



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

AUDIT YEAR 2019-20

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

AD	Assistant Director
ADP	Annual Development Programme
ADEO	Assistant District Education Officer
AIR	Audit and Inspection Report
AP	Advance Para
APR	Actual Payee Receipt
APPM	Accounting Policies and Procedures Manual
ASDEO	Assistant Sub Divisional Education Officer
BHUs	Basic Health Units
DAC	Departmental Accounts Committee
DAC	District Accounts Committee
DAO	District Accounts Office
DG	Director General
DEO	District Education Officer
DHO	District Health Officer
DPC	District Purchase Committee
DPR	Disabled Person Rehabilitation
E& SE	Elementary & Secondary Education
GER	Gross Enrolment Rate
INTOSAI	International Organization of Supreme Audit Institutions
IMU	Independent Monitoring Unit
LCB	Local Council Board
LGE & RDD	Local Government, Election & Rural Development Department
LGA	Local Government Act
MFDAC	Memorandum for Departmental Accounts Committee
NER	Net Enrollment Rate
NC	Neighbourhood Council
NHS	Net Hyde Share
OPD	Out Door Patients
PAO	Principal Accounting Officer
PET	Physical Education Teacher
PTC	Parents Teachers Council

RHC	Rural Health Center
SDEO	Sub Divisional Education Officer
SIDB	Small Industrial Development Board
SOP	Standing Operating Procedure
THQ	Tehsil Head Quarter
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
TAC	Tehsil Accounts Committee
TDR	Term Deposit Receipt
VC	Village Council

Preface

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

The report is based on audit of the accounts of offices of the District Government, Tehsil Municipal Administrations, Assistant Director Local Government Elections and Rural Development Department, Village Councils and Neighborhood Councils in District Malakand for the financial year 2018-19. The Director General of Audit, District Government Khyber Pakhtunkhwa conducted audit during 2019-20 on test check basis with a view to report significant findings to the relevant stakeholders. The main body of the audit report includes systemic issues and significant audit findings. Relatively less significant issues are listed in the Annex-1 of the Audit Report. The audit observations listed in Annex-1 shall be pursued with the Principal Accounting Officers at the DAC level. In all cases where Principal Account Officers do not initiate appropriate action, the audit observations will be brought to the notice of appropriate forum through the next year's Audit Report.

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

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

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

Islamabad
Dated:

(Javaid Jehangir)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General Audit District Governments, Khyber Pakhtunkhwa carries out the audit of 27 Local Governments of Khyber Pakhtunkhwa. Regional Directorate of Audit (RDA) Mardan, on behalf of the DG Audit District Governments, Khyber Pakhtunkhwa carried out the audit of Local Governments of four District Governments namely Mardan, Swabi, Malakand and Buner.

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 Malakand consist of three tiers which perform their operations under Khyber Pakhtunkhwa Local Government Act 2013. Financial provisions of the Act describe the Local Consolidated Fund and Public Account for which annual Budget Statement is approved by the respective councils in the form of budgetary grants. Top Tier- the District Government comprises one Principal Accounting Officer (PAO) i.e. Deputy Commissioner for the District Government, who is officer in charge of 10 devolved departments including AD Local Government Election & Rural Development Department. The second Tier- Town/Tehsil Municipal Administrations have one PAO i.e. Town/Tehsil Municipal Officer for each administration. There are two Tehsils administrations in district Malakand. The third Tier-village and neighborhood Councils have AD LGE & RDD as Principal Accounting Officer for these councils. There are 82 VCs/NCs in District Malakand.

a. Scope of audit

This office is mandated to conduct audit of 95 formations working under 04 PAOs. Total expenditure and receipts of these formations were Rs 5246.948 million and Rs 65.259 million respectively for the financial year 2018-19.

Audit coverage relating to expenditure for the current audit year comprises 15 formations of 04 PAOs having a total expenditure of Rs. 1,780.132 million for

the financial year 2018-19. In terms of percentage, the audit coverage for expenditure is 33.93 % of auditable expenditure.

Audit coverage relating to receipts for the current audit year comprises 15 formations of 04 PAOs having a total receipt of Rs. 65.259 million for the financial year 2018-19. In terms of percentage, the audit coverage for expenditure is 100 % of auditable receipts.

In addition to this compliance audit report, 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 30.719 million was pointed out in this report. No recovery against these figures was reported.

c. Audit Methodology

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

d. Audit Impact

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

e. Comments on Internal Control and Internal Audit Department

INTOSAI defines the internal control structure as the plans and actions of an organization, including management's attitude, methods, procedures and other measures that provide reasonable assurance that the following objectives are achieved:

- a. Assets are safeguarded against loss due to waste, abuse, mismanagement, errors, fraud and other irregularities;
- b. Laws, regulations and management directives are complied with; and
- c. Reliable financial and management data is maintained and fairly disclosed in timely reported.

In most of the offices the internal controls were overridden by the management specifically in appointments, procurement of goods and services, deduction of taxes and recovery of Government receipts etc. Another basic component of internal control, as envisaged under section 37(4) of LGA 2013, is internal audit which was not found in place in the Local Governments Malakand.

f. Key Audit findings of the report

- i. Non compilation/consolidation of accounts of local governments- Rs 271.405 million¹
- ii. Misclassification of developmental expenditure of Rs. 192.076 million²
- iii. Non production of record ¹ was noticed in one case amounting to Rs 20.035 million³.
- iv. Irregularities were noticed in eight cases amounting to Rs 410.751 million⁴
- v. Values for money were noticed were noticed in four cases amounting to Rs 119.854 million⁵

¹ Para 1.2.1

² Para: 1.2.2

³ Para 3.5.1.1

⁴ Para: 2.5.1.1 to 2.5.1.6 & 3.5.2.1 to 3.5.2.2

⁵ Para 3.5.3.1, 3.5.3.2 & 4.5.1.1, 4.5.1.2

⁶ Para: 2.5.2.1 to 2.5.2.2, 3.5.4.1 to 3.5.4.8

- vi. Others were noticed in ten cases amounting to Rs 28.327 million⁶

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

g. Recommendations

- i. Actions need to be taken against the responsible for non compliance of rules in spending the public money.
- ii. Action may be taken against those responsible for not producing record before audit.
- iii. Strenuous efforts need to be made by the departments to recover long outstanding dues on account of water charges.
- iv. Deduction of taxes on supplies and contracts need to be ensured. .
- v. Departments need to strengthen internal controls i.e. financial, managerial, operational, administrative and accounting controls etc. to ensure that lapses of the kind reported in this audit report are pre-empted and fair value for money is obtained from public spending.

CHAPTER -1

Public Financial Management

1.1 Sectoral Analysis

Introduction

After promulgation of Local Government Act, 2013, Local Government elections were held in 2015, which resulted in formation of three tiers of government in each district of Khyber Pakhtunkhwa. Consequent upon, District Government, Tehsil Municipal Administrations and Village/Neighborhood Councils were established in District Malakand. In the light of LGA 2013, District Malakand is headed by Deputy Commissioner who is Principal Accounting Officer of the budget grant allocated to the 10 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 Malakand, Funds amounting to Rs 5,458.636 million were allocated to 95 formations working under 04 PAOs. Out of which, expenditure of 5,246.948 million was made resulting into saving of Rs 211.688 million. Receipts of Rs. 65.259 million were collected through these formations during the financial year 2018-19. Audit coverage relating to expenditure for the current audit year comprises 15 formations of 04 PAOs having a total expenditure of Rs1780.132 million for the financial year 2018-19. In terms of percentage, the audit coverage for expenditure is 33.93% of auditable expenditure. Similarly, audit coverage for receipts is 100%.

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, Malakand did not reflect Rs. 271.405 million into the consolidated financial statement of Local Government, Malakand. Similarly, the development expenditure of Rs. 192.076 million was presented under operating expenses, whereas, this should have been

presented under the head “Physical Assets and Civil Works”.

District Government, Malakand was found lagging behind in many areas envisioned as integral component of the Local Government in the Khyber Pakhtunkhwa Local Government Act 2013. The District Government could not establish & maintain Public Fund account as required under section 30 of LGA 2013. Similarly, it also failed to prepare, present and approve the budget estimates of receipts from district council for District Government, Malakand as required under section 34 of LGA 2013. The receipts collected as taxes/fees/rents under section 42 of LGA-2013 were also not credited to the District Fund. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, Malakand 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, 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.

The Local government provided services in the following sectors.

Education

The education sector is one of the major sectors devolved at district level. Statistics show that there are 538 primary, 61 middle, 73 secondary and 14 higher secondary schools in District Malakand. The estimated Teacher Student Ratio is 1:42 at primary, 1:60 at middle, 1:34 at secondary and 1:28 at the level of higher secondary schools. District Malakand literacy rate is 48% the Gross Enrollment Rate (GER) is 97%, and the Net Enrollment Rate (NER) is 93% at the primary level. On budgetary front, District Education office, Malakand succeeded in spending 98.6% of District ADP and 98.43% of non-salary budgets.

District Education Offices in Malakand were given target of enrolment of 450,000 children for current year against which 358,753 kids were enrolled;

wherein, DEO (male) and DEO (female) enrolled 138,628 and 220,125 children respectively. Similarly, annual average of teacher's attendance rate and student attendance rate as per independent Monitoring Unit (IMU) data were approximately 84% & 89% respectively. Furthermore, 97% schools in district Malakand 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 45% against the assigned targets.

Health

Health is another important sector of District Malakand with a total of 37 health facilities spread across the district, among which 07 are urban while the rest are rural based. Their further break-up is 20 BHUs, 10 CDs, 05 RHC, 02 MCH and 01THQ/Category-D hospital with the total catchment area population of approximately 720295 as per survey carried out by Health department in 2016.

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

On mother and child health care front, 1,757 babies were born with 1,253 and 504 in primary and secondary health facilities respectively. Out of them, 436 infant and 09 maternal deaths were recorded. Lab investigations and diagnostic facilities were also fully utilized as 40,619 lab tests, 7,396 X-rays, 4,655 ultrasounds and 4070 ECGs were done in both primary and secondary health facilities in district Malakand. Figures of immunization from EPI register were also very impressive as 5070 pregnant women received TT-2 vaccines, 12298 kids under 12 months received full immunization, 10296 children under 12 months received 1st measles vaccines. 1,048 families were provided family planning services as evident from FP register. 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.

There was one Darul Kafala for beggars in district Malakand with the objective to rehabilitate them by imparting vocational training. During last year, 75 baggers had benefited from this facility. Rehabilitation center for drug addicts has 10 beds and it had treated 14 patients during the year. 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 Malakand did not fulfill some primary requirements envisioned as integral component of Local Government in the Khyber Pakhtunkhwa Local Government Act, 2013. 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 as prescribed by Auditor General of Pakistan and required under section 36 of LGA. Financial Statements, Finance Account and Appropriation Accounts of the TMAs were not prepared accordingly. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, Malakand 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.

1.2 AUDIT PARAS

1.2.1 Non Compilation/Consolidation of Accounts of Local Governments- Rs 271.405 million

Criteria

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.

Condition

During certification audit of the accounts of the DAO Malakand for the financial year 2018-19, 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 Rs271.405 million and Rs 250.132 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.

Cause

Provisions of the Local Govt Act 2013 by Local Governments in District Malakand were not complied.

Implication

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.

DAC Decision

Para stands till correction of these omissions.

Recommendation

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

1.2.2 Misclassification of developmental expenditure of Rs 192.076 million

Criteria

The New Accounting Model based on double entry book keeping requires that every development expenditure which creates physical asset should have a corresponding effect during booking of expenditure.

According to Para 4.1.1.3 of APPM the accounting treatment details the record which needs to be maintained for complete and accurate recording of expenditure and receipts.

Condition

During certification audit of the accounts of the DAO Malakand for the financial year 2018-19, audit observed that the statement of cash receipts and payment did not show the correct position as the development expenditure of Rs 192.076 million was presented under operating expenses, whereas, this should have been presented under the head “Physical Assets and Civil Works”.

Cause

The District Officer Finance and Planning Malakand budgeted all the developmental expenditure under the head A 03970- others, meant for operating expenses. Resultantly expenditure was also booked by the DAO under the same head of accounts.

Implication

Due to misclassification in budgeting the expenditure was also misclassified under a irrelevant head of account. This action resulted into overstatement of expenditure and understatement of physical assets, thus rendering the financial statement as not presenting the true and fair picture.

DAC Decision

Para stands till correction of this omission.

Recommendation

The budgeting practices of the district govt. be rectified in future to enhance the truthfulness and reliability of the financial statements.

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, and 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:

Sr No	Description	Total Nos	Audited	Expenditure audited FY 2018-19 (Rs in million)	Revenue /Receipts audited FY 2018-19 (Rs. in million)
1	Formations	10	04	1,455.471	-

2.2 Comments on Budget and Accounts (Variance Analysis)

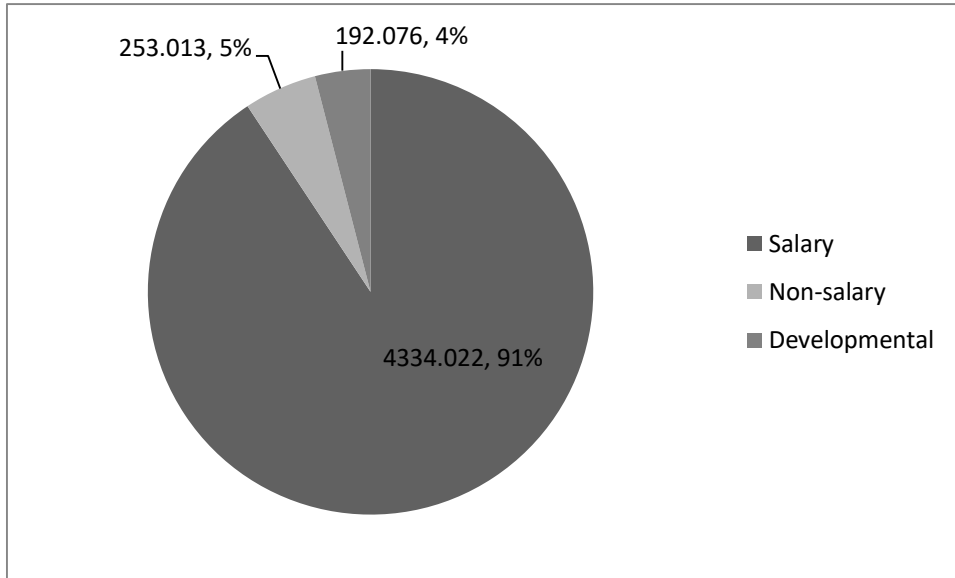
(Rs in million)

District Government Malakand				
2018-19	Budget	Actual Expenditure/Receipts	Excess/(Saving)	%age
Salary	4282.967	4334.022	51.06	1.19
Non salary	257.013	253.013	(4.00)	(1.56)
Development	264.245	192.076	(72.17)	(27.31)
Total	4804.225	4779.111	(25.11)	(0.52)
Receipts	-	-	-	-

The savings of Rs 25.11 million indicate inefficiency in the capacity of Local Government Departments to utilize the amount of allocated funds.

EXPENDITURE 2018-19

(Rs in million)



2.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 408.943 million were raised in this audit report. This amount also includes recoverable of Rs 11.683 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	HR/Employees related irregularities	7.270
B	Procurement related irregularities	397.260
2	Others, including cases of accidents, negligence etc.	4.413
Total		408.943

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	Not Convened
2.	2003-04	Not Convened
3.	2005-06	Not Convened
4.	2006-07	Not Convened
5	2007-08	Not Convened
6.	2008-09	Not Convened
7.	2009-10	Convened
8.	2010-11	Not Convened
9	2011-12	Not Convened
10	2012-13	Not convened
11	2013-14	Not Convened
12	2016-17	Not Convened
13	2017-18	Not Convened
14	2018-19	Not Convened

2.5 AUDIT PARAS

2.5.1 Irregularities

HR related Irregularities

2.5.1.1 Non deduction of Health Professional Allowance and Conveyance Allowance—Rs 1.615 million

According to condition No. (iii) of the Government of Khyber Pakhtunkhwa, Finance Department letter No. NO. FD (SOSR-II) 8-18/2016 dated 7.1.2016, Health Professional Allowance is not admissible during earned leave, study leave and extra ordinary leave except casual leave.

District Health Officer Malakand did not deduct Rs 1,615,766 on account of Health Professional Allowance and Conveyance Allowance to doctors during earned leave. Detail is given at the annexure-2.

Non deduction occurred due to lack of financial controls, which resulted in overpayment to the employees and loss sustained by the Government.

The irregularity was pointed out in July 2019, management replied that the concerned Tehsildar/Sub registrar will be asked for detail reply. However no reply was furnished till finalization of this report.

Request for convening DAC meeting was made in July 2019. However meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery and action against the persons at fault under intimation to audit.

(AIR No. 17 AP No. 39/2018-19

2.5.1.2 Overpayment of conveyance charges during vacations – Rs 1.125 million

According to Standing Operating Procedures for payment of conveyance charges to female ASDEOs (Female) @ Rs 15,000 per month circulated vide Government of Khyber Pakhtunkhwa, Finance Department letter No. BOV/FD/3-

1/2014-15 dated 20.11.2014 endorsed by Elementary & Secondary Education Department letter No. SO (B&A)1-6/14- Conveyance Charges Releases dated 26.09.2014, conveyance charges will be disbursed under the following standard operating procedures to achieve some targets each month.

District Education Officer (Female) Malakand paid Rs 1,125,000 to female ASDEOs/ADEOs during winter and summer vacation on account of conveyance charges @ Rs 15,000 per month. The schools were closed during the vacations hence, evaluation of student learning outcomes and teacher performance was astonishing during these fake visits. Detail of overpayment is given at annexure-3.

The conveyance charges were withdrawn and disbursed in violation of relevant rules which resulted in loss to the Government.

The irregularity was pointed out in August 2019, management stated that the SDEOs (Female) Dargai and Batkhela have been asked to submit the purpose of visits of ASDEOs of their respective Sub Divisions during vacations, as and when received, would be communicated to audit. Reply was not convincing as there were no justification of visits during vacations as per SOPs referred to above.

Request for convening DAC meeting was made in August 2019. However meeting of DAC could not be convened till finalization of this report.

Audit recommends fixing responsibility on the person(s) at fault for withdrawal and disbursement of funds in violation of rules besides recovery and deposit into Government treasury under intimation to audit.

(AIR No. 05 AP No. 107/2018-19)

2.5.1.3 Non deduction of conveyance allowance during vacations and leave – Rs 4.530 million

According to Government of Khyber Pakhtunkhwa, Finance Department letter No. FD (PRC) 1-1/2011 dated 19-07-2011 endorsed by the Accountant General Khyber Pakhtunkhwa vide letter No. Computer/HR-LAB/C/203 dated

04-08-2011, Conveyance Allowance is not admissible to Government servants during winter and summer vacations.

District Education Officer (Female) Malakand did not deduct conveyance allowance of Rs 4,529,962 to female teachers in summer and winter vacations & leaveperiod. Detail is given at annexure-4.

Non deduction occurred due to violation of rules which resulted in loss to the Government.

The irregularity was pointed out in August 2019, management stated that recovery would be made from the concerned employees and intimated to audit. Reply was not tenable that no recovery reported to audit after lapse of a considerable time.

Request for convening DAC meeting was made in August 2019. However meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery and deposit into Government treasury.

AIR No. 20 AP No. 120/2018-19)

Procurement related irregularities

2.5.1.4 Unverified/unauthentic payment on account of land acquisition –Rs 381.459 million

Section 41 of Local Government Act 2013 provides, “every official or servant of a local government, every member of a local council, and every person charged with administration and management of property of a local Government shall be personally responsible for any loss or waste, financial or otherwise, of any property belonging to a local Government which is a direct consequence of decisions made by him personally or under his directions in violation of this Act or any other law for the time being in force or which accrues Khyber Pakhtunkhwa Local Government Act, 2013 as a result of his negligence or misconduct, and shall be liable to pay such surcharge as may be determined by the respective Accounts Committee and such amount shall be recoverable as

arrears of land revenue.

Deputy Commissioner, Malakand paid Rs 381,559,324 during 2018-19 to Mr. Jamal Hussain (Mukhtyar-e-Khass) on power of attorney for further disbursement to the land owners of the Zulam Kot area on account of acquisition of land. The actual payee receipts of land owners were not available on record which resulted in unauthentic payment.

Irregularity occurred due to negligence on the part of revenue staff which resulted in unauthentic payment.

The irregularity was pointed out in July 2019, management replied that most of the amount has been paid to land owners by Mr. Jamal Hussain and copies of APRs would be provided to audit. Reply of the department was not convincing as copies of APRs were not provided in support of reply.

Request for convening DAC meeting was made in July 2019. However meeting of DAC could not be convened till finalization of this report.

Audit recommends production of Actual payee receipts and justification.

(AIR Para & AP No. 06 /2018-19)

2.5.1.5 Irregular purchase of furniture -Rs 7.901million

According to Elementary and Secondary Education Department of KP letter No. CPO/PO-II/E&SE/1-1/ADP/Furniture Project/2017-18 dated 06.10.2017, the procurement will be done by the District Purchase Committee as per their TORs, headed by the Deputy Commissioner of their respective districts, in light of the judgment of Peshawar High Court in writ petition No. 4091-P/2016 dated 07.12.2016.

DEO Female Malakand purchased furniture of Rs 7,901,800 during 2018-19 through a local purchase committee constituted by the DEO instead of District Purchase Committee notified by the Provincial Government as mentioned in the above criteria. Thus the purchase was irregular.

Irregular purchase of furniture occurred due to weak managerial controls

which resulted in violation of rules.

The irregularity was pointed out in August 2019, management stated that the purchases were made in continuation of remaining budget which was withheld in the last year 2017-18. Local purchase committee was constituted for confirmation of supply to schools after District Purchase Committee Inspection in the workshop of SIDB. Reply is not correct as fresh purchase of furniture was made in 2018-19 which was required to be made through District Purchase Committee which was not done. No inspection report of the DPC was shown.

Request for convening DAC meeting was made in August 2019. However meeting of DAC could not be convened till finalization of this report.

Audit suggests investigation in the matter and fixing responsibility on the person(s) at fault.

(AIR No. 24 AP No. 123/2018-19)

2.5.1.6 Non supply of furniture - Rs 7.900 million

According to Elementary and Secondary Education Department of KP letter No.CPO/PO-II/E&SED ADP/Furniture Project/2018 dated 03/10/2018, purchased will be made in financial year 2018-19.

DEO Female Malakand issued supply order to SIDB Timargara for supply of furniture for Rs 2,000,000 on 15.4.2019. Payment was made but supply was not made till date of audit. i.e. 26.08.2019. Furthermore, same supplier failed to supply furniture worth Rs 5,900,800 for the year 2017-18.

Non supply of furniture occurred due to lack of internal controls due to which the students were deprived of the facility.

The irregularity was pointed out in August 2019, management stated that the purchase was made through District Purchase Committee (DPC). The paper work is the responsibility of DEO Male Malakand as he is the Secretary of DPC and 50% advance was made in the light of Finance Department instructions. Reply is irrelevant, no documentary evidence regarding supply of the furniture

was provided

Request for convening DAC meeting was made in August 2019. However meeting of DAC could not be convened till finalization of this report.

Audit suggests immediate supply of the furniture with imposition of penalty besides action against the person(s) at fault.

(AIR No. 25 AP No. 124/2018-19)

2.5.2 Others, including cases of accidents, negligence etc.
2.5.2.1 Non deposit of health receipts – Rs 2.012 million

According to Para 10 of the Economy/Austerity Measures for the financial year 2018-19, circulated vide Government of Khyber Pakhtunkhwa Finance Department letter No. BO-I/FD/5-8/2018-19/Austerity Measures dated Peshawar the 29.10.2018, the department must remit all the receipts to Provincial Account forthwith except where department/facilities have been specifically permitted under some Statute/Act.

DHO Malakand did not deposit health receipts of Rs 2,012,405 which were outstanding on the part of the management of the following hospitals during financial year 2018-19. Details as under:

S.No	Name of health facility	Nature of Receipt	Outstanding amount (Rs)
01	Category D hospital Thana	OPD chit fee	721,750
02	Category D hospital Totakan	OPD, Laboratory, ambulance & X.Ray	263,165
03	THQ Dargai	All receipts for the month of June 2019	887,525
04	Category D hospital Agra	OPD chit fee	110,271
05	Civil hospital Malakand	OPD chit fee	15,880
06	RHC Alladand	OPD chit fee	13,814
Total			2,012,405

Non deposit of receipts occurred due to weak internal controls which resulted in loss to the Government.

The irregularity was pointed out in July 2019, management did not furnish reply to audit observation.

Request for convening DAC meeting was made in July 2019. However meeting of DAC could not be convened till finalization of this report.

Audit recommends immediate deposit into Government treasury besides strict disciplinary actions against the person (s) at fault.

(AIR No. 01 AP No. 23/2018-19)

2.5.2.2 Loss to Government due to less deduction of sales tax and income tax -Rs 2.401 million

According to section 153 (1) (a) of the Income Tax Ordinance 2001, supply for sales of goods, income tax rate was for the payee (non filer) was 6.5% and rate of sales tax for any person was 17%.

District Education Officer (Male) Malakand spent Rs 69,793,912 on purchase of furniture during 2015-16 and deducted sales tax and income tax of Rs 14,000,000 instead of Rs 16,401,569 due to which less deduction of Rs 2,401,569 was made and loss sustained by the Government. Detail is as under:

S.No	Total amount of transaction (Rs)	Sales tax /Income tax	Required deduction (Rs)	Tax deducted (Rs)	Less deduction (Rs)
01	69,793,912	Sales tax @ 17%	11,864,965	10,859,274	1,005,691
02		Income tax @ 6.5% (non filer)	4,536,604	3,140,726	1,395,878
Total			16,401,569	14,000,000	2,401,569

Less deduction occurred due to violation of rules which resulted in loss to the Government.

The irregularity was pointed out in August 2019, management stated that a letter has been sent to Danyal Traders Peshawar with a copy to the DAO Malakand for deposit of pending liabilities of taxes. Reply was not convincing as tax should have been deducted at the prescribed rate during payment time. The loss needs to be recovered from the responsible persons.

Request for convening DAC meeting was made in July 2019. However meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery from the concerned supplier or person (s) responsible and deposit into Government treasury under intimation to audit.

(AIR No. 27 AP No. 99/2018-19)

CHAPTER-3

Tehsil Municipal Administration

3.1 Introduction

District Malakand has two Tehsils i.e. Batkhela & Dargai. 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

Sr No	Description	Total Nos	Audited	Expenditure audited FY 2018-19 (Rs in million)	Revenue /Receipts audited FY 2018-19 (Rs. in million)
1	Formations	2	2	250.132	65.259

3.2 Comments on Budget and Accounts (Variance Analysis)

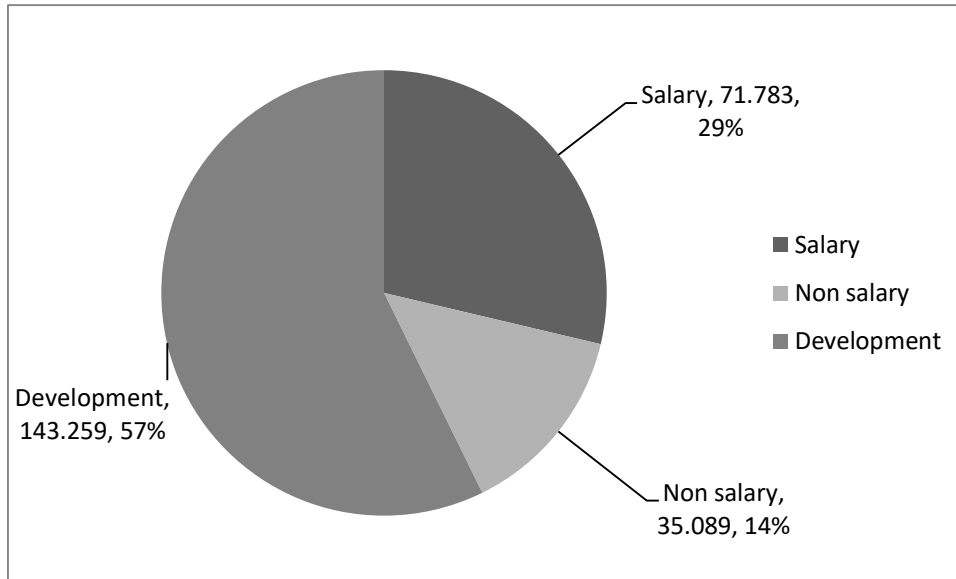
(Rs in million)

TMAs				
2018-19	Budget	Actual Expenditure/Receipts	Excess/Saving	%age
Salary	102.682	71.783	-30.899	-30.09161
Non salary	64.132	35.089	-29.043	-45.285765
Development	266.187	143.259	-122.928	-46.180905
Total	433.001	250.132	-182.870	
Receipts	88.460	65.259	-23.201	

The savings of Rs 182.870 million indicate inefficiency in the capacity of Local Government Departments to utilize the amount of allocated funds.

EXPENDITURE 2018-2019

(Rs in million)



3.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 57.117 million were raised in this audit report. This amount also includes recoverable of Rs 19.036 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	Non production of record	20.035
3	Irregularities	0
A	HR/Employees related irregularities	2.180
B	Procurement related irregularities	4.041
4	Value for money and service delivery issues	6.947
5	Others, including cases of accidents, negligence etc.	23.914
Total		57.117

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.	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	Not convened
11	2013-14	Not Convened
12	2016-17	Not Convened
13	2017-18	Not Convened
14	2018-19	Not Convened

3.5 AUDIT PARAS

3.5.1 Non-Production of record

3.5.1.1 Non production of record of developmental schemes– Rs 20.350 million

According to Section 14 (3) of the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, any person or authority hindering the auditorial functions of the Auditor General of Pakistan regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules, applicable to such person or authority.

Tehsil Municipal Officer, TMA Dargai did not produce record of Rs 20,350,000 of the following seven developmental schemes despite repeated written and verbal requests due to which the expenditure remained unverified.

S.No	Name of scheme	Source of fund	Estimated cost (Rs)	Remarks
01	Purchase of sewing machines	30% ADP 2018-19	4,100,000	Record not produced
02	Purchase of sewing machines	30% ADP 2018-19	950,000	Record not produced
03	Purchase of sewing machines	30% ADP 2016-17	300,000	Record not produced
04	Water Supply Scheme U/C Kot, Sellai Patay	DDI 2017-18	6,000,000	Record not produced
05	Construction of TMA office building		8,000,000	Record not produced
06	Repair of transformers	District (Saving) 2016-17	500,000	Record not produced
07	Repair of transformers	District (Saving) 2016-17	500,000	Record not produced
Total			20,350,000	

Non provision of record was due to violation of rules which resulted in unverified and unauthentic expenditure and doubtful purchase of machines.

The irregularity was pointed out in October 2019, management did not

furnish reply.

Request for convening DAC meeting was made in November 2019. However meeting of DAC could not be convened till finalization of this report.

Audit recommends conducting joint inquiry for fixing responsibility on the person (s) at fault under intimation to audit.

AIR Para No. 58 (2018-19)

3.5.2 Irregularities

HR related Irregularities

3.5.2.1 Irregular and un-authorized drawl and payment of salaries - Rs 2.180 million

According to Para 04 of the Economy/Austerity Measures for the financial year 2018-19, circulated vide Government of Khyber Pakhtunkhwa Finance Department letter No. BO-I/FD/5-8/2018-19/Austerity Measures dated Peshawar the 29.10.2018, no appointment of contingent paid/fixed pay staff shall be made during the course of the financial year 2018-19.

TMO Dargai appointed 34 contingent paid staff as sanitary workers on fixed pay without approval of the above mentioned committed above and incurred expenditure of Rs 2,180,000 on their pay and allowances in addition to existing regular 34 sanitary workers during 2018-19. Detail of the staff as regard to place of duty and attendance was not provided, in absence of which appointment of fixed pay employees and expenditure on their pay and allowance was unjustified.

Irregularity occurred due to violation of rules which resulted in loss to the TMA.

The irregularity was pointed out in October 2019. Management did not furnish written reply.

Request for convening DAC meeting was made in November 2019. However meeting of DAC could not be convened till finalization of this report.

Audit suggests investigation in the matter for fixing responsibility and action against the person(s) at fault.

AIR Para No. 17 (2018-19)

Procurement related Irregularities

3.5.2.2 Irregular and unauthorized award of works-Rs 4.041 million

According to Para 91 of CPWD code, an officer of the public works department may accept a tender for a contract up to the amount to which he is authorized to accord technical sanction to estimates.

According to Government of Khyber Pakhtunkhwa, Local Government Department notification No AOI/LCB/ESTT/3-5/2005 dated 22.11.20105, Engineer in BPS 17 is empowered to accord Technical Sanction up to 1,500,000.

TMO, TMA Dargai issued Administrative Approval for execution of 2 number development schemes for total cost of Rs 4,041,000 during 2018-19. The TOI, accord technical sanction to the schem beyond his competency, as the Chief Engineer LCB was empowered to accord the technical sanction in this case.

Irregularity occurred due to violation of rules which resulted unauthorized award of work.

The irregularity was pointed out in October 2019, management did not furnish written reply.

Request for convening DAC meeting was made in November 2019. However meeting of DAC could not be convened till finalization of this report.

Audit recommends justification in the matter besides action against the person(s) at fault.

AIR Para No. 31 (2018-19)

3.5.3 Value for money and service delivery issues

3.5.3.1 Wasteful expenditure on account of lease of land-Rs 3.950 million

Section 41 of Local Government Act 2013 provides, “every official or servant of a local government, every member of a local council, and every person charged with administration and management of property of a local Government shall be personally responsible for any loss or waste, financial or otherwise, of any property belonging to a local Government which is a direct consequence of decisions made by him personally or under his directions in violation of this Act or any other law for the time being in force or which accrues Khyber Pakhtunkhwa Local Government Act, 2013 as a result of his negligence or misconduct, and shall be liable to pay such surcharge as may be determined by the respective Accounts Committee and such amount shall be recoverable as arrears of land revenue.

TMO Dargai paid Rs 3,949,750 on account of lease of land for General Bus Stand Dargai and Suzuki Parking Stand Dargai during 2014-19. Audit observed that the tax was collected from the transporters on the road and no vehicle was seen in both the stands, rather the transporters were unaware about the sites of the stands. Audit holds that payment of rent of land for the above mentioned stands superfluous and was unnecessary burden on TMA. Detail is as under

S#	Particulars	Period	Payment of rent of land (Rs)
1	Suzuki parking stand Sakhakot	2017-18 & 2018-19	756,000
2	General Bus Stand Dargai	April 2014 to June 2019	3,193,750
Total			3,949,750

Irregularities occurred due to violation of rules, which resulted in loss to the TMA.

The irregularity was pointed out in October 2019, management did not furnish reply.

Request for convening DAC meeting was made in November 2019.

However meeting of DAC could not be convened till finalization of this report.

Audit recommends justification in the matter besides action against the person(s) at fault.

AIR Para No. 02 (2018-19)

3.5.3.2 Unjustified payment of rent of land without receipts -Rs 2.997 million

Section 41 of Local Government Act 2013 provides, “every official or servant of a local government, every member of a local council, and every person charged with administration and management of property of a local Government shall be personally responsible for any loss or waste, financial or otherwise, of any property belonging to a local Government which is a direct consequence of decisions made by him personally or under his directions in violation of this Act or any other law for the time being in force or which accrues Khyber Pakhtunkhwa Local Government Act, 2013 as a result of his negligence or misconduct, and shall be liable to pay such surcharge as may be determined by the respective Accounts Committee and such amount shall be recoverable as arrears of land revenue.

TMO Dargai paid Rs 2,997,000 on account of rent of land hired for Parking Stand and Sabzi Mandi Dargai during 2015-19 without no receipts. In addition, Rs 246,000 was paid as rent of land for Dargai Car Parking but only Rs 25,200 was collected as receipt from the said car parking during financial year 2018-19.

Unjustified and unauthentic payments on account of rent occurred due to lack of internal controls which resulted in loss to TMA.

When pointed out in the month of October 2019, management did not furnish written reply.

Request for convening DAC meeting was made in November 2019. However meeting of DAC could not be convened till finalization of this report.

Audit suggests investigation in the matter for fixing responsibility and action against the person(s) at fault.

AIR Para No. 04 (2018-19)

3.5.4 Others, including cases of accidents, negligence etc.

3.5.4.1 Non/less recovery of rent of properties –Rs 7.007 million

As per Para 2 of the policy of Government of KPK Local Government Elections and Rural Development Department for streamlining the affairs in the interest of Local Councils property circulated vide No. AO-V/LCB/4-1/99 dated 21 July 1999. The occupant of the property will be given an option to keep the property with him as a lessee at the market rate as referred to above. Moreover according to Para 1 of the policy of Government of KPK Local Government elections and Rural Development Department for streamlining the affairs in the interest of Local Councils property circulated vide No AO-V/LCB/4-1/99 dated 21 July 2008 “the Local Council will assess the rate of annual lease money for each unit at the prevailing market rate in the locality”.

TMO Dargai failed to collect rent from TMA owned shops/flats/quarters/open plots of Rs 1,075,600 during 2018-19. Audit observed that non recovery of outstanding dues resulted in loss to government. Furthermore, the leases of 57 shops/flats/ quarters/open plots have been expired since long but the lessees were not paying the rent on enhanced rates nor the local office made any effort to vacate the properties from them. Due to this, a loss of Rs 5,931,240 was sustained in two years as rent of Rs 908,760 was collected during the said period against an admissible rent of Rs 6,840,000 as per detail given below:

No. of Shops	lease status	Current annual Rent of (Rs)	Monthly rate Admissible per shop/flat/quarter/plot as assessed by TMA (Rs)	Yearly admissible rent Rs	Total Rent admissible for two years i.e. 2017-18 & 2018-19(Rs)
57	Expired/renewed	454,380	5,000	3,420,000	6,840,000

Non/less recovery of rent occurred due weak financial management

system which resulted in loss to the TMA.

The irregularity was pointed out in October 2019, management did not furnish reply.

Request for convening DAC meeting was made in November 2019. However meeting of DAC could not be convened till finalization of this report.

Audit recommends immediate recovery of income tax and other recoverable amount from the contractor.

AIR Para No. 13 & 14 (2018-19)

3.5.4.2 Loss due to non-deposit of stamp duty & DPR Fund-Rs 1.608 million

According to Para 10 of the Economy/Austerity Measures for the financial year 2018-19, circulated vide Government of Khyber Pakhtunkhwa Finance Department letter No. BO-I/FD/5-8/2018-19/Austerity Measures dated Peshawar the 29.10.2018, the department must remit all the receipts to Provincial Account forthwith except where department/facilities have been specifically permitted under some Statute/Act.

Section -II of the disabled person (Employment and Rehabilitation) Ordinance 1981 and rule 1991 made there under, it is legal responsibility of all principal officers of each establishment/organization to deduct DPR at the rate of 0.2% from the bill to be made to contractors/firms who have conducted business of one million and above in a financial year.

TMO, TMA Dargai spent Rs 44,791,000 on account of execution of various developmental schemes during 2018-19 out of 30% PFC funds. Stamp duty and DPR Fund worth Rs 1,607,500 was deducted from the bills of Contractors but failed to deposit in to Government Treasury.

Less deposit of receipts occurred due weak financial management system

which resulted in loss to the TMA.

The irregularity was pointed out in October 2019, management did not furnish reply.

Request for convening DAC meeting was made in November 2019. However meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery of the short paid profit besides action against person(s) at fault.

AIR Para No. 26 (2018-19)

3.5.4.3 Loss due to understatement of outstanding amount against contractor without actual recovery-Rs 2.018 million

According to Rule 6 (1) (c) of Government of Khyber Pakhtunkhwa TMA Budget Rules 2016, all sums due to TMA are regularly and promptly assessed, realized and duly credited to the Tehsil Fund.

Tehsil Municipal Officer, TMA Dargai issued last notice to M/S Lal Zada contractor of Bus Stand Dargai for deposit of remaining outstanding amount of Rs 5,132,180 vide notice No. 520-23/TMA/Dargai dated 01.06.2017. The issue of outstanding recovery of the contractor was discussed for Rs 2,688,180 in the meeting of Tehsil Council held on 23rd May 2017 while outstanding dues were shown Rs 670,000 against the contractor in the defaulter list. Audit held that recoverable amount was understated by Rs 2,018,180 (Rs 2,688,180 – Rs 670,000) without actual recovery. The matter needs to be inquired in detail.

Understated outstanding amount was shown against the contractor due to weak financial controls which resulted in loss to the TMA.

The irregularity was pointed out in October 2019, management did not furnish reply.

Request for convening DAC meeting was made in November 2019.

However meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery of outstanding dues from the contractor along with penalty.

AIR Para No. 37 (2018-19)

3.5.4.4 Loss due to award of contract to the higher bidder and non-adjustment of income tax-Rs 1.252 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 Finance Department Khyber Pakhtunkhwa Notification No. SO(Dev-II) FD/12-6/14-5 dated 21.04.2015, all Provincial Works Departments, while preparing Cost Estimates of developmental projects which fall in the tax exempted areas such as PATA, shall frame the same on Market Rate System (MRS) but with 7.5% less cost to defray the amount added in the rate analysis of all works/construction/supply items to meet withholding tax.

Tehsil Municipal Officer, TMA Dargai awarded two contracts of estimated cost of Rs 7,500,000 to the higher bidders by ignoring the lowest bids and income tax was neither deducted in the cost estimates nor deducted in the contractor bills. Detail is as under:

S.No	Name of scheme	Estimated cost (Rs)	Lowest bid (Rs)	Bid accepted (Rs)	Loss (Rs)	Income tax (Rs)	Total loss (Rs)
01	Remaining work of Municipal Committee Quarters	4,000,000	3,700,801	3,999,176	298,375	280,000	578,375
02	Beautification of Cap: Irfan Shaheed Park Gul Muqam Dargai	3,500,000	2,983,221	3,412,732	429,511	245,000	674,511

Total	7,500,000	6,684,022	7,411,908	727,886	525,000	1,252,886
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The contracts were awarded to the higher bidders and income tax deductions were not made in violation of KPPRA rules and instructions of the Finance Department which resulted in loss to the Government.

The irregularity was pointed out in October 2019, management did not furnish reply.

Request for convening DAC meeting was made in November 2019. However meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery from the person (s) at fault under intimation to audit.

AIR Para No. 38 (2018-19)

3.5.4.5 Non deduction of income tax from contractors- Rs 4.529 million

According to Finance Department Khyber Pakhtunkhwa Notification No. SO(Dev-II) FD/12-6/14-5 dated 21.04.2015, all Provincial Works Departments, while preparing Cost Estimates of developmental projects which fall in the tax exempted areas such as PATA, shall frame the same on Market Rate System (MRS) but with 7.5% less cost to defray the amount added in the rate analysis of all works/construction/supply items to meet withholding tax.

Tehsil Municipal Officer, TMA Dargai did not deduct income tax of Rs 4,529,025 @ 7.5% from the bills of the contractors in twenty-three (23) schemes of estimated cost of Rs 60,887,000 due to which Government sustained loss as per detail given at annexure-05.

Non deduction occurred due to violation of rules which resulted in loss to the Government.

The irregularity was pointed out in October 2019, management did not furnish reply.

Request for convening DAC meeting was made in November 2019.

However meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery and deposit into Government treasury.

AIR Para No. 48 (2018-19)

3.5.4.6 Loss due to manipulation in rates-Rs 3.746 million

Section 41 of Local Government Act 2013 provides, “every official or servant of a local government, every member of a local council, and every person charged with administration and management of property of a local Government shall be personally responsible for any loss or waste, financial or otherwise, of any property belonging to a local Government which is a direct consequence of decisions made by him personally or under his directions in violation of this Act or any other law for the time being in force or which accrues Khyber Pakhtunkhwa Local Government Act, 2013 as a result of his negligence or misconduct, and shall be liable to pay such surcharge as may be determined by the respective Accounts Committee and such amount shall be recoverable as arrears of land revenue.

According to Rule 3(iv) of the Khyber Pakhtunkhwa Public Procurement of Goods, Works and Services Rules 2014, the lowest offer from the qualified bidder shall be accepted for award of the contract and will be the best evaluated bid.

Tehsil Municipal Officer, TMA Dargai awarded three schemes of estimated cost of Rs 49,600,000 to contractors at higher rates by manipulating below rates offered by other contractor, due to which Government sustained loss of Rs 3,746,180 as per detail given below:

Source of fund	Name of scheme	Estimated cost (Rs)	Original rate offered	Rate manipulated to	Rate awarded on	Diff:	Loss (Rs)	Remarks
30% ADP 2016-17	Repair of transformer	5,000,000	52% below	2% below	2% below	50%	2,500,000	-

Tobacco Cess (saving 2015-16)	Remaining work of Blacktopping of Badraga to Mula Mistri Road	42,100,000	42% below	12.42% below	12.42% below	29.58%	621,180	-
NHS 2015-16	Repair of Transformers	2,500,000	25% below	2% above	At par	25%	625,000	On tender form, 25% below fluid and manipulated to 2% above
Total		49,600,000					3,746,180	

The rate was manipulated due to extending undue favour to the contractor which resulted in loss to the Government.

The irregularity was pointed out in October 2019, management did not furnish reply.

Request for convening DAC meeting was made in November 2019. However meeting of DAC could not be convened till finalization of this report.

Audit recommends fixing responsibility on the persons at fault.

AIR Para No. 51 (2018-19)

3.5.4.7 Non collection/non deposit of Income Tax from contractor- Rs 1.724 million

According to section 153(1) (c) of Income Tax Ordinance 2001, 15% Income Tax shall be deducted from the contractor (non filer) on execution of contract.

TMO Batkhela awarded contracts of General Bus stand Batkhela and Cattle fair Batkhela to contractor resident of Distt Charsadda for Rs 9,694,624 and Rs 1,801,515 respectively during financial year 2018-19. The local office was required to collect Income Tax @15% (non filer) from the contractor for Rs

1,724,421 on both the contracts but it failed to do so.

Non collection of Income Tax occurred due to lack of interest for collection of tax which resulted in loss to Government.

The irregularity was pointed out in October 2019, management did not furnish reply.

Request for convening DAC meeting was made in November 2019. However meeting of DAC could not be convened till finalization of this report.

Audit suggests collection of the Income Tax and deposit thereof into the Government treasury.

AIR Para No. 02 (2018-19)

**3.5.4.8 Non recovery of long outstanding dues from the defaulter-
Rs 2.030 million**

According to Tehsil Municipal Administration Batkhela letter No. TO(R)/TMA/Batkhela/287 dated 09.03.2018, the outstanding amount against the contractor must be recovered under Land Revenue Act.

Para 28 of GFR Vol.-I states that no amount due to government should be left outstanding without sufficient reason and where any dues appear to be irrecoverable the orders of competent authority for their adjustment must be sought.

TMO Batkhela did not recover long outstanding dues of Rs 794,000 and Rs 1,236,000 pertaining to the contracts of General Bus Stand Batkhela for financial year 2016-17 and 2017-18 respectively from the contractor Muhib Gul despite lapse of considerable time.

Non recovery of long outstanding dues occurred due to weak internal controls which resulted in loss to Tehsil Government.

The irregularity was pointed out in October 2019, management did not furnish reply.

Request for convening DAC meeting was made in November 2019. However meeting of DAC could not be convened till finalization of this report.

Audit suggests immediate recovery of the dues besides action against the person(s) at fault.

AIR Para No. 11(2018-19)

CHAPTER-4

AD LGE & RDD

4.1 Introduction

Assistant Director Local Government, Election and Rural Development Department in District Malakand has 90 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 Malakand.

According to section 29 of the Khyber Pakhtunkhwa Local Government Act 2013 the authority and responsibilities of the District Government have been given as under:

Functions and Powers of Assistant Director, LGE&RDD includes:

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

Functions and Powers of the Village Council or Neighborhood Council includes:

- i. 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;
- ii. Providing effective forum for out of court amicable settlement of disputes and, for this purpose, constitute panels of members as conciliators;
 - iii. Registration of births, deaths and marriages;
 - iv. Implementation and monitoring of village level development works;
 - v. Improving water supply sources, maintain water supply distribution system and take measures to prevent contamination of water;
 - vi. Maintenance of village level infrastructure, footpaths, tracks, streets, playgrounds, graveyards, funeral places, eid-gah, parks, public open spaces and community centres.
 - vii. Identifying development needs of the area for use by municipal administration and district government in prioritizing development plans;
 - viii. Making arrangements for sanitation, cleanliness, disposal of garbage and carcasses, drainage and sewerage system;
 - ix. Displaying land transactions in the area for public information;
 - x. Mobilizing community for maintaining public ways, public streets, culverts, bridges and public buildings, de-silting of canals and other development activities;
 - xi. Organizing cattle fairs and agriculture produce markets;
 - xii. Organizing sports teams, cultural and recreational activities;
 - xiii. Organizing watch and ward in the area;
 - xiv. Promoting plantation of trees, landscaping and beautification of public places;
 - xv. Regulating grazing areas, establish cattle ponds and provide protection against stray animals and animal trespass;
 - xvi. Considering and approving annual budget presented by the respective Nazim, village council or neighborhood council;
 - xvii. Facilitating formation of voluntary organizations for assistance in functions assigned to it;
 - xviii. Facilitating the formation of co-operatives for improving economic returns and reduction of poverty;
 - xix. Electing an Accounts Committee and review its recommendations on the annual statement of accounts and audit reports; and
 - xx. Reporting cases of handicapped, destitute and of extreme poverty to district government.

Detail of audit planned formations expenditure and receipts:

Sr No	Description	Total Nos	Audited	Expenditure audited FY 2018-19 (Rs in million)	Revenue /Receipts audited FY 2018-19
1	Formations	83	9	74.523	NA

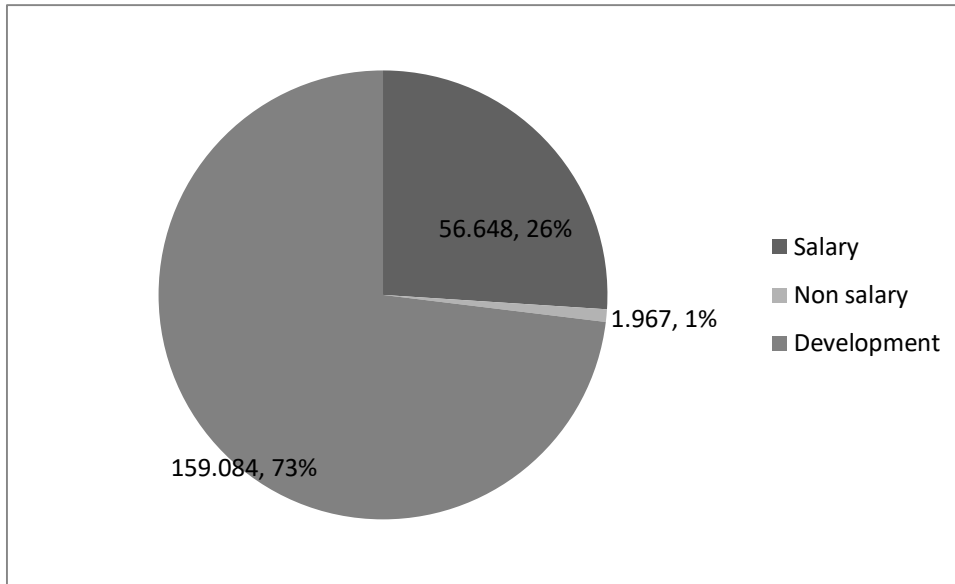
4.2 Comments on Budget and Accounts (Variance Analysis)**(Rs in million)**

AD LGE&RDD				
2018-19	Budget	Actual Expenditure/Receipts	Excess/(Saving)	%age
Salary	59.921	56.648	(3.27)	(5.46)
Non salary	2.405	1.967	(0.44)	(18.21)
Development	159.084	159.084	-	-
Total	221.41	217.699	(3.71)	(1.68)

The savings of Rs 3.71 million indicate inefficiency in the capacity of Local Government Departments to utilize the amount of allocated funds.

EXPENDITURE 2018-2019

(Rs in million)



4.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 112.907 million were raised in this audit report. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs in million)
1	Value for money and service delivery issues	112.907
Total		112.907

4.4 Comments on the status of compliance with Village/Neighbourhood Council Accounts Committee Directives

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

Sr. No.	Audit Year	VAC/NAC 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	Not Convened
12	2016-17	Not Convened
13	2017-18	Not Convened
14	2018-19	Not Convened

4.5 AUDIT PARAS

4.5.1 Value for money and service delivery issues

4.5.1.1 Irregular retention of government funds –Rs 109.601 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”.

According to Finance Department letter No. 2/3(F/L) FD 20017-18/Vol. ix dated Peshawar the 10th February 2014, Finance Department has from time to time allowed/sanctioned opening bank accounts in commercial Bank for various Departments/ Autonomous Bodies/Corporations in KP for particular and specific purposes. Now it has been decided that such accounts may be converted to PLS mode and the profit so earned be deposited in Govt. Treasury under relevant head and not later than a week when declared by the concerned bank.

According to Finance Department Khyber Pakhtunkhwa Notification No. SO(Dev-II) FD/12-6/14-5 dated 21.04.2015, all Provincial Works Departments, while preparing Cost Estimates of developmental projects which fall in the tax exempted areas such as PATA, shall frame the same on Market Rate System (MRS) but with 7.5% less cost to defray the amount added in the rate analysis of all works/construction/supply items to meet withholding tax.

Assistant Director LGE&RDD Malakand during the year 2018-19, received developmental funds amounting to Rs 159,084,000 for NC/VC. Developmental funds amounting to 145,855,948 were drawn from the government treasury and were transferred to designated accounts of the NC/VC for developmental projects.

The following irregularities were noticed.

1. Funds were drawn from treasury without immediate disbursement and

- were kept in designated account in violation of above criteria.
2. The funds were transferred to current account in violation of finance department instructions. i.e. current account be converted PLS mode and the profit earned be deposited into govt treasury.
 3. In PC-I no adjustment of income tax @ 7.5% already included in MRS was ensured in violation of above criteria.
 4. An amount of Rs 109,600,882 were lying unspent in designated bank accounts.

S#	Particular	Estimated Cost of Schemes (Rs)	Expenditure (Rs)	Saving (Rs)
01	NC/VC development fund	145,855,948	36,255,066	109,600,882

The irregularity occurred due to weak internal controls, which resulted irregular retention of fund.

The irregularity was pointed in December 2019, management stated that all the secretaries were directed to convert PLS account to current account vide this office letter 4.12.2019. In addition income tax was properly adjusted deducted. Reply was not correct as the no progress regarding compliance was intimated till finalization of this report.

Request for convening DAC meeting was made in December 2019. However meeting of DAC could not be convened till finalization of this report.

The matter needs justification and actions against persons at fault under intimation to audit.

AIR 2018-19 Para-01

4.5.1.2 Non-imposition of penalty amounting to Rs 3.306 million

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

Assistant Director LGE&RDD Local Government and Rural Development Department, Malakand for the year 2018-19 awarded 61 scheme of estimated cost of Rs 33,062,670 to various contractors to be completed in stipulated period of time. Department failed to complete the schemes in due course of time. Request for extension from the contractor was not found on record nor penalty @10% amounting to Rs 3,306,267 was imposed. Detail is given at annexure-06

Non imposition of penalty was occurred due to weak internal controls, which resulted in loss to government

The irregularity was pointed in December 2019, management stated that all the work have been completed in time. However, due to non inspection payment was not made to contractor. Reply was not correct as the penalty was not imposed on the contractors for non completion of workds in time.

Request for convening DAC meeting was made in December 2019. However meeting of DAC could not be convened till finalization of this report.

The matter needs justification and actions against persons at fault under intimation to audit.

AIR 2018-19 Para-05

ANNEXURE

Annexure-01

MFDAC

S.No	Depat	AIR	Caption	Amount (Rs in million)
1	DC Malakand	1	Unauthentic Fines receipts Rs 8.721 million	8.721
2	-do-	2	Unverified ADP schemes worth - Rs. 25.211 million	25.211
3	-do-	3	Unauthentic Arms Licenses receipts - Rs. 5.018 million	5.018
4	-do-	4	Loss to Government due to compulsory acquisition charges –Rs 345.932 million	345.932
5	-do-	5	Irregular release out of district ADP to Army public school - Rs. 1.0 million	1
6	-do-	6	Unverified/unauthentic payment on account of land acquisition –Rs 381.459 million	381.459
7	-do-	7	Non Reconciliation of Driving License fee Receipts – Rs 6.920 million	6.92
8	-do-	8	Non deposit of Bank profit into Government Treasury –Rs 140,603	0.14
9	-do-	9	Irregular Sale of Tress without open auction Rs 538,094	0.538
10	-do-	10	Non disbursement of Land Acquisition amount– Rs 73.954 million	73.954
11	-do-	11	Blockage of developmental fund –Rs 14.450 million	14.45
12	-do-	12	non reconciliation of closing balances in banks accounts	73.753
13	-do-	13	Irregular placement of lump sum funds Rs -41.923 million	41.923
14	-do-	14	Variation in expenditure between reconciliation statement and FI system of Deputy Commissioner Office figures –Rs 47.28 million	47.28
15	-do-	15	Variation between SAE & FI system figures -Rs 473.073 million	473.073
16	-do-	16	Non -Auction of confiscated 227 Weapons	0
17	-do-	17	Non maintenance of Assets and Liability record –Rs 46.284 million	46.284
18	-do-	18	Loss to Government by imposing unauthorized fines Rs 885,000	0.885
19	-do-	19	Where about of fruit trees in land acquesition	55.74
20	-do-	20	Over payment on account of Arms Licenses receipts – Rs 173,440	0.173

21	-do-	21	Doubtful cash disbursement	1.323
22	-do-	22	Non production of record.	0
23	DHO		Illegal withdrawal and retention of public money – Rs 29.877 million	29.877
24	DHO	2	Non supply of medicine and non-imposition of penalty on account of non/late supply thereof – Rs 207,372	0.207
25	DHO	3	Loss due to unauthorized payment of Non Practicing Allowance –Rs 628,458	0.628
26	DHO	4	Irregular payment on account of Health Professional Allowance – Rs 640,000	0.64
27	DHO	5	Non deduction of Income Tax and Stamp Duty on supply of medicine amounting to Rs 1,136,241	1.136
28	DHO	6	Irregular and unauthentic expenditure on account of local purchase of medicine – Rs 7.961 million	7.961
29	DHO	7	Overpayment on account of Pay and Allowances – Rs 3.094 million	3.094
30	DHO	8	Irregular withdrawal of fund on account of procurement of medical equipment – Rs 16.063 million	16.063
31	DHO	9	Unauthorized drawl on account of Conveyance Allowance and HRA – Rs 230,928	0.23
32	DHO	10	Non deduction of Sales Tax on supply of medical equipment - Rs 2.819 million	2.819
33	DHO	11	Non auction of condemned vehicles	0
34	DHO	12	Miscellaneous payment in the form of cash instead through bank – Rs 835,000	0.835
35	DEO male	1	Irregular purchase of furniture-Rs 4.00 million	4
36	DEO male	2	Non supply of furniture-Rs 6.709 million	6.709
37	DEO male	3	Non imposition of penalty on late supply-Rs 692,432	0.692
38	DEO male	4	Unauthorized/irregular payment of liability to supplier-Rs27.497 million	27.497
39	DEO male	5	Unauthorized/irregular advance payment to supplier-Rs 6.954 million	6.954
40	DEO male	6	Non recovery of Scouts registration, Shaheen and Red Crescent fund-Rs 87,512	0.087
41	DEO male	7	Non deposit of Government share out of Boys Scouts registration fee, Shaheen and Red Crescent fund -Rs 412,746	0.412
42	DEO male	8	Non collection/non deposit of Tuition and Admission fee-Rs 763,560	0.763
43	DEO male	9	Non auction of old building material, trees and unserviceable items and non reconciliation of Receipts realized from the auctions. Rs 1.049 million	1.049

44	DEO male	10	Unauthentic expenditure on account of stipends-Rs 3.336 million	3.336
45	DEO male	11	Unauthorized/irregular reduction in CRC and Petty Repairs funds-Rs 10.144 million	10.144
46	DEO male	12	Unverified receipts /Non reconciliation of receipts	0
47	DEO male	13	Non deposit of profit into Government treasury-Rs 83,490	0.083
48	DEO female	1	Unauthentic supply of furniture-Rs 27.832 million	27.832
49	DEO female	2	Irregular purchase of furniture-Rs 7.901million	7.901
50	DEO female	3	Non supply of furniture-Rs 7.900 million	7.9
51	DEO female	4	Non imposition of penalty on late supply-Rs 536,274	0.536
52	DEO female	5	Unauthorized/irregular payment of liability to supplier-Rs 19.824 million	19.824
53	DEO female	6	Unauthorized/irregular advance payment to supplier-Rs 3.954 million	3.954
54	DEO female	7	Unauthorized deposit in the designated bank account and unauthentic transfer to PTCs' accounts of District ADP fund-Rs13.664 million	13.664
55	DEO female	8	Non recovery of Girls Guide and Red Crescent fund-Rs 382,704	0.382
56	DEO female	9	Non deposit of Government share out of Girls Guide and Red Crescent fund-Rs 265,144	0.265
57	DEO female	10	Non collection/non deposit of Tuition and Admission fee-Rs 65,720 and non-reconciliation of the receipts with DAO-Rs 2.00 million	0.065
58	DEO female	11	Non auction of old building material, trees and unserviceable items and non-reconciliation of receipts realized from the auctions.	0
59	DEO female	12	Unauthentic expenditure on account of stipends-Rs 2.708 million	2.7808
60	DEO female	13	Unauthorized/irregular reduction in CRC and Petty Repair funds-Rs 11.568 million	11.568
61	DEO female	14	Non reconciliation of receipts and expenditure from District ADP funds -Rs 18.513 million	18.513
62	DEO female	15	Unjustified/unauthorized payment to PTC-Rs 145,544	0.145
63	DEO female	16	Irregular drawl and non payment of District ADP fund to PTCs-Rs 4.849 million	4.849
64	DEO female	17	Illegal retention of Government money-Rs 480,000	0.48
65	DEO female	18	Blockage of Government money due to non-utilization of conditional grant-Rs11.000 million	11
66	DEO female	19	Non surrender of unpaid Girls stipend-Rs 1.059 million	1.059
67	DO SW	1	Unjustified expenditure on non-functional Welfare Home - Rs. 5.792 million	5.792

68	DO SW	2	Loss due to overpayment of conveyance allowance during vacations & allotment of designated official vehicle - Rs 110,992	0.11
69	DO SW	3	Loss to Government due to fictitious supply and use of charcoal – Rs 459,958	0.459
70	DO SW	4	Loss to Government due to non-conversion of Current Bank account into PLS Mode	0
71	DO SW	5	Illegal retention of public money in designated bank account – Rs 1.148 million	1.148
72	DO SW	6	Non-Auction of un-Serviceable items and non conducting physical verification of store and stock	0
73	TMA Batkhela	1	Irregular lease of land -Rs 2.407 million	2.407
74	TMA Batkhela	2	Non collection/non deposit of Income Tax from contractor-Rs 1.724 million	1.724
75	TMA Batkhela	3	Non recovery of water charges from water users-Rs 813,670	0.813
76	TMA Batkhela	4	Non recovery of rent of bungalows, quarters and shops-Rs 444,122	0.444
77	TMA Batkhela	5	Loss due to recovery of rent of shops and residential quarter at lesser rate-Rs 1.297 million	1.297
78	TMA Batkhela	6	Non recovery of Annual Tax from Petrol/CNG Pumps - Rs 975,000	0.975
79	TMA Batkhela	7	Irregular award of contract of General Bus Stand Batkhela-Rs 8.500 million	8.5
80	TMA Batkhela	8	Non recovery of outstanding dues from contractor of General Bus Stand-Rs 6.452 million	6.452
81	TMA Batkhela	9	Non recovery of outstanding dues from contractor of cattle fair Batkhela-Rs 459,072	0.459
82	TMA Batkhela	10	Non recovery of penalty for late/ non payment of installments-Rs 8.273 millio	8.273
83	TMA Batkhela	11	Non recovery of long outstanding dues from the defaulter-Rs 2.030 million	2.03
84	TMA Batkhela	12	Non recovery of rent of petrol pump and adjacent family quarter-Rs 532,500	0.532
85	TMA Batkhela	13	Loss due to lease of petrol pump at lower rate-Rs 4.512 million	4.512
86	TMA Batkhela	14	Loss due to defective agreement on account of lease of Malakand INN hotel -Rs 1.621 million	1.621
87	TMA Batkhela	15	Non recovery rent of hotel –Rs 1.516 million	1.516
88	TMA Batkhela	16	Non recovery of Rickshaw fee –Rs 460,000 and forfeiture of 05% security and 15% advance -Rs 92,000	0.46
89	TMA Batkhela	17	Loss due to nil receipts from moveable and immovable property of TMA	0

90	TMA Batkhela	18	Non submission of Accounts of Local Government – Rs 106.298 million	106.298
91	TMA Batkhela	19	Non deposit of 3% RTA Share-Rs 443,837	0.443
92	TMA Batkhela	20	Non purchase of land for dumping ground despite approval of the Council and allocation of funds- Rs 6.00 million	6
93	TMA Batkhela	21	Loss to Government due to award of contract to the higher bidder – Rs 1.472 million	1.472
94	TMA Batkhela	22	Non utilization of funds and unnecessary blockage of Government money – Rs 41.00 million	41
95	TMA Batkhela	23	Irregular expenditure from savings of developmental budget on purchase of machinery by ignoring Planning & Development guidelines – Rs 8.00 million	8
96	TMA Batkhela	24	Unauthorized payment of budget incentive without justification and without sanction of the competent authority – Rs 264,430	0.264
97	TMA Batkhela	25	Unauthorized cash payments of hot & cold weather charges – Rs 1.460 million	1.46
98	TMA Batkhela	26	Loss due to unjustified 46% decrease in rents of properties at Malakand – Rs 1.441 million	1.441
99	TMA Batkhela	27	Irregular withdrawal and retention in designated bank account – Rs 1.313 million	1.313
100	TMA Batkhela	28	Irregular cash payments of monthly pensions – Rs 18.954 million	18.954
101	TMA Batkhela	29	Irregular retention of savings of completed schemes – Rs 2.570 million	2.57
102	TMA Batkhela	30	Irregular meetings of Tehsil Development Committee in the absence of members and unauthorized accord of approvals worth - Rs 110.292 million	110.292
103	TMA Batkhela	31	Doubtful purchase of sports equipment without stock entry and distribution- Rs 0.800 million	0.8
104	TMA Dargai	1	Irregular lease of land and unauthorized advance payment - Rs 4.194 million	4.194
105	TMA Dargai	2	Wasteful expenditure on account of lease of land-Rs 3.950 million	3.95
106	TMA Dargai	3	Irregular purchase of vehicle-Rs 1.566 million	1.566
107	TMA Dargai	4	Unjustified/Unauthentic payment of rent of land without receipts - Rs 2.997 million	2.997
108	TMA Dargai	5	Unauthentic expenditure on POL and repair of vehicles-Rs 2.688 million	2.688
109	TMA Dargai	6	Loss to TMA & Federal Government due to non-auction of contract of Cattle Fair Dargai – Rs 23.175 million	23.175

110	TMA Dargai	7	Loss to TMA & Federal Government due to non-auction of contracts – Rs 481,295	0.481
111	TMA Dargai	8	Irregular award of contract Rs 14.267 million and non-forfeiture of call deposit worth Rs 527,000	14.267
112	TMA Dargai	9	Unauthorized processing of auction proceedings and irregular award of contracts worth – Rs 16.012 million	16.012
113	TMA Dargai	10	Recurring loss due to non-conducting the survey for receipts / tax and non-recovery of Annual Fee – Rs 28.000 million	28
114	TMA Dargai	11	Loss due to non-recovery of building plan fee – Rs 2.500 million	2.5
115	TMA Dargai	12	Loss to TMA due to non-auction of contracts – Rs 1.600 million Fraudulent collection of Teh-Bazari fee and embezzlement of Rs 1.500 million	1.6
116	TMA Dargai	13	Non recovery of outstanding rent – Rs 1.076 million	1.076
117	TMA Dargai	14	Loss due to less recovery of rent - Rs 5.931 million	5.931
118	TMA Dargai	15	Loss due to non-conducting survey for receipt / tax before auction - Rs 3.500 million Fraudulent collection of sign board/advertisement fee and non-deposit – Rs2.429 million	3.5
119	TMA Dargai	16	Irregular, un-authorized and doubtful cash payment to contingent paid staff - Rs 2.180 million	2.18
120	TMA Dargai	17	Irregular and un-authorized drawl and payment of salaries - Rs 2.180 million	2.18
121	TMA Dargai	18	Unauthorized cash payment of monthly salaries / honoraria – Rs 4.324 million	4.324
122	TMA Dargai	19	Excess payment to Local Council Board on account of pension contribution of vacant posts – Rs 489,075	0.489
123	TMA Dargai	20	Less payment of Audit Fee – Rs 1.986 million	1.986
124	TMA Dargai	21	Non-compliance with Local Government Act 2013, Rules of Business 2015 & Budget Rules 2016	0
125	TMA Dargai	22	Unauthorized expenditure without SAE – Rs 111.541 million	111.541
126	TMA Dargai	23	Non Maintenance of accounts of receipt and expenditure of Rs 111.541 million	111.541
127	TMA Dargai	24	Irregular issuance of Administrative Approval and execution of developmental schemes without approval of Tehsil Council – Rs 67.260 million	67.26
128	TMA Dargai	25	Non-compliance of planning & development guidelines in allocation of developmental funds – Rs 44.791 million	44.791
129	TMA Dargai	26	Loss due to non-deposit of stamp duty & DPR Fund – Rs 1.608 million	1.608

130	TMA Dargai	27	Non-submission of handing over report of completed schemes & non-conducting of post completion evaluation of schemes – Rs 44.971 million	44.971
131	TMA Dargai	28	Execution of works without technical sanction – Rs 37.991 million	37.991
132	TMA Dargai	29	Irregular award of work and expenditure without sanction of contract agreement – Rs 37.991 million and Non forfeiture of Earnest Money – Rs 0.760 million	37.991
133	TMA Dargai	30	Non deduction of professional Tax -Rs 0.268 million	0.268
134	TMA Dargai	31	Irregular and unauthorized award of works - Rs 4.041 million	4.041
135	TMA Dargai	32	Un-transparent award of work of Rs 3.00 million involving loss / over payment of Rs 180,000 due to acceptance of tender on higher rates	3
136	TMA Dargai	33	Unauthorized award of works due to non-transparent tendering process - Rs 37.991 million	37.991
137	TMA Dargai	34	Fraudulent / Un-authorized execution of work in deviation of PC-I / Administrative Approval - Rs 2.300 million	2.3
138	TMA Dargai	35	Fraudulent drawl and payment due to non-execution of work at site – Rs 5.041 million	5.041
139	TMA Dargai	36	Non recovery of long outstanding dues from defaulters – Rs 11.520 million	11.52
140	TMA Dargai	37	Loss due to understatement of outstanding amount against contractor without actual recovery - Rs 2.018 million	2.018
141	TMA Dargai	38	Loss due to award of contracts to the higher bidders and non-adjustment of income tax– Rs 1.252 million	1.252
142	TMA Dargai	39	Illegal award of contracts before issuance of administrative approval – Rs 13.700 million	13.7
143	TMA Dargai	40	Illegal award of contract without deposit of earnest money and additional earnest money – Rs 5.00 million	5
144	TMA Dargai	41	Inadmissible payment of budget incentive – Rs 397,000	0.397
145	TMA Dargai	42	Unjustified retention of profit earned on placement of public money in PLS bank account – Rs 1.254 million	1.254
146	TMA Dargai	43	Irregular cash payment for hot & cold weather charges Rs 1.086 million and double payment against the same posts for the same period – Rs 57,850	1
147	TMA Dargai	44	Irregular award of contract to defaulter in violation of terms and conditions of contracts - Rs 6.850 million	6.85

148	TMA Dargai	45	Non recovery of loan granted for payment of salaries of the employees of District Council- Rs 1.092 million	1.092
149	TMA Dargai	46	Advance payment to PESCO for electrification works without further progress- Rs 3.010 million	3.01
150	TMA Dargai	47	Loss due to excess payment than required – Rs 807,014	0.807
151	TMA Dargai	48	Non deduction of income tax from the bills of the contractors – Rs 4.529 million	4.529
152	TMA Dargai	49	Non surrender of savings of completed schemes – Rs 4.919 million	4.919
153	TMA Dargai	50	Illegal award of contracts without deposit of earnest money and additional earnest money – Rs 35.100 million	35.1
154	TMA Dargai	51	Loss due to manipulation in rates – Rs 3.746 million	3.746
155	TMA Dargai	52	Unauthorized expenditure without technical sanctions - Rs 28.893 million	28.893
156	TMA Dargai	53	Loss due to award of works at higher rates by ignoring the lowest rates – Rs 2.802	2.802
157	TMA Dargai	54	Illegal execution of schemes before approval of the Council and Administrative Approval- Rs 8.200 million	8.2
158	TMA Dargai	55	Irregular and doubtful execution of developmental works from Tehsil Fund at DC office –Rs 2.00 million	2
159	TMA Dargai	56	Loss to Government due to non-adjustment of old materials and income tax – Rs 1.350 million	1.35
160	TMA Dargai	57	Doubtful purchase of movable trollies for transformers without physical existence – Rs 2.492 million	2.492
161	TMA Dargai	58	Non production of record of developmental schemes– Rs 20.350 million	20.35
162	TMA Dargai	59	Loss to Government due to purchase of sewing machines at higher rates by ignoring the lowest bids – Rs 1.346 million	1.346
163	TMA Dargai	60	Fake purchase of sports equipment worth Rs 2.500 million and non-deduction of taxes – Rs 537,500	2.5
164	TMA Dargai	61	Non deduction of income tax and sales tax from the contractor of taxable area– Rs 1.075 million	1.075
165	TMA Dargai	62	Irregular award of contract of repair of transformer in violation of CM directives – Rs 12.500 million and non- deduction of old/replaced parts of transformers- Rs 1.250 million	12.5

166	TMA Dargai	63	Unjustified & irregular expenditure on cleanliness campaign without approval of financial ceiling and without open tender system – Rs 1.428 million Overpayment due to fake and excess daily wagers than admissible – Rs 466,200	1.428
167	TMA Dargai	64	Irregular advance payment to the Accounts Clerk for unjustified exposure visit of Councilors – Rs 700,000	0.7
168	TMA Dargai	65	Illegal award of cattle fair Dargai on temporary basis without participation in auction and loss due to undue concession in collection of installments - Rs 1.200 million	1.2
169	AD LGRDD	1	Irregular retention of government funds. Rs112.714 million.	112.714
170	AD LGRDD	2	Irregular utilization of Government funds amounting to Rs 5,438,255million and irregular utilization of developmental funds on non developmental activities Rs 13.234 million	5.438
171	AD LGRDD	3	Loss to government Rs 14.348 million	14.348
172	AD LGRDD	4	Irregular expenditure of Rs 86.491 million on sub standard work	86.348
173	AD LGRDD	5	Non-imposition of penalty amounting to Rs 3.306 million	3.306
174	AD LGRDD	6	Irregular expenditure on account Plant & Machinery & Furniture - Rs 0.270 million	0.27
175	AD LGRDD	7	Irregular retention of fund Rs 1.263 million	1.263
176	AD LGRDD	8	Non-deposit of Bank profit – Rs 59,784	0.059
177	AD LGRDD	9	Overpayment due to allowing excess Quantities for Rs 0.516 million	0.516
178	AD LGRDD	10	Irregular/unauthorized drawl of Pay and Allowances - Rs 3.246 million	3.246
179	AD LGRDD	11	Irregular expenditure on account of pay and allowances of Rs.4.019 million	4.019
180	AD LGRDD	12	Irregular expenditure on account of Pension of Rs.0.987 million	0.987
181	AD LGRDD	13	Irregular/unauthorized expenditures on account of entertainment -Rs 0.398 million	0.398
182	AD LGRDD	14	Irregular/unauthorized expenditures on account of POL -Rs 0.415 million	0.415
183	AD LGRDD	15	Irregular payment of Honoraria – Rs 0.857 million	0.857
184	AD LGRDD	16	Irregular expenditure without pre-audit –Rs 74.119 million	74.119
185	AD LGRDD	17	Irregular expenditure of Rs. 36.799 million	36.799
186	AD LGRDD	18	Unverifiable expenditure of VCs/NCs of Rs.6.268 million	6.268

Annexure-02

Detail of Health Professional Allowance

S. No	Name	Designation	Personal No.	Overpayment of HPA (Rs)	Overpayment of Conveyance (Rs)	Total overpayment (Rs)
1.	Dr. Fazli Subhan	MO	878987	72,000	0	72,000
2.	Dr. Rabia Hassan	WMO	820186	62,000	5000	67,000
3.	Dr. Farkhanda Sadiq	WMO	883891	186,000	15,000	201,000
4.	Dr. Robi Rehman	WMO	840218	216,000	15,000	231,000
5.	Dr. Javed Khan	MO	845765	44,000	3,548	47,548
6.	Dr. Yamin Shahzad	MO	660320	93,000	7,500	100,500
7.	Dr. Said Zaman	SMO	241108	93,000	7,500	100,500
8.	Dr. Habib Ullah	MO	714935	64,285	0	64,285
9.	Dr. Nafees Ahmad	MO	833854	41,333	3,333	44,666
10	Dr. Sana Nafees	WMO	833852	41,333	3,333	44,666
11	Dr. Dawood	MO	870302	216,000	15,000	231,000
12	Tasneem Begum	CN	376276	30,000	15,000	45,000
13	Inayat Ullah	MO	845754	0	0	239,574
14	Muslim Khan	MO	842214	0	0	127,027
Total				1,158,951	90,214	1,615,766

Annexure-03

Detail of overpayment of conveyance charges during vacations

S. No	Name	Designation	Conveyance Charges per month (Rs)	Financial year	Period of vacations	No of months	Amount (Rs)
01	Safia	ASDEO Dargai	15,000	2014-15	23.12.2014 to 31.12.2014 17.06.2015 to 31.08.2015	03	45,000
				2015-16	23.12.2015 to 31.12.2015 17.06.2016 to 31.08.2016	03	45,000
				2016-17	23.12.2016 to 31.12.2016 17.06.2017 to 31.08.2017	03	45,000
				2017-18	23.12.2017 to 31.12.2017 17.06.2018 to 31.08.2018	03	45,000
				2018-19	23.12.2018 to 31.12.2018 17.06.2019 to 31.08.2019	03	45,000
Total						15	225,000
02	Shahzia	ASDEO Dargai	15,000	2014-15	23.12.2014 to 31.12.2014 17.06.2015 to 31.08.2015	03	45,000
				2015-16	23.12.2015 to 31.12.2015 17.06.2016 to 31.08.2016	03	45,000

				2016-17	23.12.2016 to 31.12.2016 17.06.2017 to 31.08.2017	03	45,000
				2017-18	23.12.2017 to 31.12.2017 17.06.2018 to 31.08.2018	03	45,000
				2018-19	23.12.2018 to 31.12.2018 17.06.2019 to 31.08.2019	03	45,000
Total						15	225,000
03	Salma Bibi	ASDEO Batkhela	15,000	2014-15	23.12.2014 to 31.12.2014 17.06.2015 to 31.08.2015	03	45,000
				2015-16	23.12.2015 to 31.12.2015 17.06.2016 to 31.08.2016	03	45,000
				2016-17	23.12.2016 to 31.12.2016 17.06.2017 to 31.08.2017	03	45,000
				2017-18	23.12.2017 to 31.12.2017 17.06.2018 to 31.08.2018	03	45,000
				2018-19	23.12.2018 to 31.12.2018 17.06.2019 to 31.08.2019	03	45,000
Total						15	225,000
04	Zakia	ASDEO Batkhela	15,000	2014-15	23.12.2014 to 31.12.2014 17.06.2015 to 31.08.2015	03	45,000

				2015-16	23.12.2015 to 31.12.2015 17.06.2016 to 31.08.2016	03	45,000
				2016-17	23.12.2016 to 31.12.2016 17.06.2017 to 31.08.2017	03	45,000
				2017-18	23.12.2017 to 31.12.2017 17.06.2018 to 31.08.2018	03	45,000
				2018-19	23.12.2018 to 31.12.2018 17.06.2019 to 31.08.2019	03	45,000
Total						15	225,000
05	Nusrat	ADEO Batkhela	15,000	2014-15	23.12.2014 to 31.12.2014 17.06.2015 to 31.08.2015	03	45,000
				2015-16	23.12.2015 to 31.12.2015 17.06.2016 to 31.08.2016	03	45,000
				2016-17	23.12.2016 to 31.12.2016 17.06.2017 to 31.08.2017	03	45,000
				2017-18	23.12.2017 to 31.12.2017 17.06.2018 to 31.08.2018	03	45,000
				2018-19	23.12.2018 to 31.12.2018 17.06.2019 to 31.08.2019	03	45,000
Total						15	225,000
Grand Total							1,125,000

Annexure-04**Overpayment of conveyance allowance during vacations**

S.No	Name	Post	Place of Posting	Period in which the allowance paid	Amount (Rs)	Month in which paid
01	Asma	CT	GGMS CC Thana	01.01.2019 to 28.02.2019	5,712	03.2019
02	Alisha Khan	SST	GGMS Bahdin Kalay	08.2018 and 9 days in 12.2018	6,451	03.2019
03	Bushra Begum	PET	GGMS Piran	12.2018 , 01.2019 & 02.2019	7,831	03.2019
04	Sanam Bibi	CT	GGMS Hibat Gram	01.2019 & 02.2019	5,712	03.2019
05	Nargas Hassan	CT	GGMS Palai	01.2019 & 02.2019	5,712	03.2019
Total					31,418	
Grand total (Rs 3,713,138 + Rs 727,094 + Rs 18,312 + Rs 40,000 + Rs 31,418)						4,529,962

Annexure-05

Detail of non-deduction of income tax

S. NO	Source of	NAME of Schemes Approved	E. Cost (Rs)	7.5% income tax	Expenditure (Rs)
1	NHS 2017-18	Construction of PCC Road at Palo Naw (Lalma) U/C Hero Shah	1000000	75,000	586500
2	NHS 2017-18	Construction of PCC Road at Jamo U/C Hero Shah	1000000	75,000	576069
3	NHS 2017-18	Construction of PCC Road at Degarh Haryankot U/C Hero Shah	1000000	75,000	667000
4	NHS 2017-18	Construction of PCC Road at Jai U/C Kot	1500000	112,500	1086750
5	NHS 2017-18	Construction of PCC Road at Shah Zareen Koroona Dargai	1000000	75,000	770000
6	NHS 2017-18	Construction of PCC Road at Palotal U/C Sakhakot	500000	37,500	327693
7	NHS 2017-18	Construction of PCC Road at Chamyari Shah	500000	37,500	338679
8	NHS 2017-18	Construction of PCC Road at Saleem Gul Koroona U/C Meherdi	500000	37,500	287300
9	NHS 2017-18	Construction of RCC Bridges at Badraga & Mula Mistri	1500000	112,500	861900
10	NHS 2017-18	Construction of Drain, Pavement of Street, D/Wall at Sakhakot	800000	60,000	523295
11	NHS 2017-18	Installation of Security Camera at Army Check Post	500000	37,500	500000
12	NHS 2017-18	Renovation of Darul Uloom Mursaleen	487000	36,525	444035
13	FMD 2017-18	Construction of Veranda at Jamia Rahmania Dargai	2,000,000	150,000	1,327,299
14	FMD 2017-18	Construction of Veranda at Darul Uloom Teleem-ul-Quran Sakahkot	2,000,000	150,000	1,342,589
15	Tobacco Cess (saving 2015-16)	Remaining work of Black Topping of Badraga to Mula Mistri Road	2,100,000	157,500	1,828,680
16	DDI 2017-18	Construction of Road at Kalalon & Dilawar Kalay	7,000,000	525,000	2,489,032
17	DDI 2017-18	Construction /Black Topping of Palai Shah Naro Obo Road	10,000,000	750,000	7,912,621
18	Special Package	Construction/Black Topping Totai	5,000,000	375,000	2,239,458

19	CMD-2017-18	Construction /Black Topping Koz kalay Wartair	10,000,000	750,000	4,899,000
20	Priority Project 2017-18	Construction/Black Topping of Mehrodi Road	3,000,000	225,000	1,353,833
21	30% ADP 2016-17	Renovation of DC office Malakand	2,000,000	150,000	2,000,000
22	DDI/CMD 2015-16	Repair of transformers	5,000,000	350,000	5,000,000
23	NHS 2015-16	Repair of transformers	2,500,000	175,000	2,500,000
Total			60,887,000	4,529,025	39,861,733

Annexure-06

Non imposition of penalty

S. No	Name of VC/NC	Name of sub scheme	E/Cost	Below(%)	Expenditure (Rs)	Remarks
1	Ghari Hazrat Khail	Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc at Ghari Hazrat Khail	1,455,500	32.80	787,413	In Progress
2	Baba Khel/ Ali Khail	Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc at VC baba khel/Ali khail	1,155,000	28.00	654,231	In Progress
3		Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc at VC baba khel/Ali khail	1,010,000	28.00		In Progress
4	Chapai Maizara	Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc at VC Chapai Maizara	1,400,000	33.00	604,953	In Progress
5		Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc at VC Chapai Maizara	1,025,000	33.00	-	In Progress
6	Nal gunyar	Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc at VC Nal gunyar	1,200,000	33.52	-	In Progress
7		Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc at VC Nal gunyar	1,225,000	33.51	-	In Progress
8	Hibat Gram	Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc VC Haibat Gram	1,400,000	32.30	441,725	In Progress
9	Jalala	Construction of Janazgah at VC Jalala	1,697,500	28.00	1,181,310	In Progress

10	Bazid Khail	Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc at VC Bazid Khail	1,182,500	28.50	-	In Progress
11		Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc at VC Bazid Khail	1,000,000	28.50	-	In Progress
12	Sher Khana /Zoor Mandai	Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc VC sherkhana/zormandai	1,212,500	33.00	-	In Progress
13		Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc at VC sherkhana/zormandai	1,212,500	33.00	-	In Progress
14	Bazdara Bala & Payeen	Pavement of street,culverts,drains ,construction of R/Wall.,& installation of hand/pressure pump etc at VC Bazdara Bala & Payeen	1,455,000	33.00	486,817	In Progress
15		Pavement of street,culverts,drains ,construction of R/Wall.,& installation of hand/pressure pump etc at VC Bazdara Bala & Payeen	1,455,000	33.00	578,720	In Progress
16	Khan Palo	Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc	1,100,000	26.00	-	In Progress
17	Said Abad	Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc At Vc Said abad	1,400,000	30.00	822,607	In Progress
18		Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc at vc said abad	691,300	30.00	379,968	In Progress
19	Baro	Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc at vc Baro	1,397,800	30.00	-	In Progress

20	Cheshti Baba	Pavement of streets,tuff tiles,culverts,drain & construction of B/wall etc at vc Chesti baba	1,339,000	28.25	530,300	In Progress
21	Fazal Abad	Pavement of street,culverts,drains ,construction of R/Wall.,& installation of hand/pressure pump etc at vc Fazal abad	1,400,000	28.00		In Progress
22	Amandara	Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc At Vc Amandara	1,165,000	30.90	448,800	In Progress
23		Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc At Vc Amandara	932,000	29.80	-	In Progress
24	Pir Khushal Baba	Pavement,repairing of streets,drains,construction of R/wall & WSS etc at NC pir khushal baba	1,840,000	26.00	-	In Progress
25	New Batkhela	Pavement of street,culverts,drains ,construction of R/Wall.,& installation of hand/pressure pump etc at NC New Batkhela	1,850,000	16.00	-	In Progress
26	Din Abad	Pavement of street,culverts,drains ,construction of R/Wall.,& installation of hand/pressure pump etc at NC Din abad	1,420,000	27.00	-	In Progress
27	Ibrahim Khail	Pavement of street,culverts,drains ,construction of R/Wall.,& installation of hand/pressure pump etc at NC ibrahim khel	1,139,000	10.00	-	In Progress
28	Maday Khail	Pavement of street,culverts,drains ,construction of R/Wall.,& installation of hand/pressure pump etc at NC Maday Khel	1,650,000	10.00	6,849,335	In Progress

29	Saman Abad	Pavement of streets,tuff tiles,culverts,drain & construction of R/wall etc At NC Saman abad	1,335,000	29.00		In Progress
30	Akbar Abad	Pavement,repairing of streets,drains,construction of R/wall & WSS etc at NC Akbar Abad	1,262,000	26.00	910,963	In Progress
31	Maizara	Pavement of street,culverts,drains ,construction of R/Wall.,& installation of hand/pressure pump etc at VC Maizara	1,697,500	26.00	1,083,132	In Progress
32	Noor Muh. Khail	Pavement,repairing of streets,drains,construction of R/wall & WSS etc at Vc Noor Muh.Khail	977,500	32.00	627,300	In Progress
33	Malakand	Pavement of streets,culverts,drain & construction of R/wall etc at VC Malakand	1,455,000	17.35	-	In Progress
34	Piran	Pavement,repairing of streets,drains,construction of R/wall & WSS etc at VC Piran	1,680,000	27.00	1,202,884	In Progress
35	Jalal Kot	Pavement of street,culverts,drains ,construction of R/Wall.,& installation of hand/pressure pump etc at VC Jalal Kot	1,697,500	25.00	1,145,110	In Progress
36	Mubarak Khail	Pavement of streets,culverts,drain & construction of R/wall etc at VC Mubarak Khail	1,600,000	32.00	732,873	In Progress
37	Ismail Khail	Pavement of streets,culverts,drain & construction of R/wall etc at VC Ismail Khail	1,800,000	32.00	467,510	In Progress
38	Matkanai	Pavement of streets,culverts,drain & construction of R/wall etc at VC Matkani	1,288,000	29.35	884,717	In Progress
39	Pirkhail	Pavement of streets,culverts,drain & construction of R/wall etc at VC Pir Khail	1,598,800	30.00	721,975	In Progress

40	Loya Agra	Pavement of street,culverts,drains ,construction of R/Wall,WSS,Cutting & installation of hand/pressure pump etc at VC Loya Agra	1,600,000	23.10	969,977	In Progress
41	Kama Agra	Pavement of street,culverts,drains ,construction of R/Wall,Graveyard,janazgah, WSS,Cutting & installation of hand/pressure pump etc at VC Kama Agra	1,500,000	23.10	935,923	In Progress
42	Inzergai	Pavement of street,culverts,drains ,construction of R/Wall,janazgah,WSS, & installation of hand/pressure pump etc at VC Inzergai	1,775,000	17.35	-	In Progress
43	Dheri/Silai Patay	Pavement of streets,wss,w.tank,kacha road,drains,construction of R/wall & installation of hand/pressure pump etc at VC Dheri/silai patay	1,415,000	38.10	495,404	In Progress
44	Kot	Pavement of streets,culverts,drain & construction of R/wall etc at VC KOT	1,000,000	38.65	598,000	In Progress
45	Dargai Bazar	Pavement of streets,culverts,drain & construction of R/wall etc at NC Dargai Bazar	1,820,500	39.10	562,844	In Progress
46	Wartair	Pavement of streets,culverts,drain & construction of R/wall etc at VC Wartair	1,226,000	39.11	364,436	In Progress
47		Pavement of streets,culverts,drain & construction of R/wall etc at VC Wartair	1,226,000	39.12	710,431	In Progress
48	Anar Tangai	Pavement of streets,culverts,drain & construction of R/wall etc at VC Anar Tangai	1,700,000	39.12	775,782	In Progress

49	Meherdai	Pavement of streets,culverts,drain & construction of R/wall,pcc segments etc at VC Meherdai	1,600,000	38.70	707,339	In Progress
50		Pavement of streets,culverts,drain & construction of R/wall etc at VC Meherdai	500,000	38.60	-	In Progress
51	Palaw Naw	Pavement of streets,culverts,drain & construction of R/wall etc at VC Palaw Naw	1,800,000	42.30	936,000	In Progress
52	Kharkai Dheri	Pavement of streets,culverts,drain & construction of R/wall,culverts etc at VC Kharkai Dheri	1,800,000	43.60	-	In Progress
53	Alifi Kalay	Pavement of streets,culverts,drain & construction of R/wall,culverts etc at VC Alifi Kalay	1,980,000	38.20	908,094	In Progress
54	Latifi	Pavement of streets,culverts,drain & construction of R/wall,pcc segments etc at VC Latifi	1,000,000	39.50	-	In Progress
55		Pavement of streets,culverts,drain & construction of R/wall,pcc segments etc at VC Latifi	1,075,000	44.30	598,000	In Progress
56	Ghani Dherai	Pavement of streets,culverts,drain & construction of R/wall, etc at VC Ghani Dherai	1,700,000	42.30	-	In Progress
57	Koper Khas	Pavement of streets,culverts,drain & construction of R/wall, etc at VC Koper Khas	1,500,000	40.11	1,033,102	In Progress
58		Construction of pipe culverts at VC Koper Khas	725,000	40.50	466,855	In Progress
59	Badraga	Pavement of streets,culverts,drain & construction of R/wall,pcc segments etc at VC Badraga	1,650,000	38.80	671,748	In Progress

60	Ghawar Kalay	Pavement of streets,culverts,drain & construction of R/wall,pcc segments etc at VC Ghawar Kalay	1,150,000	40.50	786,100	In Progress
61		Pavement of streets,culverts,drain & construction of R/wall,pcc segments etc at VC Ghawar Kalay	1,350,000	41.11	-	In Progress
		Total			33,062,678	