



**AUDIT REPORT
ON
THE ACCOUNTS OF
LOCAL GOVERNMENTS AND
WATER & SANITATION SERVICES
COMPANY
DISTRICT PESHAWAR**

AUDIT YEAR 2020-21

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

AA	Administrative Approval
AAC	Additional Assistant Commissioner
AIR	Audit and Inspection Report
AD LGE &RDD	Assistant Director Local Government Elections & Rural Development Department
AC	Air Conditioner
ADC	Additional Deputy Commissioner
ADP	Annual Developmental Program
AG	Accountant General
APPM	Accounting Policy and Procedure Manual
AP	Advance Para
ATO	Assistant Treasury Officer
BISE	Board of Intermediate and Secondary Education
BHUs	Basic Health Units
BOK	Bank of Khyber
BOQ	Bill of Quantity
BPS	Basic Pay Scale
CCPO	Capital City Police Officer
CCTV	Closed Circuit Television
CD	Civil Dispensary
CDGP	City District Government Peshawar
CEO	Chief Executive Officer
CPD	Continuous Professional Development
CRC	Class Room Consumable
C&W	Communication & Works
CPF	Contributory Provident Fund
CPWA Code	Central Public Works Account Code
CPWD Code	Central Public Works Department Code
CT Scan	Computed Tomography Scan
DAC	Departmental Accounts Committee
DAC	District Accounts Committee
DC	Deputy Commissioner
DCR	Demand & Collection Register
DDEO	Deputy District Education Officer
DEO	District Education officer
DG	Director General
DFI	Developmental Financial Institution

DHO	District Health Officer
DHA	Defense House Authority
DHIS	District Health Information System
DDHO	Deputy District Health Officer
DO	District Officer
DPC	Departmental Promotion Committee
DPCR	District Polio Control Room
DPMT	District Polio Monitoring Team
DPR	Disabled Person Rehabilitation
DPS	District Performance Scorecard
ECG	Electrocardiography
EPI	Expanded Program on Immunization
E&D	Efficiency and Discipline
FBR	Federal Board of Revue
FP Register	Family Planning Register
FR	Fundamental Rules
FY	Financial Year
GBS	General Bus Stand
GER	Gross Enrollment Rate
GPS	Girls Primary School
GHS	Government High School
GGHS	Government Girls High School
GGHSS	Government Girls High Secondary School
GI	Galvanized Iron
HDPE	High Density Polyethylene
HPA	Health Professional Allowance
HRA	House Rent Allowance
INTOSAI	International Organization of Supreme Audit Institutions
IMU	Independent Monitoring Unit
IT	Information Technology
KPPRA	Khyber Pakhtunkhwa Procurement Regularity Authority
KPK	Khyber Pakhtunkhwa
Lab	Laboratory
LCB	Local Council Board
LED	Light Emitting Diode
LGA	Local Government Act
MCP	Municipal Corporation Peshawar
MDGs	Millennium Development Goals
MFDAC	Memorandum for Departmental Accounts Committee

MIC	Municipal Inter College
MS	Medical Superintendent
MTI	Medical Teaching Institution
M&R	Maintenance and Repair
M ³	Meter Cubic
NBP	National Bank of Pakistan
NER	Net Enrollment Rate
NIT	Notice Invited Tender
NSI	Non Schedule Item
NOC	Non Objection Certification
NWFP	North West Frontier Province
OAMS	Online Action Management System
OPD	Outpatient Department
OT	Operation Theater
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PCC	Plain Concrete Cement
PC-I	Planning Commission Proforma-I
PEC	Pakistan Engineering Council
PESCO	Peshawar Electricity Supply Company
PFC	Provincial Finance Commission
PHE	Public Health Engineering
PICIC	Pakistan Industrial Credit & Investment Corporation
PK	Khyber Pakhtunkhwa
PLS	Profit & Loss Sharing
POL	Petrol Oil Lubricant
PPR	Poly Pro Pylene
PTC	Parent Teacher Council
PUGF	Provincially Unified Group of Functionaries
RCC	Re-in forced Cement Concrete
RHC	Rural Health Center
RDA	Regional Directorate of Audit
SAMA	Services and Asset Management Agreements
SDEO	Sub Divisional Education Officer
SDO	Sub Divisional Officer
SMD	Surface Mount Device
SOP	Standard Operation Producer
S&GAD	Services & General Administration Department
TAC	Tehsil Accounts Committee

TB	Tuberculosis
TDR	Term Deposit Receipts
TMA _s	Town Municipal Administrations
TMO	Town Municipal Officer
TO	Treasury Officer
TS	Technical Sanction
TT	Tetanus Toxoid
UBL	United Bank Limited
UC	Union Council
UPS	Uninterrupted Power Supply
UTC	University Town Committee
VCs/NCs	Village Councils and Neighborhoods Councils
WSS	Water Supply Scheme
WSSP	Water and Sanitation Services Peshawar
XEN	Executive Engineer

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, City District Government, Tehsil Municipal Administrations, Assistant Director Local Government Elections and Rural Development in District Peshawar for the financial year 2019-20. The Director General of Audit, District Governments, Khyber Pakhtunkhwa conducted audit during 2020-21 on test check basis with a view to report significant findings to the relevant stakeholders. The main body of the audit report includes systemic issues and significant audit findings. Relatively less significant issues are listed in 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 Accounting Officers do not initiate appropriate action, the audit observations will be brought to the notice of appropriate forum through the next year's Audit Report.

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

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

The Audit Report is submitted to the Governor, Khyber Pakhtunkhwa in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 37 of Khyber Pakhtunkhwa Local Government Act, 2013,(amended in 2019) for laying before the appropriate legislative forum.

Islamabad
Dated:

(Javaid Jehangir)
Auditor General of Pakistan

EXECUTIVE SUMMARY

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

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

Local Governments of District Peshawar consist of three tiers which perform their operations under Khyber Pakhtunkhwa Local Government Act 2013(amended in 2019). Financial provisions of the Act describe the Local Consolidated Fund and Public Account for which annual Budget Statement is approved by the respective councils in the form of budgetary grants. Top Tier – the District Government comprises one Principal Accounting Officer (PAO) i.e. Deputy Commissioner for the District Government, who is officer in charge of 11 devolved departments including AD Local Government Election & Rural Development Department. The second Tier – Town Municipal Administrations have one PAO i.e. Town Municipal Officer (Administrator) for each administration. There are four Town administrations in district Peshawar. The third Tier-village and neighborhood Councils have AD LGE & RDD as Principal Accounting Officer (Administrator) for these councils. However the third tiers Governments do not exist due to non holding of Local Government elections. In addition to that, an autonomous body “Water Supply and Sanitation Program” also operates in District Peshawar, headed by CEO.

a. Scope of audit

This office is mandated to conduct audit of 364 formations working under 8 PAOs. Total expenditures and receipts¹ of these formations were Rs.23,873.586 million and Rs. 2,484.910 million, respectively for the financial year 2019-20.

¹ District Government has no receipt

Audit coverage relating to expenditure for the current audit year comprises 05 formations of 08 PAOs (WSSP & 4 Towns) having a total expenditure of Rs. 9,649.303 million for the financial year 2019-20. In terms of percentage, the audit coverage for expenditure is 40.42 % of auditable expenditure.

Audit coverage relating to receipt for the current audit year comprises 29 formations of 08 PAOs having a total receipt of Rs. 1,245.934 million for the financial year 2019-20. In terms of percentage, the audit coverage for receipt is 50.14% of auditable receipt.

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. 1,865.076 million was pointed out in this report. No recovery was affected till finalization of this reported.

c. Audit Methodology

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

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

d. Audit Impact

As a result of Audit no substantial impact was noticed as the management did not convene the DAC meeting. The departments 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

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

Comments on five components of internal control are given below:

- i. The organizational structure followed in the local Government Offices was according to the LGA 2013 (amended in 2019);
- ii. No activity i.e. risks identification, risk evaluation and appropriate responses were carried out in the local government;
- iii. Accounts were not reconciled with the DAO by TMAs. No review was carried out of the performances;
- iv. Internal and external communications followed Government instructions. However, TMAs did not follow the accounting procedure given in the APPM; and
- v. No system of monitoring was found to track the progress of District Government towards its objectives. No internal Auditor was appointed. Annual Review of internal control was also not carried out.

f. Key Audit Findings of the Report

- i. Non Compilation/Consolidation of Accounts of Local Governments – Rs.2,916.151 million²;
- ii. Unauthorized payments to DDOs instead of crossed cheques to vendors – Rs.421.529 million³;
- iii. Unverified payment Rs. 409.515 million⁴;
- iv. Reported cases of fraud, embezzlement and misappropriation in one case Rs 2.226 million⁵;

²Para 1.2.1

³ Para 1.2.2

⁴ Para 1.2.3

⁵ Para 2.5.1.1

- v. HR/Employees related irregularities were noticed in nine cases amounting to Rs.59.849 million⁶;
- vi. Procurement related irregularities were noticed in seven cases amounting to Rs.59.089 million⁷;
- vii. Issues in management of accounts with commercial banks were noted in nine cases amounting to Rs.249.595 million⁸;
- viii. Value for money & Service delivery issue was noticed in nine case amounting to Rs.2,024.232 million⁹; and
- ix. Others, including cases of accidents, negligence etc were noticed in fivecases amounting to Rs.25.619 million¹⁰

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

g. Recommendations

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

⁶ Para 2.5.2.1 to 2.5.2.2, 3.5.1.1 to 3.5.1.5, 5.5.1.1 to 5.5.1.2

⁷Para 2.5.2.3 to 2.5.2.5, 3.5.1.6, 4.5.1.1 to 4.5.1.2, 5.5.1.3

⁸Para 2.5.2.6 to 2.5.2.8, 3.5.1.7 to 3.5.1.8, 4.5.1.3 to 4.5.1.5, 5.5.1.4

⁹Para 2.5.3.1 to 2.5.3.4, 3.5.2.1 to 3.5.2.3, 5.5.2.1 to 5.5.2.2

¹⁰Para 2.5.4.1,3.5.3.1 to 3.5.3.3, 5.5.3.1

CHAPTER-1

Public Financial Management

1.1 Sectoral Analysis

Introduction

In District Peshawar, Funds amounting to Rs. 20,061.302million were allocated to 364 formations working under 09 PAOs. Out of which, expenditure of Rs.14,976.445million was made resulting into saving of Rs. 5,084.857 million. Receipts of Rs. 0million were collected through these formations during the financial year 2019-20. Audit coverage relating to expenditure for the current audit year comprises 29 formations of 08 PAOs having a total expenditure of Rs. 14,976.445 million for the financial year 2019-20. In terms of percentage, the audit coverage for expenditure is 60% of auditable expenditure. Similarly, audit coverage for receipts is 0%.

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, Peshawar did not reflect Rs. 3,023.190 million into the consolidated financial statement of Local Government, Peshawar.

District Government, Peshawar 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, Peshawar 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, Peshawar 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 1060 primary, 155 middle, 140 secondary and 32 higher secondary schools in District Peshawar. The estimated Teacher Student Ratio is 1:45 at primary, 1:70 at middle, 1:32 at secondary and 1:27 at the level of higher secondary schools. District Peshawar literacy rate is 62% the Gross Enrollment Rate (GER) is 91%, and the Net Enrollment Rate (NER) is 56% at the primary level. On budgetary front, District Education office, Peshawar succeeded in spending 77.7% of District ADP and 95% of non-salary budgets.

District Education Offices in Peshawar were given target of enrolment of 3,87,659 children for current year against which 4,08,297 kids were enrolled; wherein, DEO (male) and DEO (female) enrolled 2,27,113 and 1,18,114 children respectively. Similarly, annual average of teacher's attendance rate and student attendance rate as per independent Monitoring Unit (IMU) data were approximately 86.4% & 77.2% respectively. Furthermore, 94.6% schools in district Peshawar 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 34.2% against the assigned targets.

Health

Health is another important sector of District Peshawar with a total of 99 health facilities spread across the district, among which 33 are urban while the

rest are rural based. Their further break-up is 47 BHUs, 41 CDs, 5 HOSP and 6 RHC with the total catchment area population of approximately 26,58,475 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, 52,756 babies were born with 28,750 and 24,006 in primary and secondary health facilities respectively. Out of them, 476 infant and 37 maternal deaths were recorded. Lab investigations and diagnostic facilities were also fully utilized as 457903 lab tests, 64883 X-rays, 110108 ultrasounds, 208 CT Scans and 13724 ECGs were done in both primary and secondary health facilities in district Peshawar. Figures of immunization from EPI register were also very impressive as 43828 pregnant women received TT-2 vaccines, 69015 kids under 12 months received full immunization, 71166 children under 12 months received 1st measles vaccines and 76437 kids under 12 received 3rd pentavalent vaccine. 65,948 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 were three Dar-ul-Kafalas for beggars in district Peshawar with the objective to rehabilitate them by imparting vocational training. During last year, 195 baggers had benefited from this facility. Rehabilitation center for drug addicts has 25 beds and it had treated 129 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

Town Municipal Administrations, District Peshawar did not fulfill some primary requirements envisioned as essential 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, Town 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, Peshawar 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.

Water and Sanitation

Water and Sanitation Services Company Peshawar was created as separate entity in 2016 to take over water supply, sanitation and solid waste management services in 43 urban union councils from respective Town

Municipal Administrations. Under the code of corporate governance, the company is being run by the Board of Directors. Water and Sanitation Services Water and Sanitation Services Company Peshawar outsourced some of their services to contractors. So far, Water and Sanitation Services Company could recover only a marginal share of water and sanitation charges from the end users and heavily depend on government grants for its functionality.

1.2 AUDIT PARAS

1.2.1 Non-compilation/Consolidation of Accounts of Local Governments – Rs. 2,916.151 million

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

During certification audit of the accounts of the AG Peshawar for the financial year 2019-20, audit observed incompleteness and incorrect presentation of the financial statements as the AG failed to consolidate them into the quarterly and annual accounts of the district, both government and local resources, as required under section-36(3) of the Local Government Act, 2013. Receipts and expenditure of Rs. 2,916.151 million and Rs. 2,392.825 million respectively, of the TMAs were also not reflected in accounts.

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

Provisions of the Local Govt Act 2013 by Local Government in District Peshawar were not complied.

Due to non-consolidation of accounts of TMAs and VCs/NCs the financial statements of local government remained incomplete which led to disclaimer of audit opinion.

As per decision of DAC meeting held in September 2020, Para stands till correction of these omissions.

Audit recommends that necessary action needs to be taken for the consolidation of Local Government Accounts into District Accounts.

1.2.2 Unauthorized payments to DDOs instead of crossed cheques to vendors - Rs421.529 million

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

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

Accountant General Peshawar, paid Rs421,528,809 to various DDOs instead of issuance crossed cheques to Vender/Payees Accounts.

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

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

1.2.3 Unverified payment –Rs. 409.515 million

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

During certification audit of Peshawar for the financial year 2019-20, while analyzing HR data it was noticed that arrears of pay and allowances of Rs. 409,515,000/- was shown made which could not be verified.

True and fair view of accounts could not be ascertained as no justification was provided for the payment of arrears in pays and allowances.

Variation in drawl of arrears in pays and allowances need justification.

When pointed out in September 2020, management stated that the matter will be investigated and action will be taken accordingly. However, no progress was shown till finalization of this report.

As per decision of DAC meeting held in September 2020, Para stands for investigation of the matter and appropriate action.

Audit recommends that the matter may be investigated besides fixing responsibility against the officer/official at fault.

CHAPTER-2

District Government

2.1 Introduction

Under Khyber Pakhtunkhwa Local Government Act 2013 LGA 2013(amended in 2019) activities of District Government are managed through offices of Deputy Commissioner and District Officers. Each group of District Offices is headed by a District Officer (DO). The DO according to Rules of Business of District Government, 2015 distributes the work among the officers, branches, and/or sections of each district office. The offices which manage the activities of District Government are Deputy Commissioner (DC), Director General City District Government Peshawar, District Officers Agriculture, Education, Health, Fisheries, Population Welfare, AD LG & RDD, Sports, Live Stock & Dairy Development, Cooperation and Social Welfare.

According to section 13 of the Khyber Pakhtunkhwa Local Government Act 2013 the authority and responsibilities of the District Government have been given as under:

(1) The authority of district government shall comprise the operation, management and control of offices of the departments which are devolved to it; provided that district government shall exercise such authority in accordance with general policy of Government.

(2) Every order in district government shall be expressed, to be made in the name of the district government and shall be executed by a duly authorized officer.

(3) The district government shall be responsible to the people and the Government for improvement of governance and delivery of services within the ambit of authority devolved to it.

Detail of audit planned formations expenditure and receipts

(Rs. in million)

S.No.	Description	Total Nos.	Audited	Expenditure audited FY 2019-20	Revenue/ Receipts audited FY 2019-20
1.	Formations	11	5	1,166.409	
	Total	11	5	1,166.409	

2.2 Comments on Budget And Expenditure (Variance Analysis)

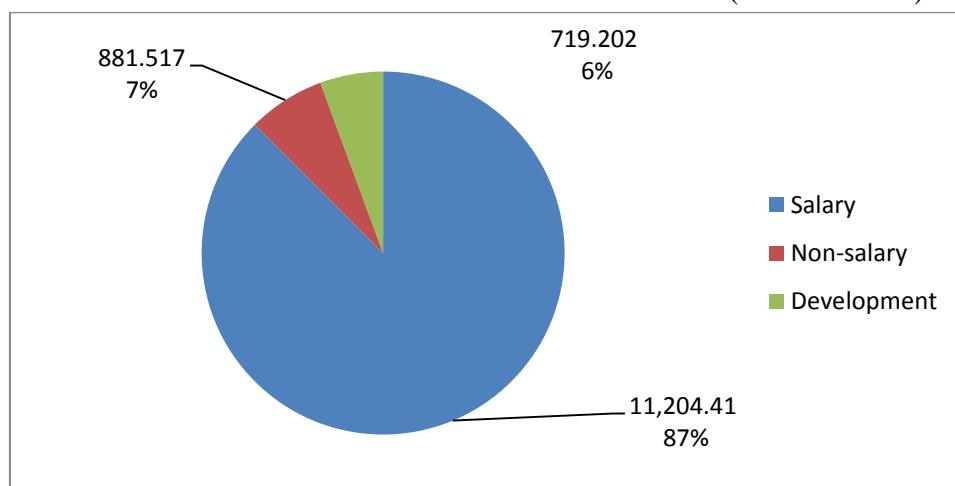
(Rs. in million)

2019-20	Budget	Actual Expenditure/ Receipts	Excess (+)/ Saving (-)	%age Excess/Saving
Salary	11,359.720	1,1204.412	155.308	1.367
Non-salary	1,115.360	881.517	233.844	20.966
Development	701.582	719.202	-17.620	-2.511
Total	13,176.662	12,805.131	371.532	19.822

The savings of Rs. 371.532 million indicate weakness in the capacity of District Government Departments to utilize the allocated budget.

EXPENDITURE 2019-20

(Rs. in million)



2.3 Classified Summary of Audit observations

Audit observations amounting to Rs. 272.704 million were raised as a result of this audit. This amount also included recoveries of Rs. 42.445 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rs. in million)

Sr. No.	Classification	Amount (Rs.)
1	Reported cases of fraud, embezzlement and misappropriation	2.226
2	Irregularities	0
A	HR/Employees related irregularities	7.696
B	Procurement related irregularities	12.603
C	Management of Accounts with commercial bank	161.166
3	Value for money and service delivery issues	71.173
4	Others	17.84
	Total	272.704

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 is given below:

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

16.	2017-18	Not convened
17.	2018-19	Not convened
18.	2019-20	Not convened

2.5 AUDIT PARAS

2.5.1 Misappropriation and Fraud

2.5.1.1 Loss to Government due to theft of medical equipment– Rs. 2.226 million

According to Rule 23 of GFR Vol-I read with Rule 75(6) of Khyber Pakhtunkhwa, District or City District Government Budget Rules 2016, systematic internal checks are in place to prevent and detect errors and irregularities in the financial proceedings and to guard against waste and loss of public money and stores.

The office of Medical Superintendent Category-D hospital Garha Tajik Town-II, Peshawar failed to recover the stolen medical and other equipment from the responsible staff of hospital despite confession by them during 2019-20. Details are given below:

S.No	Name of equipment	Rate per unit	Quantity	Amount
1	Defibrillator with ECG monitor Model heart D-3 Mindray (China)	559,000	03	1,677,000
2	Pulse Oximeter Model VS-800 Mindray (China)	78,500	03	235,500
3	21 ceiling fans @ Rs. 3000 per fan	3,000	21	63,000
4	Electro Medical and Surgical instruments *	N/A		250,000
Total				2,225,500

* Source: Correspondence with DHO. Amount worked out approximately.

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

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

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

Audit recommends inquiry into the matter for fixing responsibility on the person(s) at fault besides recovery of the loss.

AIR Para No.1 (2019-20)

2.5.2 Irregularities

A. HR/Employees related irregularities

2.5.2.1 Non-recovery of the overpaid increments – Rs. 6.176 million

According to Para 5 (c) of District Government Budget rules 2016, each controlling officer ensuring all sums due to Government are regularly and promptly assessed, realized and duly credited in the Government Treasury.

The office of DHO, Peshawar could not recover the overpaid annual increments from 113 health technicians amounting to Rs. 6,176,645/- for the period w.e.f June 2014 to June 2020 during the financial year 2019-20.

Non-recovery of overpaid increment occurred due to weak internal control which resulted in loss to the government.

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

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

Audit recommends immediate recovery from the employees concerned.

AIR Para No.2 (2019-20)

2.5.2.2 Irregular payment of non-practicing allowance –Rs. 1.520 million

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

The office of MS Sifwat Ghaur Shaheed Memorial Hospital, Peshawar paid non-practicing allowance of Rs. 1,520,814/- to doctors who did not submit affidavit regarding non engagement in private practice during the financial year 2019-20. Details are given below:

S.No	Cost center	Expenditures
1	PW 6160	1,476,679
2	PW 6591	135,00
3	PW 6583	44,000
Total		1,520,814

The lapse occurred due to lack of non-observance of rules, resulting in loss to the government exchequer.

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

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

Audit recommends recovery of the amount from the concerned.

AIR Para No.3 (2019-20)

B. Procurement related irregularities

2.5.2.3 Non-supply of medicines – Rs.3.870 million

According to DG Health KPK letter No. 1805-1909/DD (Preq/Reg/Drugs) dated 11.09.2018, Purchasing Entities shall submit mandatory quarterly reports regarding clinical efficacy/or other parameters of the relevant items in this list as used at their end. Purchasing Entities shall also ensure to deliver a copy of each and every supply order as well as of the Supply Completion Certificate/s to the office of MCC, DGHS Office, Peshawar for the purpose of surveillance, monitoring, evaluation and future procurement planning.

The office of Deputy District Health Officer Town-II Peshawar drew Rs.3,870,325/- from government treasury and paid to suppliers for the supply of

medicines during the financial year 2019-20. However, medicines were not supplied by the contractors/supplier. **Details at Annex-2**

Failure to supply medicine despite advance payment occurred due to weak financial and administrative controls which resulted in unavailability of medicine in the hospital.

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

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

Audit recommends investigation of matter regarding advance payment without receipt of medicine apart from the early recovery of the cost of medicines.

AIR Para No.32 (2019-20)

2.5.2.4 Mis-procurement by awarding contract without open competitive bidding –Rs.7.356 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 rupees one hundred thousand (Rs. 100,000).

According to Clause 2(c) of KPPRA Rules-2014 “bid security/ surety/ guarantee” means a written guarantee from a third party guarantor usually a bank or an insurance company submitted to a client by a contractor or bidder with a bid.

The office of Deputy Commissioner, Peshawar incurred Rs. 7,356,145 on purchase of furniture, machinery & equipment during Financial Year 2019-20.

Purchases were made without adopting open tender system and without obtaining Performance Security upto 10% of the bid amount in the shape of bank guarantee which resulted in loss of competitive bidding rates as well as risk of non-performance of contract. **Details are at Annex-3.**

Mis-procurement occurred due to negligence of authorities towards observance of procurement rules resulting in uneconomical procurement and putting public money at risk.

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

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

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

AIR Para No3&4(2019-20)

2.5.2.5 Loss due to purchase of expired medicine – Rs.1.377 million

According to Director General Health Services Khyber Pakhtunkhwa Peshawar office order No. 1727-76/Proc-Cell/Dated 16-11-16, upon receipt of supply, concerned office shall arrange inspection of the supplies.

The office of Deputy District Health Officer Town-I, Peshawar incurred expenditure Rs. 1,377,000/-on account of purchase of medicine for SifwatGhaurShaheed Memorial Hospital and TB Control Center Peshawar during 2019-20. Details are given below.

S #	Name of Supplier	Nature of medicines	Quantity	Expiry date	Amount
1	Mactor International	Sod. Suc. injection	5000	03 &05/2020	200,000
	Zafa	Inj. I.V.	20,000	02 &03/2020	460,000
2	Pharmaceuticals	Tab. Co-amoxi-clav	30,000	09/2020	417,000
3	Nabiqasim Industries	Syp. Miniquine	2000	01/2020	60,000
4	Henza Pharmaceuticals	Susp. Antifocine	2000	04/2020	80,000

5	Bio-Labs pvt. Ltd	Miconit Oral Gel	2000	01/2020	160,000
Total					1,377,000

However, the supplied medicines were having short expiry period instead of extended period as required under the DG health MCC notification. Moreover, consumption record of these medicines was also not available.

The lapse occurred due to weak internal control which resulted in defective procurement and loss to government.

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

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

Audit recommends inquiry into the matter for fixing responsibility on the person(s) at fault besides recovery.

AIR Para No.18(2019-20)

C. Management of accounts with commercial banks

2.5.2.6. Non-deposit of receipts into government treasury–Rs. 5.410 million

According to Government of Khyber Pakhtunkhwa District Governments budget Rules 2016, the primary obligation of the Collecting Officers shall be to ensure that all revenue due to government is claimed, realized and credited immediately into the District Fund under the proper receipt head.

The AACs/ACs under the administrative control of the Deputy commissioner Peshawar realized receipts from imposition of fines under the LGA, 2013 during the financial year 2019-20. However, the amount was deposited into the designated account of Director General City District Government Peshawar A/C # 1035-000235992738 instead of government treasury.

S.No	Name of AC/AACs	Total receipts realized during the financial year
1	AC Mathani	2,183,600
2	AAC HQ	574,000
3	AC Saddar	10,000
4	AC Town-III	235,000
5	AAC City	2,408,000
Total		5,410,600

The non-deposit of receipts in government accounts occurred due to weak financial control resultantly in loss to the government treasury.

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

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

Audit recommends deposit of Government receipts into government treasury.

AIR Para No.20 (2019-20)

2.5.2.7. Irregular retention of funds – Rs. 150.346 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”.

Government of Khyber Pakhtunkhwa, Finance Department Notification No. 2/3(F/L)/FD/2106/Vol-X dated Peshawar the 14th July 2017 states that most of DDOs of departments/offices/bodies/organization in KP have kept substantial amount of Government money in various banks which is violation of Para 66,95 and 96 of GFR Volume-I.

The office of Deputy Commissioner, Peshawar kept unspent balance of Rs. 150,346,166/-in designated accounts as on 30.06.2020 during 2019-20. Audit observed that presence of such a huge amount in the designated accounts is due to anticipation of demand in future or to prevent lapse of budget due to end of financial year.

(Rs. in million)

Account titled	Account number	Branch	Closing Balance as on 30-06-2020
Tehsildar Peshawar	4320118954	National Bank, ChowkYadgar branch.	103.153
Deputy commissioner Peshawar	4111763072	NBP MirchMandi Branch Peshawar	47.193
Total			150.34

The lapse occurred due to weak internal controls which resulted in blockage of funds.

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

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

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

AIR Paras No.16&19(2019-20)

2.5.2.8 Un-verified expenditure on Polio Campaign– Rs. 5.410 million

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

The office of Deputy Commissioner, Peshawar spent Rs. 5,410,000 on account of Polio campaign as per detail given below:

S.No	Particular	Amount (Rs.)
1	Mobility cost of DPMT from July 2017 to May 2018	800,000
2	Mobility cost of UC level revenue staff @ 3000 per campaign.	2,910,000
3	DC Office staff	1,690,000
4	Operational cost of the DPCR at the disposal of ADC	330,000
5	Funds for refreshment Pre, Intra and Post campaign review	400,000
	Total	5,410,000

Audit could not authenticate expenditure on mobility cost of DPMT as monitoring reports were not available and log books were not reflective of visits of the officers. Revenue officers were paid mobility cost but no plan of their deployment at UC level was available. Operational cost was incurred on renovation of District Polio control room. Lastly, refreshment cost was incurred on lunch boxes without going into competitive bidding.

The lapse occurred due to non-observance of rules, resulting in un-verified expenditure.

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

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

Audit recommends inquiry into the matter and action against the persons at fault.

AIR Para No.15 (2019-20)

2.5.3. Value for money and service delivery issues

2.5.3.1. Non-acquisition and non-mutation of land-Rs44.249 million

According to Government of Khyber Pakhtunkhwa, Revenue Department's Notification No. REV. V/4/2006/Notification/LA 10973 dated 17.08.2006 read with ibid No. REV. V/4/2006/Notification/LA 12280-312 dated 27.02.2018, the entire process of acquisition of land should be completed within a period of six months from the date of notification under section 4 and the district collector will ensure attestation of mutation in favor of acquiring department within one month after issuance of award.

The office of Deputy Commissioner Peshawar imposed section 4 for acquisition of land and received Rs. 44,249,875 from various departments during the financial year 2019-20. However the land was neither acquired nor mutated in the name of acquiring department within one month after the issuance of award.

Details at Annex-4

The lapse occurred due to non-adherence to the government rules in this regard which resulted in non-acquisition/non-mutation of land in name of acquiring department.

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

Request for convening the DAC meeting was made in August, 2020 followed by reminders; however, DAC meeting was not convened till finalization of this report.

Audit recommends that the land maybe acquired and mutated in the name of acquiring department.

AIR Para No.11 (2019-20)

2.5.3.2. Less-deduction of stamp duty –Rs. 1.315 million

According to Article 23 of Appendix “Schedule-1” of the Khyber Pakhtunkhwa Finance Act 2007, stamp duty @ 2% is chargeable on award of land (immovable property) in an urban area.

The office of Deputy Commissioner Peshawar deducted less stamp duty during the financial year 2019-20 from acquiring department equaling toRs. 1,315,068/- during acquisition of land. Details are provided below:

Particular of land acquired	Cost of Land	Stamp duty required @2%	Stamp duty deducted	difference
Land of sanitary landfill site at Ghari Faizullah, Peshawar	131,506,832	2,630,137	1,315,068	1,315,068

Less collection of Stamp Duty occurred due to weak financial controls, which resulted in loss to the Government.

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

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

Audit recommends recovery and its deposit into Government treasury.

AIR Para No.12 (2019-20)

2.5.3.3. Un-verified expenditure on account of bomb blast compensation – Rs. 15.200 million

According to Rule 9(2) (f) of the Khyber Pakhtunkhwa, District or City District Governments, Budget Rules 2016, the functions of the Drawing and Disbursing Officer are the maintenance of relevant records both accounting and operational up to date and in an orderly manner.

The office of Deputy Commissioner Peshawar paid Rs. 15,200,000 to Tehsildar Peshawar vide cheque No.03878741 dated 06-02-2019 on account of payment of compensation to the affectees of Yakatoot bomb blast during the financial year 2019-20. However, actual payee receipts in token of actual payment were not available on record.

The lapse occurred due to weak internal control which resulted in un-verified payment.

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

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

Audit recommends that the actual payee receipts should be provided to audit for verification.

AIR Para No.13 (2019-20)

2.5.3.4. Irregular award of auction of Kohat Bus Stand – Rs. 10.409 million

According to para 2 of the policy guidelines for the contracts of cattle fair, bus stand and other local taxes for the year 2019-20 in Khyber Pakhtunkhwa issued by Local Government & Rural Development Department, Peshawar letter No. AO-II/LCB/6-11/2013 dated 02.04.2019, In one advertisement for E-auction all the local councils shall fix one time for E-auction process to be continued for three consecutive days. If no reasonable bid is offered in the first attempt, then another advertisement be got published on the pattern of earlier. The same practice shall continue till the time to achieve the maximum increase or upto minimum of 20% over the last year approved bid or income.

The office of Director General City District Government, Peshawar awarded the auction contract of Kohat Bus Stand to a contractor for Rs. 73,591,000/- for the year 2019-20 with increase of only 5.13% over the last year approved bid instead of at least 20% increase. This resulted in loss of Rs. 10,409,000 (14,000,000-3,591,000). Further the department did not implement

E-Auction policy as required under the instructions issued by the provincial government KP.

The lapse occurred due to weak financial management which resulted in loss to government.

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

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

Audit recommends inquiry in order to fix responsibility.

AIR Para No.3 (2019-20)

2.5.4 Others, including cases of accidents, negligence etc.

2.5.4.1 Un-verified payment on account of scholarship – Rs. 17.84 million

According to Rule 283 of CTR, each head of office is responsible for the amount drawn, is duly paid to person entitled to receive it and obtain acquaintance on bill or TR form-28.

The office of District Education Officer Peshawar (Male) received Rs 17.819 million from Deputy Commissioner Peshawar vide cheque No.0985116 dated 18-06-2020 during the financial year 2019-20 on account of scholarship under “Stori da Pakhtunkhwa top 20 student program” as per following details:

S.No	DDO Code	Financial year	Amount	Number of students
1	6218	2017 liability	7,280,000	40 students @ Rs 240,000 &Rs 360,000
2	6218	2019-20	10,560,000	35 students @Rs 240,000 &Rs 360,000
Total			17,840,000	

The amount was paid to the Director Research & developments BISE Peshawar vide cheque No.38839298 dated 25-06-2020 for onwards payments to the students concerned. However, payment to entitled persons and acquaintance on bill or TR form-28 was not available on record. Therefore, veracity of the expenditures remained doubtful.

The lapse occurred due to weak internal controls, which resulted in un-verified payment.

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

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

Audit recommends production of complete record for verification.

AIR Para No.5 (2019-20)

CHAPTER-3

Town Municipal Administrations

3.1 Introduction

City District Peshawar has four Towns i.e. Town-I, II, III & IV. Each town office is managed by a Town Municipal Officer assisted by a Town Officer (Finance), Town Officer (Infrastructure), Town Officer (Planning) and Town Officer (Regulation).

The core functions of the Local Council Board are as under:

- a) Entails the administration of all service matters of the Provincial Unified Group of Functionaries (or Local Council Service) employees including their recruitments, appointments, promotions, transfers, leaves, etc.
- b) Responsible to regulate and provide necessary guidance on taxation and lease proposals.
- c) Arrangement of trainings, seminars, conferences, etc. to facilitate employees' working also falls within the mandate of the Board.
- d) Supplementary functions have also been assigned to the Board and as a result it functions virtually as an extension arm of the Local Government, Elections and Rural Development Department.

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

- a) Monitor and supervise the performance of functionaries of Government offices located in the Tehsil and hold them accountable by making inquiries and reports to the district government or, as the case may be, Government for consideration and action.
- b) Prepare spatial plans for the Tehsil including plans for land use and zoning and disseminate these plans for public enquiry.
- c) Execute and manage development plans for improvement of municipal services and infrastructure.

- d) Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including for agriculture, industry, commercial markets, shopping centers; residential, recreation, parks, entertainment, passenger and freight transport and transit stations.
- e) Enforce municipal laws, rules and bye-laws.
- f) Prevent and remove encroachments.
- g) Regulate affixing of sign-boards and advertisements.
- h) Provide, manage, operate, maintain and improve municipal services.
- i) Prepare budget, long term and annual municipal development programs.
- j) Maintain a comprehensive data base and information system on services in the Tehsil municipal record and archives and provide public access to it on nominal charges.
- k) Collect taxes, fines and penalties provided under this Act.
- l) Organize sports, cultural, recreational events, fairs and shows.
- m) Organize cattle fairs and cattle markets.
- n) Co-ordinate and support municipal functions amongst village and neighborhood councils.
- o) Regulate markets and services, issue licenses, permits, grant permissions and impose penalties for violation thereof.
- p) Manage municipal properties, assets and funds.
- q) Develop and manage schemes, including site development in collaboration with district government.

Detail of audit planned formations expenditure and receipts

(Rs. in million)

S/N	Description	Total Nos	Audited	Expenditure audited FY 2019-20	Revenue/Receipts audited FY 2019-20
1.	Formations	04	04	1,302.79	918.990

3.2 Comments on Budget and Accounts (Variance Analysis)

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

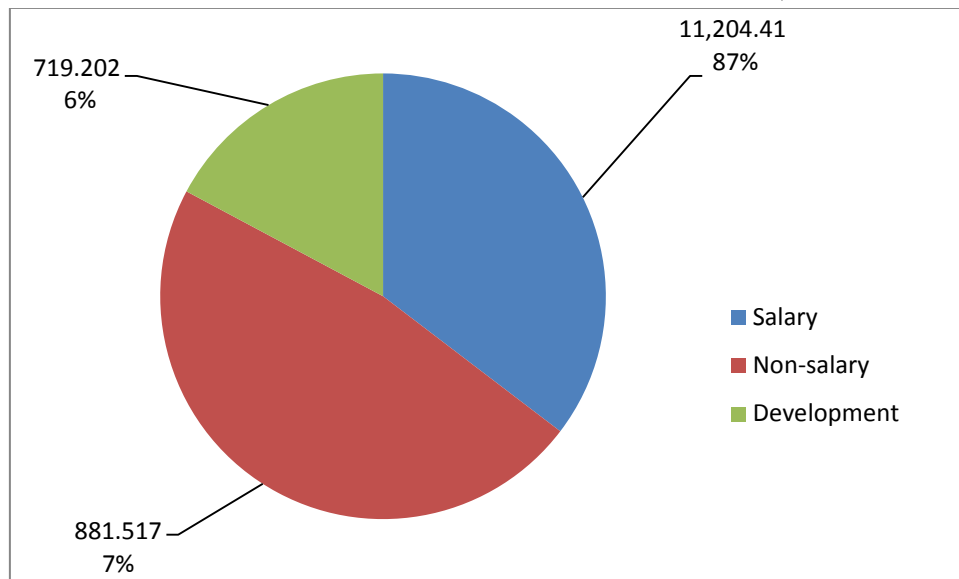
(Rs. in million)

2019-20	Budget	Expenditure	Excess/ (Saving)	%age
Salary	845.855	767.798	-78.057	-9.228
Non-salary	1316.545	1030.039	-286.506	-21.762
Developmental	1291.802	373.474	-918.328	-71.088
Total	3454.202	2171.311	-1282.891	-102.078
Receipt	1,839.72	1,531.65	308.067	16.745

The savings of Rs. 1,282.891 million indicates weakness in the capacity of these local institutions to utilize the allocated budget. Less realization of Rs.308.067 million against the budgeted targets indicates weakness in the capacity of these local institutions to realize the budgetary targets set forth.

EXPENDITURE 2019-20

(Rs. in million)



3.3 Classified Summary of Audit Observations

Audit observations amounting to Rs. 103.038 million were raised as a result of this audit. This amount also includes recoveries of Rs. 42.714 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	0
A	HR/Employees related irregularities	26.877
B	Procurement related irregularities	3.492
C	Management of Accounts with Commercial Banks	52.766
2	Value for money and service delivery issues	14.185
3	Others	5.718
	Total	103.038

3.4 Comments on the status of compliance with Town 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	Not Convened
2.	2003-04	Not Convened
3.	2004-05	Not Convened
4.	2005-06	Not Convened
5.	2006-07	Not Convened
6.	2007-08	Not Convened
7.	2008-09	Not Convened
8.	2009-10	Not Convened
9.	2010-11	Not Convened
10.	2011-12	Not Convened
11.	2012-13	Not Convened
12.	2013-14	Not Convened
13.	2016-17	Not Convened
14.	2017-18	Not Convened
15.	2018-19	Not Convened
16..	2019-20	Not Convened

3.5 AUDIT PARAS

3.5.1 Irregularities

A. HR/Employees related irregularities

3.5.1.1 Irregular appointments of contingent paid staff – Rs. 11.937 million

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

The office of Town Municipal Officer Town-I, Peshawar paid Rs. 11.471 million to contingent employees during the financial year 2019-20 despite the fact that appointment of contingent paid staff was banned by the government.

Appointment of contingent staff made due to non-observance of government policy and directives resulting in loss to public exchequer.

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

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

Audit recommends that the expenditure should be regularized from the competent authority besides taking action against the person(s) at fault.

AIR Para No.15 (2019-20)

3.5.1.2 Irregular payment of Technical Allowance –Rs. 1.208 million

According to Finance Department (Regulation Wing), Government of Khyber Pakhtunkhwa vide Notification No. FD/SO SR-II/8-7/2018-19 dated 19.10.2018, sanctioned Technical allowance @ Rs. 57,525 for Engineers of BPS-18 serving against the sanctioned posts in the C&W, Irrigation, Public Health

Engineering and Local Government Departments, Govt. of Khyber with effect from 1st November 2018.

According to the Notification of the Finance Department (Regulation Wing), Government of Khyber Pakhtunkhwa vide No. FD/SOSR-II/8-7/2017/6 dated 03.07.2020, Engineers of the Local Area Authorities (Autonomous Bodies) are not entitled for Technical Allowance.

The office of Town Municipal Officer Town-I, Peshawar paid technical allowance @ Rs. 57,525 per month to Town Officer (infrastructure) Town-I during the year 2019-20. Engineers of the Local Area Authorities (Autonomous Bodies) were not entitled for the Technical Allowance; therefore, withdrawal of Technical Allowance worth Rs. 1,208,025/- for the period w.e.f 01.11.2018 to 31.07.2020 was irregular.

The drawl of irregular allowance occurred due to non-adherence to the instruction of Finance Department resulting into loss to the public exchequer.

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

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

Audit recommends recovery of the amount.

AIR Para No.22 (2019-20)

3.5.1.3 Non-recovery of loan –Rs. 1.881 million

According to Section 41 of Local Government Act, 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.

The office of Town Municipal Officer Town-I, Peshawar paid Rs.1,880,798 during the financial year 2019-20 to TMA Takht Bhai on account of medical claim charges in respect of an EX-TMO Takht Bhai vide cheque No. 20502197 dated 21.04.2019 on loan basis upon the direction of Local Council Board, Peshawar vide No. AO/LCB/5/11/2026 dated 31.03.2020. However, the loan was not recovered till date of Audit i.e. 21.08.2020.

The lapse occurred due to weak internal control which resulted in non-recovery of loan.

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

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

Audit recommends recovery/adjustment of the loan.

AIR Para No.23 (2019-20)

3.5.1.4 Non-recovery of staff emoluments from receipt contract of slaughter house –Rs. 3.271 million

According to Clause 14 of the contract agreement executed between the Town Municipal Administration Town-I, Peshawar and the contractor concerned, the contractor shall be bound to pay salary, leave salary, pension contribution, and medical to the Town-I of the staff of TMA deputed with the contractor during the contract period.

TMA Town-I, Peshawar awarded contract of “Slaughter House and Cattle Fair at Ring Road” to a contractor during 2019-20. The contract of lease was approved for a period of 33 years w.e.f. October, 2002 and services of 09 employees of TMA were attached with the contractor for running the contract. However, the contractor did not deposit pay and allowances, pension contribution and leave salary of worth Rs. 3,270,804/- approximately of the deputed staff of TMA till date. Detail is as under: -

(Amount in Rs.)

No. of employees	BPS	Average salary per month per employee	Leave Salary per month per employee	Pension contribution per month per employee	Total monthly emoluments	Annual Amount
A	B	C	D	E	$F=(C+D+E) \times B$	$G=F \times 12$
5	5	21,690	2,892	6,818	157,000	1,884,000
4	1	21,300	2840	4,753	115,572	1,386,864
Total						3,270,864

The lapse occurred due to weak internal control which resulted in loss to government.

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

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

Audit recommends recovery of the amount from the contractor.

AIR Para No.35 (2019-20)

3.5.1.5. Non receipt of fund from NAB recovered by voluntary return – Rs. 8.580 Million

According to para 41(1) of the Local Government Act 2013, 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 belong to a local government which is a direct consequence of decisions made by him or under his directions in violation of this Act.

The office of Town Municipal Officer Town III, Peshawar did not made any arrangements to receive Rs. 8.58 million from NAB authorities during the year 2019-20, which were recovered by NAB (on voluntary return) from the officials/officers of University Town Club & lease of Sports Complex town-III Peshawar on account of salary of employees and other utility bills.

The lapse occurred due to weak internal control which resulted in non-refund of the amount from NAB.

When pointed out in September 2020, management replied that the issue will be taken with Secretary LCB to send letter to NAB authority for the refund of the above Voluntary Returned amount. The reply was not convincing as no efforts made so far were shown to Audit.

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

Audit recommends that the matter should be taken up with the NAB authorities for the refund of the amount.

AIR ParaNo.1(2019-20)

B. Procurement related irregularities

3.5.1.6. Irregular expenditure on purchase of vehicles –Rs. 3.492 million

According to clause-1 (b) of Finance Department Government of KPK letter No. BO.I/ FD/ 5-8 / 2019-20 / Austerity measures dated 01.07.2019, there shall be complete ban on purchase of new vehicles except Ambulances, Earth moving machinery, Fire Trucks, Tractors, Non-Luxury vehicles, Single Cab Pickup 4 x4 and 4 x 2, 3 Door Jeeps, Trucks, Buses, Prisoners Vans, Motorcycles, Water Bowser Trucks, Recovery/Rescue vehicles, Rescue/Life Saving boats. Rest of the vehicles will be purchased on the recommendations of the committee consisting of Secretary Finance, Secretary Administration, Secretary Transport, Secretary P&D and Secretary of the Department concerned and approval of the Chief Minister.

The office of Town Municipal Officer Town I& II Peshawar incurred expenditure of Rs 3,490,000 & Rs 13,780,319 on account of purchase vehicle & machinery during the year 2019-20. **Detail at Annex-5.** Audit noticed the following irregularities:

1. The vehicles were purchased during the ban period.
2. The approval of the Chief Minister through the recommendation of the Committee was not obtained.

3. Old vehicles were neither auctioned nor declare condemn and sent to the administrative department for auction but were in the use of officials of the office.

Irregular expenditure on purchase of vehicle made due to non-observance of rules resulting in loss to public exchequer.

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

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

Audit recommends regularization of the expenditure from the competent forum.

AIR Paras No.16&35 (2019-20)

C. Management of Accounts with Commercial Banks

3.5.1.7. Non-conversion of current Bank Account into PLS mode for profit –Rs. 16.766 million

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

The office of Town Municipal Officer Town-1, Peshawar did not convert 5 bank accounts to PLS mode during the year 2019-20 in violation of clear instructions from the government. Audit calculated that if this amount was placed in PLS A/C it would have earned Rs. 16,765,533/- as profit as per details below.

(Rs. in million)

S. #	Bank Name	Account No.	Opening balance	Closing balance	Average balance	Expected Profit
1.	Al-Barka Bank	010230564100	24.49	10.398	17.403	0.870
2.	HBL Bank Square	04177900900403	31.511	66.464	48.987	2.449
3.	HBL Bank Square	04177900800503	31.737	31.637	31.687	1.584
4.	UBL CHD Road	000239341424	76.709	397.693	237.201	11.86
5	BOK Dalazak Road	00107-00-1	0.032	0.032	0.032	0.0016
Total			164.398	506.224	335.311	16.766

The non-conversion of bank accounts to PLS Accounts occurred due to non-observance of the government instructions resulting into loss to the public exchequer.

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

Request for convening the DAC meeting was made in November 2019, which was not convened till finalization of this report.

Audit recommends conversion of current bank accounts into PLS mode.

AIR Para No.19(2019-20)

3.5.1.8. Unauthorized payment of fund on loan basis and non-recoupment –Rs. 36.00 million

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

The office of TMA Town-II, Peshawar paid Rs. 36,000,000/- to the Director General, City District Government, Peshawar vide cheque bearing No. 25840665 dated 30.04.2020 on loan basis for disbursement of salaries and pensions during 2019-20. The fund was released on the direction of Local Council Board, Peshawar vide No. AO/LCB/City District Government / 2020 dated 27.04.2020. However, the amount of loan was not recovered till date of Audit i.e. 02.09.2020.

The non-recovery of loan occurred due to weak internal controls resulting in loss to the public exchequer.

When pointed out in September 2020, management stated that detailed reply will be submitted shortly.

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

Audit recommends the recoupment of loan from City District Government.

AIR Para No.9 (2019-20)

3.5.2 Value for money and service delivery issues

3.5.2.1. Loss to Government due to non-recovery of withholding Tax from contractor – Rs. 1.302 million

According to Section 41 of LGA, 2013, 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.

The office of Town Municipal Officer TMA Town-IV, Peshawar, failed to recover 10% withholding tax of Rs. 1,302,280/-from a contractor during 2019-20resulting in loss to government. **Details are at annex-6**

The lapse occurred due to non-observance of rules and regulations resulting in shortfall of government receipts.

When pointed out during August 2020, the management did not reply.

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

Audit recommends immediate recovery.

AIR Para No.1 (2019-20)

3.5.2.2 Less realization of targeted receipt –Rs. 11.133 million

According to Para (2) of the guidelines for the auction of contracts circulated vide Local Government Department, Government of Khyber Pakhtunkhwa letter No. AO-II/ LCB/ 6-11 /2019 dated 26.04.2019,the contract for the present year must have an increase over the bid of last year to the tune of 20%.

The office of TMO Town-II, Peshawar awarded six receipts contracts during the financial year 2019-20. However, instead of realizing 20% more than last year receipts, the office failed to collect the contracted amount of receipt. It is pertinent to mention that contractors remained the same as of previous years. Details are provided below.

(Amount in Rs)

S No	Name of contract	Actual recovery for 2019-20	20% increase	Bid target for 2019-20	Actual receipt	Less realization
1.	Sign Board	3,350,000	670,000	4,020,000	2,603,450	1,416,550
2.	Trade License Fee / Dangerous offensive trade	4,830,679	966,136	5,796,815	4,682,500	1,114,315
3.	Cattle fair	3,519,076	703,815	4,222,891	1,793,332	2,429,559
4.	Parking stand	1,468,221	293,644	1,761,865	1,194,206	567,659
5.	KhusahalBagh entry	5,493,830	1,098,766	6,592,596	1,781,127	4,811,469
6.	Slaughter House	5,603,924	1,120,7858	6,724,709	5,931,340	793,369
Total		24,265,730	4,853,146	29,118,876	17,985,955	11,132,92

Non recovery of contractual amount occurred due to weak financial and administrative controls resulting in loss to public exchequer.

When pointed out during August 2020, the management did not reply.

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

Audit recommends that less recovery compare to previous year should be justified.

AIR Para No.13 (2019-20)

3.5.2.3 Non-Recovery of outstanding town dues – Rs. 1.750 million

According to Khyber Pakhtunkhwa Local Govt. Act, 2013 clause 45 (Collection and recovery of taxes, etc) sub-clause (1), failure to pay any tax and other money claimable under this Act shall be an offense, And clause (ii) states

that all arrears of taxes, rents and other moneys claimable by a Local Council under this Act shall be recoverable as arrears of land revenue.

The office of TMO Town-II, Peshawar failed to recover the contractual amount of Rs. 1,749,537/-from receipt contractors during the financial year 2019-20. Detail is provided below.

(Amount in Rs)

Contract Name	Contractor	Contractual amount	Amount recovered	Outstanding amount
License Fee / Dangerous offensive trade	Rab Nawaz	5,220,000	3,809,900	1,410,100
Parking stand Chamkani	Shah Nawaz	650,123	630,686	19,437
Cattle Fair Naguman (N-Filer)	Daud Jan	1,450,000	1,130,000	320,000
Total		7,320,123	5,570,586	1,749,537

Non recovery of contractual amount occurred due to weak financial and administrative controls resulting in loss to public exchequer.

When pointed out in September 2020, management stated that detailed reply will be submitted shortly.

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

Audit recommends recovery of outstanding amount from the contractor.

AIR Para No.16 (2019-20)

3.5.3 Others, including cases of accidents, negligence etc.

3.5.3.1. Overpayment due to allowing extra thickness for the item of work PCC 1:2:4– Rs. 1.586 Million

As per general principle of economy the quantity of PCC 1:4:8 is paid for 4” in Street Pavement and that of PCC 1:2:4 is paid for 3” by all executing agencies.

The office of Town Municipal Officer Town III, Peshawar overpaid Rs 1,586,277 during in 2019-20 in six schemes to contractors due to allowing thickness of 4 inches for the item of work “PCC 1:2:4” instead of 3 inches which was a standard thickness executed by all other executing agencies while framing PC-1 for the civil works, therefore, the extra 1 inch thickness in quantity resulted in overpayment to contractors for Rs 1,586,277. Detail is below:

S. No	Scheme	PCC 1:4:8 Paid (M ³)	PCC 1:2:4 Paid (M ³)	PCC 1:2:4 Required (M ³)	Extra Qty of PCC Paid (M ³)	Rate of PCC 1:2:4 (amount in Rs)	Overpayment (amount in Rs)
1	St pav E/C 0.500	27	27	20.45	6.55	7257.86	47539
2	St pav E/C 1.499	134.42	173.18	101.83	71.33		517702
3	M&R E/C 15 Million	390.52	376.32	295.77	80.53		584475
4	St pav E/C 0.500	79.18	75.49	59.98	15.51		112569
5	St pav E/C 2.00M	81.42	71.54	61.68	9.86		71562
6	Imp roads E/C 5.00	154.77	152.03	117.25	34.78		252428
Total							1,586,277

The lapse occurred due to weak internal control which resulted in loss to public exchequer.

When pointed out in September 2020, the management stated that PC-1/ estimate were prepared as per site requirement and work has been executed on

the demand of general public. The reply is not correct as payment of excess thickness was allowed which was an undue favor to contractors.

Request for convening DAC meeting was made in September 2019, which could not be convened till finalization of this report.

Audit recommends recovery from the contractors for the amount overpaid.

AIR Para No.9 (2019-20)

3.5.3.2. Un-authorized payment of salaries without sanctioned posts – Rs.2.576 million

According to rule 3 sub rule-10 (b) of TMA budget rules 2016, as the head of office the TMO shall be responsible for ensuring strict financial control. Further according to rule-3 sub rule-10 (j) of TMA budget rules 2016, TMO shall be responsible for guarding against waste and loss of public money.

The office of TMO Town-IV Peshawar made payment of Rs. 2,576,433 under the head of salaries to the staff who were suspended during 2019-20. Moreover, many of BS 17 & 18 officers were paid salaries in excess of sanctioned posts as evident from the budget of TMA Town-IV. Audit observed that various officers of LCB in BPS-18 and 17 were paid salaries despite the fact that sanctioned vacant posts were not available in the budget of TMA Town-IV. **Details are at annex-7.**

Salaries paid in excess of budgeted posts occurred due to weak financial management resulting in loss to the TMA.

When pointed out during August 2020, the management did not reply.

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

Audit recommends regularization of the unauthorized payment on account of salaries through ex-post sanction of the competent authority.

AIR Para No.21 (2019-20)

3.5.3.3 Less recovery of income tax –Rs. 1.556 million

According to section 236A of the income tax ordinance 2001, as amended till June, 2020, income tax on auction is required @10% from filer and 20% from non-filer and is required to be realized at the time of proceed of sale and be deposited into government treasury immediately.

In the office of TMA Town-II, Peshawar it was observed that TMO awarded different receipt contracts on auction during the year 2019-20. However, office management did not recover income tax from the contractors amounting to Rs. 1,556,323. Detail is as under:

(Amount in Rs)

Contract Name	Contractor	Contractual amount	Income tax required	Income tax recovered	Income tax Outstanding
License Fee / Dangerous offensive trade	Rab Nawaz Non-Filer	5,220,000	1,044,400	-	1,044,400
Parking stand Chamkani	Shah Nawaz	650,123	130,024	-	130,024
BhoosaThall	Muhammad Imran (N-filer)	258,124	51,624	25,812	25,812
Cattle Fair Naguman	Daud Jan (N-filer)	1,450,000	290,000	-	290,000
Cattle Fair Bakhshipul		660,686	132,137	66,086	66,087
Total		7,320,123	5,449,686	91,898	1,556,323

The lapse occurred due to weak internal control which caused less tax realization.

When pointed out in September 2020, management stated that detailed reply will be submitted shortly.

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

Audit recommends recovery and deposit of income tax into government treasury.

AIR Para No.17 (2019-20)

CHAPTER-4

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

4.1 Introduction

Assistant Director, Local Government Election and Rural Development Department in District Peshawar has 346 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 Peshawar.

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

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

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

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

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

Detail of Audit Planned formations expenditure and receipts

(Rs. in million)

Sr No	Description	Total Nos	Audited	Expenditure audited FY 2019-20	Revenue /Receipts auditedFY2019-20
1	Formations	347	35	6.556	NA

4.2 Comments on Budget and Accounts (Variance Analysis)

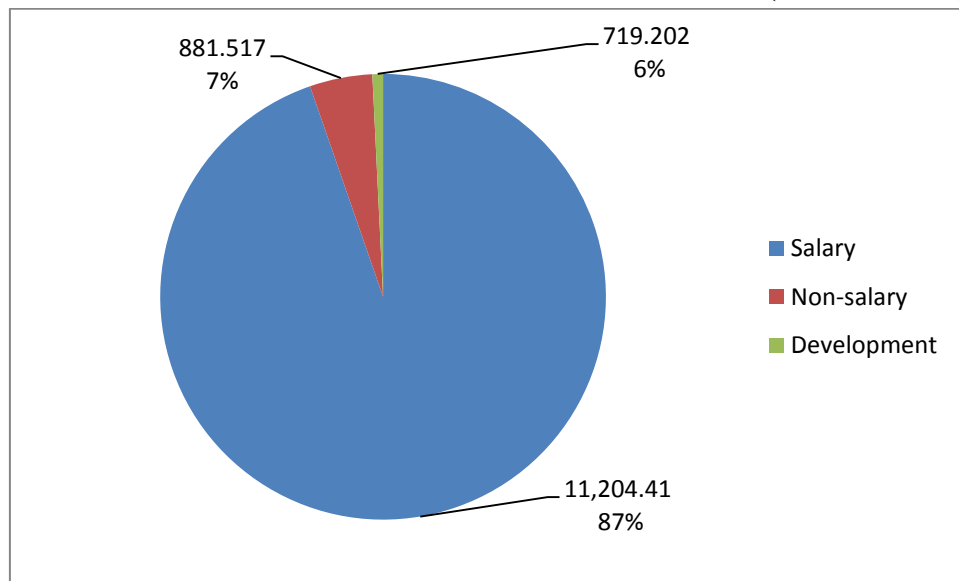
(Rs. in million)

AD LGE&RDD & VCs/NCs				
2019-20	Budget	Actual Expenditure	Excess/(Saving)	%age
Salary	215.319	216.004	0.685	-0.318
Non salary	11.936	10.373	-1.564	13.099
Developmental	2.755	1.755	1.000	36.298
Total	230.01	228.132	0.121	49.079

The savings of Rs. 0.121 million indicates weakness in the capacity of the company to utilize the allocated budget.

EXPENDITURE 2019-20

(Rs. in million)



4.3 Classified Summary of Audit Observations

Audit observations amounting to Rs. 48.156 million were raised in this audit report. This amount also includes recovery of Rs. 2.967 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rs. in million)

Sr. No.	Classification	Amount
1	Irregularities	0
B	Procurement related irregularities	37.995
C	Management of Accounts with Commercial Banks	10.161
2	Others	0
Total		48.156

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

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

Sr. No.	Audit Year	VACs/NACs meeting
1	2016-17	Not Convened
2	2017-18	Not Convened
3	2018-19	Not Convened
4	2019-20	Not Convened

4.5 AUDIT PARAS

4.5.1 Irregularities

A. Procurement related irregularities

4.5.1.1 Blockage of public money due to non-execution of works –Rs. 35.445 million

According to Para 17(1) of Khyber Pakhtunkhwa Village council budget rules 2016, all ADP project shall be completed within financial year for which the budget is appropriated and shall not be extended to next financial year.

The offices of 14 Neighborhood/Village Councils under the administrative control of Assistant Director Local Government Elections & Rural Development Department Peshawar could not utilize district development funds of Rs35,444,512 during 2019-20. The funds laid in the designated accounts unutilized as per **detail in annex-8**.

The inefficiency in utilization of public funds occurred due to lack of interest on part of office of AD LG&RDD resulting in non-execution of development work for the benefit of public at large.

When pointed out in October 2020, Management stated that detailed reply will be submitted shortly.

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

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

AIR Para No.20 (2019-20)

4.5.1.2 Irregular expenditure of Rs. 2.318 million and non-recovery of penalty – Rs. 231,760

According to Para 220 and 221 of CPWA Code, the Sub Divisional Officer, before making payments to the contractors is required to compare the quantities in the bills and see that all the rates are correctly entered and that all the calculations have been checked arithmetically.

The office of AD LG&RDD, Peshawar awarded a scheme “Const: of Streets, Drains at U/C 83” to M/S Jan & Sons Government contractor with estimated cost of Rs 3,500,000 out of District ADP during 2019-20. Audit noticed the following irregularities:

1. The contractor was paid Rs. 2,317,595/- vide final running bill, but the scheme was not technically sanctioned by the competent authority.
2. The work order was issued on 15.01.2019 with completion period of 15.05.2019, while the scheme was completed in 11/2019 as evident from the completion certification. However, neither time extension for the delayed completion was obtained from the competent authority nor penalty @ 10% of Rs 231,760 was imposed against the contractor.

The lapse occurred due to weak internal controls, which resulted in unauthorized payment and non-imposition of penalty.

When pointed out in November 2020, Management stated that detailed reply will be submitted shortly.

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

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

AIR Para No.23 (2019-20)

B. Management of Accounts with Commercial Banks

4.5.1.3 Non deposit of Government Taxes –Rs. 1.372 million

According to Section 41 of LGA, 2013, 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.

Secretaries Neighborhood/ Village Councils working under the administrative control of Assistant Director LG & RDD Peshawar, during the financial year 2019-20, deducted Rs 1,372,464 on account of income tax, stamp duty, professional tax and DPR fund from different contractors against execution of various development schemes. However, the deductions were laying in the designated bank account of the VCs/NCs concerned and was not deposited into Government treasury. Detail is below.

S.No.	Particular	Amount (Rs)
1.	Income Tax	1,177,614
2.	Stamp Duty	90,850
3.	DPR	44,000
4.	Professional Tax	60,000
Total		1,372,464

The lapse occurred due to weak internal control which resulted in non-deposit of funds into government treasury.

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

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

Audit recommends deposit of government taxes in treasury.

AIR Para No.1 (2019-20)

4.5.1.4 Loss due to non-conversion of Bank Account from current to PLS – Rs. 6.054 million.

According to finance department Khyber Pakhtunkhwa Peshawar letter no. 2/3-(f/1)/fd/2007-08/vol-ix dated 10.02.2014, finance department has allowed sanction of bank accounts in commercial banks for various departments/autonomous/corporation in KP. Now such accounts may be converted into PLS mode and profit earned may be deposited into government treasury under the relevant head of account not later than a week when declared by the bank.

According to finance department Khyber Pakhtunkhwa Peshawar letter No. 2/3-(f/1) /fd/2007-08/vol-ix dated 16.03.2018 read with even No. dated 10.02.2014, the interest / profit amounts accrued/earned on the funds placed in government banks (PLS mode) may be deposited in government treasury under the following head of account:

- C01 total income from property and enterprise
- C018 total interest on loan – others
- C0180 interest realized on investment of cash balance
- PR5562- RCO #

The office of Assistant Director, Local Government, Rural Development Department, Peshawar maintained two accounts in National Bank of Pakistan during 2019-20. These accounts were not converted into PLS accounts resulting in loss of Rs. 6,053,961 as per detail given below:

Name of Bank	Account No.	Op. Balance as on 01-07-2019	Closing Balance as on 30-06-2020	Average Balance
NBP	4111766613	21,718,538	55,425,206	38,571,872
NBP	4321604370	94,660,388	1,166,185	47,913,286
Total Average Balance				86,485,158
Profit/ Interest@7%				6,053,961

The non-conversion of accounts to PLS mode occurred due to weak financial management resulting in loss to the public exchequer.

When pointed out in November 2020, Management stated that detailed reply will be submitted shortly.

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

Audit recommends conversion of current bank accounts into PLS mode.

AIR Para No.10 (2019-20)

4.5.1.5 Non deposit of Bank profit into Government Treasury –Rs. 2.735 million

According to finance department Khyber Pakhtunkhwa Peshawar letter No. 2/3-(f/1) /fd/2007-08/vol-ix dated 16.03.2018 read with even No. dated 10.02.2014, the interest / profit amounts accrued/earned on the funds placed in government banks (PLS mode) may be deposited in government treasury under the following head of account:

- C01 total income from property and enterprise
- C018 total interest on loan – others
- C0180 interest realized on investment of cash balance
- PR5562- RCO #

The offices of Secretaries Village/ Neighborhood Councils working under the administrative control of Assistant Director LG & RDD, Peshawar realized Rs 2,734,608 as profit on bank accounts until June, 2020 during 2019-20. Instead of depositing profit earned on public money into government treasury, the amount was unauthorized retained into the designated bank accounts of the secretaries Village/Neighborhood councils. **Details are at Annex-9.**

The unauthorized retention of public money in designated accounts happened due to non-observance of rules and regulations resulting in the loss to the government exchequer.

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

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

Audit recommends deposits of bank profit into Government treasury under proper head of accounts and action against the person(s) at fault.

AIR Para No.16 (2019-20)

CHAPTER-5

Water and Sanitation Services Program (WSSP), Peshawar

5.1 Introduction

Government of Khyber Pakhtunkhwa has established Water and Sanitation Services Company to provide sanitation and waste management service in District Peshawar having urban characteristics. The company has been incorporated under Section 42 of the companies ordinance 1984 (superseded by companies Act 2017) starting with the water and sanitation services in Peshawar in 2014.

The company was created as separate entity out of the respective Town Municipal Administrations to deliver integrated water supply, sanitation and solid waste management services through the signing of Services and Asset Management Agreements (SAMA) with the respective TMAs in 43 urban union councils. The SAMA lays down the mechanism of transfer of assets, human resources as well as finances from TMAs to the company.

WSSP was raised as a company which would act as a private sector wing of the Local Government & Rural Development (LD&RD) Department, Khyber Pakhtunkhwa or as its legal successor in the provision of public benefit and social services within bodies comprising urban areas and semi-urban peripheries of the city of Peshawar. Following are the objectives of the establishment of the WSSP:

1. To establish, run and manage an aggregated, corporatized and modern water and sanitation utility in the city of Peshawar, ensuring unremitting water, sanitation and solid waste management service delivery to the residents of the city of Peshawar.
2. To do all and everything necessary, suitable or proper or accidental or conducive to the accomplishment of the aforesaid purpose or the attainment of the object set forth, either alone or in association with other corporate bodies, firms, or individuals to do every other act or thing

incidental or appurtenant to or arising out of connected with the business or powers of the company or part thereof, provided the same be lawful.

As per SAMA, the functions and responsibilities of WSSP are as under:

1. Exclusively responsible entity for planning, designing, construction and operation and maintenance of water supply, sewerage, drainage and solid waste system and allied facilities in the area of operation.
2. Managing, controlling and monitoring existing procedures, processes, actions, activities, facilities, operations, schemes, plans, programs and assets directly or indirectly related to the services.
3. Expansion, increase, enhancement and improvement in existing organizational capability for water and sanitation; Introduction of new schemes, plans, programs, operations, activities, actions, procedures, processes for water and sanitation, making and executing decisions to downsize or discontinue schemes, plans, programs, operations, activities, actions, procedures, processes for the services in line with the provision of the approved budget;
4. Managing, controlling, using maintaining machinery, equipment, tools, plants, vehicles, lands, buildings, structures and other moveable and immovable assets owned managed or controlled previously.
5. Managing, controlling and supervising persons engaged previously in connection with the services and whose services are placed at the disposal of the WSSP.
6. Receiving monies for performance of functions under the SAMA and appropriating and spending these monies in accordance with its own standing operating procedures.
7. Taking all such steps for effective management of the services in order to safeguard public health to ensure that water supply services is effectively managed, waste water and solid waste is reduce, collected, stored, transported, recycled, reused or disposed of, in environmentally sound manner in promoting safety standards.

8. Promoting public awareness on the importance of water conservation, waste reduction, resource recovery and comprehensive and efficient performance of the services.
 9. Make arrangements for implementing the services, assigned to it, however, cleanliness arrangements at public facilities such as municipal bus terminals shall be carried out on need basis as and when required.
 10. Have full authority for connection and disconnection of services to any area, entity or house hold after giving due notice and issue tickets.
 11. Appoint Enforcement Officers and Municipal Wardens for the prevention of municipal offences.
 12. Keep and maintenance of all assets in accordance with the standard operating procedures and operation manuals.
- Following is the table showing Audit of formations, expenditure and revenue/receipt during FY 2019-20.

Detail of Audit Planned formations expenditure and receipts

(Rs. in million)

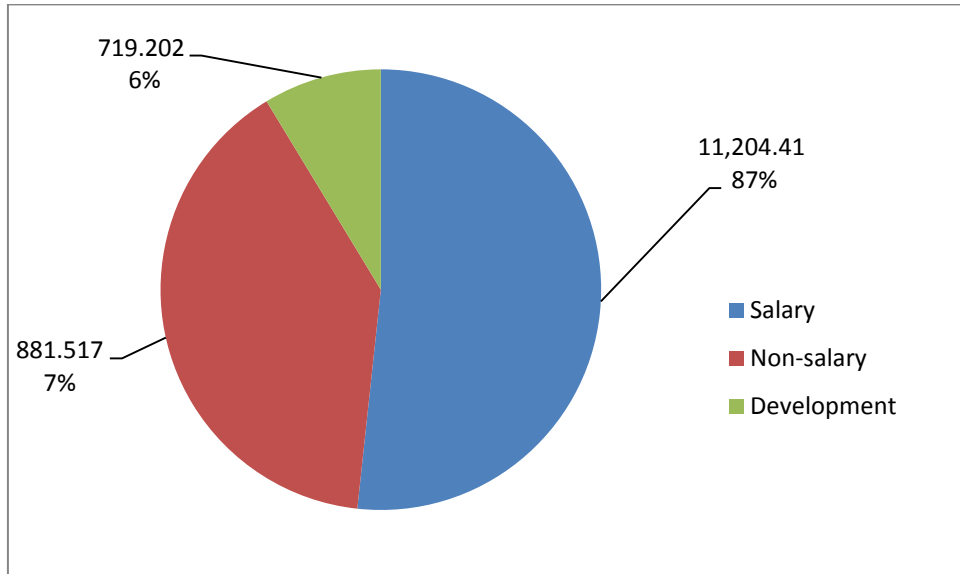
S.No.	Description	Total Nos.	Audited	Expenditure audited FY 2019-20	Revenue/ Receipts audited FY 2019-20
1	Formations	1	1	1,041.593	700.671

5.2 Comments on Budget and Expenditure (Variance analysis)

(Rs. In million)

2019-20	Budget	Actual Expenditure/ Receipts	Excess (+)/ Saving (-)	%age Excess/Saving
Salary	2178.267	1,795.191	383.08	17.586
Non-salary	1,428.286	1,375.416	52.87	3.702
Development Account-I	525.470	301.368	224.10	42.648
Total	4,132.023	3,471.975	660.05	15.974
Receipt (own source)	645.189	483.666	161.52	25.035
Govt. or other	3,486.834	3,019.688	467.15	13.397
Total Receipts	4,132.023	3,503.354	628.67	38.432

The savings of Rs. 660.050 million indicates weakness in the capacity of the company to utilize the allocated budget.



5.3 Classified Summary of Audit Observation

Audit observations amounting to Rs. 1,996.712million were raised as a result of this audit. This amount also included recoveries of Rs. 1,776.95 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs.)
1	Irregularities	0
A	HR/Employees related irregularities	25.276
B	Procurement related irregularities	4.999
C	Management of Accounts with commercial bank	25.502
2	Value for money and service delivery issues	1938.874
3	Others	2.061
	Total	1996.712

5.4 Comments on the status of compliance with Public Accounts Committee Directives

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

S.No.	Audit Year	DAC meeting
1	2019-20	Not Convened

5.5 AUDIT PARAS

5.5.1 Irregularities

A. HR/Employees related irregularities

5.5.1.1 Appointment of Staff in excess of sanctioned strength – Rs.16.135 million

According to clause-III of Establishment & Regulation Wing Govt. of KP letter No. SOR-V/E&AD/1(18)/2003 dated 13th September 2004, the Administrative Department concerned shall maintain lists of children of its deceased employees of the vacant posts and forward cases for appointment to the respective appointment authorities for approval on the basis of the principle of first cum first serve.

According to clause-1 & 8 of Finance Deptt. KPK letter No. BO.1/FD/5-8/2019-20/ Economy Measures dated 26.06.2019, there shall be a complete ban on creation of posts and no appointment shall be made against leave vacancies without prior approval of Finance Department.

The office of Chief Executive Officer WSSP appointed 230 non-gazetted staff against 202 vacant posts during the financial year 2019-20 on open merit and deceased son/daughter quota; therefore, 28 employees were appointed in excess of sanctioned strength.

Appointment of excess employees than sanctioned strength occurred due to weak internal controls resulting in loss to the government treasury.

When pointed out during December 2020, Management stated that detail reply will be furnished after scrutiny of office record.

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

The matter is therefore, reported to higher-ups for appropriate action besides fixing responsibility on person(s) at fault.

AIR Para No.5 (2019-20)

5.5.1.2 Irregular payment of fuel charges –Rs. 9.141 million

According to HR Manual of the WSSP “all employees who are entitled to company vehicle shall be entitled to fuel. The monthly fuel entitled against different management positions is summarized in the table below: -

WSSP Positions	WSSP Proposed Grades	Fuel Entitlement (Liter)
CEO	M-1	400
Deputy CEO /COO	M-2	300
GMs/ Senior GMs	M-3	300
Zonal Managers/Deputy GM	M-4	300
Managers	M-5	200

Chief Executive Officer, Water & Sanitation Services Company, Peshawar irregularly allowed fuel allowance Rs. 9,140,979 to staff in salary instead of allowing the actual utilization of POL during 2019-20. Details of the payment are as under:

S. No.	Month	Amount (Rs.)
1	July 2019	830,452
2	August 2019	833,058
3	Sep 2019	815,838
4	Oct 2019	782,651
5	Nov 2019	784,829
6	Dec 2019	760,315
7	Jan 2020	776,556
8	Feb 2020	844,104
9	March 2020	833,577
10	April 2020	741,771
11	May 2020	593,087
12	June 2020	544,741
Total		9,140,979

The lapse occurred due to weak internal control which resulted which caused irregular payment of fuel charges.

When pointed out during December 2020, the Management stated that detail reply will be furnished after scrutiny of office record.

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

Audit recommends stoppage of payment of fuel allowance in salary besides recovery.

AIR Para No.23 (2019-20)

B. Procurement related irregularities

5.5.1.3. Irregular expenditure on account of purchase of furniture – Rs.4.999 million

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

The office of Chief Executive Officer WSS incurred expenditure of Rs 4,998,518 on account of purchase of furniture from M/s H.F. Interior Peshawar without adopting open tendering system during the year 2019-20. **Details are at Annex-10.**

The lapse occurred due to violation of procurement rules resulting in non-adopting of non-competitive rates which caused loss to the Authority.

When pointed out during December, 2020, the Management stated that detail reply will be furnished after scrutiny of office record.

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

Audit recommends regularization of the unauthorized expenditure.

AIR Para No.4 (2019-20)

C. Management of Accounts with Commercial Banks

5.5.1.4 Non-deposit of bank profit into Government treasury –Rs. 25.502 million

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

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

The office of Chief Executive Officer WSSP did not deposit bank profit of Rs. 25,502,090 into government treasury earned on designated accounts during the financial year 2019-20.

The lapse occurred due to non-observance of rules, resulting in loss to Government.

When pointed out during December, 2020, the Management stated that detail reply will be furnished after scrutiny of office record.

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

Audit recommends that Profit earned on public money be immediately deposited into Government Treasury.

AIR Para No.19(2019-20)

5.5.2 Value for money and service delivery issues

5.5.2.1. Non-recovery of outstanding dues from authorities – Rs. 978.847 million

According to Clause 10.1 of Services and Asset Management Agreements (SAMA), Amounts budgeted in the approved annual budget of the First Party (PDA, Municipal Committee and University Town) for the financial year 2014-15 for the performance of the services shall be transferred to the second party (WSSP).

The office of Chief Executive Officer, WSSP Peshawar failed to recover the outstanding dues of Rs 978.847 million during the financial year 2019-20 which was required to be paid to WSSP on annual basis as per SAMA agreement executed between the authorities and TMAs. Details of the outstanding due are given below:

S No.	Authority	Outstanding (Amount in million)
1	Municipal Corporation Peshawar	894.430
2	University Town Committee	51.750
3	Peshawar Development Authority	32.667
Total		978.847

The lapse occurred due to non-observing of the SAMA agreement and lack of financial control which caused loss to the company.

When pointed out during December, 2020, the Management stated that detail reply will be furnished after scrutiny of office record.

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

Audit recommends expediting the matter with the concerned quarters for expedited recovery.

AIR Para No.14 (2019-20)

5.5.2.2. Non-collection of water charges from end-user customers–Rs. 960.027 million

According to Rule (45) (ii) (collection and recovery of taxes, etc)of the Local Government Act, 2013, all arrears of taxes, rents and other moneys claimable by a local government under this Act shall be recoverable as arrears of land revenue.

The office of Chief Executive Officer, WSSP Peshawar could not recover Rs. 960,026,801 on account of outstanding water charges at the close of the financial year during the financial year 2019-20.

The inefficiency to recover outstanding water charges due to weak administrative and financial controls resulted in loss to the company.

When pointed out during December, 2020, the Management stated that detail reply will be furnished after scrutiny of office record.

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

Audit recommends recovery of water charges.

AIR Para No.15 (2019-20)

5.5.3 Others, including cases of accidents, negligence etc.

5.5.3.1 Loss to government due to non-deposit of government receipts - Rs. 2.061 million

According to Rule 69 (2) (a) of the Khyber Pakhtunkhwa District or City District Governments Budget Rules 2015, while receiving money on behalf of the government shall be deposited directly in the government treasury through prescribed Challan forms on the same day or not later than the close of following day.

According to Rule 5(1) (c) of the Khyber Pakhtunkhwa, District or City District Governments, Budget Rules 2016, the collecting officer shall ensure that all sums due to Government are regularly and promptly assessed, realized and duly credited in the Public Account.

The office of Chief Executive Officer, WSSP Peshawar realized Rs.2,060,638 on account of tender form fee and penalties from contractors and suppliers during the financial year 2019-20. However, the amounts were retained in the bank accounts of the office instead of depositing into the government fund. Detail is given below: -

S No.	Nature of income retained	Amount (In Rs.)
1	Tender Form fee	727,872
2	Penalties	1,332,766
Total		2,060,638

The lapse occurred due to weak internal control which caused loss to Government.

When pointed out during December, 2020, the Management stated that detail reply will be furnished after scrutiny of office record.

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

Audit recommends immediate deposit of government receipts into government treasury.

AIR Para No.18 (2019-20)

ANNEXURES

Annex-1

MFDAC

S.No.	AIR No	Department	Caption of Para	Amount in million
1.	2	Deputy Commissioner Peshawar	Un-authorized purchase of official vehicles.	95.108
2.	5		Doubtful and wasteful expenditure on repair of vehicle	3.874
3.	6		Irregular and un-authorized expenditure on account of POL	8.581
4.	7		Un-authorized expenditures on account of P.O.L on condemn vehicles	0.831
5.	8		Irregular and doubtful appointment of Computer Operators, Junior Clerks and drivers under open and deceased son quotas	0
6.	9		Wasteful/doubtful expenditure on account of purchase of stationery	1.299
7.	10		Retention of un-claimed polio fund	14.582
8.	11		Non-disbursement and non-mutation of land	44.249
9.	12		Less-deduction of stamp duty	1.315
10.	13		Un-authentic payment on account of bomb blast	15.200
11.	14		Non disbursement of compensation fund	26.152
12.	15		Un-verified payment on account of Polio security arrangement	5.864
13.	17		Non deposit of government taxes on account of acquisition of land	3.945
14.			Non-disbursement of the land compensation amongst the land owners	159.090
15.	19		Illegal retention of fund in the Tehsildar Peshawar account & non maintenance of Cash Book	103.153
16.	20		Loss to government due to non-deposit of receipts into treasury realized from imposition of fines under LGA, 2013	5.410
17.	21		Unverified ADP schemes worth	220.53
18.	22		Doubtful/Un-verified challan record of fine on un-authentic challan book	0.174
19.	23		Irregular drawl of Pay and Allowances trough DDO	4.462
20.	24		Non deposit of domicile fee	561,400
21.	25		Misappropriation of government receipts	98,000
22.	26		Non-acquisition of land for construction of road	44.741
23.	27		Irregular release of Adhoc Allowance-2010	5.342

24.	01	District Health Officer	Irregular and un-authorized expenditure on account of Salaries	16.105
25.	02		Irregular and un-justified expenditure on account of purchase of medicine Rs- million and suspected mis-appropriation	15.767 959,421
26.	03		Irregular and Doubtful expenditure on account of purchase of machinery and equipment	2.007
27.	07		Loss to government due to non-supply of medicines besides payment and Non-imposition of penalty	501,767 35,123
28.	10		Irregular payment on account of HPA to EPI technicians	3.360
29.	12		Irregular payment on account of polio mobility of revenue staff at UC level	3.000
30.	13		Irregular expenditures on account of transportation charges	1.400
31.	14		Non-recovery of the overpaid pays & allowances	273,186
32.	15		Un-authorized cash withdrawal from designated bank account	29.188
33.	16		Loss due to deduction of withholding tax from the designated account of DHO-	243,346
34.	17		Non-depositing Health Receipts into Government treasury Rs	1.429
35.	20		Doubtful Purchase of hospital equipment and other store Rs	7.308
36.	22		Irregular expenditures on account of pays & allowance of DDHO office DHO	0
37.	23		Non-deduction of HRA, conveyance allowance & 5% maintenance charges	1.380
38.	24		Irregular expenditures on account of pays & allowances against non-functional BHU Hayatabad	0
39.	25		Doubtful expenditures on account of purchased of various items for Covid-19 affected	0.848
40.	27		Un-authorized expenditure on account of POL Rs and non-recovery of conveyance allowance Rs	256,957 120,000
41.	28		Non-depositing Health Receipts into Government treasury	671,706
42.	30		Non-payment of health receipts due to illegal retention	2.217
43.	31		Irregular procurement of medicines	20.081
44.	32		Non-imposition of penalty	269,578

45.	33		Irregular procurement of machinery & equipment	11.645
46.	34		Doubtful expenditures on account of P.O.L	520,000
47.	35		Irregular procurement of medicines Non-imposition of penalty for late supply of medicines	5.106 117,709
48.	36		Irregular and doubtful expenditure on account of purchase of medicine	21.156
49.	37		Doubtful expenditure on account of Purchase of medicine	1.558
50.	39		Irregular and Doubtful expenditure on account of purchase of machinery and equipment	1.694
51.	40		Un-authorized expenditures on account of medicines, purchase of machinery & equipment	3.836
52.	41		Irregular procurement of medicines	6.599
53.	42		Loss to government due to non-supply of medicines besides payment to contractor-Rs and Non-imposition of penalty	300,000 21,000
54.	43		Irregular expenditure on account of repair of office building	2.000
55.	44		Loss to Government due to Non-recovering of HRA, Conveyance allowance and electricity charges from staff residing in Government accommodations	946,128
56.	45		Loss to Government due to non-recovery of electricity charges and outstanding dues from the defaulters	566,553
57.	46		Suspected miss-appropriation of Health Receipts	1.500
58.	47		Non-achievements of receipts target-Rs	29.000
59.	48		Non-functional medical equipment due to non-purchase of kits	
60.	01	Director General City District Government Peshawar	Irregular publication of receipt contracts and Unauthorized award of bus stands on daily wage basis-Rs.	400.111
61.	02		Loss due to non-application of 20% increase in revenues	85.708
62.	04		No deposit of Income tax	4.359
63.	05		Loss due to non-accepting highest bid	58.765
64.	06		Irregular auction of shops at Charsadda Bus Stand	4.612
65.	07		Non Collection / deduction of HRA million and 5% maintenance charges	6.818
66.	09		Irregular expenditure on ADP	12.537

67.	11		Loss due to non-generation of revenue from open plots	
68.	12		Loss due to non-enhancement of rent of shops and cabins	
69.	13		Loss due to non-deposit of income tax	32.652
70.	14		Un-authorized and un-justified releases of funds for grants	54,890
71.	15		Irregular releases of grants for sports	1.050
72.	16		Loss due to non-conversion of Bank Account into PLS	193,329
73.	19		Loss of approximately due to non-conversion of Bank Account into PLS mode	3.336
74.	20		Loss to government on account of bank charges	0.429
75.	21		Difference between actual profit as per bank statements and profit shown in budget book	229,254
76.	22		Non-recovery of penalty	0.686
77.	23		Irregular payment on account of study tour	1.50
78.	24		Irregular expenditure and loss to government due to non-deduction of Sales tax on non-consulting services	1.130 0.147
79.	25		Irregular payment of POL	0.534
80.	26		Irregular expenditure for Deputy Commissioner Peshawar	1.266
81.	02	DO Social Welfare Peshawar	Non transparent Appointment of Class-IV employees without merit	
82.	03		Irregular procurement without purchase committee and open tender system	1.880
83.	04		Irregular cash payment and expenditure without open tender system	.498,900
84.	05		Irregular cash withdrawals from bank account	1.214
85.	06		Non-conversion of Bank Account into PLS mode	0.512
86.	07		Irregular cash withdrawals from bank account	0.411
87.	08		Non-conversion of Bank Account into PLS mode	0.596
88.	09		Irregular expenditure without open tender system	148,800
89.	10		Irregular expenditure on account of POL for generator and pick up	392,770
90.	11		Suspicious expenditure on printing of pan flexes	1.122
91.	13		Irregular, unjustified and uneconomical expenditure on account of procurement of goods	1.696
92.	14		Unjustified expenditure on procurement of	4.101

			medical equipment	
93.	16		Irregular purchase of goods without need assessment	2.845
94.	17		Irregular purchase of goods without need assessment and rate analysis	2.845
95.	18		Irregular construction of water tank	406,700
96.	19		Irregular expenditure on miscellaneous items	2,456
97.	20		unjustified and exorbitant expenditure on food charges	
98.	22		Irregular split up of expenditure on purchase of goods without need assessment and rate analysis	1,235
99.	24		Irregular expenditure on repair of transport and pol	3,890
100.	25		Unjustified expenditure on utility bills	2,406
101.	26		Irregular payment of late payment surcharge on utility bills	55,905
102.	27		Nonfunctional hydro therapy machinery	
103.	28		Irregular expenditure without open tender system-Rs.	374,763
104.	29		Irregular expenditure on MRC	697,649
105.	30		Misclassification of expenditure	95,000
106.	31		Irregular expenditure on purchase of medicines	149,487
107.	32		Irregular expenditure without open tender system	262,498
108.	33		Doubtful payment on account of food charges more than 07 years old	772,975
109.	34		Loss due to non-recovery of room rent and fine/penalty	3,376
110.	35		Unauthorized retention of rooms by single inmate	
111.	36		Suspected misappropriation on account of security collected	480,000
112.	37		Non deposit of rent into Government Treasury	2,044
113.	38		Non Reconciliation of Receipts	1,013
114.	39		Loss due to unauthorized expenditure on a/c of electricity	2,343
115.	40		Unauthorized payment on account of Others	263,733
116.	41		Irregular allotment of rooms in working women hostel	0
117.	42		Unauthorized allotment of rooms in working women hostel	0
118.	01	TMA Town-I, Peshawar	Un-economical purchase of Walk through gate and at an abnormal high rate	2.00

119.	02		Irregular advance payment and expenditure of PPEs	3,941
120.	03		Irregular printing of banners without quotations	0.320
121.	04		Suspected Misappropriation of	5,464
122.	05		Doubtful expenditure on Gardening without Progress Report	
123.	06		Unauthentic expenditure	2,776
124.	07		Suspected Misappropriation in execution of work	4,199
125.	08		Unauthorized execution of work beyond the jurisdiction of Town –1	0.787
126.	09		Loss due to unnecessary and sub Standard execution of work	0.900
127.	10		Unauthorized payment	222,533
128.	12		Suspected Misappropriation due to deviation of E-Tendered BOQ in execution of AOM&R Scheme	11.80
129.	13		Non-submission of Accounts of Local Government	1,219,224
130.	14		Irregular expenditure on account of Pay & Allowances	9,297
131.	17		Irregular cash drawl	0,913
132.	18		Irregular opening and operation in more than three bank accounts	
133.	20		Blockage of fund due to dormant account	10,498
134.	21		Difference between actual profit as per bank statements and profit shown in budget book	5,520
135.	24		Non-recoupment of loan	0.50
136.	25		Irregular advance payment and non-recoupment thereof	1,405
137.	26		Overpayment due to non-deduction of Sales tax on Old Parts	0,260 24,162
138.	28		Non-reconciliation of Property tax with Revenue office	159,320
139.	29		Double drawl of Electricity payment with PESCO due to non-proper reconciliation	
140.	30		Less deposit of income tax of receipt contract	0,222
141.	31		Loss in millions due to non-conducting the survey for receipt tax	
142.	32		Non-recovery of long outstanding dues	111,732
143.	33		Non-Recovery of outstanding Government dues	8,089
144.	34		Non-recovery of outstanding dues from the lease of slaughter house	6,461
145.	36		Suspected misappropriation of stationery	

			charges	
146.	37		Non-Deduction of Professional Tax	0.162
147.	38		Loss to government due to less imposition of income tax of receipt contracts, non-recovery of income tax and Non-deposit of income tax	0.227 5.047 2.133
148.	39		Loss due to non-collection/ realization of departmental recovery from the Marriage Hall ParDaBagh	1.335
149.	41		Non-auction of un-serviceable/ condemned vehicles valuing	2.50
150.	42		Loss to government due to non-deduction of Taxes on supply	307,919
151.	43		Non-imposition of penalty due to non-completion of schemes within the stipulated period	0.701
152.	44		Irregular expenditure due to allowing excess quantities over and above BOQ	2.016
153.	45		Irregular expenditure without open tender system	763,741
154.	46		Loss due to non-recovery of Advertisement charges	169,000
155.	47		Irregular expenditure and overpayment due to allowing higher rate	2.632 95,681
156.	48		Unauthorized payment for non-schedule items without rate analysis	5.190
157.	49		Unauthorized expenditure without Technical Sanction	5.726
158.	01	TMA Town-II Peshawar	Non submission of Accounts of Local Government	375.556
159.	02		Irregular advance payment and non-recoupment thereof	1.580
160.	03		Irregular operation in more than three Bank accounts	
161.	04		Loss to Government due to non-conversion of Bank Account into PLS mode	1.640
162.	05		Blockage of fund due to dormant account	
163.	06		Unauthorized payment of Conveyance Allowance	115,000
164.	08		Irregular payment of Technical Allowance	1.218
165.	09		Unauthorized payment of fund on loan basis and non-recoupment thereof	36.00
166.	10		Non-reconciliation of Property tax with Revenue office	180.670
167.	11		Irregular appointment and payment of salaries to daily wage staff	0.203
168.	12		Non-conducting of Physical verification /	

			stock taking	
169.	14		Suspected misappropriation of stationery charges	
170.	15		Difference in two set of figures	15,925
171.	18		Non-deposit of government dues	0.316
172.	19		Non-Deduction of Professional Tax	34,000
173.	20		Loss due to non-recovery of Advertisement charges	84,500
174.	21		Irregular payment	720,000
175.	22		Non-deposit of Govt. Receipts (contractual)	0.506
176.	23		Abnormal loss in income of the Town-II due to defective agreement and undue favor in issuance of NOC	
177.	24		Incorrect / Missing figure in the budget book	
178.	25		Loss to government due to less deduction of Sales tax	0.226
179.	26		Irregular payment of salaries to unqualified Building Inspectors and ABIs	1,933
180.	27		Overpayment due to extra payment for polishing of marbles	417,581
181.	28		Non-imposition of penalty for non-completion of works	810,000
182.	29		Overpayment due to allowing higher rate	671,978
183.	30		Unauthorized expenditure due to allowing excess quantities over and above T.S/ BOQ	1.603
184.	31		Irregular expenditure without open tender system	473,461
185.	32		Irregular expenditure and non-recovery of penalty	3.524 670,000
186.	33		Loss to government due to non-deduction of income tax and stamp duty	527,175
187.	34		Unauthentic/ doubtful execution of item of work PCC 1:2:4	5.361
188.	36		Unauthorized expenditure due to execution of Non-BOQ items worth	1.093
189.	37		Loss to Government due to non-deduction of voids	75,758
190.	40		Irregular payment on account of cooking charges	5,444
191.	42		Irregular expenditure on repair of transformers	1,449
192.	43		Unauthentic appointment of Class-IV employees	
193.	44		Irregular Payment of House Building Advance	6,224
194.	45		Fraudulent tendering process by allowing	

			undue favour		
195.	46		Failure of TMA Town-II to stop construction in illegal housing societies		
196.	47		Irregular/unauthorized payment of Entertainment charges for tehsil members	0.141	
197.	48		Irregular expenditure without technical sanction	19.648	
198.	49		Unverified expenditure on account ADP	58.919	
199.	02	TMA Town-III	Irregular payment of Loan to City District Government	36.00	
200.	03		Loss to department due to Non auctioning of Rest House on rental basis for	2.00	
201.	04		Irregular allotment of Rest House for Residential Purpose and wasteful expenditure	15.00	
202.	05		Irregular Purchase of Furniture for Official Rest House	2.941	
203.	06		Unauthorized Purchase in the name of Official Rest House	0.632	
204.	07		Irregular payment of salaries to unqualified Building Inspectors and ABIs	6.229	
205.	08		Non recovery of outstanding dues	2.638	
206.	10		Unauthentic execution of work	5.00	
207.	11		Irregular Purchase of vehicle GLI 1300 CC	2.822	
208.	12		Loss due to irregular award of work by ignoring lowest bidder	6.630	
209.	13		Doubtful expenditure on account of special cleanliness program at rural areas	645,410	
210.	01		TMA Town-IV	Loss to Town Administration due to non-achievement of targeted amounts	41.851
211.	03			Doubtful recovery on account of 2% property tax, fines/ Misc and Map fee	1.820
212.	05			Poor Management due to shortfall in income	43.221
213.	06	Defective budgeting due to difference in two set of figures		1.820	
214.	07	Irregular and Unauthorized expenditure on account of honoraria		3.767	
215.	08	Irregular and Unauthorized payment of House Building Advances		4.460	
216.	09	Non-preparation of financial statement & non-preparation of the budget in accordance with charts of accounts of TMA			
217.	11	Non deduction of sales tax		209,113	
218.	12	Irregular award of works contracts to defective contractors		81.00	
219.	13	Non deduction of Voids		486,010	
220.	14	Irregular execution of schemes beyond		50.00	

			jurisdiction	
221.	15		Irregular award of work to defective bidder	15.00
222.	16		Irregular drawl of salaries through DDO	7.632
223.	17		Irregular cash withdrawals from bank account	13,297
224.	18		Non-deposit of bank profit into government treasury	1,444
225.	19		Loss to Government due to non-conversion of Bank Account into PLS mode	2,995
226.	22		Non submission of Accounts of Local Government	188,710
227.	23		Irregular appointment and payment of salaries to fixed pay staff	6,840
228.	24		Irregular payment of budget incentive/bonus	1,619
229.	25		Unauthentic cash payment instead of issuing cross cheques to suppliers	400,000
230.	26		Irregular payment of House subsidy	5,908
231.	27		Irregular payment of Hot and Cold charges	890,640
232.	28		Wasteful expenditure on pay and allowances of Road Roller staff	2,626
233.	29		Non recovery of sales tax on auction	71,400
234.	30		Non deposit of taxes and fees	1,086
235.	31		Irregular expenditure on account of POL due to improper maintenance of logbook and excess POL payment than ceiling	5,758 179,576
236.	32		Excess POL consumption than ceiling	276,000
237.	33		Wasteful expenditure on pay and allowances of Malis	2,985
238.	34		irregular expenditure on account of purchase of IT equipment	2,922
239.	02	Asstt. Director LG & RDD Peshawar	Non-imposition of penalty for non-completion of works	429,675
240.	03		Loss due to allowing higher rate on a/c of shingle filling	185,126
241.	04		Un-verified and doubtful expenditure	3,048
242.	05		Loss to Government due to non-deduction of voids	240,844
243.	06		Irregular expenditure and non-recovery of fine	1,955 195,546
244.	07		Loss to Government due to non-deduction of voids	50,207
245.	08		Overpayment due to allowing PCC 1:2:4 beyond the length of PCC 1:4:8 and loss due to allowing higher rate	149,584 112,490
246.	09		Loss due to non-deduction of cost of old bricks available from dismantling	34,710
247.	11		Unauthorized expenditure due to allowing	1,639

			excess quantities over and above PC-I/ BOQ and overpayment due to non-deduction of voids	34,544
248.	12		Irregular expenditure and non-recovery of fine	2,415 241,540
249.	13		Irregular expenditure on account of Rent of office building	120,000
250.	14		Unauthorized expenditure due to allowing excess quantities over and above PC-I/ BOQ	478,512
251.	15		Loss due to less deduction of cost of old material available from dismantling	50,537
252.	17		Doubtful expenditure on account of installation of pressure pumps and loss to Government	1,814
253.	18		Unauthentic/ doubtful execution of item of work PCC 1:2:4	1,277
254.	21		Loss due to allowing higher rate on a/c of shingle filling	108,735
255.	22		Grant of Technical Sanction beyond and non-imposition of penalty	3.0 202,650
256.	24		Unauthorized payment for non-schedule items without rate analysis	675,000
257.	25		Irregular expenditure on sub-standard work and Unauthorized expenditure due to deviation from approved PC-1/BOQ	2,133 180,000
258.	26		Non-conducting of Physical verification / stock taking	
259.	27		Unauthorized payment for non-schedule items without rate analysis	1,812
260.	28		Unauthorized expenditure due to execution of Non-BOQ items	614,176
261.	29		Unauthorized payments from developmental fund on non-developmental activities	424,300
262.	30		Loss due to non-conversion of current bank accounts into PLS mode	3,016
263.	31		Overpayment due to allowing PCC 1:2:4 beyond the length of PCC 1:4:8	857,661
264.	32		Non-imposition of penalty for non-completion of works	215,000
265.	33		Irregular appointment of staff during bane period and un-authorized payment of salaries	11,232
266.	34		Irregular and un-authorized expenditure on account of advertisement	8,250
267.	01	CEO Water Supply & Sanitation in	Doubtful expenditures on account of supply and installation of hand washing stations	3,760
268.	02		Wasteful expenditures on account of	23,544

		Peshawar (WSSP)	replacement of burnt meters	
269.	04		Irregular and wasteful expenditure on account of purchase of mini dumpers	28.680
270.	06		Irregular expenditure on account of Pay and Allowance	6.303
271.	07		Irregular and doubtful expenditure	905,909
272.	08		Irregular and doubtful expenditure on account of replacement of rusted pipes and loss to Government due to overpayment	6.745 421,192
273.	09		Irregular and doubtful expenditure due to defective tendering	11.809
274.	12		Non-recovery of water charges from authorities	83.453
275.	13		Loss to government due to non-deposit of taxes	7.644
276.	16		Irregular opening and operation in more than three Bank accounts	
277.	17		Non-payment of HRA deducted from employee to TMAs	5.615
278.	18		Irregular payment of Car monetization	1.000
279.	20		Less deduction of Income tax	129,857
280.	21		Irregular tendering process and unnecessary hiring of vehicle from outsource	28.034
281.	22		Irregular tendering process of AMOR (Electrical & Mechanical)	41.245
282.	24		Non-deduction of stamp duty and DPR and less deduction of stamp duty	0.378 8,450
283.	25		Over payment to contractors due to non-deduction of void	68,363
284.	26		Non-conducting concrete strength of Plain Cement Concrete	10.597
285.	27		Irregular payment	3.379
286.	28		Overpayment due to Unauthorized payment of incorrect item to contractor	0.267
287.	30		Non-payment of rent of office building and utility charges	4.989

Annex-2
Para 2.5.2.3

Details of non-supply of medicines & non-imposition of penalty

S.No	Cheque No	Cheque Date	Name of Firm	Gross amount	Cost Center
1	985524	19/6/2020	M/S Paktex Industries	270,317	6594
2	983538	13/5/2020	M/S CIRIN Pharma	147,662	6594
3	984568	#####	M/S Agfa Pakistan	161,000	6596
4	985903	19/6/2020	M/S Ipram International	1,025,500	6598
5	985560	19/6/2020	M/S Getz Pharma	441,800	6598
6	985626	19/6/2020	M/S GSK	435,931	6598
7	984957	17/6/2020	M/S Nabiqasim Industries	892,555	6598
8	914368	18/2/2020	M/S Benson Pharma	33,600	6599
9	985626	19-06-2020	M/S GlaxoSmithclin	461,960	
Total				3,870,325	

Annex-3
Para 2.5.2.4

Details of purchase of furniture by DC Peshawar

S/ No	Nature of machinery purchased	Name of supplier	Cheque No	Dated	Amount Paid Rs
1	Revolving chair	Pervez Muhammad	-	-	45,000
2	Office visiting chair	Pervez Muhammad	-	-	27,000
3	Executive Chair + tea pots	Worldwide Associates			98,000
4	Executive Chair + center Table	Worldwide Associates	-	-	98,000
5	Revolving + visiting chairs	Pervez Muhammad	-	-	49,500
6	Steel file rack + 4 draws	Pervez Muhammad	-	-	49,800
7	Office furniture	Pak German Wood	0912168	30.10.19	2,623,016
8	Net Curtains with installation	Wordwide Associate			15,000
9	Revolving chair	Syed Musawir Shah			15,600
	Center table set 03 piece	-do-			46,200
	Vertical blinds	Modvez interior Dec			13,500
	Vertical blinds	Wordwide Associate			14,000
	Curtains panels vertical blinds	Malik Enterprises			10,500
	04 Office tables	Pak German Wood			596,316
	Wood chak curtains	Malik Enterprises			6,000
	Executive chair	Malik Enterprises			21,500
	Steel Alamirahs	-do-			37,000
	10 Visitors Chairs	-do-			75,000
	12 Visitors Chairs	-do-			90,000
	12 Visitors Chairs	-do-			90,000
	10 Visitors Chairs	-do-			75,000
	Sofa Set 05 seats	Pervez Muhammad			49,850
	Nesting + Center table set	-do-			40,500
	Office tables	-do-			45,000
	Computer chair + table	Malik Enterprises			39,000
	Steel Alamirahs	-do-			44,000
	Office table	-Do-			36,000
	Executive chair + coat hanger	-Do-			29,500
	Office table + cooking burner + office ball+ dustbins	-Do-			44,650
Total					4,424,432

S/ No	Nature of machinery purchased	Name of supplier	Cheque No	Dated	Amount Paid Rs
1	HP Desktop core i5	Panasonic Office Product Peshawar	0911789	18.10.19	99,600
2	HP Desktop core i5	Panasonic Office Product Peshawar	0911789	18.10.19	99,600
3	Ceiling + pedestal fans	Malik enterprises	-	-	15,000
4	Vacum cleaner	-do-	-	-	23,800
5	UPS + Battery	Panasonic Office Product Peshawar	-	-	68,640
6	Boya microphone with accessories	Amjad& Brothers	0912775	10.12.19	24,850
7	Bio-metric system	-do-	-do-	-do-	74,800
8	Coffee maker machine	Wordwide Associate	-	-	40,000
9	Electric Gyeser 10 liters	-do-	-	-	31,500
	Electric Gyeser 25 gallon	-do-	-	-	36,000
	New intercom	Pearl Business System	-	-	41,000
	New intercom	Pearl Business System	-	-	47,000
	Color Camera	Malik Enterprises	-	-	9,980
	Coffee maker machine	-do-			3,500
	Panasonic Fax Machine	Panasonic Office Product Peshawar	-	-	93,000
	CCTV Camera	Pearl Business System	-	-	49,500
	HDD Hard disk	-do-	-	-	28,000
	CCTV Camera	-do-	-	-	47,300
	Wiring for new intercome	-do-	-	-	27,500
	Water Dispenser	Malik Enterprises	0992999	14.4.20	29,500
	Split Air Conditioner 1.5	Worldwide Associates	-	-	26,500
	Split Air Conditioner 1.5 Inverter	Worldwide Associates	-	-	97,000
	-do-	Malik Enterprises	0992999	14.4.20	98,000
	Micro oven for tea	-do-	0992999	14.4.20	24,900
	LED 55"	Worldwide Associates	-	-	83,900
	Split Air Conditioner 1.5 Inverter	Worldwide Associates	-	-	99,000
	-Do-	-Do-	-Do-	-Do-	98,000
	Installation of split AC	-Do-	-Do-	-Do-	28,000
	Split Air Conditioner 1.5 Inverter	Worldwide Associates	-	-	97,900
	Installation of split AC	-Do-	-Do-	-Do-	29,100
	Installation of split AC	-Do-	-Do-	-Do-	29,000
	UPS Homage	-Do-	-Do-	-Do-	98,999
	Split Air Conditioner 1.5 Inverter	Malik Enterprises	-Do-	-Do-	98,500
	05 Photostat Machines	Panasonic Office	-	-	1,074,984

		Product Peshawar			
	2 pedestal fans	Pervez Muhammad	-	-	26,500
	Water dispenser	Pervez Muhammad	-	-	21,500
					2,921,853

Annex-4

Para 2.5.3.4

Non-acquisition and non-mutation of land

S.No	Name of Scheme	Award issuance to Tehsildar Peshawar date Letter No & date	Cost of Land
1	Acquisition of land for the construction of watch tower PehlwananoPulmouzaTehkalPayan Tehsil & district Peshawar.	18419-22/DC/LAC(NTA)886/P dated 28-08-2019	16,588,199
2	Acquisition of land for the dualization of UrmarPhandu road taking off from JamilChowk at mouzaFatuKhel Tehsil and district Peshawar	646-47-22/DC/LAC(NTA)913/P dated 13-01-2020	7,681,484
3	Acquisition of land for construction of watch tower mouzaBazidkhel district Peshawar	16822-/DC/LAC(NTA)887/P dated 27-06-2019	1,151,565
4	Acquisition of land for construction of watch tower Gul Bara mouzaSulemanKhel district Peshawar	3845-46-/DC/LAC(NTA)890/P dated 28-02-2020	749,945
5	Acquisition of land for construction of watch tower MashoGulmouzaMashoKhel district Peshawar	16824/DC/LAC(NTA)889/P dated 27-06-2019	795,076
6	Acquisition of land for construction of watch tower JavedshaheedmouzaPalosaiTalarzai Tehsil & district Peshawar	DC/LAC(NTA)902/P dated 22-06-2019	1,763,109
7	Acquisition of land widening & improvement of road from Mufti Mahmood flyover up to Budai bridge mouzaLarama Tehsil & district Peshawar	16810-16/DC/LAC(NTA)803/P dated 31-07-2019	15,520,497
Total			44,249,875

Annex-5

Para 2.5.1.6

Detail of purchases of vehicles Town-I Peshawar

Item Name	Contractor	Qty.	Total Amount (Rs)
Suzuki cultus VXL 1000 cc	Suzuki Peshawar Motors	2	3490,000
Total			3,490,002

Detail of purchases of machinery/vehicles Town-II Town-I Peshawar

Item Name	Contractor	Qty.	Cheque No. & date	Total Amount
Tractors NH 480	Al Ghazi Tractor	03	<u>A-557097</u> 09.06.2020	2,756,250
Hydraulic Trolley	-do-	02	-do-	943,634
Front End Loader	-do-	03	-do-	1,728,168
T.Mounted Back Hoe	-do-	01	-do-	768,075
Canopy (Sun Shade)	-do-	06	-do-	110,034
Hitch (Hook)	-do-	03	-do-	40,158
Tractors 385	Millat Tractors	03	<u>A-557098</u> 09.06.2020	4,284,000
Isuzu Truck	Isuzu Federal Motors	01	<u>36318923</u> 29.06.2020	3,150,000
Total				13,780,319

Annex-6**Para 3.5.3.1****Details of non-recovery of withholding Tax from contractor**

S #	Source of Income	Actual recover 2019-20	10% withholding tax
1	Market Fee	5,205,000	520,500
2	License Fee food & Drinks	1,286,000	128,600
3	Sign Board Fee	600,000	60,000
4	Cattle Fair Badhaber	2,375,200	237,520
5	Cattle Fair Urmar	300,000	30,000
6	Pick & Drop Karachi stop	345,600	34,560
7	Parking Stand Pandu	248,140	24,814
8	Parking Stand SabziMandi	28,000	2,800
9	Fines/ Miscellaneous	1,868,237	186,824
10	Parking Stand Urmar	226,060	22,606
	Parking Stand Badhaber	0	0
13	Parking Stand Mattani	401,500	40,150
14	Parking Stand Musazai	10,790	1,079
15	Bhoosa Tall	128,270	12,827
	Total	9,837,761	1,302,280

Details of unauthorized payment of salaries of suspend employees

Month	T.O. Finance	ATOF	ATOI	ATOI
July 2019	139,268	41,417	x	x
August 2019	139,201	41,500	x	x
September 2019	139,201	41,500	x	x
October 2019	139,201	41,500	x	x
November 2019	139,201	41,500	x	x
December 2019	142,430	43,476	x	x
January 2020	142,430	43,476	x	x
February 2020	142,430	43,476	x	x
March 2020	142,430	43,476	24,389	24,389
April 2020	142,430	43,476	53,804	53,804
May 2020	142,430	43,476	53,804	53,804
June 2020	142,430	43,476	53,804	53,804
Total	1,693,082	511,749	185,801	185,801

Annex-8**Para 4.5.1.1****Detail of Unspent balance lying in designated bank A/Cs of NC / VC**

S.No	NC/VCNo.	Name of NC/VC	Available Budget	Expenditure	Closing balance
1.	NC-73	Shaheen Muslim Town	6,007,965	2,502,331	3,505,634
2.	NC-22	Abaseen	6,427,466	2,012,020	4,415,446
3.	VC-178	NawaKilli	4,509,527	3,364,452	1,145,075
4.	NC-62	Zargarabad	5,313,101	2,412,296	2,900,805
5.	NC-118	-	6,746,122	4,956,312	1,789,810
6.	NC-89	Civil Quarters	5,499,966	1,596,898	3,903,068
7.	NC-58	-	6,620,429	2,398,779	4,221,650
8.	VC-142	BazidKhel	4,577,991	2,130,784	2,447,207
9.	VC-156	Badhber	3,909,809	1,248,287	2,661,522
10.	VC-333	GarangaBala	2,044,187	906,707	1,137,480
11.	NC-119	Malakander	2,847,553	1,649,422	1,198,131
12.	VC-160	Darwazgai	7,071,984	4,221,885	2,850,099
13.	NC-16	Khan Mast Colony	7,253,608	5,373,128	1,880,480
14.	VC-293	GarhiChandan	4,039,876	2,651,771	1,388,105
Total			72,869,584	37,425,072	35,444,512

Annex-9**Para 4.5.1.5****Detail of bank profit realized by different VCs/NCs**

S.#	VC/NC	Bank	Account No.	Year				Total profit
				2016-17	2017-18	2018-19	2019-20	
1	NC-78	BOK	01107-00-3	0	0	0	399,541	399,541
2	NC-45	BOK	00773004	84,293	139,967	336,860	491,087	1,052,207
3	NC-46	BOK	00771007	73,799	119,018	274,515	438,958	906,290
4	NC-52	BOK	00866000	73,630	135,634	235,827	348,957	581,803
5	NC-284	NBP	4111772259	65,000	111,040	106,770	35,580	318,390
Total								2,734,608

Annex-10
Para 5.5.1.2

Detail of furniture purchased during 2019-20

S.No	Date	BPV No	Supplier	Cheque No & Nature of purchased items	Amount
1	09/30/2019	BPV-344	H F Interiors	Chq#36095049 Purchase of Front Desk for the LCB Lobby for Security Guards	13,360
2	10/31/2019	BPV-379	H F Interiors	Chq # 37080686 Installation of Notice board in WSSP Head office	14,169
3	11/11/2019	BPV-518	H F Interiors	Chq # 37080718 Supply of furniture of KPBOIT office space	306,970
4	02/20/2020	BPV-896	Inter Wood MobilPvt Ltd	Chq#38055807 Supply of office furniture for Sr.Mgr MIS	94,213
5	09/30/2019	BPV-344	H F Interiors	Chq#36095049 Purchase of Front Desk for the LCB Lobby for Security Guards	16,500
6	10/31/2019	BPV-379	H F Interiors	Chq # 37080686 Installation of Notice board in WSSP Head office	17,500
7	11/11/2019	BPV-518	H F Interiors	Chq # 37080718 Supply of furniture of KPBOIT office space	367,600
8	02/20/2020	BPV-896	Inter Wood MobilPvt Ltd	Chq#38055807 Supply of office furniture for Sr.Mgr MIS	97,033
9	09/11/2019	BPV-272	H F Interiors	Chq# 36094872 Supply of Office furniture for head office	2,249,639
10	09/11/2019	BPV-272	H F Interiors	Chq# 36094872 Supply of Office furniture for head office	1,821,534
Total					4,998,518