



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
LOCAL GOVERNMENTS  
DISTRICT CHARSAKDA**

**AUDIT YEAR 2020-21**

**AUDITOR GENERAL OF PAKISTAN**

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## ABBREVIATIONS AND ACRONYMS

AA	Administrative Approval
AD	Assistant Director
ADEO	Assistant District Education Officer
ADP	Annual Development Program
AGP	Auditor General of Pakistan
AIR	Audit and Inspection Report
APR	Actual Payee Receipt
BOK	Bank of Khyber
BHUs	Basic Health Units
CA	Conveyance Allowance
CDs	Civil Dispensaries
CTR	Central Treasury Rules
DAC	District Accounts Committee
DAC	Departmental Accounts Committee
DAO	District Accounts Office
DC	Deputy Commissioner
DDO	Drawing and Disbursing Officer
DDHO	Deputy District Health Officer
DEO	District Education Officer
DG	Director General
DGHS	Director General Health Services
DHO	District Health Officer
DMO	District Monitoring Officer
DO	District Officer
DPO	District Police Officer
DTL	Drug Testing Laboratory
ECG	Electrocardiography
EPI	Expanded Program on Immunization
FDC	Forest development Corporation
FP Register	Family Planning Register
GER	General Enrolment Rate
GI Pipes	Galvanized Iron Pipes
HRA	House Rent Allowance
IMU	Independent Monitoring Unit
INTOSAI	International Organization for Supreme Audit Institute

KP	Khyber Pakhtunkhwa
KPPRA	Khyber Pakhtunkhwa Public Procurement Regulatory Authority
LGA	Local Government Act
LGE & RDD	Local Government Election and Rural Development Department
MCC	Medicines Co-ordination Cell
MFDAC	Memorandum for Departmental Accounts Committee
NACs	Neighborhood Accounts Committee
NBP	National Bank of Pakistan
NC	Neighborhood Council
NDMA	National Disaster Management Authority
NER	Net Enrolment Rate
NPA	Non-Practicing Allowance
OPD	Out Patient Department
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PFC	Provincial Finance Commission
PLS	Profit & Loss Saving
PPHI	People's Primary Health Initiative
PTC	Parent Teacher Council
RDA	Regional Directorate of Audit
Rs.	Rupees
RHCs	Rural Health Centres
SDEO	Sub Divisional Education Officer
TAC	Tehsil Accounts Committee
THQ	Tehsil Headquarter
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
TS	Technical Sanction
VAC	Village Accounts Committee
VC	Village Council
W.P.	Writ Petition

## **Preface**

Articles 169 and 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 Local Governments of each District of the Khyber Pakhtunkhwa.

The report is based on audit of the accounts of offices of the District Government, Tehsil Municipal Administrations, Assistant Director (Local Government Elections and Rural Development) and Village Councils and Neighborhood Councils in District Charsadda for the financial year 2019-20. The Director General of Audit, District Governments, Khyber Pakhtunkhwa conducted audit during financial year 2020-21 on test check basis with a view to report significant findings to the relevant stakeholders. The main body of the audit report includes 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 Officers at the DAC level. In all cases where Principal Accounting Officers do not initiate appropriate action, the audit observations will be brought to the notice of appropriate forum 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.

Some of the observations included in this Report were finalized in the light of written replies of the departments whereas in most cases the departments did not submit written replies till the finalization of this report. DAC meetings were also not convened despite reminders.

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, (amended in 2019) for laying before the appropriate legislative forum.

Islamabad  
Dated:

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

## EXECUTIVE SUMMARY

The Directorate General Audit, District Governments, Khyber Pakhtunkhwa carries out the audit of Local Governments in 35 districts of Khyber Pakhtunkhwa. Regional Directorate of Audit (RDA) Peshawar, on behalf of the DG Audit District Governments, Khyber Pakhtunkhwa carried out the audit of Local Government of 05 districts namely; Peshawar, Charsadda, Nowshera, Khyber and Mohmand.

The office is mandated to conduct regularity audit (financial attest audit and compliance with authority audit), Performance audit and special studies.

Local Governments of District Charsadda consist of three tiers which perform their operations under Khyber Pakhtunkhwa Local Government Act, 2013 (amended in 2019). Financial provisions of the Act describe the Local Consolidated Fund and Public Account for which annual Budget Statement is approved by the respective councils in the form of budgetary grants. Top Tier – the District Government comprises one Principal Accounting Officer (PAO) i.e. Deputy Commissioner for the District Government, who is officer in charge (Administrator) of 11 devolved departments including AD Local Government, Election & Rural Development Department. The second Tier – Town/Tehsil Municipal Administrations have one PAO i.e. Town/Tehsil Municipal Officer (Administrator) for each administration. There are three Tehsils administrations in district Charsadda. The third Tier – village and neighborhood Councils have AD LGE & RDD as Principal Accounting Officer (Administrator) for these councils. There are 146 VCs/NCs in district Charsadda. District Charsadda has no development authority.

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

This office is mandated to conduct audit of 161 formations working under 05 PAOs. Total expenditure and receipts<sup>1</sup> of these formations were Rs. 8,045.243 million and Rs. 640.893million, respectively for the financial year 2019-20.

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<sup>1</sup> District Government have no receipt

Audit coverage relating to expenditure for the current audit year comprises 16 formations of 05 PAOs having a total expenditure of Rs. 2,554.675 million for the financial year 2019-20. In terms of percentage, the audit coverage for expenditure is 31.754% of auditable expenditure.

Audit coverage relating to receipt for the current audit year comprises 3 formations of 03 PAOs (3 TMAs) having a total receipt of Rs. 640.893million for the financial year 2019-20. In terms of percentage, the audit coverage for expenditure is 100% of auditable receipt.

In addition to this compliance audit report, Directorate of District Audit conducted Financial Attest Audit, Performance Audit and Special Studies for which reports are being published separately.

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

As a result of audit, a recovery of Rs. 103.825 million was pointed out in this report. No recovery was affected till finalization of this report.

**c. Audit Methodology**

Audit was conducted according to INTOSI guidelines for Compliance audit and Financial Audit Manual of AGP.

Audit procedures employed to obtain evidences were inspections, analytical procedures, observations and computation.

**d. Audit Impact**

As result of Audit no substantial impact was noticed as the management did not convene the DAC meeting. The departments failed to implement corrective measures in shape of financial management and to establish effective internal control system. Therefore irregularities noticed during the current audit were of identical nature as pointed out during the preceding years.

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

Internal control is designed to address risk and to provide reasonable assurance that in pursuit of entity's mission, its objectives are being achieved.



Comments on five components of internal control are given below: -

The organizational structure followed in the local Government Offices was according to the LGA 2013 (amended in 2019).

No activity i.e. risks identification, risk evaluation and appropriate responses were carried out in the local government.

Accounts were not reconciled with the DAO by TMAs. No review was carried out of the performances.

Internal and external communications followed Government instructions. However, TMAs did not follow the accounting procedure given in the APPM.

No system of monitoring was found to track the progress of District Government towards its objectives. No internal Auditor was appointed. Annual Review of internal control was also not carried out.

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

- i. Non-compilation/Consolidation of Accounts of Local Governments - Rs. 1,079.412 million.<sup>2</sup>
- ii. Unauthorized payments to DDOs instead of crossed cheques to vendors – Rs. 142.175 million.<sup>3</sup>
- iii. Unverified payment of arrear of pay and allowances – Rs. 129.024 million.<sup>4</sup>
- iv. Fraud/embezzlement/misappropriations were noted in one case amounting to Rs. 2.10 million.<sup>5</sup>
- v. Irregularities were noted in 15 cases amounting to Rs. 131.395 million.<sup>6</sup>
- vi. Value for money and service delivery issues were noted in 8 cases amounting to Rs. 47.474 million.<sup>7</sup>

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<sup>2</sup>Para 1.2.1

<sup>3</sup>Para 1.2.2

<sup>4</sup> Para 1.2.3

<sup>5</sup> Para 2.5.1.1

<sup>6</sup>Para 2.5.2.1 to 2.5.1.11, 3.5.1.1, 4.5.1.1 to 4.5.1.3

<sup>7</sup> Para 2.5.3.1 to 2.5.3.5, 3.5.2.1 to 3.5.2.1

vii. Others issues were noted in 23 cases amounting to Rs. 201.21 million.<sup>8</sup>

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

**g. Recommendations**

- i. TMA accounts needs to be consolidated at DAO level;
- ii. Action may be taken against those responsible for not producing record before audit;
- iii. Disciplinary actions need to be taken to stop the practice of violation of the rules and regulations in spending the public money;
- iv. Strenuous efforts need to be made by the departments to recover long outstanding dues on account of water charges; and
- v. Departments need to strengthen internal controls i.e. financial, managerial, operational, administrative and accounting controls etc. to ensure that lapses of the kind reported in this audit report are pre-empted and fair value for money is obtained from public spending.

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<sup>8</sup>Para 2.5.4.1 to 2.5.4.17, 3.5.3.1 to 3.5.3.6

# CHAPTER 1

## Public Financial Management

### 1.1. Sectoral Analysis

#### Introduction

After promulgation of Local Government Act, 2013 (amended in 2019), Local Government elections were held in 2015, which resulted in formation of three tiers of government in each district of Khyber Pakhtunkhwa. On expiration of the tenure of District Councils and village and neighborhood councils in the Province, Local Government, Election and Rural Development department in its notification dated 4<sup>th</sup> September, 2019 authorized the DCs, TMOs and Assistant Directors Local Government and Rural Development Department to perform functions of respective Nazimeen under local Government Act 2013, till formation of new elected local Government.

In the light of LG, E&RDD's Notification dated 4<sup>th</sup> September, 2019 District Charsadda is headed by Deputy Commissioner who is Principal Accounting Officer of the budget grant allocated to the 11 offices devolved at district level. Similarly, Town Municipal Administration is headed by Tehsil Municipal Officer who is Principal Accounting Officer for the Town Municipal Administration Whereas Assistant Director, LG,E&RDD is the Principal Accounting Officer for Village/Neighborhood Councils.

In District Charsadda, Funds amounting to Rs. 8,530.588million were allocated to 161 formations working under 05 PAOs. Out of which, expenditure of Rs. 8,045.243 million was made resulting into saving of Rs. 485.345 million. Receipts of Rs. 640.893 million were collected through these formations (TMAs) during the financial year 2019-20. Audit coverage relating to expenditure for the current audit year comprises 16 formations of 05 PAOs having a total expenditure of Rs. 2,554.675 million for the financial year 2019-20. In terms of percentage, the audit coverage for expenditure is 31.754% of auditable expenditure. Similarly, audit coverage for receipts is 100%.

According to Section 36(3) of Local Government Act 2013 (amended in 2013), the District Accounts Officer was required to consolidate accounts of Local Government on quarterly and annual basis. However, District Accounts Officer, Charsadda did not reflect Rs. 589.60 million into the consolidated financial statement of Local Government, Charsadda.

District Government, Charsadda was found lagging behind in many areas envisioned as integral component of the Local Government in the Khyber Pakhtunkhwa Local Government Act, 2013 (amended in 2019). The District Government could not establish & maintain Public Fund account as required under section 30 of LGA 2013 (amended in 2019). Similarly, it also failed to prepare, present and approve the budget estimates of receipts from district council for District Government, Charsadda as required under section 34 of LGA 2013 (amended in 2019). Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Accounts Office, Charsadda with prescribed format and necessary trainings to compile the accounts of TMAs and Village/Neighborhood councils and then reflect the same in the consolidated financial statement of the district, which resulted in disclaimer of its accounts by the Auditor General of Pakistan. Moreover, Internal Audit function could not be established as provided in sub section 4 of section 37 of LGA 2013 (amended in 2019), as internal auditors were not posted in the District and Tehsil Councils. In addition, Asset management by District Government was yet another area it could not address as required under section 38 of the LGA 2013(amended in 2019).

The Local government provided services in the following sectors.

### **Education**

The education sector is one of the major sectors devolved at district level. Statistics show that there are 1002 primary, 82 middle, 115 secondary and 28 higher secondary schools in District Charsadda.<sup>9</sup> The estimated Teacher Student Ratio is 1:40 at primary, 1:60 at middle, 1:28 at secondary and 1:20 at the level of

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<sup>9</sup>EMIS data at [schools.kpese.gov.pk/webportal/web/schools.php?id=4](http://schools.kpese.gov.pk/webportal/web/schools.php?id=4)

higher secondary schools. District Charsadda literacy rate is 31.1%, the Gross Enrollment Rate (GER) is 79% and the Net Enrollment Rate (NER) is 44% at the primary level. On budgetary front, District Education Office, Charsadda succeeded in spending 80% of District ADP and 95% of non-salary budget.

District Education Offices in Charsadda enrolled 222,742 and 122,287 children in government male and government female schools respectively. Similarly, annual average of teacher's attendance rate and student attendance rate as per Independent Monitoring Unit (IMU) data were approximately 76.7% & 59.34% respectively. Furthermore, 75.8% schools in district Charsadda were provided with all basic facilities like classrooms, water supply, group latrine, boundary walls and electrification. However, administrative visits of DEO, DDEO and SDEO were 38.7% against the assigned targets.

### **Health**

Health is another important sector of District Charsadda with a total of 58 health facilities spread across the district, among which 10 are urban while the rest are rural based. Their further break-up is 45 BHUs, 07 CDs, 02 THQ Hospitals, 04 RHCs and 01 Category-D hospital with the total catchment area population of approximately 1,616,198 as per survey carried out by Health department in 2016.

The Department of Health has established an "Independent Monitoring Unit" for continuous monitoring of the performance of health facilities through its field based Data Collection Assistants and District Monitoring Officers. Department twice examines data collected through various sources to improve efficiency and effectiveness in the business processes of service delivery.

On mother and child health care front, 10,780 babies were born in primary and secondary health facilities. Out of them, 48 infant and 14 maternal deaths were recorded. Lab investigations and diagnostic facilities were also fully utilized as 114,713 lab tests, 86356 X-rays, 16459 ECG and 4789 ultrasounds were done in both primary and secondary health facilities in district Charsadda. Figures of immunization from EPI register are also very impressive as 24410 pregnant women received TT-2 vaccines, 32434 kids under 12 months received

full immunization, 35762 children under 12 months received 1st measles vaccines and 43690 kids under 12 received 3rd pentavalent vaccine. 18492 families were provided family planning services as evident from FP register. As these facilities were frequently visited by patients so they also generated good revenue from OPD services, indoor patients' treatment and other lab investigations etc.

### **Social Welfare**

In social Welfare and Women Empowerment sector, budgetary allocations were focused on providing social cushion to the deprived and marginalized segments of society especially, women and children. In the proposed development plan, the department had continued to proceed with its ongoing projects which included schemes for the wellbeing and safeguarding of destitute women, orphans, beggars, drug addicts and special persons.

There was no Dar-ul-Kafala in District Charsadda. A Welfare Home for orphans in district Charsadda was established with the objective to rehabilitate the orphans by imparting educating in school as well as providing vocational training. Rehabilitation center for drug addicts in District Charsadda was Non-functional during the year 2019-20. Furthermore, various vocational and industrial trainings were provided by the Social Welfare Department. However, keeping in view the spread of drug use and incidence of poverty, the efforts made by Social Welfare office are not likely to bring about any visible improvement in the short or long run unless more resources are diverted to this sector.

### **Municipal Services**

Tehsil Municipal Administrations, District Charsadda did not fulfill some primary requirements envisioned as essential component of Local Government in the Khyber Pakhtunkhwa Local Government Act, 2013(as amended in 2019). The Local Government could not establish & maintain Tehsil Public Fund Account as required under the section 30 of LGA(amended in 2019). Similarly, Tehsil Account Officers were not appointed in TMAs. The accounts of receipt and expenditure were also not maintained in such form as prescribed by Auditor General of Pakistan and required under section 36 of LGA. Financial Statements,

Finance Account and Appropriation Accounts of the TMAs were not prepared accordingly. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, Charsadda with prescribed format and necessary trainings to compile the accounts of TMAs and then reflect the same in the consolidated financial statement of the district, which resulted in disclaimer of its accounts by the Auditor General of Pakistan. Moreover, Internal Audit function could not be established as provided in sub section 4 of section 37 of LGA 2013, as internal auditors were not posted in the TMAs to support the Council. In addition, Asset management by Tehsil Councils was yet another area it could not address as required under section 38 of the LGA 2013 (amended in 2019).

## **1.2. AUDIT PARAS**

### **1.2.1 Non-compilation/Consolidation of Accounts of Local Governments – Rs. 1,079.412 million**

According to section 36(3) of Local Government Act 2013, the District Accounts Officer shall, quarterly and annually consolidate the accounts of Local Governments in the district separately for receipts from the government and local resources and send a copy to the Government, Accountant General and Nazim District Council.

During certification audit of the accounts of the DAO Charsadda for the financial year 2019-20, audit observed incompleteness and incorrect presentation of the financial statements as DAO Charsadda failed to consolidate into the quarterly and annual accounts of the district government and local resources, as required under section-36(3) of the Local Government Act, 2013. Receipts and expenditure of Rs. 1,079.412million and Rs. 1,079.412 million respectively, of the TMAs were not reflected in the accounts.

Same was the case with the receipts and expenditure of the VCs/NCs, the figures of which were not available at the time of audit.

Provisions of the Local Government Act 2013 by Local Governments in District Charsadda were not complied.

When pointed out, management replied that due to non-consolidation of accounts of TMAs and VCs/NCs the financial statements of local Government remained incomplete which led to disclaimer of audit opinion.

Para stands till correction of these omission.

Necessary action needs to be taken for the consolidation of Local Government Accounts into District Accounts.



### **1.2.2 Unauthorized payments to DDOs instead of crossed cheques to vendors – Rs.142.175 million**

According to 2.3.2.8 of APPM, the accounting system shall improve controls to minimize the risk of fraud and corruption. This objective shall be addressed by issue of payment through direct bank transfer and cheques (to employees/ vender concerned) instead of payment through DDOs.

Finance Department Letter No: BO (W&M) /6-5/2019-20 Dated 19/02/2020 states that in order to streamline the management in public account and observe fiscal discipline, it has been decided to stop forthwith all payments through open cheques or cash payments.

District Accounts Officer, Charsadda paid Rs. 142,175,000 to various DDOs instead of issuance crossed cheques to Vender/Payees Accounts which was unauthorized.

Unauthorized issuance of cheques to DDOs occurred due to weak internal control which resulted in violation of rules.

When pointed out, Management stated that in consultation of high ups and to safe guard against the fake and forged appointments, payment of pay and allowances of first salary of newly appointees were made to DDOs. Moreover, bank accounts of various employees were not opened. However, DDOs were directed to provide bank account numbers of employees.

Audit recommends that bank accounts number from all employees be obtained from DDOs for direct credit transfer in the name of vendor instead of payment through DDOs.

### **1.2.3 Unverified payment – Rs.129.024 million**

Para 296 of CTR read with Para 75(2) of KP City & District Govt. Budget Rules 2016, the controlling officer shall be responsible for seeing that the expenditure included in the bills, are of obvious necessity and are at fair and reasonable rates. Sanction and the requisite vouchers are all received and in order. The calculation is correct and the grants have not been exceeded over allotment.

During certification audit of DAO Charsadda for the year 2019-20 while analyzing HR data it was noticed that arrears of pay and allowances of Rs.129,024,161 was shown made which could not be verified.

When pointed out, management stated that the office is maintaining data of 13000 plus of District employees. Each and every month payment is being made to various departments in the shape of fresh appointments, promotion, up-gradation of post, transfers of employees from other districts and arrear of pay and allowances due fixation. After clearance of data of the officers, officials from the concerned pay roll sections are punched are processed.

Audit recommends complete status of all arrear payment alongwith documentary evidence.

## **CHAPTER 2**

### **District Government**

#### **2.1 Introduction**

Under Khyber Pakhtunkhwa Local Government Act 2013 (LGA 2013) (amended in 2019), activities of District Government are managed through offices of Deputy Commissioner and District Officers. Each group of District Offices is headed by a District Officer (DO). The DO according to Rules of Business of District Government, 2015 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), District Officers Education, Health, Agriculture, Fisheries, Population Welfare, AD LGE& RDD, Sports, Live Stock & Dairy Development, Cooperation and Social Welfare.

According to section 13 of the Khyber Pakhtunkhwa Local Government Act 2013 (amended in 2019), the authority and responsibilities of the District Government have been given as under:

- i. The authority of district government shall comprise the operation, management and control of offices of the departments which are devolved to it; provided that district government shall exercise such authority in accordance with general policy of Government.
- ii. Every order in district government shall be expressed, to be made in the name of the district government and shall be executed by a duly authorized officer.
- iii. The district government shall be responsible to the people and the Government for improvement of governance and delivery of services within the ambit of authority devolved to it.

**Detail of audit planned formations expenditure and receipts**

(Rs. in million)

S.No.	Description	Total Nos.	Audited	Expenditure audited FY 2019-20	Revenue/ Receipts audited FY 2019-20
1.	Formations	10	4	850.363	Nil
<b>Total</b>		<b>10</b>	<b>4</b>	<b>850.363</b>	

**2.2 Comments on Budget and Expenditure (Variance Analysis)**

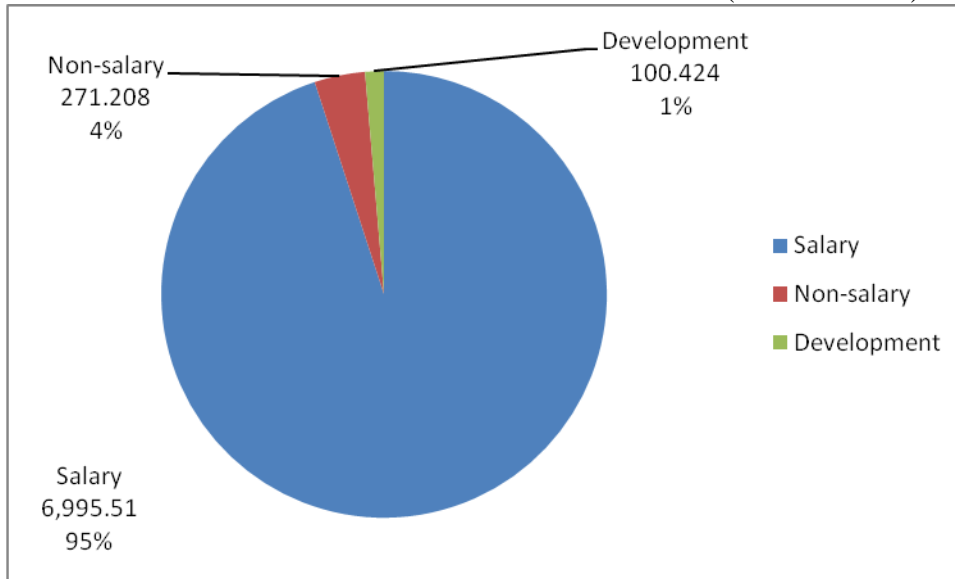
(Rs. in million)

2019-20	Budget	Actual Expenditure/ Receipts	Excess (+)/ Saving (-)	%age Excess/Saving
Salary	7,031.03	6,995.511	(35.52)	0.51%
Non-salary	322.58	271.208	(51.37)	15.92%
Development	147.00	100.424	(46.58)	31.68%
<b>Total</b>	<b>7,500.61</b>	<b>7,367.143</b>	<b>(133.47)</b>	<b>1.78%</b>

The savings of Rs. 133.47 million indicate weakness in the capacity of District Government Departments to utilize the allocated budget.

## EXPENDITURE 2019-20

(Rs. in million)



### 2.3 Classified Summary of Audit observations

Audit observations amounting to Rs. 270.357 million were raised as a result of this audit. This amount also included recoverable of Rs.46.218 million as pointed out by the audit. Summary of the audit observations classified by nature is as under: -

(Rs in million)

Sr. No.	Classification	Amount (Rs)
1.	Reported cases of fraud, embezzlement and misappropriation	2.10
2.	Irregularities	-
A	HR/Employees related irregularities	15.006
B	Procurement related irregularities	62.313
C	Management of Accounts with commercial bank	35.035
3.	Value for money and service delivery issues	42.436
4.	Others, including cases of accidents, negligence etc.	113.467
<b>Total</b>		<b>270.357</b>

## 2.4 Comments on the status of compliance with PAC/DAC directives

The audit reports pertaining to following years have been submitted to the Governor of Khyber Pakhtunkhwa. Detail of DAC meetings is given below:

S #	Audit Year	PAC/DAC meeting
1.	2002-03	Convened
2.	2003-04	Not convened
3.	2004-05	Not convened
4.	2005-06	Not convened
5.	2006-07	Not convened
6.	2007-08	Not convened
7.	2008-09	Not convened
8.	2009-10	Not convened
9.	2010-11	Not convened
10.	2011-12	Convened
11.	2012-13	Not convened
12.	2013-14	Not convened
13.	2014-15	Not convened
14.	2015-16	Not convened
15.	2016-17	Not convened
16.	2017-18	Not convened
17.	2018-19	Not convened
18.	2019-20	Not convened

## **2.5 AUDIT PARAS**

### **2.5.1 Fraud, and misappropriation**

#### **2.5.1.1 Misappropriation in Purchase of Bed Nets – Rs. 2.10 million**

According to Rule 74 of the District or City District Government Budget Rules 2016 states that every officer incurring or authorizing expenditure from district fund shall be guided by high standards of financial propriety. Among the principles on which generally greater emphasis is laid are (a) 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 (d) Public moneys should not be utilized for the benefit of a particular person or section of the community unless the amount of expenditure involved is insignificant.

District Health Officer, Charsadda floated tender for purchase of bed nets in 2018-19 and issued supply order for Rs. 14,279,831 (7648170+6631661) to the successful bidder accordingly. The firm supplied un-medicated and sub-standard bed nets in intervals and failed to complete the supply within the stipulated time. The technical committee was found biased at the time of inspection. Inventory of bed nets was directly issued to various Union Councils and to some district council members and not properly taken on stock. Later on, the case was investigated by Anti-Corruption and Deputy Commissioner Office and the Director General Health Services. However, inquiry reports were not shared with audit. The following officers were charged for recovery: -

- |   |             |
|---|-------------|
| 1. Mr. Fayaz, District Health Officer, Charsadda  | Rs 600,000  |
| 2. Mr. Zafar, Deputy District Officer Charsadda   | Rs 500,000  |
| 3. Engineer Yasir Aman & Engg Khalid Mehmood<br>(Electro Medical Engineers Procurements Cell DGHS Office) | Rs 500,000  |
| 4. Mr. Jehan Zeb Khan, Incharge Malaria Section   | Rs 500,000. |

Recovery of Rs. 1,000,000 were made from Technical Engineers and Malaria Incharge. However, the amount of Rs. 600,000 from the then DHO and Rs. 500,000 from Deputy DHO were outstanding. The actual amount

misappropriated was not known to audit due to non-provision of detailed relevant record. Government taxes and penalty on late supply and application fee for Rs. 1,000 per application received was also not deposited into government treasury.

Lapse occurred due to misappropriation of funds by the local office which resulted in loss the public exchequer.

When pointed out in August 2020, Management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

Audit recommends detail inquiry to ascertain the fact findings and fixing of responsibility against all the fraudsters including dealing hands to recover the full misappropriated amount.

**AIR Para No. 01(DHO)/2019-20**



## **2.5.2 Irregularities**

### **A. Human Resource related irregularities**

#### **2.5.2.1 Non-deduction of HRA, CA and 5% maintenance charges from the allottees of Government Accommodation-Rs. 3.981 million**

According to judgment of Peshawar High Court dated 28.2.2013 in writ petition No. 304-9/2013, No conveyance allowance shall be allowed to those employees availing the facility of residential accommodation situated within their work premises.

According to Rule 223 of CTR Vol-I, House rent should be recovered from the pay bills of the government employees having government accommodation.

According to Rule-32 (Chapter-VIII) of Khyber Pakhtunkhwa Residential Accommodation at Peshawar (Procedure, for allotment) Rules, 2018, normal rent, total amount equal to the house rent allowance plus five percent of running monthly basic pay of an allottee, shall be charged from the allottees, for a residential accommodation or designated accommodation, as the case may be.

District Health Officer, Charsadda during the financial year 2019-20 did not deducted and recovered Rs. 3,981,118 on account of House Rent Allowance, Conveyance Allowance as well as 5% maintenance charges from the staff allotted Government Accommodation or who were residing inside the premises of Hospitals as per detail attached in **Annex-2**.

Non-deduction of emoluments were due to the weak internal control resulting loss to the government.

When pointed out in August 2020, Management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

Audit recommends stoppage of conveyance allowance and House rent allowance and starting deduction of 5% maintenance charges from all concerned besides recovery of the same allowances forthwith from the concerned employees

**AIR Para No. 15(DHO)/2019-20**

**2.5.2.2 Unauthorized payment on account of Non-Practicing Allowance – Rs.3.068 million**

According to Health Department, Government of Khyber Pakhtunkhwa letter No. SO(H) IV/1-90/78 dated 19.06.1990, all those drawing Non-Practicing Allowance will have to execute a bond to the effect that they will not engage themselves in private practice and in case of violation, the defaulter will be proceeded against under the Efficiency and Discipline Rules 1973.

DHO, Charsadda paid Rs. 3,068,858 to various doctors in various health facilities on account of Non-Practicing Allowance during 2019-20. Affidavits on stamp papers duly countersigned by the Oath Commissioner in this regard were not found on record and most of these doctors have their private clinics and still receiving NPA in violation of Government instructions. Detail below: -

S#	Cost Centres Particular	Expenditure (Rs)
1.	CA6112-Admn	127,645
2.	CA6117-CDs	103,500
3.	CA6226-THQ Shabqadar	1,218,160
4.	CA6269-THQ Tangi	579,219
5.	CA6270-RHCs	450,076
6.	CA6271-BHUs	589,258
<b>Grand Total</b>		<b>3,067,858</b>

Unauthorized payment of non practicing allowance occurred due to weak internal and administrative controls, which caused loss to exchequer.

When pointed out in August 2020, Management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

Audit recommends recovery of NPA from the Doctors drawing NPA allowance and also taking their private clinics and depositing into Government treasury with intimation to Audit.

**AIR Para No. 10(DHO/2019-20)**

**2.5.2.3 Irregular appointment of class-IV staff and withdrawal of pays & allowances-Rs. 7.957 million**

According to clause A(iii) of Notification No. SOS 6(E&AD) 1-3/2007 dated 22.03.2007 issued by Administration Department (Regulation Wing) Govt. of KPK, “a Departmental Selection Committee will be bound to recruit employees from BPS 1 to 4 through District Employment Exchange. In absence of District Employment Exchange, the recruitment will be made through Departmental Selection Committee after vacancies have been advertised in newspapers.

DEO (Male) Charsadda during the financial year 2019-20 appointed 71 non-gazetted staff as per details given at **Annex-3**.

However, audit noticed the following irregularities: -

1. No list was called from the manager employment exchange Charsadda for appointment through the registered applicant with the employment exchange as per written statement of the manager employment exchange.
2. The posts were neither advertised nor selection done through departmental selection committee rather post being filled directly without following any criteria as required under the rules.

Lapse occurred due to non-observance of rules and regulation resulting in irregular appointments of staff.

When pointed out in August 2020, Management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

Matter is, therefore, reported to higher-ups for appropriate action.

**AIR Para No. 03(DEO (M))/2019-20**

#### **2.5.2.4 Irregular appointments of land-owners as Class-IV**

According to the Establishment and Regulation Department (Regulation Wing) Government of Khyber Pakhtunkhwa letter No. SOR-VI /E&ADI-I dated 06.01.2009 read with 1237 SMCR 1993, the policy of making /offering appointments in lieu of land grants shall stand discontinued forthwith. Henceforth, land for official use should be purchased on payment in accordance with the prescribed procedure.

Record of the DEO(Female), Charsadda for the year 2019-20 revealed that the local office issued appointment orders by executing agreements with Land Owner /Donor. Most of schools were constructed without mutation and transfer of the land in the name of Education Department. Resultantly, the schools were locked and no entry of teaching staff and children were allowed in the school. For example, Government High School Tarnab was recently constructed but the land owner locked the school.

Similarly record of DEO (Male) Charsadda revealed that GPS Gul Jan Killi was constructed in the year 1992-93. However, the school was illegally occupied by the land since long and said school is functional in a rented building. Detail given at **Annex-4**.

The lapses occurred due to weak financial and administrative controls resulting in violation of rules and loss of funds on account of rent of school buildings.

When pointed out in November 2020, Management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends stoppage of practice of appointment of landowners as class IV for return of offering land for schools. In addition, immediate mutation and transfer of land in the name of Government must be done besides taking disciplinary action against the staff of the local office who executed such agreements with the landowners.

**AIR Para No. 03 (DEO(F))/2019-20**  
**AIR Para No. 12 (DEO(M))/2019-20**

## **B. Procurement related irregularities**

### **2.5.2.5 Irregular Purchase of medicine - Rs. 37.653 million**

According to **clause-C** of DG Health KP letter No. 4333-4450/DDC/DGHS/KP dated 27/09/2019, the purchasing entities shall keep in view and shall be responsible to vigilantly act upon the terms/conditions and delivery time frame as agreed by the supplier/s as per enclosed specimen' of contract agreement. **Clause-H** of the letter states that in consultation with the end users, purchasing entity shall submit mandatory quarterly reports regarding the clinical and /or other parameters of the relevant items in the list as used at their end on the given formal. According to **clause-D**, the Purchasing Entities shall ensure to deliver a copy of each and every supply order as well as of the Supply Completion Certificate/s to the office of MCC, DGHS Office, Peshawar for the purpose of surveillance, monitoring, evaluation and future procurement planning.

**Clause-6** of the agreement of Govt. MCC rate contract agreement, the procuring entity shall arrange to obtain samples from each batch of the supplied drugs/medicine through notified Drug Inspectors concerned and send to the concerned Drug Testing Laboratory (DTL) for test/Analysis.

**Clause-14** of the agreement provide for obtaining 10% performance guarantee from the supplier which shall be released after completion of supply.

Office of DHO, Charsadda incurred expenditure of Rs. 37,653,371 on account of purchase of medicine for various health centers during the financial year 2019-20 as per details given below:

<b>S#</b>	<b>Particular</b>	<b>Expenditure (Rs. in million)</b>
01	CA6271-BHUs	28.645
02	CA6270-RHCs	1.704
03	CA6269-THQ Tangi	4.177
04	CA6226-THQ Shabqadar	1.907
05	CA6117-CDs	0.720
06	CA6111-NCH	0.500
<b>Grand Total</b>		<b>37.653</b>

Audit observed the following irregularities:

1. Payment was made to the firms without the submission of Contract Execution Certificate duly authenticated /signed by the MCC authority.
2. The local office failed to submit quarterly reports regarding clinical efficacy of the Government approved brand of medicine.
3. DHO Charsadda failed to submit “Progress Report of fund utilization” to the DG Health Services, Peshawar”
4. Payment was made without clearance of samples of medicines from Government Drug Testing Laboratory (DTL)
5. 10 % performance guarantee amounting to Rs 376,653 was not obtained from a single supplier.
6. The bill/invoice of most of the suppliers did not show the batch No. Of the medicine, manufacturing date and expiry date. Thus the medicine supplied cannot be verified with the delivery challan and with the items in the store.

The lapse occurred due to lack of financial management and weak internal control in procurement process, resulting in waste of public money.

When pointed out in August 2020, Management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

Audit recommends for inquiry and fixing responsibility.

**AIR Para No. 17(DHO)/2019-20**

**2.5.2.6 Advance payment and Non-supply of medicines - Rs. 9.056 million and non-imposition of penalty - Rs. 0.594 million**

According to Rule 290 of Treasury Rules, “No money should be drawn from Treasury unless required for immediate disbursement. It is not permissible to draw money from treasury in anticipation of demand or to prevent lapse of budget grant”.

Clause 18(ii) of the MCC notification states that upon delay in the supply from (46 to 60 days), a lump sum total penalty amounting to 7% of the total amount of the supply order for total number of items ordered in the same supply order issued to the supplier, shall be levied through deduction the total amount of penalty from the total pre-tax payable billed amount by the purchasing entity irrespective of the number of items supplied late.

Further clause 18(iii) states that after the expiry of these extended periods (46 to 60 days), the order shall stand cancelled to the extent of non-supplied items and the purchaser will have the right to debar the supplier from future participation, forfeiture of performance guarantee, and black listing of supplier.

Office of DHO Charsadda drew Rs. 9,056,614 on account of purchase of medicines for BHUs & Category-C hospitals during the financial year 2019-20. It was observed that the supplier have either not supplied the medicines or supplied partially. However, the office neither informed the DGHS Peshawar nor served any notice of taking legal action against the firm. Moreover, penalty amounting to Rs. 593,964 were also required to be recovered from suppliers. Detail is given at **Annex-5**.

Non-supply of medicines besides advance payment and non-recovery of penalty was due to weak financial management resulting in lack of appropriate medicine in health facilities for the consumption of public at large.

When pointed out in August 2020, Management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

The funds drawn against medicines on advance needs deposit in government treasury and imposition of penalty against the defaulted firms under intimation to audit.

**AIR Para No. 22 (DHO)/2019-20**

### **2.5.2.7 Non-supply of furniture-Rs 15.01 million**

According to the minutes of the meeting dated 08-02-2019 under the chairmanship Additional Deputy Commissioner Charsadda, it was decided that: -

- i. The cheque will be issued to FDC in advance.
- ii. After receiving the cheque the FDC SAW Mills will be bound to complete the supply of furniture within 70 days positively.
- iii. Furniture will be manufactured in FDC Manshera and furnishing will be made in District Charsadda.
- iv. FDC will supply the furniture to the stores in Charsadda and no direct supply will be made to schools,
- v. Technical committee will inspect the furniture stored and supply will be made to schools after wards.

Office of DEO (Male and Female), Charsadda during for the financial year 2019-20 drew Rs. 7,953,450 from government treasury and paid to Forest Development Corporation on 21.06.2019 on account of purchase of furniture. However, the furniture was not supplied till date of audit i.e. November 2020. The local office did not take any action against the defaulter supplier till date.

Irregularity occurred due to weak internal controls as the department failed to push supplier for timely supply of furniture resulting in non-conducive learning environment to the students.

When pointed out in November 2020, management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

The matter is therefore, reported to higher-ups for appropriate action.

**AIR Para No. 17 (DEO(F))/2019-20**  
**AIR Para No. 01 (DEO(M)) /2019-20**



## C. Management of Accounts with Commercial Banks

### 2.5.2.8 Loss to Government due to non-conversion of Bank Account into PLS mode – Rs. 2.844 million

Finance Department Khyber Pakhtunkhwa Peshawar letter No. 2/3-(F/L)/FD/2007-08/ Vol-IX dated 10.02.2014 read with even letter dated 16.03.2018 has allowed sanction of bank accounts in commercial banks for various departments / autonomous /corporation in KP. Now such accounts may be converted into PLS mode and profit earned may be deposited into Government Treasury under the relevant Head of Account not later than a week when declared by the bank.

Offices of DC and DHO Charsadda during the financial year 2019-20 maintained / operated different bank accounts for different purposes. However, the accounts were operated in current accounts mode and had not been converted into PLS mode as per instructions issued by the Finance Department. Due to non-conversion of accounts into PLS mode, loss of Rs. 2.844 million was sustained by the Government. Detail is given below: -

(Rs. in million)							
S.#	Office	Account No.	Bank Name	Opening balance	Closing balance	Average balance	Expected Profit
<b>DC office Charsadda</b>							
1.	DC office	4109891189	NBP	4.085	5.457	4.771	0.219
2.	DC office	4109891778	NBP	0.027	2,484	1.256	0.058
3.	DDMU	09474-00-1	BOK	4.828	23.798	1.431	0.658
4.	Tehsildar Tangi	00306-00-7	BOK	2.339	1.489	1.914	0.088
5.	Tehsildar Shabqadar	0024-00-6	BOK	2.848	1.898	2.373	0.109
<b>Sub-Total - A</b>							<b>1.132</b>
<b>DHO office Charsadda</b>							
1.	DHO	12365-00-4	BOK	50.774	15.064	32.919	1.646
2.	Polio	4109891376	NBP	1.077	1.545	1.311	0.066
<b>Sub-Total - B</b>							<b>1.712</b>
<b>Grand Total(A+B)</b>							<b>2.844</b>

Non conversion of bank accounts into PLS occurred due to non-compliance of the rules, which caused loss to government.

When pointed out in August 2020, the management of Deputy commissioner replied that a letter for conversions of these accounts from current to PLS accounts to concerned Bank managers had been issued & results would be furnished to the management (copy of letter enclosed).

Reply was not convincing as the accounts in the banks have not been converted into PLS mode despite clear instructions issued by the Finance Department time and again regarding conversion of the bank accounts from current into PLS.

In the meeting held on 07.10.2020, the DC office reiterated its earlier reply. DAC directed that all bank accounts be immediately converted into PLS mode within a month under intimation to audit. However, no progress was intimated till finalization of the report.

However, DHO Charsadda neither replied nor DAC was arranged.

Audit recommends implementation of DAC decision regarding immediate conversion of current bank accounts into PLS.

**AIR Para No. 08 (DC)/2019-20**  
**AIR Para No. 07(DHO)/2019-20**

#### **2.5.2.9 Non-reconciliation of closing balances – Rs. 14.127 million**

Government of Khyber Pakhtunkhwa Finance Department vide letter No. 2/3(F/L)/FD/2018 / Vol-XII dated: 03.07.2019 stated that closing balances in all designated bank accounts falling in the purview of the department concerned with respective Budget / Development Sections of Finance Department latest by July 15th, 2019 alongwith verified bank statement for 2018-19. Moreover, the balances in the bank accounts, if any, remaining on June 30<sup>th</sup>, 2019 shall not be available for use without its prior revival by Finance Department during the Financial Year 2019-20. In case of no response by the target date, the funds available in their designated bank accounts shall stand frozen and no further transaction could be made out of their designated bank account by the department concerned.

Office of DC Charsadda maintained various bank accounts for relief measures at designated account during 2019-20. Bank statement shows closing balance of Rs. 14,127,420 as on 30.06.2019.

(Amount in Rupees)

S.#	Title of Account	Account No.	Bank Name	Closing Balance as on 30.06.2019	Debit transaction during 2019-20
1.	DC office	4109891189	NBP	4,084,817	19,156,792
2.	DC Office	4109891778	NBP	27,406.93	16,811,400
3.	DDMU	09474-00-1	BOK	4,828,178	22,030,274
4.	Tehsildar Tangi	00306-00-7	BOK	2,339,279	9,980,200
5.	Tehsildar Shabqadar	0024-00-6	BOK	2,847,740	4,008,333
<b>Total</b>				<b>14,127,420</b>	<b>71,986,999</b>

Neither reconciliation was carried out with the Bank nor was the case for revival of fund in the designated bank account submitted to the Finance Department for authority of utilization of the fund. Therefore, the expenditure amounting to Rs. 71,986,999 made thereafter out of these bank accounts were deemed irregular and unauthorized.

Non-reconciliation of closing balances and utilizing of fund without revival from the Finance Department occurred due to weak financial management, which resulted in non-reflecting the true picture of the financial information.

When pointed out in August 2020, the management replied that each designated account was opened for separate purpose such as polio campaign, pity expenditure and salary of lower staff, relief funds and Disaster management.

Reply was not convincing as the office neither reconciled the expenditure nor approval of revival of closing balancing obtained from the Finance Department as all the funds irrespective of its nature are related to the government.

In the DAC meeting held on 07.10.2020, the office reiterated its earlier reply. DAC directed that reconciliation be taken within a month under intimation to audit. However, no progress was intimated till finalization of the report.

Audit recommends reconciliation and regularization of utilization of fund without the approval of the revival of fund of the Finance Department.

**AIR Para No. 09 (DC)/2019-20**

**2.5.2.10 Irregular retention of fund in bank accounts – Rs.15.064 million**

Rule 290 of Treasury Rules states that no money should be drawn from Treasury unless required for immediate disbursement. It is not permissible to draw money from treasury in anticipation of demand or to prevent lapse of budget grant.

Office of DHO Charsadda kept unspent balance of Rs. 15,063,925 in Bank of Khyber in designated bank account bearing No. 12365-00-4 as on 30.06.2020 during 2019-20. In the absence of proper claimer, the amount required to be deposited into Government treasury. Further, Audit observed that if money was not required then why it was drawn from the Government Treasury.

The lapse occurred due to weak internal control and lack of financial management which resulted in blockage of fund.

When pointed out in August 2020, Management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

Audit suggests that the figures may be reconciled with the bank and the unspent balance be surrendered to the Government.

**AIR Para No. 09(DHO)/2019-20**

**2.5.2.11 Loss to Government due to non-conversion of PTC Fund Bank Accounts into PLS mode – Rs. 3.00 million**

Finance Department Khyber Pakhtunkhwa Peshawar letter no. 2/3-(f/1)/FD /2007-08/ Vol-IX dated 10.02.2014 read with even letter dated 16.03.2018 has allowed sanction of bank accounts in commercial banks for various departments / autonomous /corporation in KP. Now such accounts may be converted into PLS mode and profit earned may be deposited into government

treasury under the relevant head of account not later than a week when declared by the bank.

Parent Teacher Council Fund (PTC Fund) Bank Statements of the District Education Officer (Female), Charsadda for the year 2019-20 revealed that 50% of PTC Fund Bank Accounts were still in Current Mode and did not convert into Profit & Loss Sharing (PLS) Mode.

Non-conversion of accounts into PLS Mode not only violation of Finance Department instruction *ibid*, but also a serious considerable loss to public exchequer.

Non-conversion of bank accounts into PLS occurred due to non-compliance of the rules and negligence of local office management.

When pointed out in October 2020, the management did not reply.

Audit recommends immediate conversion of current bank accounts into PLS besides disciplinary action against the person(s) at fault.

**AIR Para No. 11 (DEO (F)/2019-20)**

### **2.5.3 Value for money and service delivery issues**

#### **2.5.3.1 Non-deposit of unspent PPHI Bank Balance in Government Treasury – Rs. 23.522 million**

Para 2 (c) of the Judgment of Peshawar High Court under writ petition 2050-P of 2016 states that “Funds remaining with the District Office of PPHI at the end of June,30, 2016 shall be deposited back in the Government Treasury in the respective head”.

Record of the DHO, Charsadda for financial year 2019-20 revealed that Rs. 23,522,000 were transferred to PPHI bank account for purchase of medicines for BHUs at the 4<sup>th</sup> quarter in 2016, but not spent due to closure of PPHI by the Government in June 2016. The honorable Peshawar High Court ordered to deposit back the amount in government treasury. However no evidence of deposit was shown to audit.

Lapse occurred due to weak internal controls resulting in non-deposit of the unspent PPHI Bank balance into the government treasury.

When pointed out in August 2020, Management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

Audit recommends clarification regarding deposit of unspent balance.

**AIR Para No. 02(DHO)/2019-20**

#### **2.5.3.2 Loss due to non-achieving the receipt targets – Rs 15.524 million**

As per Director General Health Services letter No.5009-34/Budget/SNE dated 19.08.2019, the receipt target of Rs. 23,324,000 was fixed for the office of District Health Officer, Charsadda for the year 2019-20 and in case of any downfall in the target the officer will be held responsible

Office of DHO Charsadda during the financial year 2019-20 collected total receipts for Rs. 7,800,000 against the targeted receipt of Rs. 23,324,000 from all facilities (CDs, BHUs, RHCs, THQs etc) under the heads C02841 and C02845. Thus an amount of Rs. 1,5524,000 (23324000-7800,000) was less

realized which not only resulted in loss to public exchequer but also affected the performance of District Health Office.

Non-achieving targeted receipts occurred due to weak internal controls which resulted loss to the government.

When pointed out in August 2020, Management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

Audit recommends clarification against less realization of receipts.

**AIR Para No. 04(DHO)/2019-20**

### **2.5.3.3            Illegal Occupation of BHU Qilla Shah Baig by Police Since 1999**

Para 4 (iii) of Minutes of Meeting Held on 07-02-2020 of Provincial Assembly Secretariat, Khyber Pakhtunkhwa circulated vide letter NO.PA/KP/DS/PS/2020/-1962-74 states, “The Police Contingent will be withdrawn from Basic Health Unit (BHU) Qilla Shah Baig immediately.”

Record of the DHO Charsadda for financial year 2019-20 revealed that the BHU Qilla Shah Baig building was illegally occupied by Police contingent in 1999 and still not vacated, despite the fact that a separate building for Police was constructed in Feb 2004. In the meeting held on 07.02.2020, the DC expressed great concern that “Due to lack of interest of the Health and Police Departments and specifically mentioned that Health Department is sleeping and did nothing in this regard” which caused loss to public interest and thus poor people of the area were deprived of basic health facilities.

The lapse occurred due to lack of interest of management resulting to the non-availability of health facility to the local area.

When pointed out in August 2020, Management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

Audit recommends corrective necessary action in this regard and to justify salaries of the staff of concerned BHU Qilla Shah Baig.

**AIR Para No. 05(DHO)/2019-20**

**2.5.3.4 Management failure due to Non-Construction of District Health Office on Plot Purchased in 1995 Measuring 05 Kanal & 10 Marla**

According to Rule 74 of the District or City District Government Budget Rules 2016 states that every officer incurring or authorizing expenditure from district fund shall be guided by high standards of financial propriety. Among the principles on which generally greater emphasis is laid are (a) 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.

Office of DHO Charsadda purchased a piece of land measuring 05 kanal & 10 marla in 1995 for District Health Office. However, the local management failed to make any efforts for allocation of funds and to construct building for District Health Office till August 2020. DHO is working from Doctors' Hostel of District Headquarter Hospital (DHQ) Charsadda since long. Thus precious medicines & equipment purchased every year are dumped in different far flung Basic Health Units (BHUs). Which results in wastage of resources in the shape of POL, vehicles wear & tear, wastage of time & human resources and freight charges at the time of issue of medicine to facilities.

The non-construction of DHO building occurred due to negligence of the local administration resulting in loss of resources in the shape of logistics.

When pointed out in August 2020, Management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

Audit recommends immediate necessary action in this regard.

**AIR Para No. 36 (DHO)/2019-20**



**2.5.3.5 Non-deposit of bank profit into Government treasury – Rs.3.390 million**

According to Finance Department Khyber Pakhtunkhwa Peshawar letter No. 2/3-(F/L) / FD / 2007-08/Vol-IX dated 16.03.2018 read with even no dated 10.02.2014, the interest / profit amounts accrued/earned on the funds placed in government banks (PLS mode) may be deposited in government treasury under the following head of account:

C01	total income from property and enterprise
C018	total interest on loan – others
C01803	interest realized on investment of cash balance
PR5562	RCO #

Record of Parent Teacher Council (PTC) Fund in the office of District Education Officer Female, Charsadda for the year 2019-20 revealed that the PTC Fund Accounts were operated in saving mode and realized profit amounting to Rs. 3,390,370 thereon w.e.f 01/7/2019 to 30/6/2020 but was not deposited and credited into government treasury. Detail of profit realized is as under:

(Amount in Rs.)

Year	Profit realized from Secondary Schools Rupees	Profit realized from Primary Schools Rupees			Profit in Rupees
	DEO FEMALE	SDO (F) Charsadda	SDO (F) Shabqadar	SDO(F)Tangi	Total
2019-20	1,000,803	1,050,000	489,567	850,000	<b>3,390,370</b>

Profit realized from since 2014 till date needs to be accumulated from bank statements of PTC Fund Accounts and deposited into government treasury accordingly.

Non-deposit of bank profit occurred due to non-observance of rules, resulting in loss to government.

When pointed out in November 2020, Management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends credit of profit into Government Treasury.

**AIR Para No. 01 (DEO(F))/2019-20**

#### 2.5.4 Others, including cases of accidents, negligence etc.

##### 2.5.4.1 Unauthorized Deduction and Overcharging in Issuance of Arms License – Rs. 2.053 million

According to Para 6 sub para (6.2) of agreement executed for collection of Arms License Fee Services states that “The second party in addition to the fee fixed for the arms license, shall charge a fee at the rate of rupees twenty (Rs. 20/) per transaction payable by the applicant at the time of transaction. In case of extension of this agreement, this rate may be increased by thirty per cent (30%).

In the office of DC Charsadda, M/S M.Comm: Private Limited with the brand name A2Z E-payment unlawfully deduct and charge fees in various heads which has accumulated effect of Rs. 2,053,350. The unauthorized deduction resulted in loss to general public as original agreement allowed only Rs. 20 per transaction; whereas, firm was charging Rs. 130 per transaction as detailed below:

Year	Total No of Licenses Issued by A2Z	Transaction Fee (Rs)	File Fee (Rs)	Pouch Fee (Rs)	NADRA Fee (Rs)	Fee Total (Rs) B+C+D+E	Total unauthorized deduction and overcharging (A*F)
	A	B	C	D	E	F	G = A x F
2017-20	8100	130-20=110	110	3.50	30	253.50	2,053,350

Unauthorized deduction and overcharging was due to weak internal financial controls which resulted in extortion of money from general public.

When pointed out in August 2020, the management replied that the para did not relate to their office as the agreement was between the Home & Tribal Affairs Department Khyber Pakhtunkhwa and M.Comm Private Limited under the brand name A2Z. In this regard, the Home Department KP was requested vide letter No. DC(CHD)/LC/4595 dated 04.09.2020 (copy enclosed) for reply of audit para. Reply was not convincing as the A2Z had overcharged from the license holder.

In the DAC meeting held on 07.10.2020, the office reiterated its earlier reply. DAC directed that the matter be reported to Home Department for clarification. No progress was reported till finalization of this report.

Audit recommends implementation of the DAC decision otherwise recovery of overcharged be made and deposit into government treasury.

**AIR Para No. 01(DC)/2019-20**

**2.5.4.2 Unauthorized Cash retention of Forensic Science Laboratory Fee of Restricted Bore Weapons – Rs. 0.870 million**

According to Para 9 of the Restricted Bore Weapons, Arms & Ammunition Licensing Policy 2018 of Khyber Pakhtunkhwa Notification No. SO (Arms)/HD 432(RB)/18 dated 25.01.2018 “On the issuance of Restricted Bore Weapons at Rs. 30,000, 10% or Rs 3,000 should be deducted for Forensic Science Laboratory Peshawar”.

DC Office Charsadda collected in Cash Rs. 870,000 on account of 10% issuance of restricted bore weapons during financial year 2019-20. However, the amount was neither credited to concerned account nor forwarded to Forensic Service Laboratory Peshawar. The amount was kept in cash in the office with high probability of theft and misappropriation. Detail is as under:

<b>Total No of months Feb 2018 to Jun 2020</b>	<b>Quota per Month of Restricted Bore Weapons</b>	<b>License issuance Fee per Number of RBW (Rs)</b>	<b>10% Share of Forensic Service Laboratory Peshawar per License (Rs)</b>	<b>Total Amount in Cash Received @ Rs 10% of Total Amount of RBWs (Rs)</b>
<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>A*B*D=E</b>
29	10	30,000	3,000	<b>870,000</b>

Failure to deposit government revenues into the treasury occurred due to weak financial management resulting in loss to the public exchequer.

When pointed out in August 2020, the management replied that the office had submitted recommendation of one hundred and seventy one (171) applicants,

as forwarded by the District Arms License Committee from February 2018 till 30.06.2020. After acceptance of application, the requisite fees i.e. Rs. 30,000 and 10% or Rs. 3000 as FSL fees were collected. However, the said amount could not be deposited as the head of account for the said amount was not created yet. They also seek advice from the Home & TA Department vide letter No. DC (CHD)/LC/12849-52 dated 15.11.2019 but to no avail. Reply was not convincing as amount is still parked in their designated account.

In the DAC meeting held on 07.10.2020, the office reiterated its earlier reply. DAC directed that the amount be deposited into government treasury. No progress was reported regarding the deposit in government treasury.

Audit recommends immediate deposit of cash into government treasury.

**AIR Para No. 04(DC)/2019-20**

#### **2.5.4.3 Loss due to Less Collection of Fine– Rs. 2.700 million**

According to Khyber Pakhtunkhwa Food Stuffs (Control) Amendment Act 2013, Amendment of section-6 and sub section (3) of W.P. Act No XX of 1958 notified to all the Commissioners/Deputy Commissioners etc vide No 7556 dated 20-3-2013, 3398 dated 10-4-2013 and 1894-99 dated 22-4-2013, If any person to whom a direction is given under sub section 2 of section 3, fails to comply with the direction, he shall be punished for imprisonment for a term which may extend to three years but shall not be less than seven days or with fine which may extend to forty five thousand rupees (45,000) but shall not be less than five thousand rupees (5,000) or with both.

Office of DC, Charsadda during the financial year 2019-20 did not collect the fine within the permissible range of rupees (5,000 to 45,000). The deputed staff of ACs/AACs imposed fine at lesser rates which resulted in loss of Rs. 2,699,500 to public exchequer as detailed below:

S No.	Name of Office	Fine Less Recovered (Rs)
1	Assistant Commissioner Charsadda (AC)	582,000
2	Additional Assistant Commissioner Charsadda (AAC-1)	491,000
3	Additional Assistant Commissioner Revenue Charsadda	239,200
4	Additional Assistant Commissioner, Shabqadar (AAC-1)	1,387,300
5	Assistant Commissioner Tangi (AC): Record not produced	0
6	Additional Assistant Commissioner Tangi (AAC): Record not produced to Audit	0
<b>Total Less Recovery Except AC &amp; AAC Tangi:</b>		<b>2,699,500</b>

Loss occurred due to weak internal controls resulting in less collection of receipts.

When pointed out in August 2020, the management replied that most of the violators were fined under price control and Enforcement Act, 1977, which did not provide for such limitations. Given the low socio-economic condition of district Charsadda, it was also not advisable to impose hefty fines on the poor shopkeepers. Reply was not convincing as the challan book does not show the nature of violation and the find impose upon them.

In the DAC meeting held on 07.10.2020, the office reiterated its earlier reply. DAC directed that fines must be imposed within the prescribed limits.

Audit recommends compliance of the government orders and recovery.

**AIR Para No. 10(DC) / 2019-20**

#### **2.5.4.4 Losses due to non-collection of Fine – Rs. 2.045 million**

According to KP Food Stuffs (Control) Amendment Act 2013, Amendment of section-6 and sub section (3) of W.P. Act No XX of 1958 notified to all the Commissioners/Deputy Commissioners etc vide No 7556 dated 20-3-2013, 3398 dated 10-4-2013 and 1894-99 dated 22-4-2013, If any person to whom a direction is given under sub section 2 of section 3, fails to comply with the direction, he shall be punished for imprisonment for a term which may extend to three years but shall not be less than seven days or with fine which may extend to forty five thousand rupees (45,000) but shall not be less than five thousand rupees (5,000) or with both.

Office of DC Charsadda during the financial year 2019-20 did not collect the fines from the violators and rather extended relaxation which was not only discriminatory against those who were charged previously but also resulted in loss of Rs. 2,045,000 to the public exchequer. Details produced below:

S No	Name of Authority	Nos. of violators Relaxed	Minimum Fine Rate to be recovered	Total Loss (Rs)
1.	AC Charsadda	86	5000	430,000
2.	AC Tangi	31	5000	155,000
3.	AAC-1 Charsadda	94	5000	470,000
4.	AAC (Rev) Charsadda	68	5000	340,000
5.	AAC Shabqadar	130	5000	650,000
<b>Total :</b>				<b>2,045,000</b>

The lapse occurred due to weak financial and administrative management resulting in loss to the public exchequer.

When pointed out in August 2020, the management replied that many violators were warned only and fines were not imposed on them owing to their conditions due to COVID-19. Most of them were fined under NDMA Act on violation of SOPs of COVID-19. Furthermore, the said Act did not define the limits of the fine and hence allow the concerned to fine the violators as per nature of violation. Reply was not convincing as perpetrators could have been warned only but once booked under violation then exemptions were not allowed.

In the DAC meeting held on 07.10.2020, the office reiterated its earlier reply. DAC directed that compliance should be ensured on fines within the permissible limit. No progress was reported till finalization of this report.

Audit recommends detailed inquiry into the matter for fixing of responsibility on persons at fault.

**AIR Para No. 11(DC)/2019-20**

#### **2.5.4.5 Non-Disbursement of Award of money to Owners of Land – Rs. 8.91 million**

According to Land Acquisition Act 1894 Para 11.B the whole process of land acquisition should be completed within six months by the collector otherwise, he will be personally responsible for delay may result in disciplinary proceeding against him/her.

In the office of DC Charsadda, owners of the land in Shabqadar, Attakai and Ochawala were not paid money for land award equal to Rs. 8,909,053 during 2019-20. Moreover, taxes of government on account of acquisition of land for current period and last four years need to be scrutinized to ensure transparency in crediting government due to government treasury. Detail of non-disbursed award of money is given in **Annex-6**.

Non-disbursement of award of money to the owners occurred due to lack of interest of concerned revenue staff resulting in slow process of acquisition.

When pointed out in August 2020, the management replied that all the related record pertaining to the concerned audit observation is enclosed for ready reference along with DAO reconciled expenditure. Reply was not convincing as record was not provided to audit.

In the DAC meeting held on 07.10.2020, the office reiterated its earlier reply. DAC directed that disbursement and reconciliation statement be provided to verification. No progress was reported till finalization of this report.

Audit recommends implementation of the DAC decision.

**AIR Para No. 13(DC)/2019-20**

#### **2.5.4.6 Unverified expenditure incurred for arrangements of Polio vaccination campaign – Rs. 8.540 million**

Commissioner, Peshawar Division requested vide letter No. 3/11/Accounts / SPC / Vol-4 / 9958 dated 09.08.2019, that Deputy Commissioner may disburse funds on receipt of Actual payee receipt after fulfilling all codal formalities and its submission to the quarter concerned.

DC Charsadda during the financial year 2019-20 paid Rs. 8,540,250 million to District Police Officer, Charsadda for arrangements of polio vaccination Campaign and its security in district Charsadda as per detail below but the requisite Payment vouchers /Acquaintance Rolls were not available in their office despite the fact that instructions were issued to DPO to submit the acquaintance roll. Further, the payment was made by the DC office to DPO without breakup & details of the individuals who performed duty during the polio campaign. Moreover, the detail of transportation, tax deduction, service tax on services detail could not be verified the availability of record submission by DPO. Furthermore, certificate regarding non-payment of expenditure from other source were also not available. Therefore, the actual expenditure and saving, if any, was not known to audit and the expenditure remained unverified.

S.No	Cheque No	Date	Amount (Rs)
1.	27996738	05.06.2018	12,756,800
2.	7943982	16.07.2019	1,159,750
3.	7943984	02.09.2019	921,500
4.	7943987	18.09.2019	2,202,500
5.	7943991	21.11.2019	1,733,000
6.	52522954	05.2019	1,200,000
7.	152522958	01.06.2020	1,323,500
<b>Total</b>			<b>8,540,250</b>

The lapse occurred due to non-observance of rules, resulting in irregular releases of funds leading to un-authentic payment.

When pointed out in August 2020, the management replied that orders of staff deputed for security of polio campaign during the year 2019-20 along with acquaintance role are enclosed for presenting to the management. No expenditure incurred on transportation of security staff by DPO office from polio fund. Reply was not convincing as the relevant record was not provided.

In the DAC meeting held on 02.10.2020, the office reiterated its earlier reply. DAC directed that the record be provided for verification. However, record was not provided for verification till finalization of this report.

Audit recommends implementation of the DAC decision.

**AIR Para No. 16(DC)/2019-20**



#### **2.5.4.7 Non-Disbursement of Relief Fund – Rs. 3.920 million**

According to Section 36 of LGA 2013, the accounts of receipts and expenditure of local governments shall be kept in such form and in accordance with such principles and methods as the Auditor-General of Pakistan may prescribe.

DC, Charsadda during the financial year 2019-20 released the Relief Fund to Tehsildars of Charsadda and Shabqadar which were not disbursed to affectees till date of audit. Non-disbursement of fund to affectees not only resulted in a bad stigma on the performance of the concerned staff but also deprived the affectees of their due right. Detail of un-disbursed amount is given at **Annex-7**.

Non-disbursement of relief fund occurred due to negligence of concerned staff.

When pointed out in August 2020, the management replied that an amount of Rs.1,280,000 were already disbursed amongst the claimants. Actual Payee Receipts are enclosed herewith. Reply was not convincing as the APRs of the amount of Rs. 1,280,000 were not shown to audit.

In the DAC meeting held on 02.10.2020, the office reiterated its earlier reply. DAC directed that record be provided for verification within a month. However, no progress was intimated till finalization of this report.

Audit recommends immediate disbursement and provision of Actual Payee Receipts to audit.

**AIR Para No. 18(DC)/2019-20**

#### **2.5.4.8 Non-recovery of outstanding electricity charges – Rs.7.123 million**

According to Rule 74 of the District or City District Government Budget Rules 2016 states that every officer incurring or authorizing expenditure from district fund shall be guided by high standards of financial propriety. Among the principles on which generally greater emphasis is laid are (a) 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 (d) Public moneys should not be utilized for the benefit of a particular person or section of the community unless the amount of expenditure involved is insignificant.

In the office of DHO Charsadda, record revealed that outstanding electricity charges amounting to Rs. 7,122,757 from the occupants of residential bungalows and quarters in Category “C” Hospital Shabqadar and Tangi were not recovered since ages. Details produced below:

Name of hospital	Electricity bill outstanding against the occupants (Rs.)
THQ Shabqadar	6,406,374
THQ Tangi	716,383
<b>Total</b>	<b>7,122,756</b>

Non-recovery of outstanding dues occurred due to weak internal controls which resulted in raising of electricity liability against the government leading to loss to the public exchequer.

When pointed out in August 2020, management did not reply.

Request for convening the DAC meeting was made in September 2020, which could not be convened till finalization of this report.

Audit recommends immediate recovery of electricity charges from the concerned defaulters.

#### **AIR Para No. 27 &29 (DHO)/2019-20**

##### **2.5.4.9 Millions of loss due to implementation of merging policy of Schools**

According to District Education Officer Female Charsadda letter No.14689-92 dated 10-4-2018, addressed to Deputy Commissioner Charsadda, “27 number schools were merged in Charsadda/Shabqadar/Tangi, and the vacated merged schools buildings would be taken over by District government for being the Government Property”.

During 2019-20, the record of District Education Office Charsadda revealed that multiple schools were vacated under the school merging policy and

handed over to district administration for being government property. Audit has following observations:

1. The class IV staff attached to the merged schools were paid without duty since their schools were shifted.
2. Schools closed soon turned into dilapidated buildings wasting millions spent on their construction, furniture & fixtures, play areas, basic facilities and other infrastructure development
3. Children deprived from education at their doorstep and pushed into crowded classrooms.

The school merged policy implemented due to ill-planning of education department resulting in loss of millions of rupees to the government.

When pointed out in November 2020, Management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends re-opening of merged schools to educate the bereaved students at their doorstep.

**AIR Para No. 15 (DEO (F)) /2019-20**

**2.5.4.10 Wastage of government funds due to construction of schools on donated & un-mutated land – Rs. 18.376 million**

Clause (b) of section “public service delivery units” of agenda No.18 of the minutes of the meeting with all divisional commissioners and deputy commissioners under the chairmanship of chief Secretary, Khyber Pakhtunkhwa circulated letter vide No. PSO/CS/KPK/PMRU/2019 dated 7th November, 2019, directed all deputy commissioners/secretary health, Local govt. and E&SE to mutate schools/BHUs & other Government Buildings land.

In the office of DEO(F) Charsadda, 02 GMS and 06 GGPS were constructed with the cost of Rs. 18.376 million in 2019-20. However, land of these schools was neither purchased nor mutated in the name of department. Resultantly, schools were constructed on the donated land on the promise of class

IV vacancies in respective schools in sheer violation of Supreme Court Decision. Now, landowners were neither transferring land in the name of government nor letting department to make schools functional due to appointment disputes. Detail provided below: -

S#	Name of school	Date of completion	Total cost in million
1	GGMS Aranda Halimzai	2009	2.688
2	GGPS Gaggar	2018	12.575
3	GGPS Srikh	2019	-
4	GGMS Mahzara	2018	-
5	GGPS Khyberikoronaumerzai	2019	-
6	GGPS Khan Mir Killi	2012	3.113
<b>Total</b>			<b>18.376</b>

Construction of schools on disputed lands occurred due to non-observance of rules and regulations resulting in wastage of government money.

When pointed out in November 2020, management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends inquiry besides fixing responsibility on person(s) at fault.

**AIR Para No. 20 (DEO (F))/2019-20**

**2.5.4.11 Irregular expenditures on account of construction of school – Rs. 11.24 million**

Clause(b)of section “public service delivery units” of agenda No.18 of the minutes of the meeting with all divisional commissioners and deputy commissioners under the chairmanship of chief Secretary, Khyber Pakhtunkhwa circulated letter vide No.PSO/CS/KPK/PMRU/2019 dated 7<sup>th</sup> November 2019, directed all Deputy Commissioners/Secretary Health, Local govt. and E&SE to mutata schools/BHUs & other Government Buildings land.

In the office of DEO (Female) Charsadda, school building of GGPS Khebari was constructed at the cost of Rs. 11.24 million during financial year 2019-20; however, the school could not be shifted from rented school building as

land owner was not allowing the school to be made functional in new building due to appointment disputes.

The irregularity occurred due to weak financial and administrative controls resulting in wastage of government funds on construction of school on disputed land.

When pointed out in November 2020, Management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends inquiry besides fixing responsibility on person(s) at fault.

**AIR Para No. 21 (DEO (F))/2019-20**

**2.5.4.12 Wasteful expenditure due to defective specification of Monkey Bar – Rs. 4.618 Million**

According to Specification of Play Area, a cluster of four type entertainment items including Monkey Bar, Sea Saw, Swing and Climber was provided to District Education Officer (Female). The specification of Monkey Bar designed for entertainment of children from prep class to 5<sup>th</sup> class, was inadequate and non-comfortable. The specification dimensions of one number Monkey Bar is as under:

Length	Height	Material Description	Amount Rs
12 Feet	10 Feet	Steel Pipe GI/ILL or EL medium 3 inches dia with standard gauge (should be used both side the bar)	25,100

In the office of DEO (Female) Charsadda, an expenditure of Rs. 4,618,400 was incurred on the installation of Monkey Bar of play areas in GGPS as per specification at the cost of Rs. 25,100 each/per school during the financial year 2019-20. Audit raised following observations:

- a. Monkey Bars were not designed as per requirement of kids of class 1<sup>st</sup> to 5<sup>th</sup> as 10 feet of height resulted in very serious accidents causing injuries and even fracture of bones of the small kids.
- b. Quality of GI Pipes was below standards and Monkey Bars were under specifications.
- c. In some schools, funds for play areas were issued to schools which had no space for the play areas.

Lapse occurred due to criminal negligence of technical staff who designed Monkey Bars resulting in wastage of government funds.

When pointed out in November 2020, Management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends detail inquiry/recovery and fixing of responsibility.

**AIR Para No. 04 (DEO(F))/2019-20**

#### **2.5.4.13 Non-release of PTC funds in policy areas – Rs. 14.014 million**

According to para-8 of the PTC guidelines, ASDEO circle will collect and submit quarterly report of all primary schools in the circle to SDEO while DDEO concerned collect monthly report from middle, high and higher secondary school and submit to DEO for consolidation.

As per Para 9.11 of Planning & Development Department 2015 guidelines Project's completion period will be restricted to one year for building, nine months for roads and six months for others, as per prevailing policy of the government

In the office of DEO (Female) Charsadda, drawl of Rs. 14,014,900 was made from government treasury during the financial year 2019-20 on account of PTC funds but did not transfer to the respective accounts of the PTCs even after the lapse of considerable time. Details provided below:

S.No	Fund name	Amount	Cheque # & date	Amount (Rs.)	Cheque # & date	Total (Rs.)
1	Amount of CRC	2,445,000	0903449 dated 05.11.2019	2,200,900	0905460 date 19.06.2020	4,645,900
2	Amount of Petty Repair	3,462,000	0903444 Dated 04.11.2019	5,907,000	0905459 date 19.06.2020	9,369,000
<b>Total</b>						<b>14,014,900</b>

Moreover, there was no mechanism between the DEO female office and National Banks Charsadda for the reconciliation for the transfer of funds to the PTC accounts of respective schools.

Lapse occurred due to weak financial controls which resulted in failure on the part of local office to provide minimum basic requirements to the classrooms.

When pointed out in November 2020, Management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends for detail justification and corrective action.

**AIR Para No. 18 (DEO(F))/2019-20**

**2.5.4.14 Irregular expenditure due to non-revival of account–Rs. 16.578 million**

Government of Khyber Pakhtunkhwa Finance Department vide letter No. 2/3(F/L)/FD/2018/Vol-Xii dated: 03.07.2019 stated that, closing balances in all designated bank accounts falling in the purview of the department concerned with respective Budget / Development Sections of Finance Department latest by July 15<sup>th</sup> 2019. Moreover, the balances in the bank accounts, if any, remaining on June 30<sup>th</sup>, 2020 shall not be available for use without its prior revival by Finance Department during the Financial Year 2019-20.

According to rule 290 of Treasury Rules, “no money should be drawn from Treasury unless required for immediate disbursement. It is not permissible

to draw money from treasury in anticipation of demand or to prevent lapse of budget grant”.

The bank statement bearing No. A/C # 4109891787 NBP Charsadda of the Sub-Divisional Education Officer (Female), Charsadda was showing opening balance of Rs. 16,578,100 as brought forward from the year 2018-19 in the designated account of SDEO female Charsadda as on 02-07-2019. However, the amounts were used without prior revival by Finance Department Khyber Pakhtunkhwa for the next financial year. Moreover, an amount of Rs. 1,907,392 was also retained as closing balance on 30.06.2020 which also needs justification.

The lapse occurred due to weak financial management which resulted in defiance of executive orders and rules & regulations.

When pointed out in November 2020, Management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

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

**AIR Para No. 23 (DEO(F))/2019-20**

#### **2.5.4.15 Blockage of PTC funds –Rs. 1.6 million**

Treasury Rule 290 states that 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.

In the office of DEO (F) Charsadda, an amount of Rs. 1,600,000 was released to GGPS Zarbab Ghari for the construction of 02 additional rooms during 2019-20. However, old class rooms were demolished by the PTC of the schools but the funds were neither utilized for the construction of rooms nor surrendered to the government.

The irregularity occurred due to weak internal controls resulting in blockage of government funds.



When pointed out in November 2020, Management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends inquiry in subject matter for fixing of responsibility on persons at fault.

**AIR Para No. 24 (DEO (F))/2019-20**

**2.5.4.16 Unlawful occupation of Government Girls Primary Schools**

Clause(b)of section “public service delivery units” of agenda No.18 of the minutes of the meeting with all Divisional Commissioners and Deputy commissioners under the chairmanship of Chief Secretary, Khyber Pakhtunkhwa circulated vide No.PSO/CS/KPK/PMRU/2019 dated 7<sup>th</sup> November,2019,directed all Deputy Commissioners/Secretary Health, Local govt. and E&SE to mutate schools/BHUs & other Government Buildings land.

In the office of DEO (F) Charsadda, 04 GGPSs are unlawfully occupied by the individuals due to varied reason since long. This forceful occupation could not be removed despite lapse of considerable time. No efforts on record were visible on part of District Education Department to vacate illegal occupants. Details provided below:

S#	Name of school	Remarks
1	GGPS AjonKillay	Land owner issue
2	GGPS Safdar Khan Kalay	Class-IV appointment issue with land owner
3	GGPS Dagwal	Land owner issue
4	GGMS Jalil Abad	Un-known

The lapse occurred due to weak administrative and financial management resulting in loss of educational facilities developed for the benefit of local community.

When pointed out in November 2020, Management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends concrete action by the district management for vacation of the illegal occupation and fixing responsibility against the person(s) at fault.

**AIR Para No. 26 (DEO (F))/2019-20**

**2.5.4.17 Wastage of government funds due to non-functional schools– Rs. 10.88 million**

Clause(b)of section “public service delivery units” of agenda No.18 of the minutes of the meeting with all divisional commissioners and deputy commissioners under the chairmanship of chief Secretary, Khyber Pakhtunkhwa circulated vide No.PSO/CS/KPK/PMRU/2019 dated 7<sup>th</sup> novemebr,2019,directed all deputy commissioners/secretary health, Local govt. and E&SE to mutata schools/BHUs & other Government Buildings land.

Record of the DEO (Male) Charsadda for the financial year 2019-20 revealed that GPS TajakiMeraNisatta was constructed at a cost of Rs. 10.88 million by Works & Services department and taken over by the education department as on 01-03-2019 as per PC-IV of the scheme. However, the school was neither made functional nor mutated in the name of government till date of audit which needs justification. Detail is below:

S#	Name of school	Date of completion	Total cost in million
1	GPS Tajaki Mera Nisatta PK-17	2016	10.88

Irregularity occurred due to weak internal controls resulting in non-benefiting the localities to enroll students.

When pointed out in November 2020, Management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Matter is therefore, reported to higher-ups for inquiry besides fixing responsibility on person(s) at fault.

**AIR Para No. 7 (DEO (F))/2019-20**

## **CHAPTER- 3**

### **Town Municipal Administrations**

#### **3.1 Introduction**

District Charsadda has three Tehsils Municipal Administrations i.e. TMA Charsadda, TMA Tangi and TMA Shabqadar. Each Tehsil Office is managed by a Tehsil Municipal Officer who is further assisted by a Tehsil Officer (Finance), Tehsil Officer (Infrastructure) and Tehsil Officer (Regulation).

**According to section 22 of Local Government Act, 2013 the functions and powers of TMAs are as under:**

- a) Monitor and supervise the performance of functionaries of Government offices located in the Tehsil and hold them accountable by making inquiries and reports to the district government or, as the case may be, Government for consideration and action.
- b) Prepare spatial plans for the Tehsil including plans for land use and zoning and disseminate these plans for public enquiry.
- c) Execute and manage development plans for improvement of municipal services and infrastructure.
- d) Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including for agriculture, industry, commercial markets, shopping centers; residential, recreation, parks, entertainment, passenger and freight transport and transit stations.
- e) Enforce municipal laws, rules and bye-laws.
- f) Prevent and remove encroachments.
- g) Regulate affixing of sign-boards and advertisements.
- h) Provide, manage, operate, maintain and improve municipal services.
- i) Prepare budget, long term and annual municipal development programs.
- j) Maintain a comprehensive data base and information system on services in the Tehsil municipal record and archives and provide public access to it on nominal charges.

- k) Collect taxes, fines and penalties provided under this Act.
- l) Organize sports, cultural, recreational events, fairs and shows.
- m) Organize cattle fairs and cattle markets.
- n) Co-ordinate and support municipal functions amongst village and neighborhood councils.
- o) Regulate markets and services, issue licenses, permits, grant permissions and impose penalties for violation thereof.
- p) Manage municipal properties, assets and funds.
- q) Develop and manage schemes, including site development in collaboration with district government.

### Detail of Audit Planned Formations Expenditure and Receipts

(Rs. in million)

Sr. No	Description	Total Nos	Audited	Expenditure audited FY 2019-20	Revenue/Receipts audited FY 2019-20
1.	Formations	03	03	589.560	288.705
	<b>Total</b>	<b>03</b>	<b>03</b>	<b>592.560</b>	<b>288.705</b>

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

The budget and expenditure position of Tehsil Municipal Administrations in District Charsadda for the year 2019-20 is as under: -

(Rs. in million)

2019-20	Budget	Expenditure	Excess/ (Saving)	%age
<b>Tehsil Municipal Administration, Charsadda</b>				
Salary	208.498	191.437	(17.060)	8.18%
Non-salary	33.160	30.599	(2.561)	7.72%
Developmental	128.836	91.299	(37.537)	29.14%
<b>Sub-Total</b>	<b>370.494</b>	<b>313.335</b>	<b>(57.158)</b>	<b>15.43%</b>
<b>Tehsil Municipal Administration Tangi</b>				
Salary	58.762	51.604	(7.158)	12.18%
Non-salary	30.017	26.596	(3.421)	11.40%
Developmental	212.723	31.806	(180.917)	85.05%
<b>Sub-Total</b>	<b>301.503</b>	<b>110.006</b>	<b>(191.497)</b>	<b>63.51%</b>

<b>Tehsil Municipal Administration Shabqadar</b>				
Salary	49.796	48.357	(1.439)	2.89%
Non-salary	37.382	33.564	(3.818)	10.21%
Developmental	169.377	84.297	(85.079)	50.23%
<b>Sub-Total</b>	<b>256.554</b>	<b>166.219</b>	<b>(90.336)</b>	<b>35.22%</b>
<b>Overall position</b>				
Salary	317.055	291.398	(25.657)	8%
Non-salary	100.560	90.760	(9.800)	10%
Developmental	510.937	207.402	(303.535)	59%
<b>Grand Total</b>	<b>928.551</b>	<b>589.560</b>	<b>(338.991)</b>	<b>36.51%</b>

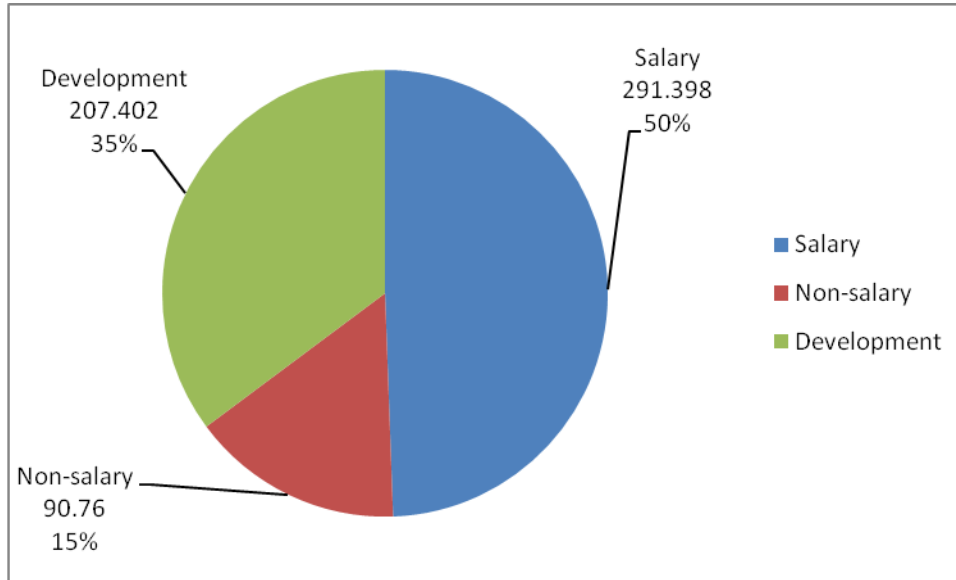
The savings of Rs.338.991 million indicates weakness in the capacity of these local institutions to utilize the allocated budget.

**(Rs. in million)**

<b>Receipt of</b>	<b>Budgeted Receipts</b>	<b>Actual Receipts</b>
TMA, Charsadda	133.319	155.442
TMA Shabqadar	48.492	83.876
TMA Tangi	48.900	49.387
<b>Total</b>	<b>230.711</b>	<b>288.705</b>

## EXPENDITURE 2019-20

(Rs. In million)



### 3.3 Classified Summary of Audit Observations

Audit observations amounting to Rs. 96.252 million were raised as a result of this audit. This amount also includes recoverable of Rs. 50.463 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs. in million)
1.	Irregularities	
A	Procurement related irregularities	3.469
2.	Value for money and service delivery issues	5.038
3.	Others, including cases of accidents, negligence etc.	87.745
<b>Total</b>		<b>96.252</b>

### **3.4 Comments on the status of compliance with TAC Directives**

The audit reports pertaining to following years have been submitted to the Governor of Khyber Pakhtunkhwa. Detail of TAC meetings are given below:

<b>Sr. No.</b>	<b>Audit Year</b>	<b>TAC meeting</b>
1.	2002-03	Not Convened
2.	2003-04	Not Convened
3.	2004-05	Not Convened
4.	2005-06	Not Convened
5.	2006-07	Not Convened
6.	2007-08	Not Convened
7.	2008-09	Not Convened
8.	2009-10	Not Convened
9.	2010-11	Not Convened
10.	2011-12	Not Convened
11.	2012-13	Not Convened
12.	2013-14	Not Convened
13.	2016-17	Not Convened
14.	2017-18	Not Convened
15.	2018-19	Not Convened
16.	2019-20	Not Conveyed

### 3.5 AUDIT PARAS

#### 3.5.1 IRREGULARITIES

##### A. Procurement related irregularities

##### 3.5.1.1 Non-imposition of penalty for non-completion of works – Rs.3.469 million

According to clause 2 of the Contract Agreements and Para No.2 of the work orders, penalty of 1% per day and up to maximum of 10% of the bid cost shall be imposed for delay in completion of work.

TMA Charsadda and Shabqadar during the year 2019-20 awarded different contracts to various contractors. However, the contractors did not complete the schemes within the stipulated period. The local office did not take any initiative to speed up the works besides imposing penalty of Rs.3,508,000 @10% on bid cost of the works. An abstract is given below and detail is given at **Annex-8**.

S.No.	Office	Bid Cost	Penalty required
1	TMA Charsadda	20,043,000	2,004,300
2	TMA Tangi	14,650,000	1,465,000
<b>Total</b>		<b>34,693,000</b>	<b>3,469,300</b>

Non-imposition of penalty occurred due to weak internal control, which resulted in depriving the public from the benefits of the schemes and caused loss to the TMA.

When pointed out in November / December 2020, the management stated that detailed reply will be submitted after scrutiny of the relevant record. However, no reply was submitted to audit till finalization of this report.

Request for convening the DAC meeting was made in January 2020, which could not be convened till finalization of this report.

Audit recommends immediate completion of development schemes and recovery of penalty besides action against the person(s) at fault.

**AIR Para No. 09 (TMA Charsadda)/2019-20**

**AIR Para No. 03 (TMA Shabqadar)/201920**



### **3.5.2 Value for money and Service delivery**

#### **3.5.2.1 Non-imposition of 2% penalty on account of late deposit of Installment of Contracts – Rs 1.155 million**

According to Para-7 of the Model Terms & Conditions for the contracts notified by the Government of Khyber Pakhtunkhwa Local Government Department vide No. AO-II/LCB/6-11/2013 dated 14/03/2016, 2% penalty per day for late deposit of monthly installment shall be recovered.

TMA Charsadda failed to recover Rs.1,154,524 on account of 2% penalty for late deposit of monthly installments from different Government contractors as per detail given at **Annex-9**.

Non-imposition of penalty occurred due to weak internal controls and deviation from Model Terms & Conditions of receipt contracts, which resulted in loss to the TMA.

When pointed out in December 2020, management replied that due to the Covid-19 pandemic, the contractors were unable to clear their due on time. However, efforts are being made to recover the outstanding dues and progress will be shown to audit in due course of time. However, no progress was shown to audit till finalization of this report.

Request for convening the DAC meeting was made in January 2020, which could not be convened till finalization of this report.

Audit recommends recovery of penalty from the concerned contractor and action against the person (s) at fault.

**AIR Para No. 03 (TMA Charsadda)/2019-20**

#### **3.5.2.2 Loss to Government due to non-enhancement of rent of shops – Rs.1.719 million**

According to the Government of KPK LG& RDD Peshawar office memo No. AO-V/LCB/4-1/99 dated 21-07-1999, letter No. AOV/LCB/4-1/2000 dated 21-02-2000, and letter No. AO/LCB/1-66/07 dated 05-06-2006, each plot/ shop shall be put to open auction and monthly rent shall be fixed at the prevailing

market rate in the locality with 10% annual or 25% increase after every 03 years. According to the standard terms & condition of the contract agreement the rate of rent shall be enhanced by 10% annually or 25% increases after every 03 years.

TMA Charsadda rented out shops at various units under jurisdiction to different tenants. However, TMA Charsadda did not enhance the rent of these shops from time to time at the prescribed rate, causing less recovery and loss of Rs.1,718,802 to the TMA during financial year 2019-20 as per detail given below:

S.No.	Name of Unit	No. of shops	Rent required (2019-20)	Rent collected (2019-20)	Loss
1.	TMA Market Tangi Road	20	852,060	457,200	394,860
2.	TMA Market Pesh. Road	21	719,496	294,600	424,896
3.	TMA Market Near Police Station Chd.	27	1,414,446	515,400	899,046
<b>Total</b>			<b>2,986,002</b>	<b>1,267,200</b>	<b>1,718,802</b>

Non-enhancement of rent of shops was occurred due to weak internal and financial controls which resulted in loss to the TMA.

When pointed out in December 2020, the management did not reply.

Request for convening the DAC meeting was made in January 2020, which could not be convened till finalization of this report.

Audit calculated the loss only for the Financial Year 2019-20. Hence, it is recommended that a detail inquiry may be conducted to calculate the loss/ less recovery of rent from the date of allotment and recovery be made from the concerned tenants accordingly under intimation to audit.

#### **AIR Para No. 13 (TMA Charsadda)/2019-20**

#### **3.5.2.3 Loss to government due to less imposition of income tax of receipt contracts and non-recovery of income tax – Rs. 2.164 million**

According to section 236A of the income tax ordinance 2001, as amended till 06-2019, income tax on auction is required @10% from filer and 20% from non-filer and is required to be realized at the time of proceed of sale and be deposited into government treasury immediately.

According to Rule 51 (2) (c) of the Tehsil Municipal Administration Budget Rules 2016, public money shall in so far as possible be deposited directly in the bank through prescribed Challan forms on the same day but not later than the close of following day

TMA Shabqadar awarded different receipt contracts on auction for Rs. 16,171,282 during the year 2019-20. It was, however, observed that instead of collecting income tax in advance, the office collected income tax in monthly installments. Furthermore, the office charged income tax @ 10% from the contractors instead of 20% as the name of the contractors were inactive in the Active Payer List of the FBR on 04.11.2020.

Moreover, the office collected Rs. 502,628 out of Rs. 2,666,256 against the receipt contracts from the contractors resulting in less realization of income tax amounting to Rs. 2,163,628. Detail is given at **Annex-10**.

Less imposition of income tax and less-recovery of income tax is due to weak financial management resulting in loss to government.

When pointed out in December 2020, management did not reply.

Request for convening the DAC meeting was made in January 2020, which could not be convened till finalization of this report.

Audit recommends imposition of income tax as per income tax ordinance and recovery of the outstanding amount.

**AIR Para. No.19 (TMA Shabqadar) /2019-20**

### 3.5.3 Others, including cases of accidents, negligence etc.

#### 3.5.3.1 Non-recovery of contractual amount–Rs.16.837 million

According to Clause 49 of the LGA, 2013, Taxation rules, all taxes and other charges levied by a local government shall be imposed, assessed, leased, compounded, administered and regulated in such a manner as may be prescribed by rules which may, among other matters, provide for the obligation of the tax payer and the duties and powers of the officials responsible for the assessment and collection of taxes.

According to clause 5 of the contract agreement the contractor shall deposit the amount in 11 equal installments.

TMA Charsadda, Tangi and Shabqadar awarded receipt contracts to different contractors during the year 2019-20. An amount of Rs. 55,728,682 were the contractual amount against which Rs.38,892,144 were received while the remaining amount of Rs.16,836,538 was outstanding till the date of audit i.e. 12/2020 as per abstract given below and detail given in **Annex-11**.

(Amount in Rs.)

<b>TMA Name</b>	<b>Contractual amount</b>	<b>Income received</b>	<b>Income outstanding</b>
TMA Charsadda	18,999,300	13,539,810	5,459,490
TMA Tangi	20,860,100	15,734,260	5,125,840
TMA Shabqadar	15,869,282	9,618,074	6,251,208
<b>Total</b>	<b>55,728,682</b>	<b>38,892,144</b>	<b>16,836,538</b>

Non-recovery of contractual amount occurred due to non-observance of rules which resulted in loss to government.

When pointed out in November/December 2020, management of TMA Charsadda and Tangi replied that recovery will be made from the contractors and progress will be intimated to audit in due course of time. However, no progress was intimated to audit till finalization of this report. Whereas TMA Shabqadar did not reply.

Request for convening the DAC meeting was made in January 2020, which could not be convened till finalization of this report.

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

**AIR Para No. 01 (TMA Charsadda)/2019-20**

**AIR Para No. 01 (TMA Tangi)/2019-20**

**AIR Para No. 17 (TMA Shabqadar)/2019-20**

### **3.5.3.2 Non-recovery on account of Water charges – Rs 24.478 million**

Khyber Pakhtunkhwa Local Govt. Act, 2013 clause 45 (collection and recovery of taxes, etc) sub-clause (1) requires that failure to pay any tax and other money claimable under this Act shall be an offense, And clause (ii) states that all arrears of taxes, rents and other moneys claimable by a Local Council under this Act shall be recoverable as arrears of land revenue.

TMA Charsadda and Tangi failed to recover Rs. 24,476,718 on account of water charges from end users accumulated upto 30.06.2020. Detail is given below: -

	<b>TMA Charsadda</b>	<b>TMA Tangi</b>	<b>Total</b>
No. of end-user	1517	1323	2840
Arrear as on 30.06.3019	21,262,170	1,377,100	22,639,270
Due for 2019-20	2,548,560	3,175,200	5,723,760
Total recoverable till June, 2019	<b>23,810,730</b>	<b>4,552,300</b>	<b>28,363,030</b>
Recovery during 2019-20	606,630	3,079,682	3,686,312
Outstanding as on 30.06.2020	<b>23,004,100</b>	<b>1,472,618</b>	<b>24,476,718</b>

Audit is of the view that the local authority did not properly utilize the services of the staff of regulation section in collecting the water charges to enhance the own source revenue of the TMA to meet the pay and allowances of the staff.

Non-recovery of water charges occurred due to weak internal control, which resulted in loss to TMA.

When pointed out in December 2020, management of TMA Charsadda replied that due to the construction of streets and drains, most of the pipelines have been damaged, but due to weak financial position of this office the rusted

pipes could not be replaced and the general public is presenting complaints. However, efforts are being made to recover the long outstanding dues and progress will be shown to audit in due course of time. Whereas TMA Tangi replied that efforts are being made to recovery the outstanding water charges and progress will be shown to audit in due course of time. However, no progress was intimated till finalization of this report.

Request for convening the DAC meeting was made in January 2020, which could not be convened till finalization of this report.

Audit recommends recovery of outstanding water charges.

**AIR Para No. 02 (TMA Charsadda)/2019-20**

**AIR Para No. 02 (TMA Tangi)/2019-20**

### **3.5.3.3 Non-recovery of rent of shops – Rs 2.276 million**

Khyber Pakhtunkhwa Local Govt. Act, 2013 clause 45 (collection and recovery of taxes, etc) sub-clause (1) requires that failure to pay any tax and other money claimable under this Act shall be an offense, and clause (ii) states that all arrears of taxes, rents and other moneys claimable by a Local Council under this Act shall be recoverable as arrears of land revenue.

TMA Charsadda realized Rs. 9,961,280 from the tenants of shops against the outstanding rent of Rs. 12,237,515 during Financial Year 2019-20. This resulted into less recovery of Rs. 2,276,235.

Non-recovery of rent occurred due to weak internal and financial controls which resulted in loss to TMA.

When pointed out in December 2020, management replied that the outstanding rent will be recovered in 2020-21 and progress will be intimated to audit in due course of time. However, no progress was intimated to audit till finalization of this report.

Request for convening the DAC meeting was made in January 2020, which could not be convened till finalization of this report.

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

**AIR Para No. 18 (TMA Charsadda)/2019-20**

**3.5.3.4 Unjustified expenditure on running of public school with yearly deficit of Rs. 10.746 million**

According to Sections 22 (a - s) and Section 25 (a - m) of Chapter-V of the Khyber Pakhtunkhwa, Local Government Act 2013, functions and powers of TMAs, there was no provision of establishment and running a public school by the TMAs.

According to Rule 3 (1,2 & 3) (i - xii) of the Khyber Pakhtunkhwa, Tehsil & Town Municipal Administration Rules of Business 2015, notified vide letter No.SO (Dir)ROB/LGE&RDD/2015 dated 03.11.2015, there was no provision of opening and running of public school by the TMAs.

TMA Charsadda, incurred salary and non-salary expenditure of Rs. 14,820,932 on running of Municipal High School for Girls Charsadda against the total collected fee of Rs. 4,075,000 during financial year 2019-20. Audit held that the expenditure was unjustified and inadmissible on the basis of the following points:

1. Opening and running of school is not the function of the TMAs as per Rules of Business and Local Government Ordinance and Acts.
2. The deficit of receipts over expenditure was Rs. 10,745,932 during the financial year 2019-20 which showed the descending graph of receipts over the ascending expenditure in the ratio of 27:73.
3. Establishment of the school was unnecessary as a number of public schools and Government schools were available in close vicinity.

Unjustified expenditure occurred due to violation of rules and weak asset & financial management which resulted in huge loss to the TMA.

When pointed out in December 2020, the management did not respond to the audit observation.

Request for convening the DAC meeting was made in January 2020, which could not be convened till finalization of this report.

Audit recommends detailed inquiry for fixing responsibility and appropriate action against the person (s) at fault under intimation to audit.

**AIR Para No. 08 (TMA Charsadda)/2019-20**

**3.5.3.5 Un-justified expenditure on a/c of repair of transformers – Rs. 17.193 million**

According to Local Government & Rural Developmental Department, Government of Khyber Pakhtunkhwa, Peshawar letter No. 24-05-2016, PESCO will carry out repair of transformers in their approved workshops.

According to Chief Minister KPK letter No. SOV/CMS/KPK/E&P/2016/14586 dated 11.11.2016 addressed to all Chief Executives PESCO KPK, TMA will carry out repair of Transformers in cases in which TMA has already transferred the funds. The repair may be outsourced through PESCO pre-qualified/approval workshops and quality oil and accessories should be used to avoid recurrent repair.

According to SOPs for execution of repair of transformers Scheme, “On receipt of written report from Zilla Council member regarding a damage transformer the representative of PESCO will personally inspect the transformer and will write the detail of transformer i.e. Made, Serial No, PO No, Date and Year of manufacturing location capacity and fault in separate register to be maintained for this purpose. And after repair the transformer will be checked by the committee including representative of PESCO, Zilla Council member and representative of the owner of workshop and will sign the job/ inspection report. Approved PESCO Workshop will provide warranty for one year as PESCO SOP. The repaired transformers will be installed at the same location by the concerned SDO PESCO and in the presence of representative of Deptt/TMA concerned.

TMA Charsadda and Tangi incurred expenditure of Rs. 12,192,819 and Rs. 5,000,000 on “Repair of transformers in different UCs in the district” and PK-56 (Tangi) during 2019-20. Audit raised the following observations.



1. The transformers were the WAPDA's assets and repair of the said was the responsibility of WAPDA. Hence, the repair of transformers in private workshops through contractor was unauthorized and illegal.
2. Payment was made on non-schedule items, however, Market Rate Analysis thereof was not available on record.
3. Technical sanction was accorded by the Engineer Civil for which he was not competent, the sanction was required to be obtained from the engineer electrical having experience/specialty in the relevant field.
4. Report regarding inspection by PESCO and the detail of transformer i.e. Made, Serial No, PO No date and year of manufacturing, location capacity and fault in separate register was not maintained as required.
5. The repaired transformers were not checked by the Committee including representative of PESCO, & Tehsil member concerned and representative of the owner of workshop.
6. Documentary evidence regarding work shop of the contractor duly approved by the WAPDA was not available on record.
7. Demand from the community and Site/ specific location where repair was carried out not available on record.

Award of contract of repair of transformers and expenditure thereon occurred due to weak internal control which resulted in unauthorized expenditure.

When pointed out in December 2020, the management stated that detailed reply will be submitted after scrutiny of the relevant record. However, no reply was submitted to audit till finalization of this report.

Request for convening the DAC meeting was made in January 2020, which could not be convened till finalization of this report.

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

**AIR Para No. 16 (TMA Charsadda)/2019-20**

**AIR Para No. 09(TMA Tangi)/ 2019-20**

### **3.5.3.6 Irregular award of contract of receipts - Rs. 16.171 million and Non-Recovery of Professional Tax – Rs. 44,000**

According to para-11 of the policy guidelines for the contracts of cattle fair, bus stand and other local taxes for the year 2019-20 in Khyber Pakhtunkhwa

issued by Local Government & Rural Development Department, Peshawar letter No. AO-II/LCB/6-11/2019 dated 26.04.2019, the successful bidder shall within seven (7) days of the acceptance of his bid be asked to execute an agreement on the stamped paper and shall also produce guarantee of two local notable residents having property equivalent of the contract amount duly attest by Ist class Magistrate to the satisfaction of the council. In case, the contractor / firm does not deposit advances or does not enter into an agreement within specified period, the bid should be considered as cancelled while the earnest money be forfeited in favor of the concerned local councils.

Rule 58 (8) (b) of the Tehsil Municipal Administration Budget Rules 2016 states that as far as possible, legal and financial advice should be taken in the drafting of contracts and before they are finally entered into contract.

As per S.No. 13 of the Professional tax rates, contractors, suppliers and consultants who, during the preceding financial year supplied to the Federal or any Provincial government or any local authority in the District, Goods, commodities or rendered service of the value at the following rates: -

- |       |   |                 |
|-------|---|-----------------|
| (i)   | when exceeding Rs 10,000 but not exceeding Rs 0.50 Million;     | Rs 4,000 P.A.   |
| (ii)  | when exceeding Rs 0.50 million but not exceeding Rs one million | Rs 5,000 P.A.   |
| (iii) | when exceeding Rs one million but not exceeding Rs 2.50 million | Rs 7,000 P.A.   |
| (iv)  | when exceeding Rs 2.50 million but not exceeding Rs Ten million | Rs 18,000 P.A.  |
| (v)   | when exceeding Rs Ten million but not exceeding Rs 25 million   | Rs 25,000 P.A.  |
| (vi)  | when exceeding Rs 25 million but not exceeding Rs 50 million    | Rs 30,000 P.A.  |
| (vii) | when exceeding Rs 50 million and above                          | Rs 100,000 P.A. |

TMA Shabqadar awarded different receipt contracts to various contractors for collection of receipt during 2019-20 as per detail given below: -

S.No.	Name of contract	Name of Contractor	Contractual amount	Professional tax required	Not signed
1.	General Bus Stand	Mr. Noor Rehman	9,801,000	18,000	TMO, contractor and witness thereof
2.	Cattle fair	Mr. AsadUllah Jan	5,680,002	18,000	Tehsil Nazim and witness
3.	License Fee	Mr. TazaGul	380,280	4,000	Tehsil Nazim, TMO and

					witness
4.	Sign Board fee	Mr. Muhammad Arshad	310,000	4,000	Tehsil Nazim, TMO, contractor and witness
<b>Total</b>				<b>44,000</b>	

Following irregularities were noticed:

1. The signatures of the Tehsil Nazim, TMO, contractor as well as witness were not found as per detail shown against each contract.
2. Guarantee of two local notable residents having property equivalent of the contract amount duly attested by 1<sup>st</sup> class Magistrate were not obtained from the contractors. Thus, the contracts were executed at the risk of the contractor as is evident from the record that an amount of Rs 6,251,208 and income tax Rs 2,163,228 for the year 2019-20 was outstanding against the contractors on account of various receipt contracts.
3. Professional tax amounting to Rs. 44,000 was also not recovered from the contractors.

When pointed out in November 2020, management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends enquiry into the matter and signature on the contract agreements besides recovery of professional tax.

**AIR Para No. 18 (TMA Shabqadar)/2019-20**

## **CHAPTER 4**

### **Assistant Director, Local Government & Rural Development and Selected Village Councils & Neighborhood Councils**

#### **4.1 Introduction**

Assistant Director, Local Government Election and Rural Development Department in District Charsaddahas 146 VCs/NCs. Each VC/NC has a Secretary. Assistant Director Local Government Election & Rural Development Department is Drawing and Disbursing Officer (DDO) for his office and PAO for VCs/NCs of the District Charsadda.

According to section 29 of the Khyber Pakhtunkhwa Local Government Act 2013, the authority and responsibilities of the District Government have been provided; wherein, functions and powers of Assistant Director, LG&RDD include:

1. Providing secretarial support to the Council, matters relating to Local Government Commission
2. Coordination and supervision of village and neighbourhood councils
3. Matters related to local taxes, grants, budget of village and neighbourhood councils
4. Coordination of activities relating to local council elections, population census and surveys in the district
5. Rural Development Works including water supply, rural access roads, embankment and drainage works
6. Overseeing registration of births, deaths and marriages in village and neighbourhood councils
7. Review, evaluation and assessment of local government system, processes and procedures in the district particularly at the village and neighbourhood level
8. Collection, compilation and dissemination of primary data Training and research in the areas of local governance

Whereas, functions and powers of the Village Council or Neighborhood Council include:

1. Monitoring and supervision of the performance of functionaries of all government offices located in the area of the respective village council or neighbourhood council, including education, health, public health engineering, agriculture, livestock, police and revenue, and hold them accountable by making inquiries and reports to the Tehsil municipal administration, district government or, as the case may be, the Government for consideration and action;
2. Providing effective forum for out of court amicable settlement of disputes and, for this purpose, constitute panels of members as conciliators;
3. Registration of births, deaths and marriages;
4. Implementation and monitoring of village level development works;
5. Improving water supply sources, maintain water supply distribution system and take measures to prevent contamination of water;
6. Maintenance of village level infrastructure, footpaths, tracks, streets, playgrounds, graveyards, funeral places, eid-gah, parks, public open spaces and community centres.
7. Identifying development needs of the area for use by municipal administration and district government in prioritizing development plans;
8. Making arrangements for sanitation, cleanliness, disposal of garbage and carcasses, drainage and sewerage system;
9. Displaying land transactions in the area for public information;
10. Mobilizing community for maintaining public ways, public streets, culverts, bridges and public buildings, de-silting of canals and other development activities;
11. Organizing cattle fairs and agriculture produce markets;
12. Organizing sports teams, cultural and recreational activities;
13. Organizing watch and ward in the area;
14. Promoting plantation of trees, landscaping and beautification of public places;

15. Regulating grazing areas, establish cattle ponds and provide protection against stray animals and animal trespass;
16. Considering and approving annual budget presented by the respective Nazim, village council or neighbourhood council;
17. Facilitating formation of voluntary organizations for assistance in functions assigned to it;
18. Facilitating the formation of co-operatives for improving economic returns and reduction of poverty;
19. Electing an Accounts Committee and review its recommendations on the annual statement of accounts and audit reports; and
20. Reporting cases of handicapped, destitute and of extreme poverty to district government.

Following is the table showing Audit of formations and expenditures for FY 2019-20.

Sr No	Description	Total Nos	Audited	Expenditure audited FY 2019-20 (Rs in million)	Revenue /Receipts auditedFY 2019-20 (Rs. in million)
1	Formations	147	8	88.542	NA
	<b>Total</b>	<b>147</b>	<b>8</b>	<b>88.542</b>	

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

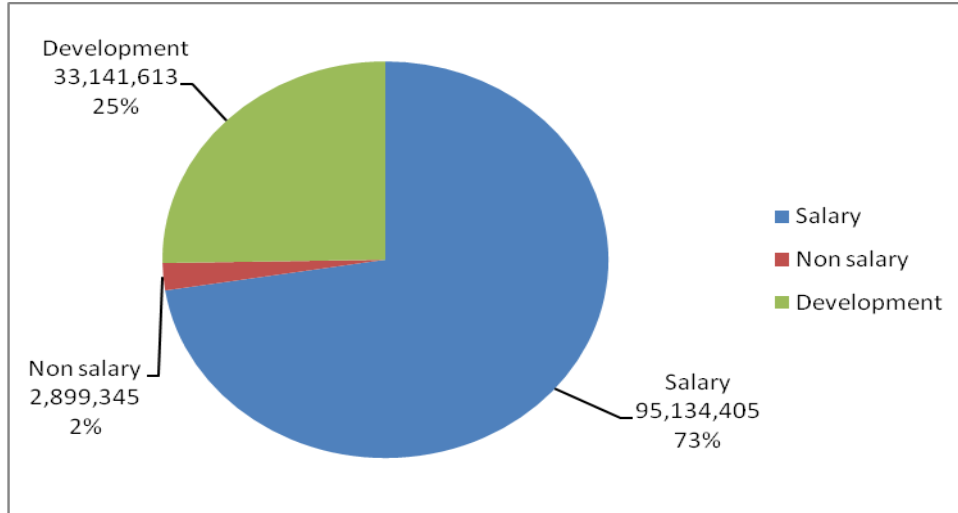
(Rs in million)

AD LGE&RDD & VCs/NCs				
2018-19	Budget	Actual Expenditure/Receipts	Excess/(Saving)	%age
Salary	98,204,000	95,134,405	(3,069,595)	3.125
Non salary	3,218,000	2,899,345	(318,655)	9.90
Development	159,084,000	33,141,613	(125,942,387)	79.17
<b>Total</b>	<b>260,506,000</b>	<b>131,175,363</b>	<b>(129,330,637)</b>	<b>49.645</b>

The savings of Rs. 129.331 million indicate weakness in the capacity of District Government Departments to utilize the allocated budget.

## EXPENDITURE 2019-20

(Rs. in million)



### 4.3 Classified Summary of Audit Observations

Audit observations amounting to Rs.15.572 million were raised in this audit report. This amount also includes recoverable of Rs.7.144 million as pointed out by the audit. Summary of the audit observations classified by nature is as under: -

Sr. No.	Classification	Amount (million)
1	Irregularities	
	HR/Employees related irregularities	1.706
	Procurement related irregularities	7.144
	Management of Accounts with commercial bank	6.722
	<b>Total</b>	<b>15.572</b>

#### **4.4 Comments on the status of compliance with Village/Neighborhood Accounts Committee Directives**

The audit reports pertaining to following years have been submitted to the Governor of Khyber Pakhtunkhwa. Detail of VACs/NACs meetings are given below.

<b>Sr. No.</b>	<b>Audit Year</b>	<b>VCs/NCs meeting</b>
1.	2016-17	Not Convened
2.	2017-18	Not Convened
3.	2018-19	Not Conveyed
4.	2019-20	Not Conveyed



## **4.5 AUDIT PARAS**

### **4.5.1 Irregularities**

#### **A. HR/Employees related irregularities**

##### **4.5.1.1 Irregular withdrawal of pays & allowances against lower post – Rs. 1.706 million**

The Assistant Director, LGE&RDD Hangu was given personal up-gradation in BPS-18 against the post of BPS-17 w.e.f 13-09-2011 vide notification No.SOB(L.G) 1-4/2003/Vol-II dated 25-07-2013 with the directions that the post shall be automatically downgraded as & when vacated by the up-graded officers.

Assistant Director, Local Government & Rural Development Department, Charsadda was paid pays & allowances for Rs 1,705,522 in BPS-18 against the sanctioned post of Assistant Director in BPS-17 Charsadda. Record revealed that that Assistant Director was given personal up-gradation w.e.f 13-09-2011 vide Notification No.SOB(L.G) 1-4/2003/Vol-II dated 25-07-2013 BPS-18 against the post of AD LGE&RDD Hangu with the directions that the post shall be automatically downgraded as & when vacated by the up-graded officers. However, the AD took charge of the post on 16-08-2017 vide Secretary LGE&RDD Notification No. So (LG-1)4-116/2017/KC dated 10-08-2017 and drew pays & allowances in BPS-18. Therefore, the withdrawal of pay & allowances was irregular which needs justification.

Irregularity occurred due to weak internal control resulting in violation of government rules and loss to the TMA.

When pointed out in November 2020, management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends inquiry and fixing responsibility on the person (s) at fault.

**AIR Para No. 7/2019-20**

## **B. Procurement related irregularities**

### **4.5.1.2 Non-imposition of penalty amounting - Rs 7.144million**

Clause 2 of the Contract Agreement requires that penalty of 1% per day of delay upto maximum of 10% of the estimated cost may be imposed for delay in completion of work.

Assistant Director, LG,E&RDD, Charsadda during the year 2019-20 awarded 128 Nos. scheme of estimated cost of Rs. 71,444,000 under district ADP. Department failed to complete the scheme in due course of time. Neither request for extension from the contractor was found on record nor penalty @10% amounting to Rs. 7,144,400 was imposed.

Non-imposition of penalty occurred due to weak internal control resulting in loss to the government.

When pointed out in November 2019, management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends justification and actions against persons at fault under intimation to audit.

**AIR Para No. 13/2019-20**

## **C. Management of Accounts with Commercial Banks**

### **4.5.1.3 Non-reconciliation of closing balances –Rs. 6.722 million**

According to Finance Department Government of Khyber Pakhtunkhwa vide letter No. 2/3(F/L)/FD/2018 / Vol-XII dated: 03.07.2019 stated that closing balances in all designated bank accounts falling in the purview of the department concerned with respective Budget/Development Sections of Finance Department latest by July 15th, 2019 alongwith verified bank statement for 2018-19. Moreover, the balances in the bank accounts, if any, remaining on June 30<sup>th</sup>, 2019 shall not be available for use without its prior revival by Finance Department during the Financial Year 2019-20. In case of no response by the target date, the

funds available in their designated bank accounts shall stand frozen and no further transaction could be made out of their designated bank account by the department concerned.

Assistant Director, Local Government Elections & Rural Development Department, Charsadda neither reconciled the balances with the Bank for the year 2019-20 nor the case for revival of fund in the designated bank account was submitted to the Finance Department for authority of utilization of the fund. Detail is given below: -

<b>S.No</b>	<b>Bank</b>	<b>Account No</b>	<b>Amounts (Rs.)</b>
1	NBP Tehsil Bazar branch Charsadda	4109891330	1,288,389
2	BOK Charsadda	00056-00-6	5,433,495
<b>Total</b>			<b>6,721,884</b>

Non-reconciliation of closing balances occurred due to lack of internal and financial controls, which resulted in unauthentic view of balances.

When pointed out in November 2020, the management did not reply.

Request for convening the DAC meeting was made in December 2020, which could not be convened till finalization of this report.

Audit recommends carrying out reconciliation with Finance Department and action against the person(s) at fault.

**AIR Para No. 8/2019-20**

## ANNEXURES

### Annex-1

#### MFDAC

S#	Caption	Amount (Rs in million)
<b>Deputy Commissioner</b>		
1.	Defective Agreement with A2Z E-Payment for Issuance of Arms License	-
2.	Missing inventory in the office of (District Council) District Nazim/ Naib Nazim valuing	0.750
3.	Defective Budgeting	-
4.	Un-necessary demand for relief fund	1.00
5.	Loss to government due to non-deposit of domicile fee into government treasury and less deposit of domicile fee	1.243 0.03
6.	Irregular expenditures without open tendering system and drawl through DDO and payment in cash instead of direct cheque payment	9.70
7.	Non-disbursement of compensation	0.159
8.	Unauthentic & Abnormal Electricity Bill of District Council and its clearance without Budget Provision	7.564
9.	Irregular approval and release on account of repair of PESCO Electricity Transformers	41.96
10.	Non-maintenance of record of assets & liabilities of the district	-
11.	Loss to government due to Non implementation of DAC decisions	-
12.	Non-maintenance of Cash book properly	-
13.	Improper maintenance of Fixed stock of Furniture and Machinery and Equipment	-
14.	Irregular Cash drawal	0.591
15.	Unauthentic award of Structure, Standing Crops and Trees	1.530
16.	Irrational Issuance of Driving Licenses	-
17.	Loss to government due to payment of Conveyance Allowance and non-recovery of 5% maintenance charges	0.161
<b>District Health Officer</b>		
18.	Poor performance and weak Internal Control System	-
19.	Poor Budgeting system for 2019-20	-
20.	Non-stoppage / deduction of conveyance allowance and Health Professional allowance during leave period	0.591
21.	Excess drawl of HPA by Doctors performing duties in urban area	0.480
22.	Non-Recovery of Sales Tax/Income Tax from Auction of Trees	0.628
23.	Non-deduction of pay and allowances due to the absence of doctor and HPA and Conveyance allowance during the leave period	0.668
24.	Loss to government due to less/non-deduction of Sales tax	0.124

25.	Non-auctioning of condemn furniture and machinery worth in lakh of rupees	-
26.	Non-maintenance of Cash book properly	-
27.	Advance payment and Non-supply of medicines and non-imposition of penalty	9.056 0.594
28.	Non-realization of penalty on late supply of medicines	0.307
29.	Advance payment and non-supply of medicines million and not black listing the firms besides imposing recovery of penalty	2.673
30.	Non-Payment of various taxes after deduction from bills	1.075
31.	Unauthorized Payment of Rent	0.396
32.	Overpayment in Salary of Lady Health Supervisors	0.070
33.	Irregular Payment of Fixed Travelling Allowance to LHS	0.713
34.	Less deposit of OPD Charges by THQ Shabqadar	0.094
35.	Loss to government due non-deposit of Ambulance charges	-
<b>DEO Education</b>		
36.	Missing inventory in GGPS Sreekh	-
37.	Closure of GGHS Tarnab	-
38.	Loss to Government due to Non maintenance of Vehicles	1.360
39.	Doubtful appointment of Chowkidar	-
40.	Irregular payment of fix conveyance allowance	1.8
41.	Illegal appointment of private applicant against the post of Naib Qasid and illegal payment	0.115
42.	Illegal appointment of Chowkidar against donated land	-
43.	Irregular payment of pay and allowance of surplus staff	-
44.	Blockage of fund in PTA account due to non-utilization	0.120
45.	Un-authorized withdrawal of law charges and mis-classification of expenditures	0.263
46.	Unauthorized withdrawal of funds from government treasury through drawing & disbursing Officer	1.117
47.	Unauthorized payment of conveyance allowance	0.945
48.	Irregular expenditures on account of electricity	1.000
49.	Irrational appointment of 10 Primary School Teachers due to non-implementation of the rationalization policy of primary teachers\	1.598
<b>DO Social Welfare</b>		
50.	Irregular cash payment	1.520
51.	Irregular cash drawl and payment of salary	1.920
52.	Loss to Government due to non-conversion of Bank Account into PLS mode	
53.	Non-posting of the Physiotherapist and teacher	
54.	Irregular expenditure on account of purchase of other store	0.999
55.	Irregular expenditure due to Non-establishment of Drug Centre	3.916
56.	Irregular & doubtful expenditure on repair of vehicle	0.120
57.	Irregular appointment of staff during ban period	

58.	Doubtful and irregular expenditure and wasteful expenditure	0.490 0.147
59.	Un-authorized and Doubtful expenditure	0.420
60.	Doubtful and wasteful expenditure on account of rent of buildings	0.568
<b>TMA Charsadda</b>		
61.	Loss due to Non-recovery of Professional Tax	0.109
62.	Loss due to less realization of targeted receipt	4.495
63.	Loss due to allowing higher rate on a/c of purchase of official vehicle	0.520
64.	Loss due to non recovery of income tax on auction of shops	2.184
65.	Irregular payment to LCB on a/c of 1% T.S cost	0.085
66.	Loss to council due to cancellation of contract	0.263
67.	Non-conducting of Physical stock taking/ verification	-
68.	Overpayment due to non deduction of vibrator charges from PCC	0.190
69.	Loss due to less recovery of income tax	0.439
70.	Difference between actual profit as per bank statements and profit shown in budget book	0.200
71.	Variation between receipt figure of Regulation section and accounts section	1.579
<b>TMA Shabqadar</b>		
72.	Loss to Government due to non-utilization of available material	0.155
73.	Non deduction of Voids	0.292
74.	Unauthentic/ doubtful execution of item of work without required tests	8.282
75.	Irregular expenditure on Non Scheduled items without rate analysis	2.081
76.	Irregular execution and expenditure on Solar systems without technical analysis	4.510
77.	Suspected misappropriation on account of purchase of insecticides	0.600
78.	Unjustified expenditure on account of hiring of vehicles	0.534
79.	Suspected misappropriation on account of drawal of fund for Covid-19	2.08
80.	Irregular expenditure on account of POL	4.251
81.	Irregular payment of HBA and MCA	5.150
82.	Irregular opening and operation in more than three Bank accounts	-
83.	Loss to TMA due to non-conversion of Bank Account into PLS	3,716
84.	Non-reconciliation of Property tax with Revenue office	9.301
85.	Non-realization of staff emoluments from receipt contract	0.396
86.	Non-increasing the revenue of the TMA by providing /selling the receipt book	-
87.	Non-conducting of Physical verification / stock taking	-
<b>TMA Tangi</b>		
88.	Loss due to Non-recovery of Professional Tax	0.093
89.	Variation between receipt figure of Regulation section and accounts section	2.797
90.	Non-conducting of Physical stock taking/ verification	-
91.	Overpayment due to non deduction of vibrator charges from PCC	0.074
92.	Loss due to non recovery on a/c of sign board	0.137

93.	Loss due to less recovery of income tax	0.400
94.	Difference between actual profit as per bank statements and profit shown in budget book	0.786
95.	Irregular award of contract of construction of community center	2.500
96.	Unauthorized expenditure without Technical Sanction	2.494
	<b>Assistant Director LGE&amp;RDD Charsadda</b>	
97.	Irregular expenditure through DDO payment	1.095
98.	Irregular expenditure on account Plant & Machinery & Furniture	0.399
99.	Irregular/unauthorized expenditures on account of POL	0.319
100.	Irregular appointment of village secretary	-
101.	Irregular expenditure for Press club	0.395
102.	Irregular utilization of developmental funds on non developmental activities	82.668
103.	Non conversion of current bank accounts into saving resulting loss to exchequer	-
104.	Irregular expenditure of Rs 82.175 million on sub standard work	
105.	Irregular retention of government funds	-
106.	Non-deposit of Bank profit	0.0598
107.	Overpayment due to allowing excess Quantities	0.437
108.	Overpayment due to allowing excess Quantities	0.876

**Annex-2**

**Para No. 2.5.2.1**

**Detail of non-deduction of Conveyance Allowance, HRA and 5% maintenance charges**

S.#.	Health Facility DDO code	Name of employee, Designation	Monthly Basic pay	Monthly HRA	Monthly CA	5% main: charges	No of months	Annual Amount to be recovered
A	b	c	d	e	f	g	h	$I=(e+f+f) \times 12$
1.	CA6271 BHUs	Dr. Kashif Jan, MO	34,970/ 37,270	-	-	1,748/ 1,863	5/7	21,781
2.		Dr. Muhammad Jamal, MO	34,970 / 37,270	-	-	1,748/ 1,863	5/7	21,781
3.		Dr. Wahid Shah, MO	34,970 / 37,270	-	-	1,748/ 1,863	5/7	21,781
4.		Dr. Habib Ahmad Khan	34,970 / 37,270	-	-	1,748/ 1,863	5/7	21,781
5.		Dr. NaeemUllah, MO	30,370/ 32,670	-	-	1,518/ 1,633	5/7	19,521
6.		Dr. Jawad Ali, MO	46,470/ 48,770	-	-	2,323 / 2,438	5/7	28,681
7.		Dr. Syed Adnan Shah, MO	34,970/ 37,270	-	-	1,748/ 1,863	5/7	21,781
8.		Dr. Ali Haidar	34,970/ 37,270	4,433	5,000	1,748/ 1,863	5/7	134,977
9.		Dr. Zakir Shah	32,670/ 34,970	-	-	1,633/ 1,748	5/7	20,401
10.		Dr. Laila Sajjad	34,970/ 37,270	-	-	1,748/ 1,863	5/7	21,781
11.		Dr. Faheem Ullah, MO	34,970/ 37,270	4,433	5,000	1,748/ 1,863	5/7	134,977
12.		Dr. Zain Ullah, MO	34,970/ 37,270	-	-	1,748/ 1,863	5/7	21,781
13.		Dr. Wahid Shah, MO	34,970/ 37,270	-	-	1,748/ 1,863	5/7	21,781



14.	Dr. Muhammad Jamal, MO	34,970/ 37,270	-	-	bib	5/7	21,781
15.	Dr. Hassan Khan, MO	34,970/ 37,270	4433	5,000	1,748/ 1,863	5/7	134,977
16.	Dr. MishalRehman, MO	34,970/ 37,270	-	-	1,748/ 1,863	5/7	21,781
17.	Dr. Muhammad Aqeel Akbar, MO	34,970/ 37,270	4,433	5,000	1,748/ 1,863	5/7	134,977
18.	Dr. Arshad Jan, MO	34,970/ 37,270	-	-	1,748/ 1,863	5/7	21,781
19.	Dr. Syed Hameed Ullah Shah, MO	34,970/ 37,270	-	-	1,748/ 1,863	5/7	21,781
20.	Dr. Tariq Jan, MO	30,370/ 32,670	4,433	5,000	1,518/ 1,633	5/7	132,717
21.	Dr. Ahmad Zeb, MO	34,970/ 37,270	-	-	1,748/ 1,863	5/7	21,781
22.	Dr. Sakeena Fatima, MO	34,970/ 37,270	-	-	1,748/ 1,863	5/7	21,781
23.	Dr. Lubna Masood, MO	34,970/ 37,270	-	-	1,748/ 1,863	5/7	21,781
24.	Dr. WasiUllah, SMO	75,660/ 78,530	5,810	5,000	3783/ 3926	5/7	176,117
25.	Dr. Israr Malik, MO	34,970/ 37,270	4,433	5,000	1,748/ 1,863	5/7	134,977
26.	Dr. AneesRehmanurRehman, MO	60270/ 62,570	4,433	5,000	3,013/ 3,128	5/7	150,157
27.	Abas Ali Shah, MT	33,480/ 34,440	-	-	1,674/ 1,722	5/7	20,424
28.	Ahmad Ali, MT	37,320/ 38,380		2,856	1,866/ 1,969	5/7	57,385
29.	Syed UIAzhar, MT	32,520/ 33,480	-	-	1,626/ 1,674	5/7	19,848
30.	Shamsher Ali, MT	32,520/ 33,480	-	2,856	1,626/ 1,674	5/7	54,120
31.	Nasreen Akhtar, LHV	35,400/ 36,360	-	-	1,717/ 1,818	5/7	21,576
32.	Mukhtar Zaman, MT	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
33.	Zakir Ali, MT	43,470/ 44,430	-	-	2,173/ 2,221	5/7	26,412
34.	RobinaShaheen, LHV	37,320/ 37,320	1,961	2,856	1,863/ 1,863	5/7	80,517

			38,280			1,914		
35.		Safia Begum, LHV	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
36.		ShakilaNaz, LHV	37,320 38,280	-	-	1,866/ 1,914	5/7	23092
37.		Mehar Sani, LHV	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
38.		Syed Mohammad Tahir Shah, MT	45,600/ 46,770	-	-	2,280/ 2,338	5/7	27,766
39.		Abdullah Jan, MT	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
40.		Abdul Ghafar, MT	38,280/ 39,240	-	-	1,914 /1962	5/7	23,304
41.		Riaz Ahmad, MT	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
42.		Shah Hussain, MT	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
43.		Imtiaz Khan, MT	35400/ 36,360	-	-	1,770/ 1,818	5/7	21,576
44.		Jamila Naz, FMT	30,500/ 31,560	-	-	1,525/ 1,575	5/7	18,671
45.		FarkhandaHanan, CT	33,480/ 34,440	-	-	1,674/ 1,722	5/7	20,424
46.		Rasheeda Begum, LHV	31,560/ 32,520	-	-	1,575/ 1,626	5/7	19,257
47.		SabihaKhanum, LHV	37,320 38,220	-	-	1,866/ 1,914	5/7	22,728
48.		Ibne Amin, CT	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
49.		ZahirUllah, MT	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
50.		Hashmat Ara, LHV	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
51.		Mohammad Ibrar, MTfmt	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
52.		Samina Begum, LHV	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
53.		Muhammad Ajmal Khan, MT	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
54.		Shaokat Hayat, LHV	37,320/ 38,280	-	-	1,866/ 1,914	5/7	22,728
55.		Miss Nusrat Begum,	36,360/ 	-	-	1,818/ 	5/7	22,152

	LHV	37,320			1,866		
56.	Neelofar, LHV	37,320/ 38,280	-	-	1,866/ 1,914	5/7	22,728
57.	Muhammad Farooq, MT	42,090/ 43,260	-	2,856	2,104/ 2,163	5/7	59,933
58.	FarzanaIhsan, LHV	37,320/ 38,280	-	-	1,866/ 1,914	5/7	22,728
59.	Kishwar Khan, Chowkidar	20,020	1,458	1,758	-	12	38,592
60.	NaveedaRehman, LHV	35,400/ 36,360	-	-	1,770/ 1,818	5/7	21,576
61.	NaginaFirdous, FMT	36,360/ 37,320	-	2,856	1,818/ 1,866	5/7	56,424
62.	Lal Hassan, MT	40,920/ 42,090	-	-	2,046/ 2,104	5/7	24,958
63.	EshratNazir, LHV	39,240/ 40,200	-	-	1,962/ 2,010	5/7	23,880
64.	KhaistaRehman, MT	33,480/ 34,440	-	-	1,674/ 1,722	5/7	20,424
65.	Nazakat Begum, LHV	37,320/ 38,280	-	-	1,866/ 1,914	5/7	22,728
66.	Khudija Begum, LHV	33,480/ 34,440	-	-	1,674/ 1,722	5/7	20,424
67.	Asmat Ara, LHV	31,560/ 32,520	-	-	1,578/ 1,626	5/7	19,272
68.	Saeed Alam, MT	32,520/ 33,480	-	-	1,626/ 1,674	5/7	20,548
69.	Nighat Seema, LHV	32,520/ 33.480	-	-	1,626/ 1,674	5/7	20,548
70.	Shafqat Bibi, LHV	34,440/ 35,400	-	-	1,722/ 1,770	5/7	20,760
71.	Khalida Gul, LHV	30,600/ 31.560	-	-	1,530/ 1,578	5/7	18,456
72.	Zakia Begum, LHV	37,320/ 38,280	-	-	1,866/ 1,914	5/7	22,728
73.	ShaziaWaheed, LHV	31,560/ 32,520	-	-	1,578/ 1,626	5/7	19,272
74.	Shaukat Begum, LHV	31,560/ 32,520	-	-	1,578/ 1,626	5/7	19,272
75.	Maknoon Begum, LHV	33,480/ 34,440	-	2,856	1,674/ 1,722	5/7	54,456
76.	Aisha Bibi, LHV	34,440	-	-	1,722/	5/7	20,760

			35,400			1,770		
77.		Zakia Begum, LHV	37,320/ 38,280	-	-	1,866/ 1,914	5/7	22,728
78.		Shaheen Begum, LHV	32,520/ 33,480	-	-	1,626/ 1,674	5/7	20,548
79.		Muhammad Wali, Chowkidar	16,060	1,458	1,785	-	12	38,916
80.		Gul Akbar, Chowkidar	18,260	1,458	1,785	-	12	38,916
81.		Shehla Begum, LHV	28,680/ 29,640	-	-	1,434/ 1,482	5/7	17,304
82.		Amjid Ali, Chowkidar	13,510	-	1,785	-	12	21,420
83.		Shahnaz Gul, LHV	32,520	-	2,856	1,626	12	53,784
84.		Mohammad Tahir, Chowkidar	12,340	1,413	1,785	-	12	38,376
85.		Iftikhat Ali, Chowkidar	12,340	-	1,785	-	12	21,420
86.		MohtasibUllah, Chowkidar	12,340	1,413	1,785	-	12	38,376
87.		Usman Ali, MT	17,160	-	-	858		
88.		Ahmad Ali, Chowkidar	11,170	1,413	1,785	-	12	38,376
89.		Waseem UIHaq, Chowkidar	10,390	1,413	1,785	-	12	38,376
90.		Shah Zeb, Chowkidar	10,390	1,413	1,785	-	12	38,376
91.		IshaqIbad Shah, Chowkidar	10,000	1,413	1,785	-	12	38,376
92.		Nabi Gul, Chowkidar	9,610	1,413	1,785	-	12	38,376
93.		Hazrat Bilal, Chowkidar	9,610	1,413	1,785	-	12	38,376
94.		Ayaz Khan, Chowkidar	9,610	1,413	1,785	-	12	38,376
95.	CA6269 THQ	Dr. FazalWahab, MO	32,670/ 34,970	-	-	1,631/ 1,748	8	13,399
96.	Tangi	Dr. Jawad Khan, MO	34,970/ 37,270	-	-	1,748/ 1,866	12	21,802
97.		Dr. Muhammad Nihar, MO	34,970	-	-	1,746	4	6,992
98.		Dr. Muhammad Tahir, MO	30,370/ 32,670	-	-	1,518/ 1,633	12	19,021
99.		Dr. Muhammad Kamran Ullah, MO	30,370/ 32,670	-	-	1,518/ 1,633	10	15,985
100.		Dr. Kashif Ali, MO	30,370/ 32,670	-	-	1,518/ 1,633	12	19,021
101.	CA6270 RHCs	Dr. Mohammad Riaz, PMO	104,960	-	5,000	-	12	60,000
102.		Dr. Muhammad Nawaz,	34,970/ 37,270	-	-	1,748/ 1,866	12	21,802

		MO	37,270			1,866		
103.		Dr. FazalHadi, MO	34,970/ 37,270	-	-	1,748/ 1,866	6	10,606
104.		Mrs. Samina, Charge Nurse	21,950/ 23,470	-	-	1,097/ 1,171	12	13,682
105.	CA6226 THQ	Mst. AfshanNaz, C/Nurse	23,470	2,727	5,000	1,173	6	53,400
106.	Shabqadar	Dr. Javediqbal, MO	37,270/ 39,570	4,433 (3 m)	5,000 (3 m)	1,866/ 1,976 (7 m)		41,581
107.		Dr. Munir Muhammad, Eye	72,790	5,810	5,000	3,635	4	57,780
108.		AsmaZahi, Gynaecologist	46,960	5,810	5,000	2,348	4	52,632
109.		Saleem Khan, ENT	84,270	5,810	5,000	4,213	<u>4</u>	60,092
110.		Iftikhar Ali, Ortho	69,920	5,810	5,000	3,496	2	28,612
111.		FahimUllah, DT	13,320	4,433	2,856	776	2	16,090
<b>Total</b>								<b>3,981,118</b>

**Annex-3**

**Para No. 2.5.2.3**

**Details of the appointment of class-IV & other staff**

S.No	Category	Date of appointment	Total number	Quota	B.Pay per month	Pay per year
1	Chowkidar	03-06-2019	06	Open merit	9,610 x 6=57,660	691,920
2	Lab attendants	03-06-2019	02	Open merit	9,610 x 2=19,220	230,640
3	Sweeper	03-06-2019	03	Open merit	9,610 x 01=9,610	115,320
4	Naib Qasid	03-06-2019	01	Open merit	9,610 x 01=9,610	115,320
5	Chowkidar	13-07-2019	20	Open merit	9,610 x 20=192,200	2,306,400
6	Naib Qasid	13-07-2019	04	Open merit	9,610 x 04=38,440	461,280
7	Lab attendants	13-07-2019	02	Open merit	9,610 x 2=19,220	230,640
8	Sweeper	13-07-2019	02	Open merit	9,610 x 2=19,220	230,640
9	Chowkidar	29-07-2019	01	Open merit	9,610 x 01=9,610	115,320
10	Chowkidar	30-07-2019	01	Open merit	9,610 x 01=9,610	115,320
11	Lab:Attendent	07-09-2019	01	Open merit	9,610 x 01=9,610	115,320
12	Chowkidar	02-10-2019	01	Open merit	9,610 x 01=9,610	115,320
13	Lab:Attendent	09-10-2019	03	Open merit	9,610 x 3=28,830	345,960
14	Chowkidar	09-10-2019	14	Open merit	9,610 x 14=134,540	1,614,480

15	Naib Qasid	09-10-2019	05	Open merit	9,610 x 05=,48,050	576,600
16	Sweeper	09-10-2019	01	Open merit	9,610 x 01=9,610	115,320
17	Lab:Attendent	14-10-2019	01	Open merit	9,610 x 01=9,610	115,320
18	Chowkidar	23-11-2019	01	Open merit	9,610 x 01=9,610	115,320
19	Naib Qasid	10-12-2019	01	Open merit	9,610 x 01=9,610	115,320
20	Naib Qasid	24-12-2019	01	Open merit	9,610 x 01=9,610	115,320
<b>Total</b>			<b>71</b>			<b>7,957,080</b>

**Annex-4****Para No. 2.5.2.4****Details of appointment against land owner land**

<b>S.No</b>	<b>Name of school</b>	<b>Name of land owner</b>	<b>Designation</b>	<b>Personal #</b>	<b>Date of appointment</b>
1	GPS Hassan Gul Korona	Ahmad Ali	Chowkidar	928322	10-08-2019
2	GPS Yar Jan Korona	Shad Ali Khan	Chowkidar	928608	10-08-2019
3	GPS Nusrat Zai	Muhammad Daud	Chowkidar	85329	19-08-2017
4	GPS No.04 Attaki	Saddam Hussain	Chowkidar	834271	01-01-2017
5	GPS No.2 Attaki	Gul Daraaz Khan	Chowkidar	834204	01-11-2017
6	GPS No.3 Attaki	Shabir Ahmad	Chowkidar	653516	08-02-2017
7	GPS NO.2 Pir Qilla	Zeeshan Ali Sher	Chowkidar	848408	13-06-2017
8	GPS Shahid Gul korona	Rezwan Ullah	Chowkidar	782190	22-06-2016
9	GPS Baskha	Falak Sher	Chowkidar	834171	12-09-2016
10	GPS Aranda	Aman Sher	Chowkidar	753822	14-02-2015
11	GPS Kabaly	Rooh Ul amin	Chowkidar	753855	30-09-2015
12	GPS Ghundai Korona	Shakeel Ahmad	Chowkidar	720953	06-10-2014
13	GPS No.2 Mian Killi	Noor ul Amin	Chowkidar	736575	10-03-2014
14	GPS Daryab Korona	Qasir Khan	Chowkidar	705507	04-02-2013
15	GPS Khwaja was	Fazle Rehman	Chowkidar	688790	02-11-2012
16	GPS Krapa Muhammad Khan	Muhammad Yasin	Chowkidar	653517	10-01-2011



**Annex-5****Para No. 2.5.2.6****Detail of Non-supply of medicines and penalty****(Amount in Rs.)**

<b>S .#</b>	<b>Name of firm</b>	<b>Supply order No. and date</b>	<b>Supply ordered Amount</b>	<b>Supply not received (Rs)</b>	<b>No. Of days delayed till 13.08.2020</b>	<b>Amount of penalty (7%)</b>
1	M/S Brookes Pharma	No. dated 15.10.20	417,796 (156578 tab)	104,,525 (39248 tab)	303 days (39248 tab)	29,245
2	M/S Fynca	No. dated 08.06.20	1799438	1799438	67 days	125,960
3	M/S Al-Hamid Enterprize	No. 1469 dated 27.02.20	953,629	953,629	140	66,754
4		No. 1472 dated 27.02.20	851,962	851,962	140	59,637
5	M/S Mactor Pharma	No. 3772-63 dated 08.06.20	840,000	840,000	66 days	58,800
6	M/S Stanley Pharma	No. 376-63 dated 08.06.20	2,611,700	2,611,700	66 days	182,819
7	M/S Searle Pharma	No. 7865-68 dated 15.10.20	1,999,885	1,266,885	303 days	99,994
<b>Total</b>			<b>9,056,614</b>	<b>8,323,614</b>		<b>593,964</b>

**Annex-6**

**Para No. 2.5.4.5**

**Detail of non-disbursement of land award**

<b>SHABQADAR</b>		
<b>S.No</b>	<b>Name &amp; Father Name</b>	<b>Amount (Rs.)</b>
28	Ajmal S/o Bahadar Khan	141,428
29	Ameer Sultan S/o Bahadar Khan	141,428
30	Akbar Khan S/o Bahadar Khan	141,429
34	Zubaida Bibi D/o Abdul Akbar	78,571
35	Nihayat Bibi D/o Abdul Akbar	78,571
36	Nihara Bibi D/o Abdul Akbar	78,571
49	Muhammad Nawaz Khan S/o Bahadar Khan	377,142
50	Faisal Khan S/o Sher Azam Khan	47,143
51	Muhammad Hanif Khan S/o Muhammad Ashraf Khan	47,143
52	Sartaj Anwar Khan S/o Taj Ghafoor Khan	47,143
56	Alab Khan S/o Musa Khan	225,238
64	Gul Bahadar S/o MunirBahadar	329,999
66	Dilaram Khan S/o Noor Sher	141,428
70	Bibi D/o SaadUllah	141,429
71	Mohabata D/o SaadUllah	141,428
81	Sadam S/o SaadUllah	94,286
82	Zaid Ullah S/o SaadUllah	47,143
85	Rahmanuddin S/o Wahab Uddin	188,571
86	Gulab Din S/o Wahab Uddin	188,571
87	Ameer zada S/o Umar Gul	94,286
88	Gul Bahar D/o Umar Gul	47,143
89	Tajbaro D/o Umar Gul	47,143
90	Bebahar sister of Ghulam Haider	94,285
91	Abdul Akbar S/o Gul Mahmood	94,286
92	Said Muhammad S/o Gul Mahmood	94,285
93	Hawaladar S/o Bahadar Gul	235,715
96	Syed Shafiqur Rahman S/o Syed Faqirullah Shah	188,571
<b>Atki</b>		
1	Lutfur Rahman S/o Nazir Hussain	64,571
2	Saeed ur Rahman S/o Nazir Hussain	604,571
3	Ihsania W/o Fazal Wahid	47,232
4	Noorul Wahid S/o Fazal Wahid	50,381
5	Maqsood Ahmad S/o Fazal Wahid	50,381
6	Muhammad Idrees S/o Fazal Wahid	50,381

7	Noor Ullah S/o Abdul Mutalib	122,803
8	Rafiullah S/o Abdul Mutalib	122,803
9	Nasreen Begum W/o Rafiullah	765,162
10	Muhammad Waseel S/o Aslam Jan	66,125
11	Tariq Jamal S/o Aslam Jan	66,125
12	Amjad Khan S/o Aslam Jan	66,125
13	Javed Khan S/o Aslam Jan	66,125
14	Ihsan Shah S/o Mehrab Khan	211,600
15	NiamatUllah S/o Mehrab Khan	211,600
16	Taif S/o Mehrab Khan	211,600
17	ZakirUllah S/o Mehrab Khan	211,600
18	Khalid Usman S/o Mehrab Khan	211,600
19	Muhammad Israr S/o Gul Bashir	113,357
20	Farman S/o Gul Bashir	113,357
21	BakhtMunir S/o Gul Bashir	113,357
22	Muhammad Ilyas S/o Gul Bashir	113,357
23	Muhammad Ayaz S/o Gul Bashir	113,357
24	Muhammad Wasal S/o Islam Jan	396,750
25	Tariq Jamal S/O Aslam Jan	396,750
26	Amjid Khan S/O	396,750
27	Said Karim Khan S/O Said Muhammad	377,857
<b>Total</b>		<b>8,908,053</b>

**Annex-7****Para No. 2.5.4.7****DETAIL OF UNDISBURSED RELIEF FUND**

<b>Tehsil Name</b>	<b>Amount Released</b>	<b>Cheque No. &amp; Date</b>	<b>Lying Undisbursed upto</b>	<b>Total Amount (Rs)</b>
Charsadda	250,000	24336472 dt 30.05.2019	17-7-2020	250,000
-do-	680,000	24336487 dt 30.11.2019	17-7-2020	680,000
-do-	350,000	3814552 dt 05.06.2020	17-7-2020	350,000
Shabqadar	300,000	24336471 dt 22.05.2019	17-7-2020	300,000
-do-	80,000	24336476 dt 15.07.2019	17-7-2020	80,000
-do-	1,350,000	24336480 dt 15.10.2019	17-7-2020	1,350,000
-do-	380,000	24336481 dt 13.11.2019	17-7-2020	380,000
-do-	80,000	24336489 dt 30.11.2019	17-7-2020	80,000
-do-	450,000	38614553 dt 05.06.2020	17-7-2020	450,000
<b>Total :</b>				<b>3,920,000</b>

**Annex-8**

**Para No. 3.5.1.1**

**Detail of non-imposition of penalty**

**1. TMA Charsadda**

Name of Scheme	Contractor	Bid/Cost	Due date	Actual date	Penalty (Rs)
Rehab. of Shamowail Tariq Shaheed Road	Zia Ullah	5,043,000	30.06.20	In progress (12/2020)	504,300
Rehab. of Hayat Ullah Shaheed Road	Samar Enter	8,000,000	19.12.20	In progress (12/2020)	800,000
Const. of Road from Dara Koroona towards Ameer Khan Koroona	Shahid Const.	7,000,000	26.10.18	In progress (12/2020)	700,000
<b>Total</b>		<b>20,043,000</b>			<b>2,004,300</b>

**2. TMA Shabqadar**

S#	ADP Schemes	Estimated Cost	W.Order Date	Completion period	Penalty(Rs.)
1	Sanitation scheme at UC Hajizai	800000	05/07/2019	02 months	80,000
2	Sanitation scheme at UC Kangra	1000000	05/07/2019	02 months	100,000
3	Pavement of Street and sanitation scheme at UC Daulatpura	800000	05/07/2019	02 months	80,000
4	Sanitation Scheme at UC Hassan zai	800000	05/07/2019	02 months	80,000
6	Sanitation Scheme at UC Panjpao	1450000	05/07/2019	03 months	145,000
7	Sanitation Scheme at MianIssa UC Panjpao	1000000	05/07/2019	02 months	100,000
8	Sanitation Scheme at ShaikhKaly UC Panjpao	1000000	05/07/2019	02 months	100,000

9	Sanitation scheme at UC Hassanzai	300000	05/07/2019	06 months	30,000
10	Sanitation Scheme at U.C Rashakai	600000	05/07/2019	50 days	60,000
11	Sanitation scheme at Union Council Rashakai	1000000	05/07/2019	06 months	100,000
12	Sanitation Scheme at Rashakai	700000	05/07/2019	06 months	70,000
13	Sanitation Scheme at Union Council Battagram	500000	05/07/2019	01 month	50,000
14	Sanitation Scheme at MC-I	700000	05/07/2019	40 days	70,000
15	Sanitation Scheme at MC-II Shabqadar	2800000	05/07/2019	90 days	280,000
16	Sanitation Scheme at Attaky, Ghareeb Abad and NusratZai MC-III Shabqadar	1200000	05/07/2019	06 months	120,000
	<b>TOTAL</b>	<b>14650000</b>			1,465,000

**Annex-9****Para No. 3.5.2.1****Detail of non-imposition of penalty on late deposit****(Amount in Rs)**

<b>S#</b>	<b>Contract</b>	<b>Contractor</b>	<b>Monthly Installment</b>	<b>Due date of deposit</b>	<b>Actual date of deposit</b>	<b>No. of days delayed</b>	<b>Penalty per day</b>	<b>Total penalty</b>
1.	Cattle Fair Serdheri	RizwanUllah	404,000	05.10.19	07.10.19	02	8,080	16,160
				05.11.19	11.11.19	06	8,080	48,480
				05.01.20	13.01.20	08	8,080	64,640
				05.03.20	13.03.20	08	8,080	64,640
2.	Stop Fee Utmanzai	Nasir Khan	170,000	05.09.19	17.09.19	12	3,400	40,800
				05.11.19	14.11.19	09	3,400	30,600
				05.12.19	12.12.19	07	3,400	23,800
				05.01.20	22.01.20	17	3,400	57,800
				05.02.20	24.02.20	19	3,400	64,600
3.	Cattle Fair Utmanzai	AsadUllah	296,000	05.08.19	19.08.19	14	5,920	82,800
				05.11.19	11.11.19	06	5,920	35,520
				05.12.19	16.12.19	11	5,920	65,120
				05.01.20	28.01.20	23	5,920	136,160
				05.02.20	20.02.20	15	5,920	88,800
				05.03.20	20.03.20	15	5,920	88,800
4.	Cattle Fair Umarzai	AsadUllah	211,910	05.11.19	11.11.19	06	4,238	25,428
				05.12.19	19.12.19	14	4,238	59,332
				05.01.20	28.01.20	23	4,238	97,474
				05.02.20	20.02.20	15	4,238	63,570
<b>Total</b>								<b>1,154,524</b>

**Annex-10****Para No. 3.5.2.3****Detail of less imposition of income tax**

(Amount in Rs.)

<b>S.No.</b>	<b>Name of contract</b>	<b>Name of Contractor</b>	<b>Contractual amount</b>	<b>Income tax rate</b>	<b>Income tax Required</b>	<b>Income tax collected</b>	<b>Income tax outstanding</b>
1.	General Bus Stand	Mr. Noor Rehman	9,801,000	20%	1,960,200	206,000	1,754,200
2.	Cattle fair	Mr. AsadUllah Jan	5,680,002	10%	568,000	227,600	340,400
3.	License Fee	Mr. TazaGul	380,280	20%	76,056	38,028	38,028
4.	Sign Board fee	Mr. Muhammad Arshad	310,000	20%	62,000	31,000	31,000
<b>Total</b>					<b>2,666,256</b>	<b>502,628</b>	<b>2,163,628</b>



**Annex-11**

**Para. 3.5.3.1**

**Detail of outstanding contractual amount**

(Amount in Rs)

S.#	Name of Sources	Name of Contractor	Bid Amount	Total Realization	Outstanding
<b>1. TMA Charsadda</b>					
1	Cattle Fare Serdheri	RizwanUllah S/o Ali Hiader	4,040,000	2,808,000	1,232,000
2	Cattle Fare Utmanzai	AsadUllah Jan S/o FazliMaula	3,255,500	2,152,100	1,103,400
3	Cattle Fare Umerzai	AsadUllah Jan S/o FazliMaula	2,331,000	1,633,500	697,500
4	Stop Fee Utmanzai	Nasir Khan S/o Gul Muhammad	2,305,000	1,595,150	709,850
5	Cattle Fare CHD	Nasir Khan S/o Gul Muhammad	2,250,000	1,860,000	390,000
6	Cattle Fare Nisatta	Nasir Khan S/o Gul Muhammad	1,475,000	1,015,000	460,000
7	Stop Fee Sardheri	Aurangzaib S/o Mubarak Shah	1,000,000	772,000	228,000
8	Cattle Fare Dosehra	Said Afzal S/o Banarus Khan	792,800	627,060	165,740
9	Cattle Fare Shakh No. 6	Daud S/o Mian Gul	610,000	403,000	207,000
10	Stop Fee Sardaryab	Nasir Khan S/o Gul Muhammad	600,000	430,000	170,000
11	Juma Bazar CHD	RizwanUllah S/o Ali Hiader	340,000	244,000	96,000
<b>Total</b>			<b>18,999,300</b>	<b>13,539,810</b>	<b>5,459,490</b>
<b>2. TMA Tangi</b>					
1	Bus Stand Tangi	AsadUllah Jan	6,500,000	5,330,040	1,169,960
2	Bus Stand Harichand	AsadUllah Jan	6,910,000	4,530,000	2,380,000
3	Cattle Fare Tangi	Noor Ur Rehman	4,610,000	3,442,200	1,167,800
4	Cattle Fare Ziam	RizwanUllah	2,190,100	1,938,020	252,080
5	Cattle Fare Harichand	Jan Muhammad	650,000	494,000	156,000
<b>Total</b>			<b>20,860,100</b>	<b>15,734,260</b>	<b>5,125,840</b>

S.No.	Name of contract	Name of Contractor	Contractual amount	Amount realized	Amount outstanding
<b>3. TMA Shabqadar</b>					
1.	General Bus Stand	Mr. Noor Rehman	9,801,000	5,424,200	4,376,800
2.	License Fee	Mr. TazaGul	380,280	356,972	23,308
3.	Cattle fair	Mr. AsadUllah Jan	5,688,002	3,836,902	1,851,100
<b>Total</b>			<b>15,869,282</b>	<b>9,618,074</b>	<b>6,251,208</b>