



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
LOCAL GOVERNMENTS  
DISTRICT KOHISTAN LOWER**

**AUDIT YEAR 2020-21**

**AUDITOR GENERAL OF PAKISTAN**

## TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS .....	i
Preface.....	ii
EXECUTIVE SUMMARY .....	iii
CHAPTER-1 .....	1
Public Financial Management.....	1
1.1 Sectoral Analysis.....	1
1.2 AUDIT PARAS.....	5
CHAPTER-2 .....	8
District Government.....	8
2.1 Introduction .....	8
2.2 Comments on Budget and Accounts (Variance Analysis District Government.....	9
2.3 Classified Summary of Audit Observations.....	10
2.4 Comments on the status of compliance with District Accounts Committee Directives .....	10
2.5 AUDIT PARAS.....	12
2.5.1 Irregularities .....	12
2.5.2 Others, including cases of accidents, negligence etc.....	21
CHAPTER-3 .....	26
3.1 Introduction .....	26
3.2 Comments on Budget and Accounts (Variance Analysis).....	27
3.3 Classified Summary of Audit Observations.....	28
3.4 Comments on the status of compliance with Tehsil Accounts Committee directives .....	28
3.5 Audit Paras .....	29
3.5.1 Irregularities .....	29
3.5.2 Others, including cases of accidents, negligence etc.....	31
ANNEXURES.....	34

## **ABBREVIATIONS AND ACRONYMS**

AD	Assistant Director
AIR	Audit and Inspection Report
AG	Accountant General
AP	Advance Para
BHUs	Basic Health Units
C&W	Communication & Works
DAC	Departmental Accounts Committee
DHO	District Health Officer
DO	District Officer
LGA	Local Government Act
MFDAC	Memorandum for Departmental Accounts Committee
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PET	Physical Education Teacher
TS	Technical Sanction
TT	Theology Teacher

## **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, namely the Tehsil Municipal Administrations, Assistant Directors Local Government, Election and Rural Development Departments, in District Lower Kohistan 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 audit of Local Governments in 35 districts of Khyber Pakhtunkhwa. Regional Directorate of Audit (RDA) Abbottabad, on behalf of the DG Audit District Governments, Khyber Pakhtunkhwa carried out the audit of Local Governments of eight districts namely Abbottabad, Haripur, Mansehra, Battagram, Kohistan Upper, Kohistan Lower, Kolai Palas Kohistan and Torghar.

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 lower Kohistan 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 is one Tehsil administration in district lower Kohistan. The third Tier, the village and neighborhood Councils have AD LGE & RDD as Principal Accounting Officer, the 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 07 formations working under 02 PAOs. Total expenditure of these formations were Rs. 1083.303 million where as receipts were nil for the financial year 2019-20.

Audit coverage relating to expenditure for the current audit year comprises 05 formations of 02 PAOs having a total expenditure of Rs. 782.831

million for the financial year 2019-20. In terms of percentage, the audit coverage for expenditure is 72.63% of auditable expenditure.

Audit coverage relating to receipts for the current audit year comprises 01 formation of 01 PAO having nil receipt for the financial year 2019-20.

In addition to this compliance audit report, Directorate of District Audit conducted Financial Attest audits, and 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. 13.022 million was pointed out in this report. No recovery against these figures was reported.

**c. Audit Methodology**

Audit was conducted according to INTOSAI guidelines for compliance audit and Financial Audit Manual of AGP.

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

**d. Audit Impact**

As a result of Audit no substantial impact was noticed as the management did not convene the DAC meeting. The departments were 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 risks and to provide reasonable assurance that, pursuit of entity's mission, its objectives are being achieved.

Comments on the 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 receipt of Rs136.317<sup>1</sup>
- ii. Unauthorized payments to DDOs instead of crossed cheques to venders - Rs 286.832 million<sup>2</sup>
- iii. Unverified payment - Rs 43.332 million<sup>3</sup>
- iv. Irregularities were noticed in nine cases amounting to Rs. 350.148 million<sup>4</sup>
- v. Others, including cases of accidents, negligence etc. issues were noticed in seven cases amounting to Rs. 279.407 million<sup>5</sup>

---

<sup>1</sup> Para 1.2.1

<sup>2</sup> Para 1.2.2

<sup>3</sup> Para 1.2.3

<sup>4</sup> Para: 2.5.1.1 to 2.5.1.8 and 3.5.1.1

<sup>5</sup> Para 2.5.2.1 to 2.5.2.4 and 3.5.2.1 to 3.5.2.3

Minor irregularities/weaknesses pointed during the audit are being perused separately with the authorities concerned, as detailed in Annex-01

**g. Recommendations**

- i. TMAs accounts need to be consolidated at DAO.
- ii. 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 preempted and fair value for money is obtained from public spending.
- iii. Departments need to implement all the components of internal control for ensuring effective and efficient utilization of public money.
- iv. Strenuous efforts need to be made by the departments to recover outstanding dues on account of rent of shops, revenue contracts and income tax.



## **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 the expiration of 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 4<sup>th</sup> September, 2019 authorized the DCs, TMOs and Assistant Directors Local Government and Rural Development Department to perform functions of respective Nazemeen under local Government Act 2013, till formation of new elected local Government.

In the light of LGE&RDD's notification dated 4<sup>th</sup> September, 2019 District Kohistan Lower is headed by Deputy Commissioner who is Principal Accounting Officer of the budget grant allocated to the 10 offices devolved at district level. Similarly, Town Municipal Administration is headed by Town Municipal Officer who is the Principal Accounting Officer for the Town Municipal Administration whereas Assistant Director LGE&RDD is the Principal Accounting Officer for Village/Neighborhood Councils.

In District Kohistan Lower, Funds amounting to Rs. 1535.652 million were allocated to 7 formations working under 02 PAOs. Out of which, expenditure of Rs. 1083.303 million was made resulting into saving of Rs. 452.349 million. Audit coverage relating to expenditure for the current audit year comprises 5 formations of 02 PAOs having a total expenditure of Rs. 786.831 million for the financial year 2019-20. In terms of percentage, the audit coverage for expenditure is 72.63% of auditable expenditure.

According to Section 36(3) of Local Government Act 2013, the District Accounts Officer was required to consolidate accounts of Local Government on

quarterly and annual basis. However, District Accounts Officer, Kohistan Lower did not reflect Rs. 136.317 million into the consolidated financial statement of Local Government, Kolai Palas Kohistan.

District Government, Kohistan Lower 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, Kohistan Lower as required under section 18 of LGA 2013. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, Kohistan Lower 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 in District Lower Kohistan like other districts. Statistics show that Lower Kohistan is considered one of the less developed districts in the province with regard to education. The district has 311 primary, middle and secondary schools including 215 for boys and 96 for girls. The total enrollment is 26,980 including 17,430 boys and 9,550 girls. The estimated Teacher Student Ratio is 1:40 at primary. District Lower Kohistan literacy rate is 17.50% the Gross Enrollment Rate (GER) is 12%, and the Net Enrollment Rate (NER) is 70% at the primary level. On budgetary front, District Education office, Lower Kohistan succeeded in spending the District ADP and non-salary budgets.

District Education Offices in Lower Kohistan were given target of enrolment of 27,000 children for current year against which 26,980 kids were enrolled; wherein, DEO (male) and DEO (female) enrolled 17,430 and 9,550 children respectively. Similarly, annual average of teacher's attendance rate and student attendance rate as per independent Monitoring Unit (IMU) data were approximately 91% & 85% respectively. Furthermore, 12% schools in district Lower Kohistan 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 70%.

Lower Kohistan is considered one of the less developed districts in the province with regard to education. The district has 311 primary, middle and secondary schools including 215 for boys and 96 for girls. The total enrollment is 26,980 including 17,430 boys and 9,550 girls.

### **Health**

Health is another important sector of District Kohistan Lower with a total of 35 health facilities spread across the district among which 25 BHUs, 09 CDs, 01 RHC and THQs/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. 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, 3250 babies were born in health centers/ lab investigations and diagnostic facilities were also fully utilized as 3148 lab tests, 675 X-rays, 2251 ultrasounds and ECGs were done in both primary and secondary health centers in district Kohistan Lower. Figures of immunization are also very impressive as pregnant women received TT-2 vaccines, 9,736 kids under 12 months received full immunization. 8,426 families were provided family planning services. Human resource data from facility records revealed that these health centers were amply provided with medical officers and paramedics as only very few positions were found vacant. As these

centers were frequently visited by patients for medical 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.

### **Municipal Services**

Tehsil Councils District Kohistan Lower were 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 Local Government could not establish & maintain Tehsil Public Fund Account as required under the section 30 of LGA. Similarly, the Tehsil Account Officers were not appointed in TMAs and the accounts of receipts and expenditure were 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, Kohistan Lower 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 receipt of Rs136.317 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 Kohistan Lower 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 136.317 million and Rs 40.650 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 Kohistan Lower 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 286.432 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 Kohistan Lower, paid Rs 286,832,437 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 payment - Rs 43.332 million**

Para 296 of CTR read with Para 75(2) of KP City & District Govt. Budget Reules 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 Kohistan Lower for the year 2019-20 while analyzing HR data it was noticed that arrears of pay and allowances of Rs 43,332,000 was shown made which could not be verified.

The irregularity occurred due to weak internal controls which resulted in unauthentic payments.

True and fair view of accounts could not be presented without justification.

Reply was not supported by evidence; Para stands till verification of record.

Audit recommends verification of record besides action against the person(s) at fault.

## **CHAPTER-2**

### **District Government**

#### **2.1 Introduction**

Under the Khyber Pakhtunkhwa Local Government Act 2013, 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 the 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, LGE & RDD, Sports, Animal Husbandry, Soil Conservation, Cooperative Society & Social Welfare.

**According to section 13 of the Khyber Pakhtunkhwa Local Government Act 2013 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:**

S.No	Description	Total Nos	Audited	Expenditure audited FY 2019-20 (Rs in million)	Revenue /Receipts audited FY 2019-20 (Rs. in million)
1.	Formations	07	04	741.009	If applicable

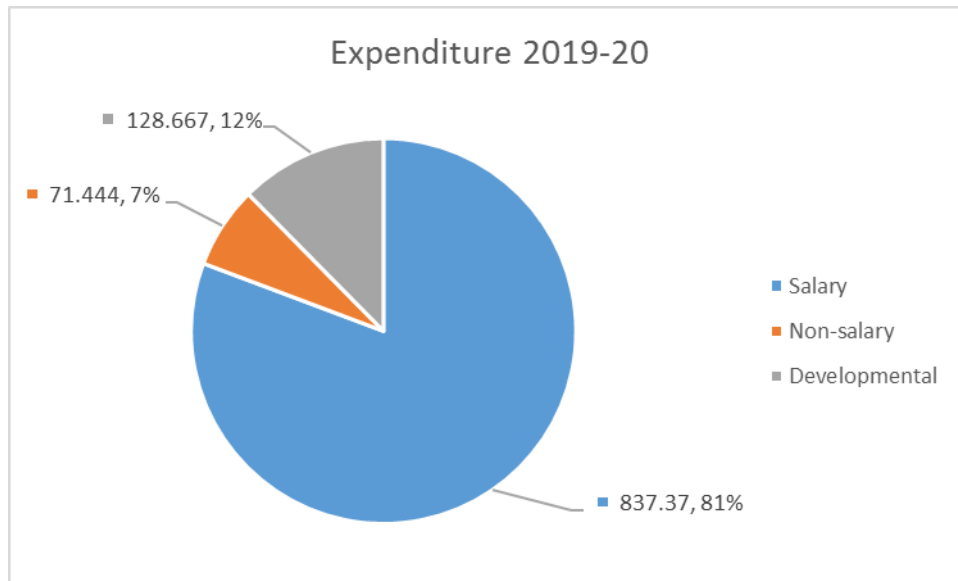
**2.2 Comments on Budget and Accounts (Variance Analysis District Government**

**(Rs in million)**

2019-20	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	1,114.958	837.37	-277.588	(75.103)
Non-salary	95.127	71.444	-23.683	(75.104)
Developmental	129.135	128.667	-0.468	(99.638)
<b>Total</b>	<b>1,339.22</b>	<b>1,037.481</b>	<b>-301.739</b>	<b>(249.845)</b>
<b>Receipts</b>	-	-	-	-

The savings of Rs. 118.421 million indicate inefficiency in the capacity of District Government Departments to utilize the amount allocated.

**(Rs in million)**



### 2.3 Classified Summary of Audit Observations

Audit observations amounting<sup>6</sup> to Rs .463.762 million were raised in this audit report. This amount also includes recoverable of Rs. 8.955 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification <sup>7</sup>	Amount (Rs.) <sup>8</sup>
1	<b>Irregularities :</b>	
A	HR/Employees related irregularities	8.955
B	Procurement related irregularities	318.555
2	Others, including cases of accidents, negligence etc.	136.252
	<b>Total</b>	<b>463.762</b>

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

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

Sr. No.	Audit Year	DAC 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

<sup>6</sup> Note: The amount of observations is more than expenditure due to non-utilization of ADP.

8.	2010-11	N/A
9	2011-12	N/A
10	2012-13	N/A
11	2013-14	N/A
12	2016-17	Not Convened
13	2017-18	Not Convened
14	2019-20	Not Convened

## **2.5 AUDIT PARAS**

### **2.5.1 Irregularities**

#### **HR/Employees related irregularities**

##### **2.5.1.1 Non recovery of excess payment amounting to-Rs.4.774 million**

According to Para 26 of GFR it is the duty of departmental controlling officers to see that all sums due to Government of regularly and promptly assessed realized and duly credited in the Public account.

Pay Fixation Party of Accountant General office of KPK Peshawar imposed recovery amounting to Rs.5.311million on different employees of DEO Office Kohistan Lower. The amount of Rs.0.936 million was recovered but a handsome amount of Rs.4.374 million is still recoverable. Detail is given at **Annexure-5**.

The irregularity occurred due to weak financial controls which resulted in loss to government.

When pointed out in October 2020, Management stated that recovery of overdrawn amount is in progress. Reply was not convincing as a handsome amount was still recoverable.

Request for convening DAC meeting was made in October, 2020, however the DAC meeting was not convened till finalization of this report.

Audit recommends immediate recovery under intimation to the Audit.

**AIR No. 05 (2020-21)**

### **2.5.1.2 Non recovery from employees –Rs 2.948 million**

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

The Pay Fixation Party of Accountant General office of KPK Peshawar imposed recovery amounting to Rs.3.855 million on different employees of DEO/SDEO Office Kohistan Lower. The amount of Rs.0.906 million was recovered but a handsome amount of Rs.2.948 million is still recoverable. The **detail is given in Annex-6.**

The irregularity occurred due to weak financial controls which resulted in loss to government.

When pointed out in October 2020, management stated that recovery will be started and when completed intimated to audit. Reply is not convincing as no progress was provided by the management.

Request for convening DAC meeting was made in October, 2020, however the DAC meeting was not convened till finalization of this report.

Audit recommends early recovery of outstanding amount under intimation to the Audit.

**AIR No. 04 (2020-21)**

### **2.5.1.3 Un- authorized payment of conveyance allowance during vacation- Rs. 1.233 million.**

According to Govt of KPK Finance department letter No.FD(SR-II)8-200 dated 06-06-1977 Conveyance is not admissible to teachers of schools/colleges/ training institutes (excluding Principal & Head Master/Mistress) during the period of Summer vacations.

DEO (Male) Kohistan Lower paid an amount of Rs1.233 million on account of conveyance allowance during vacations to the teachers in financial year 2019-20. Detail is as under.

S.NO	NAME OF POST	BPS	NO OF POSTS	RATE OF CON	PERIOD	TOTAL
1	SST	16	19	5000	03 months	285000
2	CT	15	35	2856	03 months	299880
3	PET	15	18	2656	03 months	143424
4	DM	15	22	2856	03 months	188496
5	TT	15	17	2856	03 months	145656
6	AT	15	20	2856	03 months	171360
<b>Total</b>						<b>1233816</b>

The irregularity occurred due to weak financial controls which resulted in loss to government.

When reported in October 2020, management informed that recovery will be made and communicated to audit. Reply was not convincing as no progress was provided.

Request for convening DAC meeting was made in October, 2020, however the DAC meeting was not convened till finalization of this report.

Audit recommends recovery may be made under intimation to audit.

**AIR No. 07 (2020-21)**

#### **Procurement related irregularities**

##### **2.5.1.4 Unjustified payment for purchase of land without mutation and Non-reconciliation of receipts and payments thereof Rs 294.517 million**

According to Para 89(4)(iii) of GFR the head of department / accountant general will jointly be responsible for the reconciliation of figure given in the accounts maintained by head of department.

Deputy Commissioner Kohistan Lower paid an amount of Rs 294,517,116 for acquisition of land for various purposes during financial year 2019-20 but the land was not transferred/ mutated in the name of the acquiring department. Thus, the payment made in advance was unjustified

Moreover, tehsildar did not maintain receipts and expenditure statements duly reconciled with DAO/Treasury under land compensation fund head. Thus, audit could not verify the payment of cost of land and other taxes for payment to different departments. **Detail is given at Annexure-2.**

The irregularity occurred due to lack of internal controls which resulted in unauthentic receipts and payments.

When pointed out in July 2020, management stated that reconciliation will be made accordingly. Reply was not tenable as no progress was shown till finalization of this report.

As per decision of DAC meeting held on 17.11.2020, para stands till production of reconciled statements and mutation in the name of Government. However, no progress was shown till finalization of this report.

Audit recommends reconciliation of receipts and expenditure figures with the DAO/Treasury and action against the person(s) at fault.

**AIR No. 07 (2020-21)**

#### **2.5.1.5 Irregular Drawl on account of Medical equipment's Rs. 2.466 million**

According to Para 4.2.15.1 of APPM (Accounting Policies and Procedures Manual) Payment must not be made in advance unless it is required by the agreement with the supplier and supported by a bank guarantee for the value of the advance. An agreement of that type must not be entered into merely to avoid the lapsing of an appropriation.

According to Director General Health Services Khyber Pakhtunkhwa Peshawar Procurement Cell Letter No.373-443 dated 17.03.2020 that successful

bidders shall submit performance guarantee of 10% of the total amount of supply under placed by your offices and 2% CDR shall be obtained.

During scrutiny of the accounts record of District Health Officer Kohistan Lower for the year 2019-20, it was observed that the local office drew Rs 2,466,105 vide different cheques and converted the cheques into demand drafts on account of Medical equipments in order to avoid the laps of funds. **Detail is given at Annexure-03.**

The supplier failed to supply the equipment's despite full payment as no delivery challans nor entries in stock registers were available till date of audit i.e July 2020. Moreover, no supply completion certificate was available on the record. The local office was required to get the supply completed or initiate appropriate action against the suppliers in accordance with the rules. Moreover 10% performance guarantee amounting to Rs 245,660 million as required under rules were not obtained by the local office.

The Irregularity occurred due to weak financial controls which resulted in violation of standing instructions and illegal retention of money.

When pointed out in August 2020, management stated that during intense situations of COVID-19 the equipment's were purchased to cope the requirements. The equipment's were purchased from approved list of DG Health services Khyber Pakhtunkhwa. All the suppliers are agreed to supply the items in accordance with the policy. On completion of supply and physical verification by committee the demand drafts will be handed over to the supplier. If any supplier failed to supply the items will be subject to imposition of fine. The suppliers are directed to submit 10% performance guarantee of total bid cost. The supplier has already submitted 2% CDR to DG Health Services Khyber Pakhtunkhwa office

Department reply is not cogent as all the amount was drawn from treasury in advance without any agreement with suppliers and no supply was made till the



date of audit. No action was taken against the firms for non-supply. Moreover, supplier orders were placed without any performance guarantee.

As per decision of DAC meeting held on 17.11.2020, para stands till production and verification of all relevant records. However, no progress was shown till finalization of this report.

Audit recommends investigation and verification under intimation to audit.

**AIR No. 01 (2020-21)**

#### **2.5.1.6 Non supply of medical equipments amounting to Rs 2.466 million**

According to serial 22 of the terms and conditions of standard contract deed under MMC Rules, the supply of goods ordered under this agreement shall be completed within one month by the supplier after receipts of the supply orders from the purchasing entity.

District Health Officer Kohistan Lower placed supply orders for the supply of medical equipments for Rs 2,466,105 during financial year 2019-20, but the supplier failed to supply the equipments as no delivery challans nor entries in stock registers were available till date of audit i.e July 2020. Moreover no supply completion certificate was available on the record. The local office was required to get the supply completed or initiate appropriate action against the suppliers in accordance with the rules. Detail attached.

The irregularity occurred due to weak internal control which resulted in risk of misappropriation and deprived the patients of the free medicine facility.

When pointed out in August 2020, management stated that supply orders were placed in the end of June 2020. All the suppliers are agreed to supply the items in accordance with the policy. On completion of supply and physical verification by committee the demand drafts will be handed over to the supplier. If any supplier failed to supply the items will be subject to imposition of fine.

Department reply is not cogent as all the equipment were not supplied till the date of audit and no action were taken against the firms for non-supply of items.

As per decision of DAC meeting held on 17.11.2020, para stands till complete supply of the subject equipments. However, no progress was shown till finalization of this report.

Audit recommends immediate completion of supply or initiate appropriate action against suppliers besides action against person(s) at fault.

**AIR No. 02 (2020-21)**

#### **2.5.1.7 Non supply of medicines amounting to-Rs. 1.0543 million**

According to serial 22 of the terms and conditions of standard contract deed under MCC Rules, the supply of goods ordered under this agreement shall be completed within one month by the supplier after receipts of the supply orders from the purchasing entity.

District Health Officer Kohistan Lower placed supply orders for the supply of medicines for Rs 1,054,340 during financial year 2019-20, but the supplier failed to supply the medicine as delivery challans were not available on record nor entries were made in stock registers till date of audit July 2020. The local office was required to get the supply completed. **Detail is given at Annexure-04.**

The irregularity occurred due to weak internal control which resulted in risk of misappropriation and deprived the patients of the free medicine facility.

When pointed out in August 2020, management stated that all the firms will be contacted for immediate supply of medicines and when the supply received will be intimated to audit.

Department reply is not cogent as no supplies of medicines were made till the date of audit.

As per decision of DAC meeting held on 17.11.2020, para stands till complete supply of the medicines. However, no progress was shown till finalization of this report.

Audit suggests immediate completion of supply or initiate appropriate action against suppliers besides action against person(s) at fault.

**AIR No. 06 (2020-21)**

**2.5.1.8 Non reporting of clinical efficacy of medicines valuing –Rs 18.052 million**

According to Para (H) of the Government MCC Khyber Pakhtunkhwa Peshawar letter No. 1805-1909/DD(preq/Reg/Drugs dated 11.09.2018, the purchasing entity shall submit quarterly reports regarding the clinical efficacy of the MCC approved brands of medicines, surgical disposables etc used at their ends. In case of failure, disciplinary action may be initiated against the head of the concerned institutions.

District Health Officer Kohistan Lower purchased medicines Rs18,052,875 from various suppliers during financial year 2019-20. The clinical efficacy of the medicines was neither performed nor reported to the competent authority, thus violating the above instructions.

The irregularity occurred due to negligence of the concerned staff and lack of supervision by the controlling officer.

When pointed out in August 2020, management stated that clinical efficacy report will be obtained from health facilities and will be provided to

audit. Department reply is not cogent as no clinical efficacy reports of all the medicines purchased were obtained.

As per decision of DAC meeting held on 17.11.2020, para stands till production and verification of the clinical efficacy reports. However, no progress was shown till finalization of this report.

Audit recommends to conduct and report clinical efficacy of medicines to the quarter concerned, besides action against the person(s) at fault.

**AIR No. 07 (2020-21)**

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

### 2.5.2.1 Unauthorized retention of balance/saved amount of land acquisition - Rs. 37.933 million

According to GFR 93, the department incurring the expenditure shall be responsible not only for seeing that the allotment placed at its disposals is not exceeded but also that any anticipated savings are notified and surrendered in time

Deputy Commissioner Kohistan Lower received funds of Rs442,627,502 from various departments for the purchase of land. The land was acquired for Rs399,308,427 during the financial year 2019-20 but the remaining/saved amount of Rs43,319,075 was retained in the treasury and not returned to the acquiring departments till date of audit as per detail given below.

Award name	Released amount	awarded amount	Non surrender of funds
Food Grain Godown at Pattan	12,524,000	8,352,598	4,171,402
surge tank road Kayal HPP at pattan and link road WAPDA colony kayal HPP at pattan	220,000,000	195,218,477	24,781,523
Black topping/widening of 4 KM link road from KKH to Pallas Bridge at Pattan	35,000,000	34,966,328	33,672
District Secretariat at Pattan	70,000,000	61,053,308	8,946,692
award 33 and award 19 keyal HPP	105,103,502	99,717,716	5,385,786
<b>Total</b>	<b>337,524,000</b>	<b>299,590,711</b>	<b>37,933,289</b>

The irregularity occurred due to weak financial control which resulted in blockage of fund.

When pointed out in July 2020, management stated that the amount was retained due to some cases which are subjudice and the same will be processed after court decision or transferred to the acquiring department.

Reply was not correct as the amount demanded/collected was more than the award amount which needs to be surrender.

As per decision of DAC meeting held on 17.11.2020, para stands till sharing details of subjudice cases and to surrender the access amount to the acquiring department. However, no progress was shown till finalization of this report.

Audit recommends immediate surrender of balance amount to the acquiring department and action against the person(s) doing such illegal practice.

**AIR No. 06 (2020-21)**

### **2.5.2.2 Non disbursement of land acquisition funds –Rs 80.908 million**

According to part v section 31(1) of land acquisition Act 1894, “On making an award under section II, the Collector shall tender payment of the compensation awarded by him to the persons interested entitled thereto according to the award, and shall pay it to them unless prevented by some one or more of the contingencies mentioned in the next sub-section”.

Deputy Commissioner Kohistan lower awarded land of Rs. 286,143,622 for various purposes during financial year 2019-20. The acquiring department transferred the awarded amount to the local office for payment to the land owners but Rs80,907,600 was not paid to the owners till July 2019 as per detail given below.

<b>S. No</b>	<b>Particular</b>	<b>Name of acquiring department</b>	<b>Total Amount (Rs)</b>	<b>Amount not disbursed (Rs)</b>
1	transmission line Ranolia HPP	PEDO	7,561,200	120,000
2	surge tank road Kayal HPP at Pattan and link road WAPDA colony KayalHPP at Pattan	WAPDA	195,218,477	59,926,110
3	award No 33 Kayal HPP	-do-	22,845,352	17,413,924
4	Black topping/widening of 4 KM link road from KKH to Pallas Bridge at Pattan	C&W	34,966,328	3,269,816
5	court case WAPDA Vs Fazal Habib and Juma khan etc dubairhwarhyfro power project	WAPDA	25,552,265	177,750
<b>Total</b>			<b>286,143,622</b>	<b>80,907,600</b>

The irregularity occurred due to weak financial control which resulted in blockage of funds and depriving the land owners of their due right.

When pointed out in July 2020, management stated that due to disputes of the land owners, the matter is subjudice in the court, after decision of the court the same will be paid.

Reply was not tenable as the awarded amount was required to be paid to the land owner soon after it is collected from the acquiring department and in case of enhancement by the court the same would be paid as per rules.

As per decision of DAC meeting held on 17.11.2020, Payment in case of subjudice cases may be retained, final payment may be made to concerned and balance may be returned to department. However, no progress was shown till finalization of this report.

Audit recommends immediate disbursement of funds to the land owners and action against the person(s) at fault.

**AIR No. 08 (2020-21)**

### **2.5.2.3 Non deposit of the 2% TMA Property tax-Rs 6.575 million**

According to Government of Khyber Pakhtunkhwa Local Government Department letter No. AO-II /LCB/6-11/2011 dated 21/4/2011, 2% property tax will be paid on immovable property.

Deputy Commissioner Kohistan Lower acquired land for various purpose during financial year 2018-19 & 2019-20 but neither 2% TMA Tax (property tax) for Rs 6,575,802 (2,342,039+4,233,763) was transferred to the concerned TMA nor deposited into government treasury till July 2020. Audit holds that 2% tax to be paid to the TMA for the awards done after January 2017 whereas rest of the amount will be deposited into government treasury.

The irregularity occurred due to lack of internal control which resulted in irregular retention of public money and loss to Government.

When pointed out in July 2020, management stated that the matter will be preceded as per relevant rules.

Reply was not tenable as the collected 2% property tax was required to be paid to the concerned office or deposited into government treasury in case of non-existence of the concerned office.

As per decision of DAC meeting held on 17.11.2020, Para stands till production of challan/chques acknowledgment and verification.

Audit recommends immediate transfer the property tax to the concerned TMA whereas the fund/tax related to the District Council needs to be deposited into government treasury and action against the person(s) at fault.

**AIR No. 09 (2020-21)**

**2.5.2.4 Unauthorized payment of 6% interest fee on land acquisition Rs. 10.836 million**

According to section 33 of Land Acquisition Act, the court may, on the application of party interested or claiming an interest in such money, order the same to be invested in such government or other approved securities as it may think proper, and direct the interest or other proceeds of any such investment to be accumulated and paid in such manner as it may consider best.

During audit of the office of Deputy Commissioner Kohistan Lower for the financial year 2019-20 it was noticed that an amount of Rs10,836,790 (139,525+2534402+8162863) was paid on account of interest on late payment of land acquisition charges to the land owners. Audit held that Deputy Commissioner was not authorized for payment of 6% interest as per Land Acquisition Act 1894.

The irregularity occurred due to weak internal controls which resulted in loss to government.

When pointed out in July 2020, management stated that the district collector is authorized to pay 6% interest rate to the land owner during compulsory acquisition as per section 34 of the Land Acquisition Act 1894.



Reply was not correct as the district collector is only the drawing and disbursing officer whereas the authority for payment of interest is only rest with the court.

As per decision of DAC meeting held on 17.11.2020, the fate of para may be decided by PAC.

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

## **CHAPTER-3**

### **Tehsil Municipal Administration**

#### **3.1 INTRODUCTION**

District Kohistan Lower has two Tehsils i.e. Kohistan Lower and Allai. The office of a Tehsil Municipal Administration is managed by the Tehsil Municipal Officer. He is assisted by a Tehsil Officer (Finance), a Tehsil Officer (Regulation) and a Tehsil Officer (Infrastructure).

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

- (a) Monitoring and supervising the performance of functionaries of Government offices located in the Tehsil,
- (b) Land management in the Tehsil, provision of municipal services, execution and management of development plans for improvement of municipal services and infrastructure.
- (c) Enforcing municipal laws, rules and bye-laws, Preventing and removing encroachments, regulate affixing of sign-boards and advertisements;
- (d) Financial management of the Tehsil such as, Preparation of budget and annual municipal development programmes, collection of revenue such as taxes, penalties, fines etc. manage municipal properties, assets and funds, and liaise with the district government in all these matters.
- (e) Maintaining 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;
- (f) Organizing sports, cultural, recreational events, fairs, cattle fairs and cattle markets;
- (g) Co-ordinate and support municipal functions amongst village and neighborhood councils;

- (h) Regulate markets and services, issue licenses, permits, grant permissions and impose penalties for violation thereof;

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

S.No	Description	Total Nos	Audited	Expenditure audited FY 2019-20 (Rs in million)	Revenue /Receipts audited FY 2019-20 (Rs. in million)
1.	Formations	01	01	45.822	-
2.	Municipal Services	01	01	45.822	-

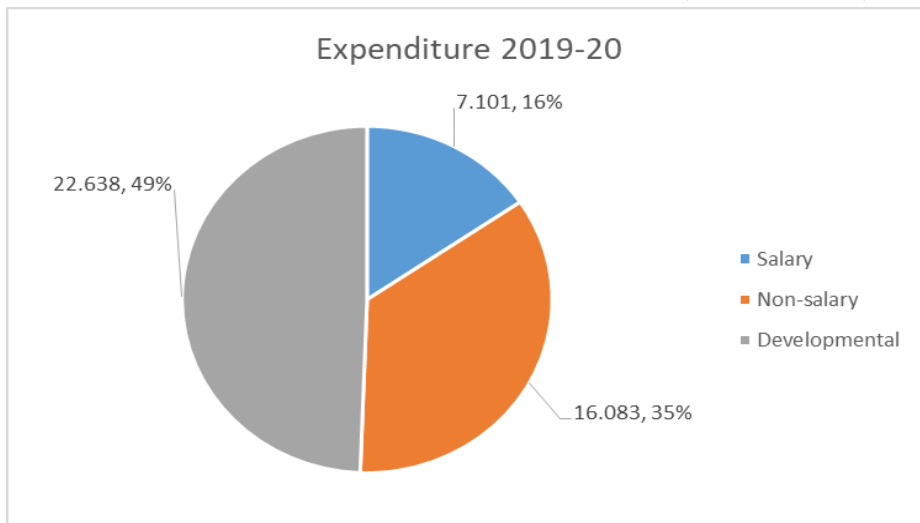
**3.2 Comments on Budget and Accounts (Variance Analysis)**

(Rs in million)

2019-20	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	9.583	7.101	2.482	74.100
Non-salary	27.415	16.083	11.332	58.665
Developmental	159.434	22.638	136.796	14.199
<b>Total</b>	<b>196.432</b>	<b>45.822</b>	<b>150.61</b>	<b>146.964</b>
<b>Receipts</b>	-	0	-	-

**EXPENDITURE 2019-20**

(Rs in million)



### 3.3 Classified Summary of Audit Observations

Audit observations amounting to Rs. 165.793 million were raised in this audit report. This amount also includes recoverable of Rs. 4.067 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs.)
1	<b>Irregularities</b>	
A	Procurement related irregularities	22.638
2	Others, including cases of accidents, negligence etc.	143.155
<b>Total</b>		<b>165.793</b>

### 3.4 Comments on the status of compliance with Tehsil Accounts Committee directives

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

Sr. No.	Audit Year	TAC meeting
1	2016-17	Not Convened
2	2017-18	Not Convened
3	2019-20	Not Convened

## **3.5 Audit Paras**

### **3.5.1 Irregularities**

#### **Procurement related irregularities**

##### **3.5.1.1 Irregular expenditure on account of developmental schemes – Rs 22.638 million**

According to Government of Khyber Pakhtunkhwa, Local Government, Election and Rural Development Department, Local Council Board letter No.AO (Planning)/LCB/Gen/Inst/4-10/2016 dated 31.01.2019;

- Before and after pictures of developmental schemes should be the part of concerned file.
- Provision of detail cost estimates along-with x-section with unit cost and GPS coordinates.
- District Monitoring Officers of concerned Districts should visit all developmental schemes and submit detail report.

TMA Pattan incurred expenditure of Rs 22,638,535 on various developmental schemes with estimated cost of Rs 112,000,000 during 2019-20. Audit observed the following shortcomings;

1. GPS coordinates were not available.
2. Before and after pictures of developmental schemes were not available.
3. Monitoring of schemes was not done by District Monitoring Officers as no monitoring report of developmental scheme was available.

In view of the above shortcomings, audit held that the expenditure was irregular.

Irregular expenditure occurred due to weak internal control which resulted in violation of Government instructions.

When pointed out in October 2019, management stated that all the needful has been done and will be submitted in the detail reply. The reply was not convincing as no progress was shown till finalization of this report.

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

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

**AIR No. 04 (2020-21)**

### **3.5.2 Others, including cases of accidents, negligence etc.**

#### **3.5.2.1 Non-deduction of Income Tax –Rs 1.698 million**

Notification No. SO(Dev-II)/FD/12-6/2012-13 dated Peshawar the 20<sup>th</sup> June, 2013 of Finance Department, Government of Khyber Pakhtunkhwa provides, “It has been observed that the cost estimate of those developmental schemes which fall in the tax exempted area like PATA are also framed on the same CSR without adjustment of non deductible income tax in those areas. The payment to contractors on CSR basis with inbuilt provision of Income Tax without adjustment in their invoices is overpayment by the amount equal deductible Income Tax”.

TMO Pattan incurred expenditure of Rs 22,638,535 on developmental schemes during 2018-19. However, income tax @ 7.5% amounting to Rs 1,697,890 was neither deducted nor adjusted.

The irregularity occurred due to non-compliance and weak internal control system which resulted in loss to Government.

When pointed out in November 2020 management replied that District Kohistan Upper is tax exempted area. Department reply is not cogent as taxes are inclusive in MRS.

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

Audit recommends immediate recovery and action against person(s) at fault besides under intimation to audit.

**AIR No 01 (2020-21)**

### **3.5.2.2 Overpayment due to non-utilization of available stone – Rs 2.3694 million**

According to CSR/MRS issued by Government of Khyber Pakhtunkhwa Finance Department from time to time Labour Rates should be paid when material is available at site.

TMO Pattan paid full rates in developmental scheme “Construction of Chawa Darra Road” Rs 5,384.76 for an item of work RRM (1:6) instead of Rs 4,271.35 (Rs5,384.76-Rs1113.41 stone rate) while sufficient quantity of hard rock was available at site from excavation/blasting. Detail as per Annexure-

The available stone was required to be utilized in stone masonry but no such deduction/ adjustment was made. This resulted into overpayment of Rs 246,884 as per detail attached.

The irregularity occurred due to non-compliance and weak internal control system which resulted in loss to Government.

When pointed out in November 2020, management replied that the stones available from blasting were fell down into river as no stone were available on site. Department reply is not cogent as stone were available and the local office was required to pay only labour rates instead of composite rate.

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

Audit recommends recovery under intimation to audit.

**AIR No. 02 (2020-21)**



**3.5.2.3 Non formulation of Developmental Plan under 30% PFC funds for Rs 139.088 million.**

Finance Department No. BO(PFC-III)/FD/TMA/ADP/2016-17 says that the amount shall be utilized only for developmental schemes/activities in accordance with guide line issued by P & D department and observance of all codel formalities.

During scrutiny of record of TMA Pattan during 2019-20 it was observed that a huge amount of Rs 139,088,832 remained unspent without any cogent reason/justification. The inhabitants of the locality were deprived of the benefits for which the amount was allocated. Detail is as under:

<b>Description</b>	<b>Opening balance as on 01.07.2018</b>	<b>Received during the Financial year 2018-19</b>	<b>Utilized during the Financial year 2018-19</b>	<b>Balance as on 30.06.2019</b>
Developmental Grant as per PLA	100,277,538	92,009,342.00	53,198,048.00	139,088,832.00

The irregularity occurred due to inefficiency of the management and non-compliance of rules.

When pointed out in November 2020, management replied that no local bodies elections were conducted in district Kohistan Upper and lower due to which funds remain un-utilized. Department reply is not cogent as local office was authorized to utilize and formulate developmental plan for developmental activities.

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

Audit recommends fixing responsibilities for non-utilization of funds under intimation to audit.

**AIR No 03 (2020-21)**

## ANNEXURES

Annex-01

### Detail of MFDAC Paras

S. No	AIR No.	Department	Title of the Para	Amount in million
1.	AIR No 01	AD LGE&RDD Lower Kohistan	Poor Performance of Sectaries in Lower Kohistan.	
2.	AIR No 02		Un- justified expenditure of vehicle repair- Rs 210,000/-	0.21
3.	AIR No 03		Loss due to non- recovery of taxes -Rs 35,887/-	0.04
4.	AIR No 04		Non recovery of conveyance allowance of-Rs 60,000/-	0.06
5.	AIR No 05		Irregular payment of cash Rs 100,000/-	0.10
6.	AIR No 06		Unjustified purchase of Trophies Rs.80,000/-	0.08
7.	AIR No 01	DEO Male	Non constructions of 109 schools.	-
8.	AIR No 02		Non Transfer/ mutation of land194 schools to Education Department.	-
9.	AIR No 03		Irregular purchase of furniture from SIDB - Rs0.325million Loss due to non/ less recovery of 1/5thof GST& Income TaxRs13,453/-	0.33
10.	AIR No 04		Expenditure in excess of budget -Rs248.489 million	248.49
11.	AIR No 01	DEO Female	Non constructions of 30 schools.	-
12.	AIR No 02		Non Transfer/ mutation of land of 99 schools to Education Department.	-
13.	AIR No 03		Non utilization of Operational budget Rs.300,000	0.30
14.	AIR No 05		Irregular purchase of furniture from SIDB Rs. 550,000/-	0.55
15.	AIR No 06		Irregular payment of cash to supplier instead of cheques - Rs0.398million	0.40
16.	AIR No 07		Misappropriation on account of purchase of POL Rs 100,000/-	0.10
17.	AIR No 08		Non- Conducting of physical verification of Assets	-
18.	AIR No 10		Irregular purchases of different items Rs 1.238 million	1.24
19.	AIR No 11		Non recovery of pay roll of terminated staff Rs 736,222/- (approx.)	0.74
20.	AIR No 13		Unjustified execution of 18 schools without teachers	-
21.	AIR No 14		Non maintenance of cash book and expenditure of Girls	-

			Guide Funds	
22.	AIR No 01	Live stock	Loss due to non-achievement of receipt targets Rs 344940/-	0.34
23.	AIR No 02		Expenditure in Excess of budget Rs 2.898 million	2.90
24.	AIR No 03		Non construction of Office Building	-
25.	AIR No 04		Irregular payment of House Rent building Rs186000/-	0.19
26.	AIR No 05		Irregular payment and issuance of medicines Rs.860,000/-	0.86
27.	AIR No 06		Irregular Expenditure of stationary amounting to Rs. 120,000/-	0.12
28.	AIR No 05	TMA Pattan	Loss to government due to non realization of receipts Rs 3.00 million	3.00

**Annex-02****Detail of payment on account of land acquisition without mutation**

<b>S#</b>	<b>Name of scheme</b>	<b>Amount (Rs)</b>
1	Transmission line Ranolia HPP	26,200,150
2	Transmission line Ranolia HPP	7,441,200
3	Food grain Godownat Pattan	6,984,498
4	Surge Tank road Kayal HPP at pattan and link road WAPDA colony kayal HPP at pattan	132,518,285
5	award No 33 Kayal HPP	4,708,331
6	Black topping/widening of 4 KM link road from KKH to Pallas Bridge at Pattan	31,332,461
7	District Secretariat at Pattan	59,957,676
8	Court Case WAPDA Vs Fazal Habib and Juma khan etcdubairhwar hydro power project	25,374,515
<b>Total</b>		<b>294,517,116</b>

**Annex-03**

**Detail of advance payment**

<b>Supplier</b>	<b>Cheque No. and Date</b>	<b>Items</b>	<b>Qty</b>	<b>Rate</b>	<b>Gross</b>	<b>Net</b>
Zaman Ent.	0949935 29.06.202	BP Mercury Desktop	26	4,400	262,900	248,439
		Refrigerator12	3	49,500		0
Haseen Habid	0949934 25.06.2020	Fire Extinguisher	10	10,422	104,220	98,488
I.Z Enterprises	0949933 29.06.2020	Equipment's/Bedding Clothing	0	-	454,615	429,611
Alam Medis	0949925 29.06.2020	Suction Machine Heaty	2	153,100	306,200	289,359
Quintex	0949923 25.06.2020	Nebulizers Made In Italy	30	5,760	172,800	163,396
Friends	0947920 25.06.2020	ECG Machines 3 Channels Mindray China	2	104,900	209,800	198,261
Mirza Niaz	0949927 25.06.2020	Drip stand	30	4,500	135,000	127,575
Thakaful	0949928 25.06.2020	Equipment's	0	-	314,150	296,800
Strongman	0949926 25.06.2020	Stretcher Local Made in Pakistan	5	29,200	146,000	137,970
W.Webbher	0949930 25.06.2020	Different Items	0	-	281,220	265,753
Oreints	0949931 25.06.2020	dressing Drum	18	4,400	79,200	74,844
<b>Total</b>					<b>2,466,105</b>	<b>2,330,496</b>

**Annex-04**

**Non supply of medicines**

<b>S.No</b>	<b>Supplier</b>	<b>Medicine</b>	<b>Quantity</b>	<b>Rate</b>	<b>Amount</b>	<b>Actual S.Date</b>
1	Nabi Qasim Karachi	Inj. Omeprazole 40mg	1000	44	44,000	Not Supplied
2	Allmed Pvt Lahoor	Inj. Iron sucrose 100mg	2000	55	110,000	Not Supplied
3	Sanoffi Karachi	Inj. Gelatin Polypeptide 500mg	400	300.2	120,080	Not Supplied
4	Paktex Ind. Kamonki	Cotton Bandages	2000	24.33	48,660	Not Supplied
5	Paktex Ind. Kamonki	Crep Bandage	2000	55	110,000	Not Supplied
6	Paktex Ind. Kamonki	Gauze cloth 100x20 cm	500	409.59	204,795	Not Supplied
7	Saffon Faisal Abad	Tab. Misoprostal 200mg	1000	5.99	5,990	Not Supplied
8	Saffon Faisal Abad	Ointment Beamethasone 10mg	1000	36	36,000	Not Supplied
9	Nabi Qasim Karachi	Tab, Levofloxacin 250mg	30000	3.5	105,000	Not Supplied
10	Nabi Qasim Karachi	Syp, Chloroquin 50mg	2000	29.11	58,220	Not Supplied
11	Novamed Lahoor	Tab, Famotidine 40mg	50000	1.02	51,000	Not Supplied
12	Saydon Peshawar	Inj, Tramadol 100mg	3000	7.49	22,470	Not Supplied
13	Saydon Peshawar	Inj, Tranexemic acid 500mg	3000	17.99	53,970	Not Supplied
14	Hashir srgical Peshawar	IV Canula 22g	500	78.7	39,350	Not Supplied
15	Hashir srgical Peshawar	IV Canula 24g	515	87	44,805	Not Supplied
<b>Total</b>					<b>1,054,340</b>	

## Annex-05

## Statement showing non recovery of overpaid amount in pay &amp; allowances

RECOVERY POINTED OUT IN SERVICE BOOKS (KO-6039)							
S.No	Name of Employee	Desi :	Monthly Installment	Date of Start	Total Recovery	Recovery Made	Outstanding (Rs)
1	Muhammad Anwar Zeb	AT	8920	01-01-2020	84,570	80,280	4,290
2	Fazal Rabbi	AT	5800	01-01-2020	435,973	52,200	383,773
3	Riaz Ahmad	DM	10600	01-01-2020	71,970	71,970	0
4	Mushtabar	CT	5500	01-01-2020	228,315	49,500	178,815
5	Dolatana	DM	5000	01-01-2020	163,288	45,000	118,288
6	Shamsu Rahman	DM	10000	01-01-2020	510,525	90,000	420,525
7	Muhammad Feroz	DM	5300	01-01-2020	1,056,670	47,770	1,008,900
8	SaifurRehman	DM	10700	01-01-2020	229,220	96,300	132,920
9	MehrajKhail	DM	10000	01-01-2020	609,383	90,000	519,383
10	Alam Zeb	DM	5000	01-01-2020	318,910	45,000	273,910
11	Muhammad Aslam	PET	5400	01-01-2020	146,525	48,600	97,925
12	Muhammad Hayat Shah	DM	10000	01-01-2020	347,555	90,000	257,555
13	Hazrat Gul	AT	10000	01-01-2020	74,445	74,445	0
14	FazaalHaq	NQ	4000	01-01-2020	19,300	19,300	0
15	Noor Nawaz Khan	NQ	3000	01-01-2020	17,030	17,030	0
16	Noor Muhammad	Swp	4000	01-01-2020	19,300	19,300	0
<b>Total</b>					<b>4,332,979</b>	<b>936,695</b>	<b>3,396,284</b>

**KO 6035**

S.NO	Personal NO	Name	Designation	Recovery Pointed out	Recovery made	Outstanding (Rs)
1	332085	Sher Muhammad	PSHT	85,270	-	85,270
2	331458	Sher zada	PSHT	62,490	-	62,490
3	331998	Saifur Rahman	PST	350,475	-	350,475
4	332095	Saeed Ullah	PSHT	86,600	-	86,600
5	332111	Muhammad Rawan	SPST	56,410	-	56,410
6	332474	Gul Nameer	PSHT	84,570	-	84,570
7	332053	Abdul Muneeb	SPST	58,810	-	58,810
8	331790	Abdullah	PSHT	84,400	-	84,400
9	332767	Miraj Khan	PSHT	85,270	-	85,270
10	331933	Jehan Zeb	CHOW	24,140	-	24,140
<b>Total</b>				<b>978,435</b>	-	<b>978,435</b>



**Statement showing overpayment due to non deduction of available stone**

Particular	QTY	Labour Rate	Payment
B/Wall.01	57.8	4271.35	246,884
B/Wall 02	54.47	4271.35	232,660
B/Wall 03	43	4271.35	183,668
B/Wall 04	16.308	4271.35	69,657
B/Wall.05	44.3	4271.35	189,220
B/Wall 06	32.87	4271.35	140,399
B/Wall 07	120.2	4271.35	513,416
B/Wall 08	120.3	4271.35	513,843
B/Wall 09	34.9	4271.35	149,070
B/Wall 10	30.578	4271.35	130,609
<b>Total</b>			<b>2,369,426</b>

---