



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

AUDIT YEAR 2020-21

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

AA	Administrative Approval
AAC	Additional Assistant Commissioner
AIR	Audit and Inspection Report
AD LGE &RDD	Assistant Director Local Government Elections & Rural Development Department
ADC	Additional Deputy Commissioner
ADP	Annual Developmental Program
AG	Accountant General
APPM	Accounting Policy and Procedure Manual
AP	Advance Para
ATO	Assistant Treasury Officer
BHUs	Basic Health Units
BOK	Bank of Khyber
BPS	Basic Pay Scale
CD	Civil Dispensary
CEO	Chief Executive Officer
C&W	Communication & Works
CPWA Code	Central Public Works Account Code
CPWD Code	Central Public Works Department Code
CTS	Computed Tomography Scan
DAC	Departmental Accounts Committee
DAC	District Accounts Committee
DC	Deputy Commissioner
DDEO	Deputy District Education Officer
DEO	District Education officer
DG	Director General
DHO	District Health Officer
DDHO	Deputy District Health Officer
DO	District Officer
DPC	Departmental Promotion Committee
DPR	Disabled Person Rehabilitation
ECG	Electrocardiography
EPI	Expanded Program on Immunization
E&D	Efficiency and Discipline
FR	Fundamental Rules
FY	Financial Year

GER	Gross Enrollment Rate
GPS	Girls Primary School
GHS	Government High School
GGHS	Government Girls High School
GGHSS	Government Girls High Secondary School
HRA	House Rent Allowance
INTOSAI	International Organization of Supreme Audit Institutions
IMU	Independent Monitoring Unit
KPPRA	Khyber Pakhtunkhwa Procurement Regularity Authority
KPK	Khyber Pakhtunkhwa
Lab	Laboratory
LCB	Local Council Board
LGA	Local Government Act
MFDAC	Memorandum for Departmental Accounts Committee
NBP	National Bank of Pakistan
NER	Net Enrollment Rate
NIT	Notice Invited Tender
NOC	Non Objection Certification
NWFP	North West Frontier Province
OPD	Outpatient Department
OT	Operation Theater
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PCC	Plain Concrete Cement
PC-I	Planning Commission Proforma-I
PEC	Pakistan Engineering Council
PFC	Provincial Finance Commission
PHE	Public Health Engineering
PK	Khyber Pakhtunkhwa
PLS	Profit & Loss Sharing
POL	Petrol Oil Lubricant
PTC	Parent Teacher Council
HC	Rural Health Center
RDA	Regional Directorate of Audit
SDEO	Sub Divisional Education Officer
SDO	Sub Divisional Officer
SOP	Standard Operation Producer
TAC	Tehsil Accounts Committee
TB	Tuberculosis

TMA	Town Municipal Administrations
TMO	Town Municipal Officer
TO	Treasury Officer
TT	Tetanus Toxoid
UAA	Unattractive Area Allowance
UBL	United Bank Limited
UC	Union Council
VCs/NCs	Village Councils and Neighborhoods Councils
WSS	Water Supply Scheme
WSSP	Water and Sanitation Services Peshawar

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 & 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 District Government, Tehsil Municipal Administrations, Assistant Directors Local Government, Election and Rural Development Departments, in District Khyber for the financial year 2019-20. The Director General of Audit, District Governments, Khyber Pakhtunkhwa conducted audit during 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 Annex-1 of the Audit Report. The audit observations listed in 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 of the cases the departments did not submit written replies till 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 Government, Khyber Pakhtunkhwa carried out audit of the Local Government office districts namely; Peshawar, Nowshera, Charsadda, Khyber and Mohmand.

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

Local Governments of District Khyber 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), the Administrator, i.e. Deputy Commissioner for the District Government, who is officer in charge of 08 devolved departments including AD Local Government Election & Rural Development Department. The second Tier, the Tehsil Municipal Administrations have one PAO i.e. Tehsil Municipal Officer, the Administrator for each administration. There are three Tehsils administrations in district Khyber. The third Tier, the village and neighborhood Councils have AD LGE & RDD as Principal Accounting Officer (Administrator) for these councils. However the third tiers Governments do not exist due to non-holding of Local Government elections.

a. Scope of Audit

This office is mandated to conduct audit of 68 formations working under 04 PAOs. Total expenditure and receipts of these formations were Rs. 3,050.565 million and Rs. nil, respectively for the financial year 2019-20.

Audit coverage relating to expenditure for the current audit year comprises 08 formations of 04 PAOs having a total expenditure of Rs. 2,969.135

million for the financial year 2019-20. In terms of percentage, the audit coverage for expenditure is 97 % of auditable expenditure.

In addition to this compliance audit report, the Directorate of District Audit conducted Financial Attest audits, Performance Audits 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 33.779 million was pointed out in this report. No recovery was effected till finalization of this reported.

c. Audit Methodology

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

Audit procedures employed to obtain evidence were inspections, analytical procedures, observations and computations.

d. Audit Impact

A recovery of Rs. 33.779 million was pointed out by audit, however positive audit impact depends on the management's willingness to implement an internal control framework i.e. COSO cube and the recommendations of audit.

e. Comments on Internal Control

Internal control is designed to address risk and to provide reasonable assurance that in pursuit of the 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 activities i.e. risk 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 30.416 million.¹
- ii. Unauthorized payments to DDOs instead of crossed cheques to vendors - Rs 171.733 million.²
- iii. Unverified payment of arrears of pay and allowances - Rs 11.381 million.³
- iv. HR/Employees related irregularities were noticed in 06 No of cases amounting to Rs 160.484 million.⁴
- v. Procurement related irregularities were noticed in 07 No of cases amounting to Rs 439.406 million.⁵
- vi. Issues in management of accounts with commercial banks were noted in 03 No of cases amounting to Rs 569.066 million.⁶
- vii. Value for money & Service delivery issues were noticed in 02 No of cases amounting to Rs 58.988 million.⁷
- viii. Others, including cases of accidents, negligence etc. were noticed in 02 No of cases amounting to Rs 13.049 million.⁸

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

¹ Para No. 1.2.1

² Para No. 1.2.2

³ Para No. 1.2.3

⁴ Para No. 2.5.1.1 to 2.5.1.6

⁵ Para No. 2.5.1.7 to 2.5.1.9, 3.1.1.1 to 3.1.1.2, 4.5.1.1 to 4.5.1.2

⁶ Para No. 2.5.1.10 to 2.5.1.12

⁷ Para No. 2.5.2.1 to 2.5.2.2

⁸ Para No. 2.5.3.1, 4.5.2.1

g. Recommendations

- i. TMA's accounts need to be consolidated at DAO.
- ii. Disciplinary actions need to be taken to stop the practice of violation of the rules and regulations in spending the public money.
- iii. Practice of payments through may be stopped.
- iv. Drawl of inadmissible allowance may be stopped besides recovery of the amount already paid.
- v. Departments need to strengthen internal controls such as financial, managerial, operational, administrative and accounting controls etc. to ensure that lapses of the kind reported in this audit report are preempted and fair value for money is obtained from public spending.
- vi. Current bank accounts need to be converted into PLS mode immediately.
- vii. Deduction of taxes on supplies and contracts need to be ensured.

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 the district councils, Tehsil councils and village and neighborhood councils in the province, Local Government, Election and Rural Development Department in its notification dated 4th 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 (amended in 2019), till formation of new elected local Government.

In the light of LGE&RDD's notification dated 4th September, 2019 District Khyber is headed by Deputy Commissioner who is Principal Accounting Officer of the budget grant allocated to the 08 offices devolved at District level. Similarly, Tehsil Municipal Administration is headed by Tehsil Municipal Officer who is the Principal Accounting Officer for the Tehsil Municipal Administration whereas Assistant Director LGE & RDD is the Principal Accounting Officers for Village/Neighborhood Councils.

In District Khyber, funds amounting to Rs. 3,560.560 million were allocated to 68 formations working under 04 PAOs. Out of which, expenditure of Rs. 3.050.565 million was made resulting into saving of Rs. 509.995 million. Receipts of Rs. Nil were collected through these formations during the financial year 2019-20. Audit coverage relating to expenditure for the current audit year comprises 08 formations of 04 PAOs having a total expenditure of Rs. 2,969.135 million for the financial year 2019-20. In terms of percentage, the audit coverage for expenditure is 97% of auditable expenditure.

According to Section 36(3) of Local Government Act 2013, the District Account Officer was required to consolidate accounts of the Local Government on quarterly and annual basis. However, District Accounts Officer, Khyber did not reflect Rs. 20.953 million into the consolidated financial statement of Local Government, Khyber.

District Government, Khyber 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 the District Government, Khyber as required under section 34 of LGA, 2013. The receipts collected as taxes/fees/rents under section 18 of LGA, 2013. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, Khyber 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 the 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 in District Khyber like other districts. Statistics show that there are 557 primary, 54 middle, 39 secondary and 06 higher secondary schools in District Khyber. The estimated Teacher Student Ratio is 1:40 at primary, 1:36 at middle, 1:30 at secondary and 1:27 at the level of higher secondary schools. District Khyber literacy rate is 49.40% the Gross Enrollment Rate (GER) is 41%, and the Net Enrollment Rate (NER) is 37% at the primary level. On budgetary front, the District Education

office, Khyber succeeded in spending 53% of District ADP and 95% of non-salary budgets.

District Education Offices in Khyber enrolled 12785 & 8138 kids in government boys and girls schools respectively. Similarly, annual average of teacher's attendance rate and student's attendance rate as per independent Monitoring Unit (IMU) data were approximately 83% & 70% respectively. Furthermore, 67% schools in district Khyber 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 only 32% against the assigned target.

Health

Health is another important sector of District Khyber with a total of 65 health facilities spread across the district among which 13 BHUs, 27 CDs, 01 RHC, 17 CH, and 05 Category- D hospitals.

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. The Department twice examines the data collected through various sources to improve efficiency and effectiveness in the business processes of service delivery.

On mother and child health care front, 31360 babies were born in health centers. Lab investigations and diagnostic facilities were also fully utilized as 297,543 lab tests, 130,655 X-rays, 504604 ultrasounds, nil CT Scans and 6030 ECGs were done in both primary and secondary health facilities in district Khyber. Figures of immunization from EPI register were also very impressive as 30,697 pregnant women received TT-2 vaccines, 81,646- kids under 12 months received full immunization. 36,856 families were provided family planning services. Human resource data from facility records revealed that these health facilities were amply provided with medical officers and paramedics as only very few positions were found vacant. 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.

Therein no Dar-ul-Kafala for beggars while the construction of rehabilitation center for drug addicts is under process in the district Khyber. 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 Khyber did not fulfill some primary requirements envisioned as essential component of Local Government in the Khyber Pakhtunkhwa Local Government Act, 2013 (amended in 2019). The Local Government could not establish & maintain Tehsil Public Fund Account as required under the section 30 of LGA. Similarly, Tehsil Account Officers were not appointed in TMAs. The accounts of receipt and expenditure were also not maintained in such form and in accordance with such principles and methods as the Auditor General of Pakistan prescribed as 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, Khyber 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 30.416 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 Khyber for the financial year 2019-20, audit observed incompleteness and incorrect presentation of the financial statements as the DAO failed to consolidate into the quarterly and annual accounts of the district, the Government and local resources, as required under section-36(3) of the Local Government Act, 2013. Receipts and expenditure of Rs 30.416 million and Rs 26.834 million respectively, of the TMAs are not reflected in accounts.

Same is 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 Khyber were not complied.

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.

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 171.733 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.

According to 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 Khyber, paid Rs 171,733,000 to various DDOs instead of issuance crossed cheques to Vender/Payees Accounts.

Unauthorized issuance of cheques to DDOs occurred due to weak internal control which leads to disclaimer of audit opinion.

The matter should be investigated and regularized by ensuring payments to the supplier/vendor instead of DDOs as per APPM.

1.2.3 Unverified payments on account of arrears of pay and allowances- Rs11.381 million

According to 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 Khyber for the year 2019-20 while analyzing HR data it was noticed that arrears of pay and allowances of Rs 11,381,000 was shown made which could not be verified.

Payments of arrears of pay and allowances without supporting documents led to unfair and un-true financial statements which lead to disclaimer of audit opinion.

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

CHAPTER 2

District Government

2.1 Introduction

Under Khyber Pakhtunkhwa Local Government Act 2013 (amended in 2019), activities of District Government are managed through offices of Deputy Commissioner and District Officers. Each department of the Districts is headed by a District Officer (DO). According to Rules of Business of District Government 2015, work of the district departments is distributed among the officers, branches, and/or sections in the district departments. Deputy Commissioner is the Principal Accounting Officer for all the devolved departments of the district which includes District Officers Agriculture, Education, Health, Fisheries, Population Welfare, AD LG & 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:

(1) 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.

(2) 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.

(3) 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	08	4	2,889.102	Nil

2.2 Comments On Budget And Expenditure (Variance Analysis)

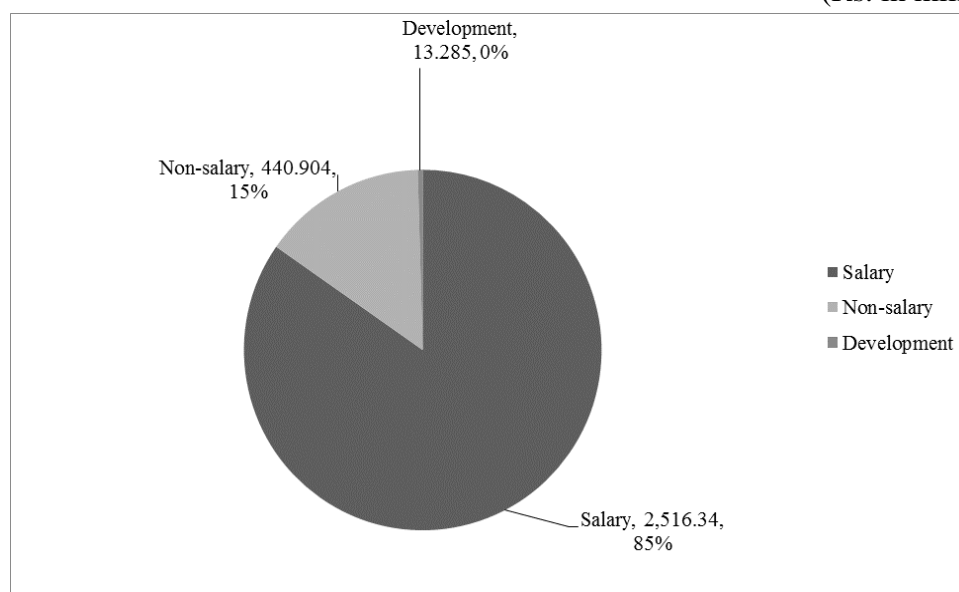
(Rs. in million)

2018-19	Budget	Actual Expenditure/ Receipts	Excess (+)/ Saving (-)	%age Excess/Saving
Salary	2,897.696	2,516.343	381.353	13.161%
Non-salary	522.656	440.904	81.752	15.642
Development	13.300	13.285	0.015	.113%
Total	3,433.652	2,970.532	463.120	13.488
Receipt	-	-	-	-

The savings of Rs. 463.120 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. 1058.814 million were raised as a result of this audit. This amount also included recoverable of Rs. 24.595 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
1	Reported cases of fraud, embezzlement and misappropriation	-
2	Irregularities	-
A	HR/Employees related irregularities	49.796
B	Procurement related irregularities	369.19
C	Management of Accounts with commercial bank	569.066
3	Value for money and service delivery issues	58.988
4	Others, including cases of accidents, negligence etc.	11.774
	Total	1,058.814

2.4 Comments on the status of compliance with District Accounts Committee Directives

It is the first audit of District Audit. Hence audit reports pertaining to previous years do not exist.

2.5 AUDIT PARAS

2.5.1 Irregularities

A. Human Resource related irregularities

2.5.1.1 Irregular drawl of UAA, HRA General & Special Allowance – Rs. 2.165 million

According to Finance Department Khyber Pakhtunkhwa letter No.FD (SR.II)15(a)12/77.Vol-III dated 08.07.1978 “Unattractive Area Allowance was admissible @ Rs.75” only to District Chitral, Dir, Kohitan, Swat, merged areas of Hazara/Mardan, Malakand Agency (excluding Khyber Agency).

According to GFR 10, the Public moneys should not be utilized for the benefit of a particular person or section of the community; and the amount of allowances granted to meet expenditure of a particular type should be so regulated that the allowances are not on the whole a source of profit to the recipients.

Deputy Commissioner Khyber paid Rs 2,164,509 on account of various allowances to the officers and officials of the local office during Financial Year 2019-20 which were not admissible to them. Abstract is given below and detail at **Annex-2**.

S.No.	Allowance	Amount (Rs)
1.	Unattractive Area Allowance	771,980
2.	HRA General	681,361
3.	Special Allowance (30%)	711,168
Total		2,164,509

In contravention to the above rules the officers and officials of the local office are drawing inadmissible Allowances regularly on monthly basis.

Drawl of inadmissible allowances occurred due to weak financial control which resulted in loss to the government.

When pointed out in July 2020, the management replied that the allowances were paid to the officials of this office as they were performing their duties in unattractive areas. Reply was not satisfactory as no documentary proof

in support of reply was produced to audit regarding admissibility the said allowances.

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

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

AIR Para No 04,05&06 (2019-20)

2.5.1.2 Irregular and Un-authorized Drawl of Conveyance Allowance – Rs. 1.20 million

According to the Government of KP, Finance Department letter No. FD(SR-II) 8-2170 date 20-11-1983 and No.FD(SOSR-II) 8-52/2013 date 02-04-2013, a civil servant who is provided official accommodation within the office premises will not be entitled to House Rent Allowance and conveyance allowance. According to AG Khyber Pakhtunkhwa letter No Computer/HR-Lab/CIC/203 dated 04-08-2011, Government servants who reside within the office premises are not entitled for Conveyance Allowance.

The conveyance allowance is allowed to the government officers/officials for payment of transport rent from residence to office. In case residence is situated within the office premises, there is no provision for payment of conveyance allowance.

The management of DHO Khyber Khyber Pakhtunkhwa having quarters / Bungalow under their administrative control in the civil colony Jamrud. These quarters/houses have been allotted to various government servants residing within the premises of the colony.

District Health Officer, Khyber did not deduct Conveyance Allowance from the pay of those employees to whom Government accommodations were allotted in the concerned units/ within the premises where they performed duty. Due to non-deduction of Conveyance Allowance, Government sustained a loss of Rs 1,199,904. Detailed is given at **Annex-3**.

When pointed out in July 2020, the management replied that the recovery would be made and progress would be shared with audit. However, no progress was intimated to audit so far.

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

Audit recommends immediate stoppage of conveyance allowance, recovery of overpaid amount and action against the person(s) at fault.

AIR Para No.11 (2019-20)

2.5.1.3 Unauthorized drawl of ceased Allowances amounting to Rs. 6.775 million

Para-6 of the Finance Division 1 (3) imp/2015-630 dated 07.07.2015 states that Adhoc Relief granted w.e.f 01.07.11 to 01.07.12 shall cease to exist w.e.f 01.07.15.

Para -6 of the Finance Division 1 (2) imp/2016-333 dated 01.07.16 states that Adhoc Relief granted w.e.f 01.07.13 to 01.07.15 shall cease to exist w.e.f 01.07.16.

During scrutiny of record of District Health Officer, Khyber it was observed from the reconciled expenditure statement for the month of June, 2020 that an amount of Rs 3,973,930 and Rs 2,801,756 was shown paid on account of Adhoc Relief 2013 and Adhoc Relief 2015 respectively during Financial Year 2019-20 violated the above criteria.

Drawl of inadmissible allowances occurred due to weak financial control which resulted in loss to the government.

When pointed out in July 2020, the management replied that the allowances paid to the officials of this office were admissible being considered provincial employees after merger. Reply was not satisfactory as no documentary proof in support of reply was produced to audit regarding admissibility the said allowances.

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

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

AIR Para No. 07 (2019-20)

2.5.1.4 Unauthorized payment on account of Unattractive Area Allowance - Rs. 8.630 million

According to Finance Department Khyber Pakhtunkhwa letter No.FD (SR.II)15(a)12/77.Vol-III dated 08.07.1978 “Unattractive Area Allowance was admissible only to District Chitral, Dir, Kohistan, Swat, merged areas of Hazara/ Mardan, Malakand Agency.

Rule-12(1) of Rules of Business provides that... No Division shall, without previous consultation with the Finance Division, authorize the issue of any orders, other than orders in pursuance of any general or special delegation made by the Finance Division, which will affect directly or indirectly the finances of the Federation.

District Health Officer, Khyber incurred an expenditure of Rs 8.630 million under object head A01233-Unattractive Area Allowance and paid to the staff of DHO office posted in various health institutions of district Khyber during the financial year 2019-20.

Drawl of UUA without admissibility occurred due to weak financial control which resulted in loss to the government.

When pointed out in July 2020, the management replied that the allowance was paid to the officials of this office as they were performing their duties in unattractive areas. Reply was not satisfactory as no documentary proof in support of reply was produced to audit regarding admissibility the said allowances.

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

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

AIR Para No.10 (2019-20)

2.5.1.5 Illegal/unauthorized drawl of Pay and Allowances – Rs. 29.356 Million

According to Rule-157 of Treasury Rules Vol-I the cheques for more than Rs 200/- drawn in favor of local bodies, firms, private persons or Government servants (in respect of their personal Claims) shall be crossed “Payees A/C only”.

This Rule will however not apply to Federal Govt. Servants in r/o pay and allowances up to Rs. 2000/- per month. In this regard the Accountant General Office and all other concerned have also issued instructions for payment of pay and allowances to Govt. employees through their bank accounts only.

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 Health Officer, Khyber withdrew Rs. 29,356,142 from the Government Treasury during financial year 2019-20 and made cash payments to the employees on account of pay & allowances in violation of government instructions. Details are as under:

S.No	Description/Project	Item	Amount (Rs)
1.	Mobile Hospital Prog	Staff Salaries	17,593,142
2.	Strengthening of EPI Prog.	Staff Salaries	7,200,000
3.	Aids Control Prog.	Staff Salaries	594000
4.	Hepatitis Control Prog	Staff Salaries	396000
5.	TB Control Prog.	Staff Salaries	774000
6.	Health Nutrition Prog,	Staff Salaries	2,799,000
Total			29,356,142

The lapse occurred due to weak financial management which resulted in unauthentic drawl and compromised internal checks on payments.

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

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

Audit recommends immediate transfer of salaries from DDO to bank accounts and inquiry into the matter for fixing responsibility on the person(s) at fault.

AIR Para No. 05 (2019-20)

2.5.1.6 Irregular Drawl and payments through DDO – Rs. 1.670 Million

According to Rule-157 of Treasury Rules Vol-I the cheques for more than Rs 200/- drawn in favor of local bodies, firms, private persons or Government

servants (in respect of their personal Claims) shall be crossed “Payees A/C only”. This Rule will however not apply to Federal Govt. Servants in r/o pay and allowances up to Rs. 2000/- per month. In this regard the Accountant General Office and all other concerned have also issued instructions for payment of pay and allowances to Govt. employees through their bank accounts only.

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 Education Officer, Khyber withdrew Rs. 1,669,592 from the Government Treasury during financial year 2019-20 and made cash payments to the employees on account of pay & allowances in violation of government instructions.

The lapse occurred due to weak financial management which resulted in unauthentic drawl and compromised internal checks on payments.

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

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

Audit recommends immediate transfer of salaries from DDO to bank accounts and inquiry into the matter for fixing responsibility on the person(s) at fault.

AIR Para No. 02 (2019-20)

B. Procurement related irregularities

2.5.1.7 Irregular procurement of official vehicles – Rs. 65.280 million

According to the Administration Department letter no. SOT (AD)TCR, 2015 dated 12 May 2017. The committee authorized that field officer DCs/ ADCs/ACs and AACs be allowed vehicles of higher engine capacity according to the nature of their duties and terrain requirements.

According to Administration Department Letter SOT (AD)TCR, 2015/KC dated 15/8/2017 letter endorsed to all commissioners/deputy commissioners and

all administrative secretaries. Revised authorization of vehicles for each office of divisional commissioner would be allowed one 1300 cc motor car and 4x4 double cabins for security/squad.

According to Staff Car Rules 1997, 1300 CC vehicle is allowed to grade 19 & 20, 1000 CC vehicle is allowed to grade 18 and 800 CC vehicle is allowed to grade 17.

Deputy Commissioner Khyber incurred expenditure of Rs 65,279,500 on procurement of 10 official vehicles for DC office during financial year 2019-20 as per detail give below:

Particular	Specification	U/Cost	Qty	Amount
Toyota Fortuner(Sigma-4) 4x4	Diesel Automatic 2800 CC	8,692,000	01	8,692,000
Toyota Hilux Double Cabin,Revo 4x4	Automatic, Diesel Transmission:6 Speed A/T, 2755 CC	6,287,500	09	56,587,500
Total				65,279,500

During scrutiny of relevant record, audit raised the following irregularities.

1. The vehicles were purchased without surrendering and auction of existing vehicles.
2. As per above Notification only commissioner were allowed 1300 motor car and one 4x4 for security purpose, whereas 8 number 4x4 Revo 2755CC were purchased for ADCs/ACs/AACs instead of 1300 cc Motor Car for DC.
3. Vehicles were purchased beyond the authorization of the officers. Vehicles having 2800 CC engine capacity were purchased for officer in Grade 18.
4. Detail of the other existing vehicles was not provided to audit especially in context of their further allotment or usage.
5. CM Approval was not solicited for exemption from ban on purchase of vehicles.
6. The local office failed to deduct at source 1/5th of the sales tax amounting to Rs 1,885,692/-

The irregularity occurred due to lack of non-observance of rules, resulting in loss to public exchequer and misuse of funds.

When pointed out in July 2020, the management replied that the procurement of vehicles has been authorized by the Government of KP, Finance Department. Reply was not satisfactory as no documentary proof in support of reply was produced to audit.

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

Audit recommends conducting enquiry into the matter for fixing responsibility against the person(s) at fault.

AIR Para No. 08 (2019-20)

2.5.1.8 Irregular expenditure on account purchase of equipment – Rs. 1.985 million

According to Director General Health Services Khyber Pakhtunkhwa Peshawar office order No. 1727-76/Proc-Cell/Dated 16-11-16 addressed to all DHOs in KPK, Clause-4 provides that the concerned DHO shall ensure availability of human resource, completion of infrastructure, availability of power(electricity) & there is no dumping of the said equipment. And Clause-4 upon receipt of supply, concerned office shall arrange inspection of the supplies. And Clause-6, payment should not be made without submission of contract execution certificate duly signed by DG Health. Clause-8, the successful bidders shall submit performance security @8% in the shape of bank guarantee of the amount of supply order.

According to Director General Health Services Khyber Pakhtunkhwa Peshawar office order No. 7465-7568/DD(Reg/Preq/Drugs) dated 08/10/2011: Clause-4) Supply of the Medical Equipment/Instruments and other Misc: items be accepted on proper delivery challans, invoices, warranties and bills with written assurance from the suppliers/ importers / manufacturers on stamp papers that all the instruments / equipment supplies are according to the required specifications, standard and are not refurbished. Clause-6) All payments to the importers / manufacturers / suppliers are to be made after making it sure that all the items supplied are in working conditions and declared are of standard quality be the inspection committee.

District Health Officer, Khyber incurred expenditure of Rs 1,985,060 under the Head A-09601 "Purchase of Equipment during Financial Year 2019-20. Audit observed the following irregularities:

1. Neither open tender system followed nor quotation obtained to obtain economical rates
2. Payment made in cash instead through vender
3. Machinery & equipment were purchased without obtaining the demand and actual requirements from the hospital and the newly purchased machinery was dumped in the main store of the DHO.
4. Payment was made but neither Inspection Committee was constituted nor was Inspection of the supplied items carried out by the local office.
5. Neither physical verification from the Competent Authority was carried out nor did the Competent Authority properly sign the stock register.

The irregularity occurred due to non-observance of rules, resulting in misuse of Government funds.

When pointed out in July 2020, the management replied that the procurement was done by the D.G Health KP and all the relevant documents are available there. Reply was not satisfactory as no documentary proof in support of reply was produced to audit.

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

Audit recommends conducting enquiry into the matter for fixing responsibility against the person(s) at fault.

AIR Para No. 08 (2019-20)

2.5.1.9 Non-transparent procurement of Text Book – Rs. 301.725 million

According to Rule 1 of Chapter-III of Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules, 2014, the procuring entity shall use open competitive bidding as the principal method of procurement for

the procurement of goods over the value of Rs 100,000/ rupees one hundred thousand.

According to Rule-205 of FTR, a Government officer entrusted with the payment of money shall obtain for every payment he makes, including repayment of sums previously lodged with the Government a voucher setting forth full and clear particulars of the claim and all information necessary for its proper classification and identification in the accounts District

District Education Officer, Khyber drew Rs. 301,725,068 and shown paid to Text Books Board, Peshawar during the financial year 2019-20 as per detail given below:

S.No	Cheque No & date	Amount in Rupees (Rs)
1.	1876384, 5.6.2020	125,000,000
2.	187544, 18.06.2020	176,725,068
Total		301,725,068

Audit observed that:

1. Open tender for supply/ printing of text books was not floated.
2. Contractor agreement was not signed with text book boards as the same was neither available on record nor produced to Audit.
3. Supply order for purchase of books was not found on record.
4. Demands lists of the books of all schools in FATA were not available on record.
5. Agency wise list of Primary, Middle and Secondary schools in FATA where the books were to be distributed, was not provided to audit.
6. Certificate of Quality /quantity and inspection of quality of books was not produced to audit.
7. Main stock register/ sub-stock register were not maintained due to which audit could not ascertain the actual position of stock received, issue and balance.

The irregularity occurred in violation of rules which resulted in loss to Government as competitive rates were not obtained.

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

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

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

AIR Para No. 03 (2019-20)

C. Management of Accounts with Commercial Banks

2.5.1.10 Loss due to non-conversion of current Bank Account into PLS mode – Rs. 14.066 million

According to Government of Khyber Pakhtunkhwa Finance Department letter No 2/3-(F/L)-FD/2007-2008/Vol-IX dated:10-02-2014, current accounts should be converted to PLS mode and the profit earned be deposited in Government treasury under relevant head of account immediately.

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 #

Deputy Commissioner, Khyber during the year 2019-20 did not convert 06 bank accounts into PLS mode despite instructions from government in this regard from time to time. It is calculated that a profit of Rs. 14,065,611 would have been earned (at minimum rate of 5% annual) if the bank accounts were converted into PLS mode. Detail of the expected bank profit is given below:

(Amount in Rs)

S.#	Bank Name	Account No.	Opening balance	Closing balance	Average balance	Expected Profit
1.	NBP	4321053384	4,9451,335	147,110,725	98,281,030	4,914,052
2.	NBP	4321550599	40,000,000	49,150	20,024,575	1,001,229

3.	NBP	4321772011	53,469,355	68,469,355	60,969,355	3048,468
4.	NBP	4321620798	19,915,000	7,463,548	13,689,274	684,463
5	NBP	4321534710	5,000,000	5,000,000	5,000,000	250,000
6.	UBL	1090002232757 68	44,210,215	122,485,762	83,347,989	4,167,399
Total						14,065,611

The irregularity occurred due to non-observance of the government instruction which resulted in loss to the public exchequer.

When pointed out in July 2020, the management replied that compliance would be made and progress would be shown to audit, however, no progress was shown to audit.

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

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

AIR Para No. 07 (2019-20)

2.5.1.11 Blockage of Government funds – Rs. 553 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”. Further, Para 209 of GFR provides, “Unless otherwise ordered by Government, every grant made for a specific object is subject to the implied conditions:

- (i) that the grant will be spent upon the object within a reasonable time, if no time limit has been fixed by the sanctioning authority and
- (ii) that any portion of the amount which is not ultimately required for expenditure upon that object, should be duly surrendered to Government”.

Deputy Commissioner, Khyber had unspent balance of Rs. 553,104,966 in accounts as on 30.06.2020 which was lying unspent in the bank account since long resulting in unlawful blockage of government funds. Detail is given below:

Name of Bank	Title of Account	Account No	Closing Balance 30.6.2018	Closing Balance 30.6.2019	Closing Balance 30.06.2020
PLA	DC Khyber	G-11217	553104966	553104966	553104966

Irregularity occurred due to weak financial management which resulted in blockage of funds.

When pointed out in July, 2020, the management replied that the amount was kept in the account for further payment to the land owner as cost of land purchased in connection of developmental schemes. Furthermore, the said PLA is blocked and inoperative for the last three years. Reply was not satisfactory as the amount was required to be disbursed immediately after its drawl which was not done.

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

Audit recommends appropriate action on part of the management according to the rules of Finance Department immediately under intimation to audit.

AIR Para No. 13 (2019-20)

2.5.1.12 Doubtful / Unauthentic drawl on account of Encashment of LPR – Rs. 2.00 million

According to Rule-157 of Treasury Rules Vol-I the cheques for more than Rs 200/- drawn in favor of local bodies, firms, private persons or Government servants (in respect of their personal Claims) shall be crossed “Payees A/C only”. This Rule will however not apply to Federal Govt. Servants in r/o pay and allowances up to Rs. 2000/- per month. In this regard the Accountant General Office and all other concerned have also issued instructions for payment of pay and allowances to Govt. employees through their bank accounts only.

District Health Officer, Khyber drew an amount of Rs 2,000,000 during financial year 2019-20 on account of “Encashment of LPR” as per reconciled expenditure statement for the month of June, 2020. Amount was drawn in cash instead of through direct credit to bank accounts of the concerned officials. Furthermore, Actual Payee Receipt was also not found on record.

The lapse occurred due to weak financial management which resulted in unauthentic drawl and overriding system based internal controls on the payments.

When pointed out in July, 2020, the management replied that the budget was released in the month of June, 2020 and most of the concerned officials do not have bank accounts, however, APRs are available on record. Reply was not satisfactory, the payment was required to be made through bank accounts as per rules.

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

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

AIR Para No. 03 (2019-20)

2.5.2 Value for money and service delivery issues

2.5.2.1 Irregular payments for private accommodation being used by Army Rs. 27.597 million & Loss due to allowing higher rate on a/c of rent – Rs. 5.825 million

According to Government of Khyber Relief, Rehabilitation and Settlement Department Notification No.SO(ESTT☺/RRS/2-2/2019 dated 04.04.2019, the concerned DCs shall identify the total number of houses occupied by Pak Army and the rent shall be assessed by the C&W Department on the basis of standard formula.

As per Rule 205 of FTR, a Government officer entrusted with the payment of money shall obtain for every payment he makes, a voucher setting forth full and clear particulars of the claim and all information necessary for its proper classification and identification in the accounts.

Deputy Commissioner, Khyber paid Rs. 27,597,000 during 2019-20 to the owners of the houses occupied by LEA, Army/FC troops and those houses are still in their use.

Audit raised the following observations.

1. Accommodations being used by Pak Army/ FC Troops, so the payment should have been made by the respective occupants since their departments have budgetary allocations for operational activities in FATA districts.
2. Assessment was made by C & W Department for the financial year 2019-20, while payment to the owners of the houses was made for the period from 2009-10 to 2019-20 on the same assessment. Audit held that rent should have been assessed for each year separately because for previous years rate should be less than the subsequent year (10% decrease each year). Hence, due to allowing rate of 2019-20 for preceding/ previous years, government sustained a loss of Rs 5,825,064 as per detail given at **Annex-04**.

Audit observed that payment of rent at higher rate occurred due to weak financial control and non-observance of Government instructions, which resulted in loss to the Government.

When pointed out in July 2020, department replied that the rent has been paid as per assessment made by the C&W Department out of funds provided by the PDAM for the purpose through cross cheques and all the relevant documents are lying on record. Reply was not tenable as the payment should have been made by the occupants out of their own budget allocation and as per applicable rules and formula which was not done.

Audit recommends investigating the matter for fixing responsibility and recovering the loss sustained by the government besides action against the person(s) at fault.

AIR Para No. 14 (2019-20)

2.5.2.2 Irregular payment of salaries to contingent paid staff – Rs. 31.391 million

According to para 6 read with para 1(a) of Finance Department Government of KPK letter No. BO.I/ FD/ 5-8 /2018-19/Austerity measures dated 29.10.2018 read with No. BO.I / FD/5-8/2019-20/Austerity measures No. 01.07.2019, no appointment of contingent paid staff shall be made during the course of financial year 2019-20 unless recommended by the committee comprising of Secretaries of GoKP, Finance, Establishment & Administration, P&D Departments well as concerned department and approved by the Chief Minister, KP.

Deputy Commissioner, Khyber paid Rs. 31,390,850 to contingent employees during the year 2019-20. However, the appointment of the contingent paid staff was banned by government. Moreover, most of the contingent paid staff were appointed against the key post since long instead of recruiting the regular staff. Proper record to the appointment of the contingent paid staff was not available in the local office.

The irregularity occurred due non observance of rules which resulted in irregular expenditure.

When pointed out in July 2020, the management replied that the Political Agent, Khyber hired a number of people purely on temporary basis on fixed monthly salary out of agency fund as staff gap arrangement. After merger, the services of the staff was kept continued and salaries are being paid out of district

fund. Reply was not satisfactory as instruction of Finance Department was not followed in letter and spirit.

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

Audit recommends regularization of payment from the competent forum besides inquiry for fixing responsibility and action against the person(s) at fault.

AIR Para No. 15 (2019-20)

2.5.3 Others, including cases of accidents, negligence etc.

2.5.3.1 Loss to government on account of excess consumption of POL – Rs. 11.774 million

According to clause 7 of Government of Khyber Pakhtunkhwa Finance department letter No. BO(W&M)/1-1/FD/2017-18 dated 12-09-2017 requires 25% reduction in POL ceilings of all Government functionaries.

DC Khyber incurred expenditure on account of POL worth Rs. 15,650,000 during financial year 2019-20. The DC Khyber was required to spend an amount of Rs 38,750,040 as per ceiling allowed by the Finance Department, but contrary to the Government policy neither the austerity measures were adopted nor was consumption made within the prescribed ceiling limits. Resultantly, the Government was put into loss of Rs. 11,774,960. Furthermore, no log books were provided by the local office to verify the expenditure. Detail is given below.

S.No	Designation	Within station ceiling	Out station consumption approximately	Monthly POL allowed (Liters)	Months of duties	Annual POL consumption required (Liters)
1	DC Khyber	160	200	360	12	4,320
2	ADC (General)			300	12	3,600
3	ADC, (F&P)			300	12	3,600
4	ADC (Relief)			300	12	3,600
5	AC LandiKotal			300	12	3,600
6	AC Jamrud			300	12	3,600
7	AC Bara			300	12	3,600
8	AAC LandiKotal	90	110	200	12	2,400
9	AAC jamrud			200	12	2,400
10	AAC Bara			200	12	2,400
Total consumption required as per actual ceiling						33120
Rate of petrol per liter during the year 2019-20 (average)						Rs. 117
Total expenditure required						Rs. 3,875,040
Total Expenditure incurred on POL						Rs.15,650,000
Expenditure incurred in excess						Rs.11,774,960

The irregularity occurred due to weak internal controls and lack of strict financial discipline on part of the Principal Accounting Officer which resulted into misuse of public funds and loss to public exchequer as well.

When pointed out in July 2020, the management replied that Khyber district comprises of hard area and usage of escort vehicles are necessary for the officers visiting remote areas. Hence, the expenditure of POL is based on actual consumption. Reply was not satisfactory as POL was shown utilized over and above the ceiling fixed by the Finance Department.

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

Audit recommends that such payments may be kept under strict financial controls in order to safeguard the public money. Irregular payments so made may be justified and the amount spent be regularized through the competent authority/forum under intimation to audit.

AIR Para No 10 (2019-20)

CHAPTER-3

Town Municipal Administrations

3.1 Introduction

District Khyber has three Tehsil Municipal Administrations i.e TMA Jamrud, TMA Landi Kotal & TMA Bara . Each tehsil office is managed by a Tehsil Municipal Officer assisted by a Tehsil Officer (Finance), Tehsil Officer (Infrastructure), Tehsil Officer (Planning) 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)

S/N	Description	Total Nos	Audited	Expenditure audited FY 2019-20	Revenue/Receipts audited FY 2019-20
1.	Formations	03	03	19.163	-

3.2 Comments on Budget and Accounts (Variance Analysis)

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

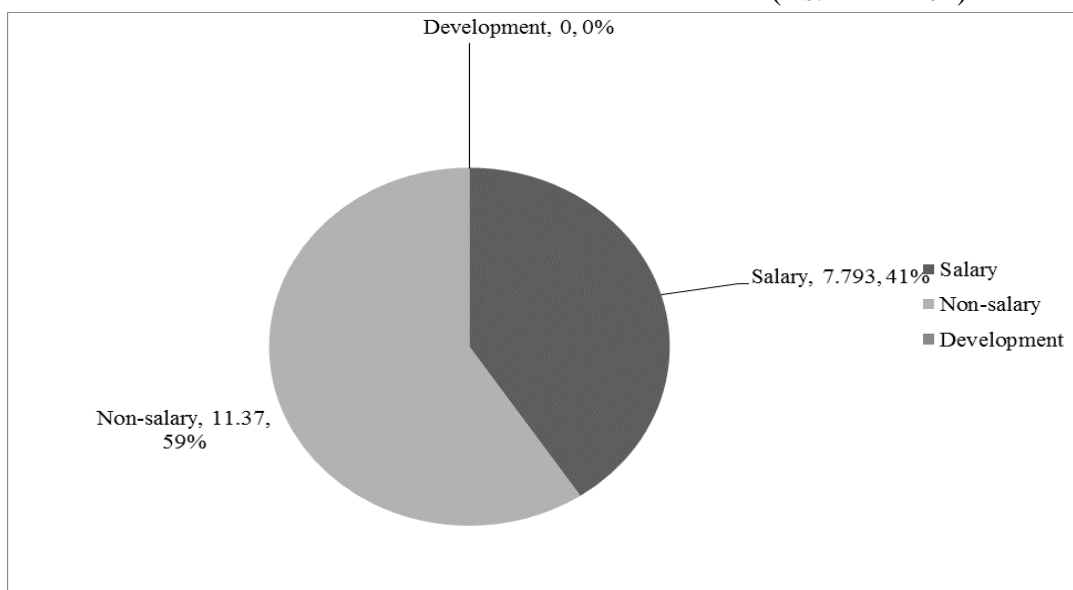
(Rs. in million)

2019-20	Budget	Expenditure	Excess/ (Saving)	%age
Salary	19.042	7.793	11.249	
Non-salary	31.159	11.370	19.789	
Developmental	-	-	-	-
Total	50.201	19.163	31.038	
Receipt	-	-	-	-

The savings of Rs. 31.038 million indicates weakness in the capacity of these local institutions to utilize the allocated budget.

EXPENDITURE 2019-20

(Rs. in million)



3.3 Classified Summary of Audit Observations

Audit observations amounting to Rs. 4.502 million were raised as a result of this audit. This amount also includes recoverable of Rs. 0.131 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	4.502
	Total	4.502

3.4 Comments on the status of compliance with TAC Directives

It is the first audit of District Audit. Hence audit reports pertaining to previous years do not exist.

3.5 AUDIT PARAS

3.1.1 Irregularities

A. Procurement related irregularities

3.1.1.1 Irregular procurement of official vehicles above entitlement – Rs.2.637 million

According to Staff Car Rules 1997, 1300 CC vehicle is allowed to grade 19 & 20, 1000 CC vehicle is allowed to grade 18 and 800 CC vehicle is allowed to grade 17.

According to the Administration Department letter No. SOT(AD)TCR, 2015 dated 12 May 2017, the committee formed thereof would authorize that whether field officer DCs/ADCs/ACs and AACs are allowed vehicles of higher engine capacity according to the nature of their duties and terrain requirements”.

According to Government of Khyber Pakhtunkhwa Administration department (Transport Section) minutes of the transport committee meeting circulated vide No. SOT(AD)/TCR/2015/KC dated 20-10-2017, the provincial Government has imposed complete ban on purchase of vehicle, which can be relaxed by the Chief Minister on case to case basis.

Tehsil Municipal Officer, Jamrud incurred expenditure of Rs. 2,636,500 on procurement of official vehicle for office use during financial year 2019-20. During scrutiny of relevant record, audit raised the following irregularities.

1. The vehicle was purchased without obtaining NOC from the competent forum.
2. Advance payment was made but sanction of Finance department was not obtained.
3. Vehicle was purchased beyond the authorization of the officer. Vehicle having 1300 CC engine capacity was purchased in contrary to the entitlement mentioned above. The officer concerned was only authorized for 1000CC as per staff car rules but undue benefit was extended and Government exchequer was put into loss.
4. Detail of the other existing vehicles was not provided to audit especially in context of their further allotment or usage.

5. 1/5th of the sales tax amounting to Rs. 76,616 was not deducted at source.

In light of above the procurement and expenditure is held unauthorized and irregular.

The irregularity occurred due to lack of non-observance of rules, resulting in loss to public exchequer and misuse of funds.

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

Request for convening the DAC meeting was made in January 2021, which could not be convened till finalization of this report.

Audit recommends conducting enquiry into the matter for fixing responsibility against the person(s) at fault.

AIR Para No. 07 (2019-20)

3.1.1.2 Irregular procurement of official vehicles above entitlement – Rs. 1.865 million

According to the Administration Department letter No. SOT(AD)TCR, 2015 dated 12 May 2017, the committee formed thereof would authorize that whether field officer DCs/ADCs/ACs and AACs are allowed vehicles of higher engine capacity according to the nature of their duties and terrain requirements”.

According to Government of Khyber Pakhtunkhwa Administration department (Transport Section) minutes of the transport committee meeting circulated vide No. SOT(AD)/TCR/2015/KC dated 20-10-2017, the provincial Government has imposed complete ban on purchase of vehicle, which can be relaxed by the Chief Minister on case to case basis.

Tehsil Municipal Officer, Bara incurred expenditure of Rs 1,865,000 on procurement of official vehicle for office use during financial year 2019-20. During scrutiny of relevant record, audit raised the following irregularities.

- a) The vehicle was purchased without obtaining NOC from the competent forum.
- b) Advance payment was made but sanction of Finance department was not obtained.

- c) Detail of the other existing vehicles was not provided to audit especially in context of their further allotment or usage.
- d) 1/5th of the sales tax amounting to Rs. 54,197 was not deducted at source.

In light of above the procurement and expenditure is held unauthorized and irregular.

The irregularity occurred due to lack of non-observance of rules, resulting in loss to public exchequer and misuse of funds.

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

Request for convening the DAC meeting was made in January 2021, which could not be convened till finalization of this report.

Audit recommends conducting enquiry into the matter for fixing responsibility against the person(s) at fault.

AIR Para No. 01 (2019-20)

CHAPTER-4

Assistant Director, Local Government & Rural Development

4.1 Introduction

Assistant Director, Local Government Election and Rural Development Department in District Khyber has 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 Khyber.

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.

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	Formation	01	01	60.871	NA

4.2 Comments on Budget and Accounts (Variance Analysis)

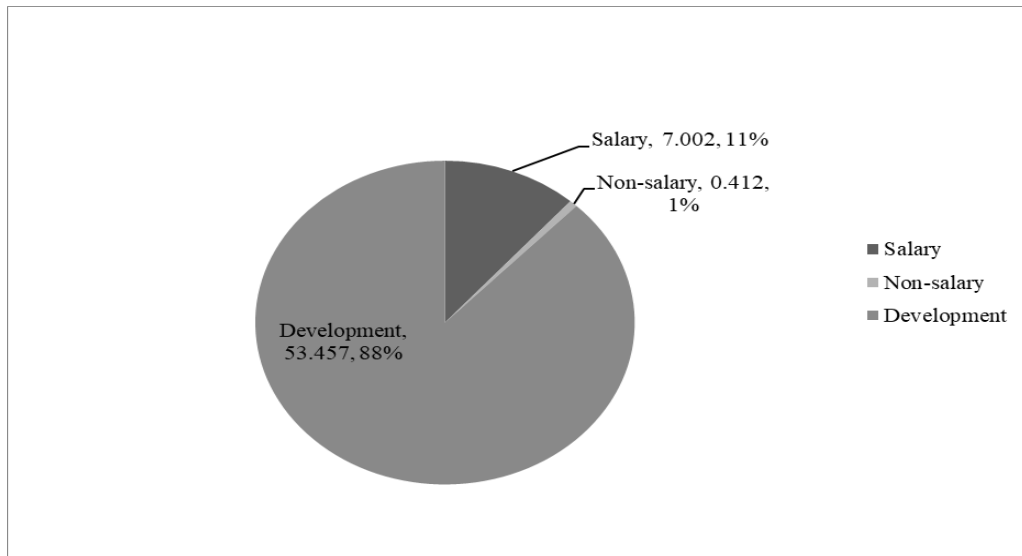
(Rs. in million)

2019-20	Budget	Actual Expenditure	Excess/(Saving)	%age
Salary	7.012	7.002	0.010	0.143%
Non salary	0.50	0.412	0.088	17.6%
Developmental	69.196	53.457	15.739	22.745%
Total	76.708	60.871	15.837	20.646

The savings of Rs. 15.837 million indicates weakness in the capacity of the company to utilize the allocated budget.

EXPENDITURE 2019-20

(Rs. in million)



4.3 Classified Summary of Audit Observations

Audit observations amounting to Rs. 66.989 million were raised in this audit report. This amount also includes recoverable of Rs. 9.053 as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rs. in million)

Sr. No.	Classification	Amount
1	Irregularities	-
A	Procurement related irregularities	65.714
2	Others, including cases of accidents, negligence etc.	1.275
Total		66.989

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.

Sr. No.	Audit Year	VACs/NACs meeting
1.	2002-03	N/A
2.	2003-04	N/A
3.	2005-06	N/A
4.	2006-07	N/A
5.	2007-08	N/A
6.	2008-09	N/A
7.	2009-10	N/A
8.	2010-11	N/A
9	2011-12	N/A
10	2012-13	N/A
11	2013-14	N/A
12	2016-17	N/A
13	2017-18	N/A
14	2018-19	N/A

4.5 AUDIT PARAS

4.5.1 Irregularities

A. Procurement related irregularities

4.5.1.1 Non-recovery of penalty from the contractors – Rs. 9.053 million

According to Clause 2 of the Contract Agreement, penalty @ 1% per day and up to maximum of 10% of the tender cost may be imposed for delay in completion of work.

AD LG &RDD Khyber awarded various developmental works to contractors under RWP during financial year 2019-20. The contractors failed to complete the schemes within stipulated period of time and AD LG Khyber did not impose and recover penalty amounting to Rs. 9.053 from the contractors as per detail at **Annex-5**.

Non recovery of penalty on account of late execution occurred due to weak internal control which deprived the public from timely benefit of the developmental schemes.

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

Request for convening the DAC meeting was made in January, 2021 which could not be convened till finalization of this report.

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

AIR Para No. 06 (2019-20)

4.5.1.2 Non transparent tendering of works – Rs. 56.661 million

According to rule 30 of KPPRA Rules 2014, each procuring entity shall plan its procurements with due consideration to transparency, economy, efficiency and timeliness, and shall ensure equal opportunities to all prospective bidders in accordance with section 22 of the Act.

The Government of Khyber Pakhtunkhwa in Local Government Elections and Rural Development Department issued a Notification No. PS/ SLG &RDD / Misc/2014 dated 18-07-2014 for e-tendering system implementation by all Local

Councils and Local Areas Development Authorities in the province of Khyber Pakhtunkhwa for transparent and fair competition.

During the course of audit of accounts of AD LGE&RDD, Khyber for the financial year 2019-20, it was observed that various developmental works amounting to Rs. 56.661 million as per detail given below were tendered and the following short comings were noticed:

1. E-tendering system was not adopted to ensure transparency.
2. The tender form register was not signed by tender opening committee. Rather it was not signed at all.
3. In the tender form register tender form numbers were not mentioned/entered against the contractor to ensure the transparency and to cross verify the record.
4. It was not mentioned that the work was awarded to whom and at what rate.
5. Envelops were not delivered through registered post or courier service.
6. Tender forms were not supported by relevant documents i.e registration of contractor with PEC, enlistment, tax verification documents etc.

Thus the tendering process was not transparent and the government interest was not secured.

S.No.	Name of work	Contractor	E/Cost (Rs)
1	Water and Sanitation System in distt. Khyber	Gul Ahmad Afridi	9.339
2	Execution of 07 Nos. DWSS (civil work) in Bara	Redi Gul	7.784
3	Execution of 08 Nos. DWSS (civil work) in Jamrud	Zar jamal Brothers	13.474
4	Execution of 02 Nos. DWSS (civil work) 01 flood protection in Landi kotal	S Afridi	7.664
5	Provision of Public transport and pedestrian facilities in distt. Khyber	Fida Muhammad	18.400
Total			56.661

Non transparent tendering process occurred due to non-adherence to government policies and rules which resulted in unauthentic/ doubtful award of contracts.

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

Request for convening the DAC meeting was made in January, 2021 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. 02 (2019-20)

4.5.2 Others, including cases of accidents, negligence etc.

4.5.2.1 Irregular cash withdrawals from bank account – Rs. 1.275 million

According to Rule-157 of Treasury Rules Vol-I the cheque for more than Rs 200/- drawn in favor of local bodies, firms private persons or Government servants (in respect of their personal Claims) shall be crossed “ Payees A/C Only”. This Rule will however not apply to Federal Govt. Servants in r/o pay and allowances up to Rs. 2000/- per month.

AD LG &RDD Khyber for the financial year 2019-20 drew Rs. 1,275,029 in cash as per detail given at **Annex-6**. Audit observed that withdrawal of huge amounts in cash was not only violation of Treasury Rules but could also led to misappropriation.

The irregularity occurred due to negligence of management resulting in violation of government orders.

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

Request for convening the DAC meeting was made in January 2021, which could not be convened till finalization of this report.

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

AIR Para No. 05 (2019-20)

ANNEXURES

Annex-1

MFDAC

(Rs. in million)

S.#	Caption	Amount
Deputy Commissioner		
1	Non maintenance of Stock Register	7.305
2	Improper maintenance of Cash Book	-
3	Un-authorized drawl of conveyance allowance	0.332
4	Non deposit of Domicile Fee – Rs. 211,120	0.211
5	Non utilization of developmental funds	1.500
District Health Officer		
6	Illegal expenditure on Purchase of medicine	28.670
7	Non-reconciliation of receipts with treasury	4.734
8	Irregular Expenditure on payment of Electricity charge	11.213
9	Internal check against irregularities, waste and fraud	-
10	Non conducting of physical verification	-
District Education Officer (Male&Female)		
11	Unauthentic payment on account of electricity charges	1.59
12	Irregular drawl of Adhoc Relief Allowances	22.147
13	Non-surrender of unspent balance	14.493
14	Irregular drawl from designated bank account	0.840
15	Irregular payment	1.640
16	Non-deducting of internal check	-
17	Non-conducting of physical verification	-
Agriculture		
18	Non submission of annotated replies of AIR 2018-19	-
19	Unauthentic expenditure due to non conducting of monitoring	6.213
20	Unauthentic expenditure on account of various items	13.285
21	Irregular expenditure on a/c of pay & allowances	4.860
22	Loss due of non deduction of income tax	0.572
23	Unauthorized expenditure on a/c of electricity charges	0.114
TMA Bara		
24	Non deduction of sales tax	0.054
25	Irregular splitting of expenditure on purchase of furniture	0.442
26	Over payment on account of additional charge allowance	0.092
TMA Jamrud		
27	Irregular drawl of more than one pay honoraria and non-deduction of income tax	0.145
28	Unjustified payment on account of capacity building share to LGS	0.200

29	Unjustified payment on account of honoraria	0.100
30	Non-recovery of conveyance allowance from the employee allotted government vehicle	0.030
31	Non-recovery of house rent allowance from the employee allotted government residence	0.072
32	Irregular splitting of expenditure on purchase of furniture	0.349
33	Non-deposit of bank profit into government treasury	0.017
Assistant Director LGE&RDD Khyber		
34	Loss due to non-conversion of Bank Account into PLS mode	0.313
35	Irregular expenditure without rate analysis	33.434
36	Unauthentic/ doubtful execution of item of work without required tests	11.953
37	Irregular expenditure without technical sanction	131.661
38	Non conducting of physical verification of stock	-
39	Improper maintenance of cash book	-
40	Irregular submission and approval of PC-I	399.535

Annex-2**Para 2.5.1.1****Detail of drawl on account of UAA, HRA and Special Allowance****1. UAA detail****(Amount in Rs)**

S. No	Name of Officer	Designation	BPS	Payment per Month	Months	Total Amount
1	Arshad Kamal	Superintendent	17	2,000	10	20,000
2	Ghundcha Gul	NaibTehsildar	14	10,000	11	110,000
3	Marukh wife of Khalid Mumtaz (Late)	Assistant Commissioner	17	9,850	11	108,350
4	Muhammad Imran Khan	Assistant Commissioner	17	10,000	11	110,000
5	Naik Muhammad	Assistant Commissioner	17	10,000 & 15,000	11	102,000
					Adj.	38,677
7	Zulfiqar Khan	NaibTehsildar	14	10,000	6	60,000
8	Shakeelur Rehman	NaibTehsildar	14	1,000	4	4,000
					Adj.	57,000
9	Shasul Islam	AD (IT)	17	10,000	1	10,000
					Adj.	45,000
10	Shahid Shah	Junior Clerk	14	4,920 & 10,000	9	54,600
					Adj.	9,840
11	Khalid Khan	Add AC	17	5,000 & 15,000	3	25,000
					Adj.	15,000
12	Aftab Ahmad	Add AC	17	6,060 & 10,000	8	52,300
					Adj.	32,240
13	Asmatullah Shah	NaibTehsildar	14	10,000 & 5,220	10	90,440
					Adj.	9,560
14	Jawad Ali	Asstt Director (IT)	17	2,000 & 15,000	4	21,000
					Adj.	56,000
15	Mahmood Aslam Wazir	AC	19	10,000	12	120,000
16	RiazulHaq	NaibTehsildar	12	10,000	11	110,000
Total						771,980

2. HRA detail

(Amount in Rs)

S. No	Name of Officer	Designation	BPS	Payment per Month	Months	Total Amount
1	Ghundcha Gul	NaibTehsildar	14	10000	8	80,000
2	Muhammad Imran Khan	Assistant Commissioner	17	15000	11	165,000
3	Naik Muhammad	Assistant Commissioner	17	10000 & 15000	11	106,364
4	Khalid Khan	Add AC	17	15000	3	45,000
5	Aftab Ahmad	Add AC	17	10000 & 5000	6	54,090
					Adj.	70,907
6	Asmatullah Shah	NaibTehsildar	14	10000	11	110,000
7	RiazulHaq	NaibTehsildar	15	10000	5	50,000
		Total				681,361

3. Special Allowance (30%) detail

(Amount in Rs)

S. No	Name of Officer	Designation	BPS	Payment per Month	Months	Total Amount
1	Shamsul Islam	AD (IT)	17	11181	3	32,853
2	Zulfiqar Khan	NaibTehsildar	14	9828	6	58,968
3	Khalid Khan	Add AC	17	10490 & 11181		108,360
					Adj.	36,200
4	Mahmood Aslam	AC	19	23253	11	242,403
5	RiazulHaq	NaibTehsildar	15	12018 & 12417	9	110,157
					Adj.	12,417
6	KashifQayum Khan	Deputy Secretary	18	15810		94,000
					Adj.	15,810
		Total				711,168

Annex-3**Para 2.5.1.2****Detail of non-deduction of Conveyance Allowance****(Amount in Rs)**

S.#	Name of Officer	Designation	Period	Rate of CA drawn	Total Amount Drawn
1.	Shoukat Ali	SMO B-18	01.07.2019 to 30.06.2020	5,000	60,000
2.	Nusrat Shah	SMO B-18	01.07.2019 to 30.06.2020	5,000	60,000
3.	Jehangir Khan	SMO B-18	01.07.2019 to 30.06.2020	5,000	60,000
4.	SadiaAyub	Dental Surgeon B-18	01.07.2019 to 30.06.2020	5,000	60,000
5	UsmanAfidi	MO B-17	01.07.2019 to 30.06.2020	5,000	60,000
6	Amanullah	MO B-17	01.07.2019 to 30.06.2020	5,000	60,000
7	Hafeezullah	MO B-17	01.07.2019 to 30.06.2020	5,000	60,000
8	ZubairZahir	MO B-17	01.07.2019 to 30.06.2020	5,000	60,000
9	Abdul Ahad	MO B-17	01.07.2019 to 30.06.2020	5,000	60,000
10	Muhammad Muneeb	MO B-17	01.07.2019 to 30.06.2020	5,000	60,000
11	Abdurrahim	MO B-17	01.07.2019 to 30.06.2020	5,000	60,000
12	Humzashahdaza	MO B-17	01.07.2019 to 30.06.2020	5,000	60,000
13	Abdul qahar	MO B-17	01.07.2019 to 30.06.2020	5,000	60,000
14	Ishrat Begum	Charge Nurse 16	01.07.2019 to 30.06.2020	5,000	60,000
15	ZakiaNaz	Charge Nurse 16	01.07.2019 to 30.06.2020	5,000	60,000
16	Mina Gul	Charge Nurse 16	01.07.2019 to 30.06.2020	5,000	60,000
17	FazalGhani	Clinical technician Pharmacy BS	01.07.2019 to 30.06.2020	2,856	34,272

		12			
18	GulAsghar	Clinical technician Pharmacy BS 12	01.07.2019 to 30.06.2020	2,856	34,272
19	Zia ulhaq	Clinical technician Pharmacy BS 12	01.07.2019 to 30.06.2020	2,856	34,272
20	Abdurrehman	Clinical technician Pharmacy BS 12	01.07.2019 to 30.06.2020	2,856	34,272
21	Nor Muhammad	Clinical technician Pharmacy BS 12	01.07.2019 to 30.06.2020	2,856	34,272
22	Farzanbibi	Clinical technician Pharmacy BS 12	01.07.2019 to 30.06.2020	2,856	34,272
	Najmadurani	Clinical technician Pharmacy BS 12	01.07.2019 to 30.06.2020	2,856	34,272
Total					1,199,904

Annex-4

Para 2.5.2.1

Detail of rent paid at higher rate

Name of Owner	Rent fixed for 2018-19 (per month)	Rent require for 2017-18 (10% below)	Rent require for 2016-17 (2 months) (10% below)	Rent require for 2015-16 (10% below)	Rent require for 2014-15 (10% below)	Rent require for 2013-14 (10% below)	Rent require for 2012-13 (10% below)	Rent require for 2011-12 (10% below)	Rent require for 2010-11 (10% below)	Rent require for 2009-10 (10% below)	Rent required for 2008-09 (6 months) (10% below)	Total Rent required to be paid	Rent already paid	Loss/Overpayment
Nisar Khan	105,000	94,500	85,050	76,545	68,890	62,000	55,800	50,220	45,200	40,680	36,620	5,181,840	9,660,000	4,478,160
Rent for the year	0	0	170,100	918,540	826,680	744,000	669,600	602,640	542,400	488,160	219,720			
Qeemat Khan	14,500	13,050	11,745	10,570	9,513	0	0	0	0	0	0	701,540	812,000	110,460
Rent for the year	232,000	156,600	140,949	105,700	38,050	0	0	0	0	0	0			
Teka Khan	16,700	15,030	13,527	12,175	10,957	0	0	0	0	0	0	733,030	985,300	252,300
Rent for the year	200,400	180,360	162,324	146,100	43,828	0	0	0	0	0	0			
Hasham Khan	12,000	10,800	9,720	8,748	7,873	0	0	0	0	0	0	589,692	864,000	274,308
Rent for the year	144,000	129,600	116,640	104,976	94,476	0	0	0	0	0	0			
Zulfiqar	28,600	25,740	23,166	20,850	18,765	0	0	0	0	0	0	1,274,097	1,544,400	270,303
Rent for the year	343,200	308,880	277,992	250,200	93,825	0	0	0	0	0	0			

Misri Khan	14,400	12,960	11,664	10,498	9,448	8,503	7,653	6,888	0	0	0			
Rent for the year	172,800	155,520	139,968	125,976	113,376	102,036	91,836	41,328	0	0	0	942,867	1,382,400	439,533
Total												9,423,066	15,248,100	5,825,064

Annex-5**Para 4.5.1.1****Detail of non-recovery of penalty**

S.NO	Name of Scheme	E/cost	Targeted period	Penalty (Rs in million)
1	Solar street lights 83 Nos. from Jamrud bazaar to Sakhi Pul	16.434	30.06.2020	1.643
2	Construction of Taxi stand at Landi kotal bazaar (QIP)	13.250	30.06.2020	1.325
3	Construction of Slaughter house at Jamrud and Landi kotal (QIP)	12.303	30.06.2020	1.230
4	Solar street lights 100Nos. at Jamrud	18.00	30.06.2020	1.800
5	Rescue Office at Jamrud	14.162	30.06.2020	1.416
6	Street pavement at Khacharo bazaar Gagra village Landi kotal(QIP)	12.39	30.06.2020	1.239
7	Construction of Steet Pavement At Shiekmal Khel Landikotl	4.00	30.06.2020	0.400
Total				9.053

Annex-6**Para 4.5.2.1****Detail of cash withdrawal from bank**

S.No.	Amount(Rs.)
1	18,491
2	180,000
3	200,000
4	25,000
5	20,000
6	19,000
7	15,050
8	15,000
9	139,000
10	23,500
11	40,000
12	14,780
13	57,000
14	45,010
15	20,000
16	37,000
17	88,543
18	230,000
19	46,390
20	21,000
21	20,265
Total	1,275,029