00
25	Installation of P/Pumps in U/C Khwaja Mad Mandan	2.00	2.00
26	Installation of P/Pumps in U/C Ghoriwala+Shamshi Khel	2.00	2.00
27	Installation of P/Pumps in U/C Jani Khel	2.00	2.00
28	Installation of P/Pumps in U/C Kakki	2.00	2.00
29	Installation of P/Pumps in U/C Mandew	2.00	2.00
30	Installation of P/Pumps in U/C Khander Khan Khel	2.00	2.00
31	Installation of P/Pumps in U/C Bizen Khel.	2.00	2.00
32	Construction of Watrer Tank Maulana Gul Zar Jan	0.800	0.800
33	Construction of 2-Nos. Watrer Tank at Landi Killa.	1.200	1.200
34	Installation of P/Pumps U/C Kala Khel Masti Khan (Shahid)	10.00	10.00
35	Installation of P/Pumps U/C Mandew (Waqar)	10.00	10.00
36	Installation of P/Pumps in U/C Ghari Sher Ahmad	3.00	3.00
37	Installation of P/Pumps in U/C Muhammad Khel Wazir	3.00	3.00
38	Installation of P/Pumps in U/C Kala Khel Masti Khan	3.00	3.00
39	Installation of P/Pumps in U/C Mira Khel	3.00	3.00
40	Installation of P/Pumps in U/C Bharat	3.00	3.00
41	Installation of P/Pumps in U/C Kakki-I	3.00	3.00
42	Installation of P/Pumps in U/C Kakki-II	3.00	3.00
43	Installation of P/Pumps in U/C Haweed	3.00	3.00
44	Installation of P/Pumps in U/C Koti Sadat	3.00	3.00
45	Installation of P/Pumps in U/C Dharma Khel	3.00	3.00
46	Installation of P/Pumps in U/C Takhti Khel	3.00	3.00

47	Installation of P/Pumps in U/C Jani Khel	3.00	3.00
48	Installation of P/Pumps in U/C Mamash Khel	3.00	3.00
49	Installation of P/Pumps in U/C City-II	3.00	3.00
50	Installation of P/Pumps in U/C Bazaar Ahmad Khan	3.00	3.00
51	Installation of P/Pumps in U/C Hinjal	3.00	3.00
52	Installation of P/Pumps in U/C Jhando Khel	3.00	3.00
53	Installation of P/Pumps in U/C Mandew	3.00	3.00
54	Installation of P/Pumps in U/C Slima Sikander Khel	3.00	3.00
55	Installation of P/Pumps in U/C Hassani Yasir	2.00	2.00
56	Installation of P/Pumps in U/C Aral-II	2.00	2.00
57	Installation of P/Pumps in U/C Takhti Khel	2.00	2.00
58	Installation of P/Pumps in U/C Nar Jaffar	2.00	2.00
59	Installation of P/Pumps in U/C Bazaar Ahmad Khan	2.00	2.00
60	Installation of P/Pumps in U/C Ghari Sher Ahmad	2.00	2.00
61	Installation of P/Pumps in U/C City-I	2.00	2.00
62	Installation of P/Pumps in U/C Amandi	2.00	2.00
63	Installation of P/Pumps in U/C City-II	2.00	2.00
64	Installation of P/Pumps in U/C City-I	2.00	2.00
65	Installation of P/Pumps in U/C Mamash Khel	2.00	2.00
66	Installation of P/Pumps in U/C Kakki-I	2.00	2.00
67	Installation of P/Pumps in U/C Nar Jaffar	2.00	2.00



68	Installation of P/Pumps in U/C Khander Khan Khel	2.00	2.00
69	Installation of P/Pumps in U/C Shamshi Khel+Ghoriwala	2.00	2.00
70	Installation of P/Pumps in U/C Hassani Imran	2.00	2.00
71	131/151026-WSS: & Distribution Work in PK-72 District Bannu	76.461	76.461
72	Construction/ Rehabilitation of Water Supply & Sanitation Schemes in Khyber Pakhtunkhwa ADP No.202/140641	179.068	160.068
73	Solarization of Existing Water Supply & Sanitation Schemes in Khyber Pakhtunkhwa ADP NO.204/284/150206 (2015-16)	33.500	33.235
74	Construction/Reh: of Water Supply & Sanitation Scheme in KPK ADP No.206/286/150208	129.421	129.266
76	AMO&R Drinking Water Supply Schemes in r/o under ADP No.214 PHE Division Bannu	4.000	4.000
<b>Total</b>		<b>634.48</b>	<b>615.06</b>

**Detail of compensation for delayed work**

<b>Name of Scheme</b>	<b>Date of commencement</b>	<b>Date of completion</b>	<b>Present Status</b>	<b>Estimated Cost</b>	<b>Amount of penalty</b>
BMC Pakacge-I	06.03.2013	30.06.2015	In Progress	537.397	53.740
KGN Block 7-11	23.08.2013	23.08.2016	In progress	334.466	33.447
KGN Nursing Hostel	27.03.2014	27.03.2016	In progress	64.720	6.472
KGN Hospital Block	12.08.2013	12.08.2016	In progress	269.062	26.906
KGN-AC System	03.06.2010	03.12.2010	In Progress	73.365	7.337
Standardization of GHSS Kotka Bilawar	26.10.2016	30.06.2017	In progress	51.978	5.198
Standardization of GHSS Domel	26.10.2016	30.06.2017	In progress	48.863	4.886
Standardization of GHSS Bangi Khan	04.10.2016	30.06.2017	In progress	44.094	4.409
Standardization of GHSS Dehri Saidan	04.10.2016	30.06.2017	In progress	29.378	2.938
Standardization of GHSS Qamar Zaman	04.10.2016	30.06.2017	In progress	39.885	3.989
Standardization of GHSS Nar Shkrullah	03.11.2016	30.06.2017	In progress	52.076	5.208
Judicial Complex	12.06.2015	30.06.2017	In progress	207.148	20.715
Rehabilitation of VI Domel	29.06.2015	29.06.2016	In progress	5.00	0.500
Rehabilitation of VI Kakki	26.06.2015	26.06.2016	In progress	5.00	0.500
Construction of GGPS Allah Dad	17.12.2015	17.12.2016	In progress	10.088	1.009
Construction of road from Link road to village Sada Khel	27.07.2015	26.12.2016	In progress	76.316	7.632
Construction of RCC Bridge Tochi River	07.09.2015	06.02.2017	In progress	227.779	22.778
Const Road from Kashu Khel to highway	22.07.2015	21.07.2016	In progress	42.64	4.264
Construction of Peshawar High Court Bannu Bench	22.03.2013	22.03.2016	In progress	877.21	87.721
<b>Total</b>				<b>2996.65</b>	<b>299.665</b>

**Annex-4**  
**Para No. 1.2.2.5**

**Detail of Earnest Money**

<b>Sr. No.</b>	<b>ADP No</b>	<b>Name of Scheme</b>	<b>Estimated Cost</b>	<b>Earnest Money</b>
1	1	Installation of Pressure Pumps in UC Koti Sadat	4,000,000	90,000
2	2	Installation of Presure Pumps UC Mummund khel	4,000,000	80,000
3	3	Installation of Presure Pumps UC Slema Sikandar khel	4,000,000	80,000
4	4	Installation of Presure Pumps UC Shabaz Azmat Khel	4,000,000	80,000
5	5	Installation of Presure Pumps UC Khandar Khan Khel	4,000,000	80,000
6	7	Installation of Presure Pumps UC Bezin khel	4,000,000	80,000
7	8	Installation of Presure Pumps UC jando Khel	4,000,000	80,000
8	9	Installation of Presure Pumps UC Takhtai Khel	4,000,000	80,000
9	10	Installation of Presure Pumps UC Nar Jaffar	5,000,000	100,000
10	11	Installation of Presure Pumps UC Kakki -1	4,000,000	80,000
11	12	Installation of Presure Pumps UC Barrat	4,000,000	80,000
12	13	Installation of Presure Pumps UC Mama Khel	4,000,000	80,000
13	14	Insttallation of Presure Pumps UC Kakki-II	4,000,000	80,000
14	15	Insttallation of Presure Pumps UC Mira khel	4,000,000	80,000
15	16	Insttallation of Presure Pumps UC Ismail Khel	4,000,000	90,000
16	17	Insttallation of Presure Pumps UC Amandi	4,000,000	90,000
17	18	Installation of Pressure Pumps in UC Ghari Sher Ahmad	4,000,000	80,000
18	19	Installation of Pressure Pumps in UC Lalozai	2,000,000	50,000
19	20	Installation of Pressure Pumps in UC Bazah Ahmad C/O Suleman	2,000,000	50,000
20	21	Installation of Pressure Pumps in UC Amandi	2,000,000	50,000
21	22	Installation of Pressure Pumps in UC Bazah Ahmad	2,000,000	50,000
22	24	Installation of Pressure Pumps in UC Ghoriwala+Shamshi Khel	2,000,000	50,000
23	25	Installation of Pressure Pumps in UC Hindi Khel	2,000,000	50,000
24	26	Installation of Pressure Pumps in UC Kakki	2,000,000	50,000
25	27	Installation of Pressure Pumps in UC Mandev	2,000,000	50,000
26	28	Installation of Pressure Pumps in UC Khander Khan Khel	2,000,000	50,000
27	29	Installation of Pressure Pumps in Bezin Khel	2,000,000	50,000
28	72	Installation of Water tanks C/O Mulana Gul Zar Jan	800,000	20,000
29	73	Installation of Water tanks at Landi Killa	1,200,000	30,000

30	82	Installation of Pressure Pumps in UC Ghari Sher Ahmad	3,000,000	70,000
31	83	Installation of Pressure Pumps in UC Muhammand Khel	3,000,000	70,000
32	84	Installation of Pressure Pumps in UC Kala Khel	3,000,000	70,000
33	85	Installation of Pressure Pumps in UC Mira Khel	3,000,000	70,000
34	86	Installation of Pressure Pumps UC Bharat	3,000,000	60,000
35	87	Installation of Pressure Pumps UC Kakki-I	3,000,000	80,000
36	88	Installation of Pressure Pumps UC Kakki-II	3,000,000	60,000
37	89	Installation of Pressure Pumps UC Haweed	3,000,000	60,000
38	90	Installation of Pressure Pumps UC koti Sadat	3,000,000	70,000
39	91	Installation of Pressure Pumps in UC Dherma Khel	3,000,000	60,000
42	94	Installation of Pressure Pumps UC Mamash Khel	3,000,000	60,000
43	95	Installation of Pressure Pumps UC City-II	3,000,000	60,000
44	96	Installation of Pressure Pumps UC Bazar Ahmad khna	3,000,000	60,000
45	97	Installation of Pressure Pumps UC Hinjal	3,000,000	60,000
46	98	Installation of Pressure Pumps UC Jando Khel	3,000,000	60,000
47	99	Installation of Pressure Pumps UC Mandev	3,000,000	60,000
48	100	Installation of Pressure Pumps UC Slema Sikandar Khel	3,000,000	60,000
49	101	Installation of Pressure Pumps UC Hassani Yasir	2,000,000	40,000
50	102	Installation of Pressure Pumps UC Aral-II	2,000,000	50,000
51	103	Installation of Pressure Pumps UC Takhtai Khel	2,000,000	50,000
52	106	Installation of Pressure Pumps UC Ghari Sher Ahmad	2,000,000	50,000
53	107	Installation of Pressure Pumps UC City-I	2,000,000	40,000
54	108	Installation of Pressure Pumps UC AMANDI	2,000,000	40,000
55	109	Installation of Pressure Pumps in UC City-II	2,000,000	40,000
56	110	Installation of Pressure Pumps in UC City-I	2,000,000	50,000
57	112	Installation of Pressure Pumps in Kakki-I	2,000,000	50,000
58	115	Installation of Pressure Pumps in UC Ghoriwala+Shamshi Khel	2,000,000	50,000
59	762	Installation of Pressure Pumps in District Bannu	3,015,000	70,000
60	757	Installation of Pressure Pumps in District Bannu	3,015,000	70,000
<b>Total</b>			<b>168,030,000</b>	<b>3,650,000</b>

## Annex-5

## Para No. 1.2.2.14

## Detail of penalty

Sr. No.	Name of Firm	Name of Item	Amount	Date of Supply order	Date of Delivery	Amount of Penalty
1	GSK	Syup Piriton	100,000	17.11.2016	04.04.2017	7,000
2	GSK	Tab Piriton 4mg	6,960	17.11.2016	24.02.2017	487
3	GSK	Tab Augmentin 275mg	330,000	17.11.2016	27.04.2017	23,100
4	GSK	Cap Amoxil 250mg	104,500	17.11.2016	27.04.2017	7,315
5	GSK	Betnovet Cream	44,000	17.11.2016	27.04.2017	3,080
6	GSK	Susp Septran	86,386	17.11.2016	24.02.2017	6,047
7	GSK	Tab Septran	35,424	17.11.2016	24.02.2017	2,480
8	GSK	Tab Calpol 500mg	38,880	17.11.2016	24.02.2017	2,722
9	GSK	Betnesol-N Drop	48,000	17.11.2016	07.06.2017	3,360
10	GSK	Polyfex Plus Skin ointment	77,000	17.11.2016	07.06.2017	5,390
11	GSK	Tab Vantolin	45,298	17.11.2016	27.04.2017	3,171
12	GSK	Betnovit Ointment	44,000	17.11.2016	07.06.2017	3,080
13	GSK	Polyfex Eye Ointment	89,000	17.11.2016	07.04.2017	6,230
14	GSK	Syup Piriton	99,980	17.11.2016	04.04.2017	6,999
15	GSK	Tab Piriton 4mg	24,360	17.11.2016	24.02.2017	1,705
16	GSK	Tab Augmentin 275mg	743,750	17.11.2016	27.04.2017	52,063
17	GSK	Cap Amoxil 250mg	140,448	17.11.2016	27.01.2017	9,831
18	GSK	Betnovet Cream	29,062	17.11.2016	27.01.2017	2,034
19	GSK	Susp Septran	158,374	17.11.2016	24.02.2107	11,086
20	GSK	Tab Septran	39,852	17.11.2016	24.02.2017	2,790
21	GSK	Tab Calpol 500mg	71,280	17.11.2016	24.02.2017	4,990
22	GSK	Betnesol-N Drop	31,680	17.11.2016	07.06.2017	2,218
23	GSK	Polyfex Plus Skin ointment	101,640	17.11.2016	07.06.2017	7,115
24	GSK	Tab Vantolin	59,890	17.11.2016	27.01.2017	4,192
25	GSK	Polyfex Eye Ointment	46,992	17.11.2016	07.04.2017	3,289
26	GSK	Syup Piriton	144,000	17.11.2016	27.01.2017	10,080
27	GSK	Tab Piriton 4mg	33,408	17.11.2016	27.01.2017	2,339
28	GSK	Tab Augmentin 275mg	1,026,700	17.11.2016	27.04.2017	71,869
29	GSK	Cap Amoxil 250mg	214,852	17.11.2016	27.01.2017	15,040

30	GSK	Betnovet Cream	57,200	17.11.2016	27.01.2017	4,004
31	GSK	Susp Septran	215,964	17.11.2016	27.01.2017	15,117
32	GSK	Tab Septran	44,280	17.11.2016	27.01.2017	3,100
33	GSK	Tab Calpol 500mg	97,200	17.11.2016	27.01.2017	6,804
34	GSK	Betnesol-N Drop	62,400	17.11.2016	07.06.2017	4,368
35	GSK	Polyfex Plus Skin ointment	101,640	17.11.2016	07.06.2017	7,115
36	GSK	Tab Vantolin	81,668	17.11.2016	22.01.2017	5,717
37	GSK	Betnovit Ointment	57,200	17.11.2016	07.06.2017	4,004
38	GSK	Polyfex Eye Ointment	117,480	17.11.2016	07.04.2017	8,224
39	Searle Pharama	Tab Metrozine 400 mg	85,140	17.11.2016	17.02.2017	5,960
40	Abbott Lab	Tab Divalporex sodium 500mg	226,263	17.11.2016	02.02.2017	15,838
41	Abbott Lab	Tab Divalporex sodium 500mg	452,526	17.11.2016	11.02.2017	31,677
42	Abbott Lab	Tab Divalporex sodium 500mg	452,526	17.11.2016	21.02.2017	31,677
43	GSK	Cap Amoxil 250mg	260,205	14.04.2017	15.06.2017	18,214
44	GSK	Cap Amoxil 250mg	172,216	14.04.2017	15.06.2017	12,055
45	GSK	Tab Augmentin 375	182,114	14.04.2017	08.08.2017	12,748
46	Searle Pharama	Tab Metrozine 400 mg	64,500	23.11.2016	17.02.2017	4,515
47	Searle Pharama	Tab Metrozine 400 mg	116,100	23.11.2016	07.06.2017	8,127
48	Bosch Pharma	Tab Calamox	181,267	17.11.2016	27.01.2017	12,689
49	Bosch Pharma	Tab Calamox	326,664	17.11.2016	27.01.2017	22,866
50	Bosch Pharma	Tab Calamox	371,220	17.11.2016	27.01.2017	25,985
51	Bosch Pharma	Tab Calamox	278,333	17.11.2016	01.02.2017	19,483
52	Bosch Pharma	Inj Nulcer	29,070	17.11.2016	27.01.2017	2,035
53	Danas Pharma	Tab Cyclofen 50mg	21,948	17.11.2016	27.01.2017	1,536
54	Danas Pharma	Tab Cyclofen 50mg	31,000	17.11.2016	27.01.2017	2,170
55	Macter Pharma	Cap Maxil 500mg	297,000	17.11.2016	24.02.2017	20,790
56	Macter Pharma	Tab Cadla 0.5mcg	350,000	17.11.2016	29.03.2017	24,500
57	Macter Pharma	Cap Maxil 500mg	135,000	17.11.2016	24.02.2017	9,450
58	Macter Pharma	Tab Cadla 0.5mcg	175,000	17.11.2016	29.03.2017	12,250
59	Macter Pharma	Cap Maxima 400mg	499,968	17.11.2016	03.04.2017	34,998
60	OBS Pharma	Tab Aldomit 250mg	292,680	26.11.2016	31.03.2017	20,488
61	GSK Pakistan Ltd	Tab: Piriton 4mg	46,432	31.05.2017	15.09.2017	3,250
62	GSK Pakistan Ltd	Augmentin375mg	299,940	31.05.2017	15.09.2017	20,996
63	GSK Pakistan Ltd	Syp: Septran 5ml	170,372	31.05.2017	15.09.2017	11,926
64	GSK Pakistan Ltd	Tab: Septran 400's	137,760	31.05.2017	15.09.2017	9,643
65	GSK Pakistan Ltd	Tab: Calpol 500mg	100,980	31.05.2017	15.09.2017	7,069
66	GSK Pakistan Ltd	Cap:Amoxil250mg	250,800	23.11.2016	03.08.2017	17,556

67	GSK Pakistan Ltd	Cap:Amoxil250mg	114,950	23.11.2016	03.08.2017	8,047
68	Stanley Pharma	Doxycyline-Cap: 100mg	20,000	31.05.2017	03.08.2017	1,400
69	Stanley Pharma	Albendazole SyP: 200mg/5ml	65,000	31.05.2017	03.08.2017	4,550
70	Stanley Pharma	Tab:Mefnamic Acid	110,000	31.05.2017	03.08.2017	7,700
71	Stanley Pharma	Accefyline-Syp:	189,473	31.05.2017	03.08.2017	13,263
72	Stanley Pharma	Paracetamol-Syp:	160,000	31.05.2017	03.08.2017	11,200
73	Stanley Pharma	Dimehhydinate-Tab	27,500	31.05.2017	03.08.2017	1,925
74	Barret Hodgson	Xylodain+Adr	7,918	31.05.2017	03.08.2017	554
75	Brooks Pharma	Tab Gen-Levo 500mg	349,986	31.05.2017	03.08.2017	24,499
<b>Total</b>			<b>11,902,596</b>			<b>833,182</b>

## Detail of Schemes not completed within stipulated period of time

Sr. No.	Name of Work	Work Order No & Date	Completion Date	Status	Estimated Cost	Penalty
1.	WSS Musa Khel	1848 dated: 12.08.2015	12.08.2016	Not Yet Completed	5.778	0.578
2.	WSS Bajji Khel Sani Khel	1847 dated: 12.08.2015	12.08.2016	Not Yet Completed	5.449	0.545
3.	WSS Hafiz Abad Air Port	985 dated: 05.03.2015	05.03.2016	Not Yet Completed	4.219	0.422
4.	WSS Schenme Gul Pir Gara	2530 (A) dated: 21.12.2015	21.12.2016	Not Yet Completed	15.233	1.523
5.	WSS Noor Ali Shah	2530 (A) dated: 21.12.2015	21.12.2016	Not Yet Completed		
6.	WSS Akbar jan Sani Khel	2530 (A) dated: 21.12.2015	21.12.2016	Not Yet Completed		
7.	WSS Nassri khel Jani Khel	2530 dated: 21.12.2015	21.12.2016	Not Yet Completed		
8.	WSS Shahi Khel Bakka Khel	2530 dated: 21.12.2015	21.12.2016	Not Yet Completed	15.042	1.504
9.	WSS Teri Khel	2530 dated: 21.12.2015	21.12.2016	Not Yet Completed		
10.	WSS Masti Khan Daud Shah	3020 dated: 24.01.2016	24.01.2017	Not Yet Completed	5.640	0.564
11.	WSS Sahib Zada Asif	988 dated: 05.03.2015	05.03.2016	Not Yet Completed	4.604	0.460
<b>Total</b>					<b>55.965</b>	<b>5.596</b>



**Annex-7**  
**Para No. 1.2.3.1**

**Detail of Overpayment**

Sr. No.	Name of Work	Name of Item	BOQ Quantity	Paid Quantity	Difference	Rate	Amount	Above / Below	Overpayment
1	Construction of road from Balaly Adda"	PCC 1:3:6	184.17	208.65	24.48	7,587	185,730	(9769)	175,960
2	Standardization of GHSS Kotka Bilawar	Fabrication of mild steel	32.400	42.176	9.776	103,529.94	1,012,109	(101,211)	910,898
3	Construction of Road to food grain Nar Hafiz abad	RCC	1019.47	1434.19	414.72	9,347	3,876,388	0	3,876,388
4	Construction of Road to food grain Nar Hafiz abad	PCC 1:4:8	584.94	948.52	363.58	5,476	1,990,964	0	1,990,964
5	Construction of road from Dharay to Muhammad khel	PCC 1:3:6 50% boulders	253.32	639.16	385.84	4,367	1684963	Less 5.81% below	1,587,067
6	Construction of KGN Complex" Phase-III-Block 7-11	Fabrication of Steel-60	731.25	958.39	227.14	86,736.13	19,701,245	7,084,567  (3% cost factor+32% above)	26,785,812
7	Const.of Road from Miran shah Road To Mir Kalam Korona	Fabrication of Steel	2.642 (Paid Qty)	2.176 (Actual executed)	0.466 ton	113,438.84	52,862	1585	54,447
8	Construction of KGN Complex" Phase-III-Block 7-11	Black Carbon Pipe 6"	600 Rft	2080	1480	5230			7,740,400
9	Construction of KGN Complex" Phase-III-Block 7-11	Black Carbon Pipe 4"	400 Rft	600	200	4560			912,000
									44,033,936

Item of Work	Quantity Paid	TS Quantity	Difference	Rate	Amount
Fabrication of Steel (Grade-60)	81.900	43.600	38.300 ton	118,397.38	4,534,619
Fabrication of Steel (Grade-40)	723.263	579.68	143.00 ton	109,371.99	15,640,194
				Add 3% Cost Factor	605,244
				<b>Grand Total</b>	<b>20,780,057</b>

**Annex-8**  
**Para No. 1.2.3.2**

**Detail of violation of AA/ PC-I**

Sr. No.	Name of Work	Estimated Cost	Expenditure	Voucher No & Date	No of P/Pumps Installed	P/Pumps on already identified sites	Other Site Location	Amount
1	1246/Installation of P/Pumps in UC Mammand Khel Wazir	3,000,000	3,000,000	36/B, 14.06.2017	07	01	06	2,571,000
2	1246/Installation of P/Pumps in UC Slema Sikandar Khel	4,000,000	4,000,000	12/B, 08.06.2017	39	15	24	1,600,000
3	Installation of P/Pumps in UC Koti Sadat	3,015,000	3,015,000	08/B, 24-02-2017	18	02	16	2,762,669
4	Installation of P/Pumps in UC Koti Sadat	3,015,000	3,015,000	09/B 24.02.2017	17	00	17	3,015,000
<b>Total</b>					<b>81</b>	<b>18</b>	<b>63</b>	<b>9,948,669</b>

**Annex-8**  
**Para No. 1.2.3.2**

**Detail of violation of AA/ PC-I**

Sr. No.	Name of Work	Estimated Cost	Expenditure	Voucher No & Date	No of P/Pumps in PC-I	No of Pumps Installed	Violation
1	1246/Installation of P/Pumps in UC Takhti Khel-103	2,000,000	2,000,000	14/B 06.06.2017	6	4	666,667
2	1246/Installation of P/Pumps in UC Takhti Khel-09	4,000,000	4,000,000	13/B 06.06.2017	11	9	727,273
3	1246/Installation of P/Pumps in UC Bazar Ahmad Khan-22	2,000,000	2,000,000	43/B 29.06.2017	15	11	533,333
4	1246/Installation of P/Pumps in UC Jani Khel -93	3,000,000	3,000,000	55/B 19.06.2017	21	6	2,142,857
<b>Total</b>		<b>11,000,000</b>	<b>11,000,000</b>		<b>53</b>	<b>30</b>	<b>4,070,130</b>

**Annex-9**  
**Para No. 1.2.3.3**

**Detail of violation of AA/ PC-I**

Sr. No.	Name of Work	Estimated Cost	Expenditure	Voucher No & Date	No of P/Pumps Installed	No of P./Pumps in PC-I	Amount
1	1246/Installation of P/Pumps in UC Slema Sikandar Khel	4,000,000	4,000,000	12/B, 08.06.2017	39	25	1,435,897
2	1246/Installation of P/Pumps in UC Kala Khel Masti Khan	3,000,000	3,000,000	03/B, 02.06.2017	32	26	692,307
3	1246/Installation of P/Pumps in UC Khander Khan Khel	4,000,000	4,000,000	10/B, 07.06.2017	18	16	500,000
4	1246/Installation of P/Pumps in UC Shamshi Khel / Ghoriwala	2,000,000	2,000,000	5-B, 07.06.2017	16	10	1,625,000
5	762-Installation of P/Pumps in various UCs	3,015,000	3,015,000	08/B, 24.02.2017	18	14	1,000,000
6	757-Installation of P/Pumps in various UCs	3,015,000	3,015,000	09/B 24.02.2017	17	14	940,025
7	1246/Installation of P/Pumps in UC Hinjal-97	3,000,000	2,534,569	29/B 25.05.2017	18	12	844,856
8	1246/Installation of P/Pumps in UC Ghorawal-24	2,000,000	2,000,000	5/B 07.06.2017	16	10	750,000
9	1246/Installation of P/Pumps in UC Bazar Ahmad Khan-20	2,000,000	2,000,000	11/B 08.06.2017	17	10	823,529
10	1246/Installation of P/Pumps in UC Bharat-12	4,000,000	4,000,000	16/B 07.06.2017	40	29	1,100,000
11	1246/Installation of P/Pumps in UC Bharat-86	3,000,000	3,000,000	49/B 15.06.2017	30	25	500,000
12	1246/Installation of P/Pumps in UC Kakki-I-11	4,000,000	4,000,000	17/B 07.06.2017	40	29	1,100,000
13	1246/Installation of P/Pumps in UC Mira Khel-85	3,000,000	3,000,000	24/B 13.06.2017	32	26	562,500
14	1246/Installation of P/Pumps in UC Kakki-I-87	3,000,000	3,000,000	20/B 08.06.2017	31	22	870,968
15	1246/Installation of P/Pumps in UC Kakki-II-88	3,000,000	3,000,000	67/B 21.06.2017	30	22	800,000
<b>Total</b>		<b>46,030,000</b>	<b>45,564,569</b>		<b>394</b>	<b>290</b>	<b>13,545,082</b>

