



**AUDIT REPORT  
ON THE ACCOUNTS OF  
TEHSIL MUNICIPAL ADMINISTRATION,  
IN DISTRICT DIR LOWER**

**KHYBER PAKHTUNKHWA**

**AUDIT YEAR 2016-17**

**AUDITOR GENERAL OF PAKISTAN**

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## **ABBREVIATIONS AND ACRONYMS**

AD	Assistant Director
ADP	Annual Development Programme
AP	Advance Para
CMD	Chief Minister Directives
CPWA Code	Central Public Works Account Code
CPWD Code	Central Public Works Department Code
CSR	Composite Schedule of Rate
DAC	Departmental Accounts Committee
DC	Deputy Commissioner
DG	Director General
GFR	General Financial Rules
IPSAS	International Public Sector Accounting Standards
LCB	Local Council Board
LGO	Local Government Ordinance
LGE&RDD	Local Government Election and Rural Development Department
MB	Measurement Book
MFDAC	Memorandum for Department Accounts Committee
MRS	Market Rate System
NC	Neighborhood Council
PAO	Principal Accounting Officer
PATA	Provincially Administrated Tribal Area
PC-I	Planning Commission Document-I
PCC	Plain Cement Concrete
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
VCs	Village Councils
WSS	Water Supply Scheme
ZAC	Zila Accounts Committee

## 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 Fund of Tehsil/Town Municipal Administrations.

The report is based on audit of the accounts of TMAs in District Dir Lower for the financial year 2015-16. The Directorate General of Audit, District Governments, Khyber Pakhtunkhwa conducted audit on test check basis during 2016-17 with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit finding. Relatively less significant issues are listed in the **Annex-1** of the Audit Report. The Audit Observations listed in the **Annex-1** shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the Audit observation will be brought to the notice of Public Accounts Committee 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.

The observations included in this Report have been finalized in the light of written replies of the departments. However, in some observations, department did not submit written replies. DAC meetings were not convened despite repeated requests.

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

Islamabad  
Dated:

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

## EXECUTIVE SUMMARY

The Directorate General Audit, District Governments, Khyber Pakhtunkhwa carries out the audit of all Tehsil Municipal Administrations and Town Municipal Administrations. The Regional Directorate of Audit Swat, on the behalf of the DG District Governments Audit, Khyber Pakhtunkhwa carries out the audit of District Governments, Tehsil Municipal Administrations and VCs/NCs of five Districts i.e. Swat, Shangla, Dir Lower, Dir Upper and Chitral respectively.

The Regional Directorate of audit Swat has a human resource of 07 officers and staff with the total of 1750 mandays. The annual budget amounting to Rs 10.618 million was allocated to the RDA during financial year 2016-17. The directorate is mandated to conduct regularity (financial attest audit and audit of compliance with authority audit) and performance audit of programmes and projects.

Tehsil Municipal Administrations Timergara, Balambat, Khall, Lalqila, Munda, Samarbagh & Chakdara in District Dir lower perform their functions under Khyber Pakhtunkhwa Local Government Act 2013. Each TMA has one Principal Accounting Officer (PAO) as provided in Rule 8(1P) of the Khyber Pakhtunkhwa Tehsil and Town Municipal Administration Rules of Business 2015. Financial provisions of the Act establish a Local fund for each Tehsil and Town Administration for which Annual Budget Statement is authorized by the Tehsil and Town Council in the form of budgetary grants.

### **a. Scope of Audit**

The total expenditure of the TMAs Timergara, Balambat, Khall, Lalqila, Munda, Samarbagh & Chakdara in District Dir lower for the Financial Year 2015-16 was Rs 169.036 million. Out of this, RDA Swat audited an expenditure of Rs 133.319 million which, in terms of percentage, was 78.87% of auditable expenditure.

The receipts of TMAs Timergara, Balambat, Khall, Lalqila, Munda, Samarbagh & Chakdara in District Dir lower for the financial year 2015-16 was

Rs 105.673 million. Out of this, RDA Swat audited receipts of Rs 36.996 million which, in terms of percentage, was 35.01 % of auditable receipts.

The total expenditure and receipts of TMAs Timergara, Balambat, Khall, Lalqila, Munda, Samarbagh & Chakdara in District Dir lower for the Financial Year 2015-16 was Rs 274.709 million. Out of this, RDA Swat audited transactions of Rs 170.315 million which, in terms of percentage, was 61.998% of auditable amount.

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

Recoveries of Rs 17.770 million was pointed out during the audit. However, no recovery was effected till the finalization of this report. Out of the total recoveries, Rs 12.090 million was not in the notice of the executive before audit.

**c. Audit Methodology**

Audit was conducted after understanding the business processes of TMAs, District Dir Lower, with respect to its functions, control structure, prioritization of risk areas by determining their significance and identification of key controls. This helped auditors in understanding the systems, procedures, environment, and the audited entity before starting field activity. Audit used desk audit techniques for analysis of compiled data and review of permanent files/record. Desk Audit greatly facilitated identification of high-risk areas for substantive testing in the field.

**d. Audit Impact**

Audit pointed out various irregularities of serious nature. Cases related to weak internal were also pointed out to which management has been sensitized. In certain cases management has taken action which may further be verified. In cases of recovery management has issued orders for recovery. However, no impact was visible as the management failed to reply and the irregularities could not come to the light in the proper forum i.e. DAC.

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

The purpose of internal control system is to ensure effective operation of an organization. It consists of measures employed by the management to achieve objectives, safeguard assets, ensure accuracy, timeliness and reliability of financial and accounting information for decision making.

Another basic component of Internal Control System, as envisaged under section 37(4) of LGA 2013, is internal audit which was not found in place in the domain of TMAs.

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

- i. Non-production of record of Rs 2.00 million was noticed in one case<sup>1</sup>.
- ii. Irregularities & non-compliance of Rs 154.430 million were noticed in twenty two cases.<sup>2</sup>
- iii. Weak internal control of Rs 11.740 million were noticed in six cases.<sup>3</sup>

**g. Recommendations**

- i. Disciplinary actions need to be taken against the officers/ officials responsible for non production of record.
- ii. Enquiries on urgent basis to be initiated against the responsible officers and officials.
- iii. All sectors of TMAs need to strengthen internal controls i.e. financial, managerial, operational, administrative and accounting controls etc to ensure that reported lapses are pre-empted and fair value for money is obtained from public spending.

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<sup>1</sup> 1.8.1.1

<sup>2</sup> 1.2.1.1, 1.2.1.2, 1.2.1.3, 1.2.1.4, 1.2.1.5, 1.2.1.6, 1.3.1.1, 1.3.1.2, 1.3.1.3, 1.4.1.1, 1.4.1.2, 1.4.1.3, 1.5.1.1, 1.5.1.2, 1.5.1.3, 1.6.1.1, 1.6.1.2, 1.6.1.3, 1.7.1.1, 1.7.1.2, 1.7.1.3, 1.8.2.1

<sup>3</sup> 1.2.2.1, 1.2.2.2, 1.2.2.3, 1.3.2.1, 1.4.2.1, 1.6.2.1



## SUMMARY TABLES & CHARTS

### I: Audit Work Statistics

(Rs in million)

S.No	Description	No.	Budget
1	Total Entities (PAOs) in Audit Jurisdiction	07	274.709
2	Total formations in audit jurisdiction	07	274.709
3	Total Entities(PAOs) Audited	07	170.315
4	Total formations Audited	07	170.315
5	Audit & Inspection Reports	07	170.315
6	Special Audit Reports	-	-
7	Performance Audit Reports	-	-
8	Other Reports	-	-

### II: Audit Observations classified by Categories

(Rs in million)

S.No.	Description	Amount Placed under Audit Observation
1.	Unsound asset management	-
2.	Weak financial management	154.430
3.	Weak Internal controls	11.740
4.	Others	2.00
	<b>Total</b>	<b>168.17</b>

### III : Outcome Statistics

(Rs in million)

S. No	Description	Expenditure on Acquiring Physical Assets Procurement	Civil Works	Receipts	Others	Total For the year 2015-16	Total for the year 2014-15
1.	Outlays Audited	-	94.348	36.996	38.971	170.315	331.855
2.	Amount Placed under Audit Observation /Irregularities of Audit	-	93.45	11.55	63.17	168.17	152.625
3.	Recoveries Pointed Out at the instance of Audit	-	7.720	4.050	6.00	17.770	37.034
4.	Recoveries Accepted /Established at the instance of Audit	-	6.550	-	5.680	12.23	-
5.	Recoveries Realized at the instance of Audit	-	-	-	-	-	-

**Note:** - The outcome figures reported for the year 2014-15 pertain to the Municipal Committees audited last year. Since PAOs are the same therefore, these amounts have been included here to show cumulative effect against the PAOs.

**IV: Irregularities pointed out)****(Rs in million)**

<b>S. No</b>	<b>Description</b>	<b>Amount Placed under Audit Observation</b>
1	Violation of Rules and regulations, principle of propriety and probity in public operation	145.24
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	-
3	Accounting Errors (accounting policy departure from NAM <sup>4</sup> , misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	-
4	Quantification of weaknesses of internal control systems.	8.7
5	Recoveries and overpayment, representing cases of establishment overpayment or misappropriations of public monies	12.23
6	Non-production of record	2.00
7	Others, including cases of accidents, negligence etc.	-
	<b>Total</b>	<b>168.17</b>

**V : Cost benefit****(Rs in million)**

<b>S #</b>	<b>Description</b>	<b>Amount</b>
1	Outlays Audited (item 1 of Table 3)	170.315
2	Expenditure on audit	0.440
3	Recoveries realized at the instance of audit	0
	Cost-Benefit Ratio	1:0

# CHAPTER-1

## 1.1 Tehsil Municipal Administrations District Dir Lower

### 1.1.1 Introduction

District Dir Lower has seven TMAs i.e. Timergara, Balambat, Khall, Lalqila, Munda, Samarbagh & Chakdara. Tehsil office is managed by a Tehsil Municipal Officer. Each Tehsil has its own Tehsil Officer (Finance), Tehsil Officer (Infrastructure) and Tehsil Officer (Regulation). The functions and powers of Tehsil municipal administration shall be to-

- (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 programmes;
- (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;
- (r) Authorize officers to issue notice, prosecute, sue and follow up criminal, civil and recovery proceedings against violators of municipal laws; and
- (s) Prepare financial statements and present them for audit.

### 1.1.2 Comments on Budget and Accounts (variance analysis)

The budget and expenditure position of Tehsil Municipal Administrations in District Dir Lower for the year 2015-16 is as under

**(Rs in million)**

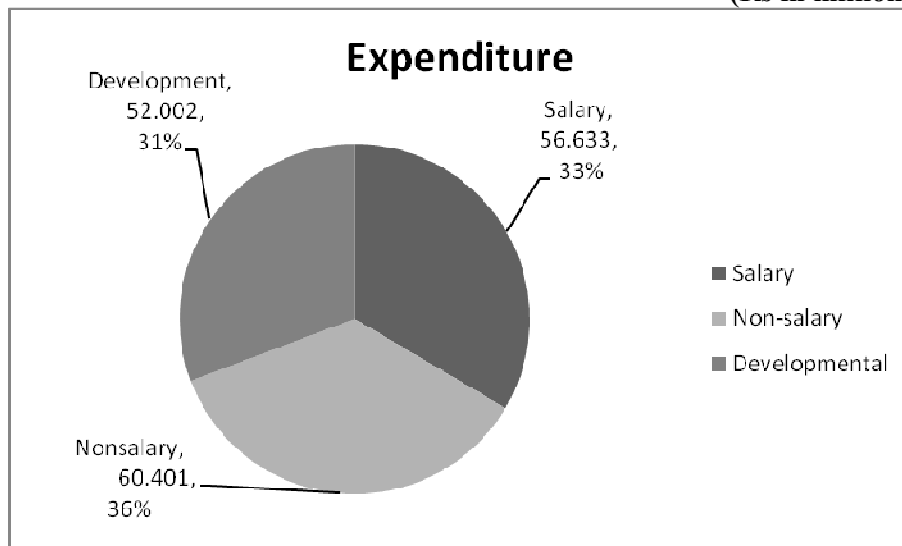
2015-16	Budget	Expenditure	(+)Excess/(-)Saving	Percentage
Salary	85.173	56.633	-28.540	34%
Non-salary	85.694	60.401	-25.293	30%
Developmental	329.979	52.002	-277.977	84%
<b>Total</b>	<b>500.846</b>	<b>169.036</b>	<b>-331.810</b>	<b>66%</b>

2015-16	Budgeted Receipts	Actual Receipts	Variation	%age
	115.623	105.673	9.95	8.605

The savings of Rs 331.810 million indicates weakness in the capacity of these local institutions to utilize the amounts allocated budget.

## Expenditure 2015-16

(Rs in million)



### 1.1.3 Comments on the status of Compliance with PAC Directives

The Audit Reports pertaining to Financial Years 2009-10 to 2014-15 on accounts of Tehsil Municipal Administration/Municipal Committees have not been discussed in PAC/ZAC. The Provincial Assembly Khyber Pakhtunkhwa has returned the Audit Reports during February, 2017 with the remarks that the same may be examined by respective Accounts Committees as provided under Khyber Pakhtunkhwa Local Government Act, 2013.

## **TMA TIMERGARA**

## **1.2 Audit Paras Tehsil Municipal Administration Timergara**

### **1.2.1 Irregularities & non compliance**

#### **1.2.1.1 Irregular cash payment of pay & allowances – Rs 31.611 million**

According to para 4.6.3.1 of Accounting Policies and Procedure Manual, the normal method of payment of monthly salaries of all government employees shall be by credit transfer direct to a bank account nominated by the employee. This is the most secure and economical method of payment and it automatically ensures that recipients have access to their salary on the due date. Moreover, direct credit has tangible advantages, over payment by cheque or cash, against risks of theft or fraud.

TMO Timergara Dir Lower paid Rs31,610,804 on account of pay & allowances to the staff through DDO instead of payment through direct to their bank accounts during the year 2015-16. Hence, disbursements through cash, actual payments to the concerned could not be verified and chances of misappropriation could not be ruled out. Detail is given at Annex-3.

Irregular cash payment occurred due to lack of financial control, which resulted in violation of Government rules.

The irregularity was pointed out to the management in January 2017, management replied that all the officers and officials have been directed to open their bank accounts. The salaries would be transferred to their bank accounts and progress would be shown to audit. Reply was not convincing as progress was not shown to audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

Audit recommends regularization of payment and action taken against the person (s) at fault.

**AIR Para No. 27(2015-16)**



**1.2.1.2 Overpayment due to allowing excess quantities than approved in technical sanction - Rs 3.484 million**

According to Para 71 CPWD Code, an officer of the Public Works Department may pass excess over estimates provided that the excess is not more than 5% of the amount sanctioned. The Sub Divisional Officer, before making payments to the contractors is required to compare the quantities in the bills and see that all the quantities and rates are correctly entered and that all the calculations have been checked arithmetically as per Para 220 and 221 of CPWA Code.

TMO Timergara Dir lower paid Rs 3,483,970 to a contractor for the item PCC (1:2:4) in excess of technical sanction in four (4) various works. Detail is given below:

Sno	Name of work	Paid quantityM <sup>3</sup>	TS quantity M <sup>3</sup>	Difference	Rate (Rs)	Amount (Rs)
1	Pav: of streets mian banda	785.02	730.44	54.58	7000	382,060
2	Pav: of streets shangrai bala/payeen	469.93	436.67	33.26	7000	232,820
3	Pav: of streets Quartaro	795.29	659.06	136.23	7000	953,610
4	Pav: of streets koz kalay	1004.1	730.46	273.64	7000	1,915,480
Total						3,483,970

Overpayment occurred due to weak financial control, which resulted in loss to Government.

The irregularity was pointed out to the management in January 2017, management replied that the work is in running condition, necessary adjustments would be made and overpayment would be regularized as per technical sanction. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 30 (2015-16)**

**1.2.1.3 Non deduction of Professional tax, stamp duty, DPR fund and Income Tax – Rs 1.489 million**

According to Finance Act 2014, Professional tax is recoverable at the following rate from contractors.

S.No	Range of Professional Tax	Rate of professional tax (Rs)
1	when exceed Rs.10,000 but not exceed Rs. 0.5 million	4000
2	when exceed Rs.0.5 million but not exceed Rs.1 million	5000
3	when exceed Rs.1.50 million but not exceed Rs.2.500 million	7000
4	when exceed Rs.2.500 million but not exceed Rs.10 million	18000
5	when exceed Rs.10 million but not exceed Rs.25 million	25000
6	when exceeding Rs.25 million but not exceeding Rs.50 million	30000
7	when exceeding Rs.50 million	100000

According to Para 8 of GFR Vol-I, it is the duty of the Revenue or Administrative Department concerned to see that the dues of Government are correctly and promptly assessed collected and paid into the treasury. According to Section-11 of the Disabled Persons (Employment & Rehabilitation) Ordinance 1981 and Disabled Persons (Employment & Rehabilitation) Rules 1991 made there under. It is the legal responsibility of all principal Officers of each establishment/ Organization to deduct @ 2000 from the bill to be made to contractors/ firms who have completed business of one million and above in a financial year.

According to Revenue Division Federal Board of Revenue Islamabad Circular No. 4 (18) R&S/2015 dated 24.07.2015 salaried individuals may be charged as per given schedule with effect from 1<sup>st</sup> July, 2015.

SNo.	Taxable Income	Rate of Tax
1	Taxable Income does not exceed Rs. 400,000	0%
2	Taxable Income exceeds Rs400,000 but does not exceed 500,000	2% of the amount exceed 400000
3	Taxable Income exceeds Rs500,000 but does not exceed 750,000	Rs2000 +5% of the amount exceed 500000
4	Taxable Income exceeds Rs750,000 but does not exceed 1,400,000	Rs14500 +10% of the amount exceed 750000
5	Taxable Income exceeds Rs1,400,000 but does not exceed 1,500,000	Rs79500 +12.5% of the amount exceed 1400000
6	Taxable Income exceeds Rs1,500,000 but does not exceed 1,800,000	Rs92000 +15% of the amount exceed 1500000
7	Taxable Income exceeds Rs1800,000 but does not	Rs137000 +17.5% of the amount exceed

	exceed 2,500,000	1800000
8	Taxable Income exceeds Rs2500,000 but does not exceed 3,000,000	Rs259500 +20% of the amount exceed 2500000

TMO Timergara Dir Lower did not deduct Rs 1,488,635 on account of Professional Tax, Stamp Duty, DPR fund and Income Tax from the contractors during the year 2015-16 which resulted in loss to the Government. Detail is given in Annex - 4.

Non deduction of professional tax occurred due to weak internal control, which resulted in loss to Government.

The irregularity was pointed out to the management in January 2017, management replied that the same would be deducted from the concerned contractors and be credited to the relevant head of account. Reply was not convincing as documentary evidence was not shown to audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 33, 34, 35, 39(2015-16)**

#### **1.2.1.4 Overpayment due to allowing inadmissible rate – Rs 1.174 million**

According to rate analysis of MRS 2015, item No (24-30-a-01) providing and laying HDPE pipe din-/din-/ISO-4427 includes testing and disinfect complete 20 mm dia. The rate includes 48.54% labour charges.

According to standards/specifications 1975, Providing, laying, cutting, jointing, testing and disinfecting HDPE pipe Din-8074/8075/ISO-4427 line in trenches including carriage to site of work and also including excavation and refilling. Cost of all specials.

TMO Timergara overpaid Rs 1,173,699 on account of HDPE pipes due to allowing full rate instead of excluding labour rate during 2015-16. The pipes

were not installed and only distributed among the local community as evident from their written statements. Therefore, payment was required to be made on reduced rates, which was not done. Detail is given at Annex - 5:

Overpayment occurred due to weak financial control, which resulted in loss to Government.

The irregularity was pointed out to the management in January 2017, management replied that the works had been carried out as per standard specification. The pipes had been properly installed including exaction and refilling. MRS 2015 rates had been given. The question of exclusion of labour rate does not arise. Reply was not convincing as documentary evidence in support of reply was not shown to audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 38(2015-16)**

**1.2.1.5 Unauthentic payment without having record entry in MB – Rs 1.027 million**

According to Para 209 (d) of CPWA Code, it is incumbent upon the person, responsible for measurements in the measurement book (MB), to record the correct and actual figures.

TMO Timergara Dir Lower paid Rs 1,027,000 to the contractors vide cheque No 371877 and cheque No 371880 dated 21-06-2016. However, necessary entries in this regard in relevant MB were not found. Detail is given below:

S. No	Name of work	Name of contractor	Amount(Rs)
1	DWSS Shekoli	M/S Rabat Construction	99,000
2	DWSS at Peto	M/S Imranullah	928,000
		Total	1,027,000

Unauthentic payment occurred due to weak financial control, which resulted in violation of rules.

The irregularity was pointed out to the management in January 2017, management replied that the work had been recorded in MB No 36/50 but due to clerical mistake the MB No was written 31/50 instead of 36/50. Reply was not convincing as record entry was not shown to audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not be convened till finalization of this report.

Audit recommends corrective action and condonation by the competent forum under intimation to audit.

**AIR Para No. 37(2015-16)**

**1.2.1.6 Non deposit of forfeited earnest money and income tax – Rs 0.817 million**

According to Para 8 of GFR Vol-I, it is the duty of the Revenue or Administrative Department concerned to see that the dues of Government are correctly and promptly assessed collected and paid into the treasury.

According to Para 28 of GFR Vol-I, No amount due to Government should be left outstanding without sufficient reason and where any dues appear to be irrecoverable; the orders of competent authority for their adjustment must be sought.

TMO Timergara Dir Lower forfeited earnest money amounting Rs 736,500 from contactors during the year 2015-16 and kept the amount in the UBL bank account No. 21339382-9 instead of crediting to Government revenue. Detail is given in Annex - 6:

Moreover, income tax of Rs 80,000 was collected from a contactor vide LC-5 189/20-21 and kept the amount in the bank account No. 1756-001 instead of crediting to the Income Tax department. Detail is given below:

S.No	LC-5 No	Date	Description	Amount(Rs)
1	189/20	15.6.2016	Income Tax	65,000
2	189/21	15.6.2016	Income Tax	15,000
Total				80,000

Non deposit of forfeited earnest money and income tax occurred due to lack of financial control, which resulted in loss to the Government.

The irregularity was pointed out to the management in January 2017, management replied that the amount of forfeited earnest money and income tax would be credited to the relevant head of account and challan would be shown to audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

Audit recommends deposit of the amount into Government revenue and action against the person(s) at fault.

**AIR Para No. 36, 32 (2015-16)**

## **1.2.2 Internal Control Weaknesses**

### **1.2.2.1 Non-recovery of outstanding water charges -Rs 3.687 million**

According to Para 8 of GFR Vol-I, it is the duty of the Revenue or Administrative Department concerned to see that the dues of Government are correctly and promptly assessed collected and paid into the treasury.

According to Para 28 of GFR Vol-I, No amount due to Government should be left outstanding without sufficient reason and where any dues appear to be irrecoverable; the orders of competent authority for their adjustment must be sought.

TMO Timergara Dir Lower did not recover water user charges amounting to Rs 3,687,400 from 3090 No's of consumers of drinking water supply schemes during financial Year 2015-16. Detail is given at Annex - 7.

Non-recovery of water charges occurred due to weak financial management, which resulted in loss to Government.

The irregularity was pointed out to the management in January 2017, management replied that efforts would be made to recover the outstanding amount from the concerned consumers and progress would be shown to audit. Reply was not convincing as recovery evidence was not shown to audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 31(2015-16)**

**1.2.2.2 Non recovery of penalty due to late deposit of monthly installment – Rs2.574 million**

According Para 6 of Government of Khyber Pakhtunkhwa Local Government and Rural Development Department Local Council Board letter No AO-II/LCB/6-11/2015 dated 1.6.2015, 2% penalty per day would be liable on contractor/ firm for late deposit of the monthly installment by 10<sup>th</sup> of each month to which installment relates, the contract may be canceled and his security and advances deposited by the contractor shall be forfeited.

TMO Timergara Dir Lower awarded 05 Nos of contracts to the contractors during the year 2015-16. The contractors failed to deposit monthly installments in due time as required under the terms and conditions stated above. The local office did not impose / recovered penalty of Rs 2,574,180 from the contractors. Detail is given at Annex - 8.

Non recovery of penalty occurred due to weak financial control, which resulted in loss to government.

The irregularity was pointed out to the management in January 2017, management replied that principal amount had been recovered during the same year. Moreover, Tehsil council was empowered to waive off penalty as per Government instructions. Reply was not convincing as neither penalty imposed nor the said Government instructions was shown to audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 29(2015-16)**

**1.2.2.3 Loss to Government due to non deposit of 3% RTA share of general bus stand- Rs1.801million**

According to Rule-259 Sub Rule (3) of West Pakistan Motor Vehicles Rules 1969, the Government share would be 3% of the gross receipt from fee shown by the TMA for a period of one year.



TMO Timergara Dir Lower did not deposit 3% RTA share amounting Rs 1,801,500 into government treasury during the years 2015-16. Detail is given below:

<b>Financial Year</b>	<b>Gross Income (Rs)</b>	<b>3% RTA Share amount (Rs)</b>
2015-16	60,050,000	1,801,500

Non deposit occurred due to weak financial control, which resulted in loss to Government.

The irregularity was pointed out to the management in January 2017, management replied that the basic facilities for the stand were provided by the TMA. Similarly the share was subject to be agreed by the RTA or TMA as per the said section, which had not been decided so far. Reply was not convincing as Government share of 3% of the gross receipt was not deposited into Government treasury. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

Audit recommends deposit of Government share into treasury under intimation to audit and action against the person (s) at fault.

**AIR Para No. 28 (2015-16)**

## **TMA BALAMBAT**

### **1.3 Audit Paras Tehsil Municipal Administration Balambat**

#### **1.3.1 Irregularities & non compliance**

##### **1.3.1.1 Irregular cash payment of pay & allowances – Rs 3.624 million**

According to para 4.6.3.1 of Accounting Policies and Procedure Manual, the normal method of payment of monthly salaries of all government employees shall be by credit transfer direct to a bank account nominated by the employee. This is the most secure and economical method of payment and it automatically ensures that recipients have access to their salary on the due date. Moreover, direct credit has tangible advantages, over payment by cheque or cash, against risks of theft or fraud.

TMO Balambat Dir Lower paid Rs 3,624,291 on account of pay & allowances to the staff through DDO instead of payment through direct credit to their bank account in violation of rules during the year 2015-16. Hence, disbursements through cash, actual payments to the concerned could not be verified and chances of misappropriation could not be ruled out. Detail is given at Annex-9.

Irregular cash payment occurred due to lack of financial control, which resulted in violation of Government rules.

The irregularity was pointed out to the management in February 2017, management replied that all the officers/officials have been directed to open their bank accounts and progress would be shown to audit. Reply was not convincing as progress was not shown to audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No. 44 (2015-16)**

### **1.3.1.2 Non utilization of developmental fund – Rs 26.416 million**

According to Para 2.22 (2) B&R Code, after receipt of administrative approval from the competent authority, the Divisional Officer/MO(I) will take up the preparation of the detailed estimate, TS and to start the work by the contractors as soon as funds are allotted.

TMO Balambat Dir Lower received developmental funds amounting to Rs 27,822,000 on account of Tehsil ADP vide transfer entry No 10008623 dated 31.5.2016. The local office utilized Rs 1,405,430 upto June 2016 leaving balance of Rs 26,416,570 as unutilized. The local area was deprived from the benefit of developmental activities.

Non utilization of fund occurred due to weak financial control, which deprived the people of the area from prospective benefits.

The irregularity was pointed out to the management in February 2017, management replied that sufficient funds had been utilized after 30.06.2016. Reply was not convincing as an amount of Rs 26,416,570 was remained unutilized during the year 2015-16. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 43(2015-16)**

### **1.3.1.3 Non deduction / deposit of forfeited earnest money, Professional tax and Stamp Duty –Rs 0.762 million**

According to Para 8 of GFR Vol-I, it is the duty of the Revenue or Administrative Department concerned to see that the dues of Government are correctly and promptly assessed collected and paid into the treasury.

According to Para 28 of GFR Vol-I, No amount due to Government should be left outstanding without sufficient reason and where any dues appear to

be irrecoverable; the orders of competent authority for their adjustment must be sought.

According to Finance Act 2014, Professional tax is recoverable at the following rate from contractors.

S. No	Range of Professional Tax	Rate of professional tax (Rs)
1	when exceed Rs.10,000 but not exceed Rs. 0.5 million	4000
2	when exceed Rs.0.5 million but not exceed Rs.1 million	5000
3	when exceed Rs.1.50 million but not exceed Rs.2.500 million	7000
4	when exceed Rs.2.500 million but not exceed Rs.10 million	18000
5	when exceed Rs.10 million but not exceed Rs.25 million	25000
6	when exceed Rs.25 million but not exceed Rs.50 million	30000
7	when exceed Rs.50 million	100000

TMO Balambat Dir Lower did not deduct / deposit Rs 762,000 on account of earnest money, Professional Tax and stamp duty from the contractors during the year 2015-16 which resulted in loss to government. Detail is given in Annex-10.

Non deduction/ deposit of earnest money, Professional Tax and stamp duty occurred due to weak internal control, which resulted in loss to Government.

The irregularity was pointed out to the management in February 2017, management replied that the same would be deducted and deposited into relevant head of account. Reply was not convincing as documentary evidence was not shown to audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 41, 40, 45(2015-16)**

### 1.3.2 Internal Control Weaknesses

#### 1.3.2.1 Non-recovery of outstanding water charges -Rs 2.002 million

According to Para 8 of GFR Vol-I, it is the duty of the Revenue or Administrative Department concerned to see that the dues of Government are correctly and promptly assessed collected and paid into the treasury.

According to Para 28 of GFR Vol-I, No amount due to Government should be left outstanding without sufficient reason and where any dues appear to be irrecoverable; the orders of competent authority for their adjustment must be sought.

TMO Balambat Dir Lower did not recover water user charges amounting to Rs 2,002,335 from 768 No's of consumers of drinking water supply schemes during financial Year 2015-16. Detail is given below:

S.NO	Name of Scheme	No of Connections	Rate Per Month (Rs)	Total outstanding Amount (Rs)
1	DWSS Kandaro	248	150	441,650
2	DWSS Stanadar Manzai	256	150	620,400
3	DWSS Khema	264	150	940,285
	<b>TOTAL</b>	<b>768</b>		<b>2,002,335</b>

Non-recovery of water charges occurred due to weak financial management, which resulted in loss to Government.

The irregularity was pointed out to the management in February 2017, management replied that efforts would be made to recover the outstanding amount from the concerned consumers and progress would be shown to audit. Reply was not convincing as recovery evidence was not shown to audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 42(2015-16)**

**TMA KHAL**

## **1.4 Audit Paras Tehsil Municipal Administration Khall**

### **1.4.1 Irregularities & non compliance**

#### **1.4.1.1 Non utilization of developmental fund – Rs 13.062 million**

According to Para 2.22 (2) B&R Code, after receipt of administrative approval from the competent authority, the Divisional Officer/MO(I) will take up the preparation of the detailed estimate, TS and to start the work by the contractors as soon as funds are allotted.

TMO Khall Dir Lower received developmental funds amounting to Rs 13,062,000 on account of Tehsil ADP vide transfer entry No 10007972 dated 15.5.2016. The local office failed to utilize the said amount upto June 2016. The local area was deprived of developmental activities.

Non utilization of fund occurred due to weak financial control, which deprived the people of the area from prospective benefits.

The irregularity was pointed out to the management in March 2017, management replied that due to dispute of the local councilors the funds were not utilized; now the works have started and would be completed during 2016-17. Reply was not convincing as public money was unnecessarily blocked and the people of the area were deprived from the benefits of developmental activities. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 49 (2015-16)**

#### **1.4.1.2 Unauthentic expenditure without pre-audit - Rs 2.219 million**

According to Clause 36 (2) (b) and (e) of the Khyber Pakhtunkhwa Local Government Act 2013, the Tehsil Accounts officer shall maintain accounts of the Tehsil Municipal administration. The Accounts Officers mentioned in clauses (b) shall perform pre-audit of all payments from the respective Fund before approving disbursements of monies.



TMO Khall Dir Lower incurred an expenditure of Rs 2,219,308 during the year 2015-16 under various heads without pre audit from Local Fund Audit which was contrary to the above rules. Therefore, the expenditure was held unauthentic. Detail is given at Annex-11.

Unauthentic expenditure occurred due to weak financial control which resulted in violation of Government rules.

The irregularity was pointed out to the management in March 2017, management replied that pre-audit would be done accordingly as per Government instructions and compliance would be made in future. Reply was not convincing as pre-audit was not carried out. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not be convened till finalization of this report.

Audit recommends condonation by the competent forum and future compliance.

**AIR Para No. 46(2015-16)**

- 1.4.1.3**
- i. Unauthorized purchase without adopting open tender system - Rs 0.287 million**
  - ii. Irregular cash payment of pay & allowances – Rs 0.890 million**

According to Rule 10 of Government of Khyber Pakhtunkhwa Public Procurement Regulatory Authority Procurement Rules 2014, the procuring entity shall use open competitive bidding as the principal method of procurement for the procurement of goods over the value of Rs 100,000.

According to para 4.6.3.1 of Accounting Policies and Procedure Manual, the normal method of payment of monthly salaries of all government employees shall be by credit transfer direct to a bank account nominated by the employee. This is the most secure and economical method of payment and it automatically ensures that recipients have access to their salary on the due date. Moreover, direct credit has tangible advantages, over payment by cheque or cash, against risks of theft or fraud.

TMO Khall Dir Lower incurred expenditure of Rs 287,400 on the purchase of various items during the year 2015-16. Open tender system was not adopted for competitive bidding as principal method of procurement through Director Information Khyber Pakhtunkhwa Peshawar. Detail is given at Annex-12.

Moreover, pay & allowances of Rs 889,735 was paid to the staff through DDO instead of payment through direct credit to their bank account in violation of rules.

Unauthorized purchase and Irregular cash payment occurred due to weak financial control, which resulted in violation of rules.

The irregularity was pointed out to the management in March 2017, management replied that quotations had been made for all the purchases in the local market and no open tender system adopted. All the officials have been directed to open their bank accounts for transfer of salaries to their bank accounts. Reply was not convincing as the irregularity was accepted. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

Audit recommends to stop the irregular practice besides taking corrective action.

**AIR Para No. 48, 50(2015-16)**

## **1.4.2 Internal Control Weaknesses**

### **1.4.2.1 Loss due to illegal up gradation of a post of work munshi – Rs 0.312 million**

According to minutes of meeting circulated vide letter No AO.IV/LCB/1-/T-1/2005 dated 29.09.2015 of the Government of Khyber Pakhtunkhwa Local Government and Rural Development Department, Recommendation (a) the officials who are in BPS-5 and below BPS-11 only ministerial / clerical cadres i.e. Tax clerk, Octroi Moharir, water rates Moharir, Tax Moharir and other clerical cadres in different sections of the local councils are recommended to declare Junior clerk or equal to Junior clerk BPS-11.

TMO Khall Dir Lower paid Rs 312,012 to an official “Work Munshi” on account of pay and allowances who was illegally upgraded from BPS-5 to BPS-11 in violation of the above instructions, as the “work munshi” was not included in the up gradation policy. Therefore, payment of pay and allowances in the upgraded post was loss to the local authority.

Loss occurred due to weak financial control, which resulted in violation of rules.

The irregularity was pointed out to the management in March 2017, management replied that verification of orders/ up gradation process would be made and progress would be shown to audit. Reply was not convincing as documentary evidence was not provided to Audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 47(2015-16)**

## **TMA LAL QILLA**

## **1.5 Audit Paras Tehsil Municipal Administration Lalqilla**

### **1.5.1 Irregularities & non compliance**

#### **1.5.1.1 Non utilization of developmental fund – Rs 23.306 million**

According to Para 2.22 (2) B&R Code, after receipt of administrative approval from the competent authority, the Divisional Officer/MO(I) will take up the preparation of the detailed estimate, TS and to start the work by the contractors as soon as funds are allotted.

TMO Lalqilla Dir Lower received developmental funds amounting to Rs 23,306,000 on account of Tehsil ADP vide Finance Department order No FD/BO(PFC-II)3-3/ADP/2014-15 dated 16.10.2015 and No FD/BO(PFC-II)3-3/ADP/2014-15 dated 03.11.2015 respectively. The local office failed to utilize the said amount upto June 2016. The local area was deprived of the benefit of developmental activities.

Non utilization of fund occurred due to weak financial control, which deprived the people of the area from prospective benefits.

The irregularity was pointed out to the management in March 2017, management replied that tender made through information department three times but no one participated. Utilization of funds would be made in next financial year. Reply was not convincing as developmental funds were not utilized and the local area was deprived of the benefit of developmental activities. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 54(2015-16)**

#### **1.5.1.2 Irregular cash payment of pay & allowances – Rs 1.457 million**

According to para 4.6.3.1 of Accounting Policies and Procedure Manual, the normal method of payment of monthly salaries of all government employees shall be by credit transfer direct to a bank account nominated by the employee. This is the most secure and economical method of payment and it automatically

ensures that recipients have access to their salary on the due date. Moreover, direct credit has tangible advantages, over payment by cheque or cash, against risks of theft or fraud.

TMO Lalqilla Dir Lower paid Rs 1,457,029 on account of pay & allowances to the staff through DDO instead of payment through direct credit to their bank account in violation of rules during the year 2015-16. Hence, due to disbursements through cash, actual payments to the concerned could not be verified and chances of misappropriation could not be ruled out. Detail is given at Annex-13.

Irregular cash payment occurred due to lack of financial control, which resulted in violation of Government rules.

The irregularity was pointed out to the management in March 2017, management replied that this TMA was newly created, however, bank accounts would be open and progress would be shown to audit. Reply was not convincing as progress was not shown to audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not be convened till finalization of this report.

Audit recommends remedial measures and action taken against the person (s) at fault.

**AIR Para No. 55(2015-16)**

**1.5.1.3 Unauthentic expenditure without pre-audit -Rs 1.434 million**

According to Clause 36 (2) (b) and (e) of the Khyber Pakhtunkhwa Local Government Act 2013, the Tehsil Accounts officer shall maintain accounts of the Tehsil Municipal administration. The Accounts Officers mentioned in clauses (b) shall perform pre-audit of all payments from the respective Fund before approving disbursements of monies.

TMO Lalqilla Dir Lower incurred an expenditure of Rs 1,433,864 during the year 2015-16 under various heads without pre audit which was contrary to the

above rules. Therefore, the expenditure was held unauthentic. Detail is given at Annex-14.

Unauthentic expenditure occurred due to weak financial control which resulted in violation of Government rules.

The irregularity was pointed out to the management in March 2017, management replied that compliance would be made in future. Reply was not convincing as pre-audit was carried out. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not be convened till finalization of this report.

Audit recommends condonation by the competent forum and future compliance.

**AIR Para No. 52(2015-16)**

**TMA ADENZAI**



## **1.6 Audit Paras Tehsil Municipal Administration Adenzai**

### **1.6.1 Irregularities & non compliance**

#### **1.6.1.1 Irregular expenditure without technical sanctions – Rs 15.600 million**

According to Para 32 of CPWA Code, no work shall be executed without Administrative Approval / Technical Sanction and Budget allotment.

TMO Adenzai paid Rs 15,600,251 to various Government contractors for execution of different works during financial year 2015-16. However, Technical Sanctions were not obtained from competent authority. Detail is given at Annex - 15.

Irregular expenditure without technical sanction occurred due to weak internal control, which resulted in violation of rules.

The irregularity was pointed out to the management in January 2017, management replied that the works were in progress and Technical Sanction would be obtained from the competent engineer and shown to audit. Reply was not convincing as technical sanctions should have been obtained before the commencement of work. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not be convened till finalization of this report.

Audit recommends obtaining technical sanction from the competent authority and action against the person (s) at fault.

**AIR Para No. 70 (2015-16)**

#### **1.6.1.2 Irregular cash payment pay and allowances – Rs4.374 million**

According to Para 4.6.3.1 of Accounting policies and procedure Manual, the normal method of payment of monthly salaries of all government employees shall be by credit transfer direct to a bank account nominated by the employee. This is the most secure and economical method of payment and it automatically ensures that recipients have access to their salary on the due date. Moreover,

direct credit has tangible advantages, over payment by cheque or cash, against risks of theft or fraud.

TMO Adenzai, paid Rs 4,374,868 on account of pay & allowances to the staff through DDO instead of payment through direct credit to their bank accounts during the year 2015-16. Hence, due to disbursements through cash, actual payments to the concerned could not be verified and chances of misappropriation could not be ruled out.

Irregular cash payment occurred due to lack of financial control, which resulted in violation of Government rules.

The irregularity was pointed out to the management in January 2017, but reply was not submitted. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No. 71 (2015-16)**

**1.6.1.3 Non recovery of penalty due to late deposit of monthly installment – Rs 1.483 million**

According to Para (v) (b) of the Government of Khyber Pakhtunkhwa, Local Government and Rural Development Department, Local Council Board, Notification No AO-II/LCB/6-11/2013 dated 01.06.2015, 2% penalty per day would be liable on contractor/ firm for late deposit of the monthly installment by 10<sup>th</sup> of each month to which installment relates, the contract may be canceled and his security and advances deposited by the contractor shall be forfeited.

TMO Adinzai did not recover Rs 1,483,060 on account of late deposit of monthly installments of two contracts during financial year 2015-16 as required under the terms and conditions stated above. Detail is given at Annex-16:

Non-imposition of penalty was occurred due to weak internal control, which resulted in loss to the TMA.

The irregularity was pointed out to the management in January 2017, management stated that the principal amount had been recovered from the contractor during the year and the administrator of the Council was empowered to wave off penalty. Reply was not convincing as no documentary evidence of wave off was produced and approved terms and conditions framed by the Provincial Government was violated. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 72 (2015-16)**

## 1.6.2 Internal Control Weaknesses

### 1.6.2.1 Loss on account of contract of cattle fair due to less than 20% increase over the last year's bid– Rs 1.366 million

According to Serial No. 2 of the Model Terms and Conditions for the contracts of cattle fair, bus stand, 2% tax on transfer of immovable property and other taxes for the year 2015-16, the Local Government Department shall fix different dates in one advertisement for auctioning the contra of local taxes. If no reasonable bid is offered then another advertisement shall be published by the concerned local councils in the renowned and widely circulated newspapers through Information Department at least seven clear working days before the date fixed for auction of the contract. The same practice shall continue till 20% increase or more bid is achieved over the last year approved bid.

TMO Adenzai realized Rs 2,246,270 during financial year 2015-16 from the Cattle fair, while it had been awarded at Rs 3,011,000 for the previous year 2014-15. As per terms and conditions the contract should have been awarded on 20% increase over the last year's bid due to which loss of Rs 1,366,930 sustained by the TMA. Detail is given below:

S. No	F. Year	Description	Period	Amount realized (Rs)
1	2014-15	last year bid	12 months	3,011,000
2		20% Increase		602,200
3		actual required for 2015016		3,613,200
4				
5	2015-16	Departmental collection	Two months	191,270
6		Through contract	Ten months	2,055,000
<b>Total (realized for 2015-16)</b>				<b>2,246,270</b>
<b>Amount less realized for 2015-16</b>				<b>1,366,930</b>

Loss was made due to weak financial management which resulted in loss to the TMA.

The irregularity was pointed out to the management in January 2017, management stated that the bid amount was higher as compared to the departmental collection, similarly the bid was examined and approved by the provincial Government/ competent authority. Reply was not convincing as

extraordinary less collection than financial year 2015-16 were made which put the Council into loss. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 73 (2015-16)**

## **TMA SAMARBAGH**

## **1.7 Audit Paras Tehsil Municipal Administration Samarbagh**

### **1.7.1 Irregularities & non compliance**

#### **1.7.1.1 Irregular cash payments in violation of rules –Rs 7.519 million**

According to Government of Pakistan Accountant General Khyber Pakhtunkhwa Peshawar Letter No.DO.No.CC/PIFRA/F 2008-08/53 dated 18-4-2009, all the employees are directed to open bank account for direct credit /transfer of the salaries and advances.

TMO Samar Bagh Paid Rs 7,519,992 on account of pay and allowances to the staff through DDO instead of payment through direct credit to their bank accounts. Hence due to disbursement through cash, actual payments to the concerned could not be verified and chances of misappropriation could not be ruled out.

Irregularity occurred due to weak financial Control which resulted in violation of government rules.

The irregularity was pointed out to the management in February 2017, management replied that the accounts would be opened and salaries would be credited to the bank accounts. Reply was not convincing as no documentary proof was provided. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not be convened till finalization of this report.

Audit recommends corrective measures under intimation to audit.

**AIR Para No. 57(2015-16)**

#### **1.7.1.2 Unauthorized award of contract without approval of the competent authority- Rs 6.127 Million.**

According to Clause 18 of the Model Terms & Conditions for contracts of Bus Stands, contracts upto Rs 100,000 shall be decided locally by the Administrators of the concerned Local Councils. Rest of the contracts for the year

shall be forwarded to Local Council Board for approval of the competent authority.

TMO Samar Bagh awarded contracts of General Bus Stands for Rs 6,127,000 in financial year 2015-16. During scrutiny of record it was observed that the contracts were awarded without approval of the Secretary Local Council Board. Which was unauthorized? Detail is as under.

S.No	Particular	Name of Contractor	Amount of contract (Rs)	Duration of Contract
1	Larry adda Kambat	Said Inam	995,000	One year
2	Larry adda Samar Bagh	Bakht Pur Khan	2,282,000	One year
3	Larry adda mayar	Khan Badshah	2,850,000	One year
			6,127,000	

Irregularity occurred due to weak financial control, which resulted in violation of Government rules.

The irregularity was pointed out to the management in February 2017, management replied that approval would be obtained from Tehsil Council. Reply was not tenable as ex post-facto sanction was not obtained from the competent forum. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not be convened till finalization of this report.

Audit recommends condonation by the competent forum.

**AIR Para No. 56 (2015-16)**

### **1.7.1.3 Unauthorized expenditure without pre-audit - R 1.949 million**

According to Clause 36 (2) (b) and (e) of the Khyber Pakhtunkhwa Local Government Act 2013, the Tehsil Accounts officer shall maintain accounts of the Tehsil Municipal administration. The Accounts Officers mentioned in clauses (b) shall perform pre-audit of all payments from the respective Fund before approving disbursements of monies.



TMO Samar Bagh paid Rs 1,949,319 to the contractors for execution of various Developmental Schemes in 2015-16. During Scrutiny of record it was observed that the payment was made to the contractors without pre audit, which needs justification. Detail is given below.

S.No	Name of Schemes	Expenditure (Rs)
1	PCC Road Likore,Surkhderi,boto	787,856
2	Dwss/Extension at Tangi Bala	247,836
3	Ext.Dwss/Hand Pumps Ashar Kor Bala	212,031
4	PCC Road at Kharkai Kakas etc	411,777
5	Const: of Memorial Mayar Chowk	289,819
		1,949,319

Irregularity occurred due to weak internal control, which resulted in violation of Government orders.

The irregularity was pointed out to the management in February 2017, management stated that bill would be present for the pre audit. Replay was not convincing as irregularity was accepted. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 61(2015-16)**

## **1.8 Audit Paras Tehsil Municipal Administration Munda**

### **1.8.1 Non production of record**

#### **1.8.1.1 Non production of auditable record – Rs2.00 Million**

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

TMO Munda incurred expenditure of Rs 2,000,000 on account of purchase of sports items and sports gala during 2015-16. However, no record regarding payment was shown to audit to verify the expenditure. Detail is as under:

S.No	Name of Schemes	E.cost (Rs)
37	Purchase of Sports items(37)	1,500,000
38	Sports Gala(38)	500,000
	Total	2,000,000

Non production of record occurred due to weak administrative control, which resulted unauthentic payment.

The irregularity was pointed out to the management in February 2017, management stated that the record would be produced to next audit party. Reply was convincing as no record was produced to audit. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

Audit recommends production of auditable record, besides action against the person(s) at fault.

**AIR Para No. 65(2015-16)**

## **1.8.2 Irregularities & non compliance**

### **1.8.2.1 Unauthorized expenditure without pre-audit - R 4.32 million**

According to Clause 36 (2) (b) and (e) of the Khyber Pakhtunkhwa Local Government Act 2013, the Tehsil Accounts officer shall maintain accounts of the Tehsil Municipal administration. The Accounts Officers mentioned in clauses (b) shall perform pre-audit of all payments from the respective Fund before approving disbursements of monies.

TMO Munda paid Rs 4,320,706 to the contractors for execution of various Developmental Schemes during the year 2015-16. During Scrutiny of record it was observed that the payment was made to the contractors without pre audit from local fund audit which was contrary to the above orders. Detail is given at Annex-17.

Irregularity occurred due to weak internal control, which resulted in violation of rules /orders.

The irregularity was pointed out to the management in January 2017, but reply was not submitted. Request for convening DAC meeting was made in May 2017, however meeting of DAC could not convened till finalization of this report.

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

**AIR Para No. 69(2015-16)**

**ANNEXURE****Annexure-1****Detail of MFDAC Paras****(Rs in million)**

<b>S. No</b>	<b>AP No</b>	<b>Gist of Para</b>	<b>Amount</b>
1	53	Unauthorized purchase without adopting open tender system - Rs 0.356 million	0.356
2	51	Unauthorized expenditure on account of rent of bus stand and car parking - Rs 0.387 million	0.387
3	58	Non deduction of income tax from Salary – Rs97177	0.097
4	59	Non deduction of Professional tax – Rs 146800	0.146
5	60	Non Deposit of stamp duty- Rs 117300	0.117
6	62	Non deduction of stamp duty-Rs 50250	0.050
7	63	Non-imposition of 1 % penalty on account of late deposits of installments by contractors- Rs 42220	0.042
8	64	Non deduction of income tax from Salary – Rs80879	0.08
9	66	Non deduction of Professional tax – Rs 134,800	0.134
10	67	Non Imposition of Penalty for Incomplete Schemes- Rs274,300	0.274
11	68	Misappropriation on account of Hand PumpsRs-189493	0.189
12	74	Non imposition of penalty for late completion of works	0.350
13	75	Non deduction of professional tax	0.163
14	76	Irregular award of work due to less deposit of Additional securities	0.333
15	77	Non deduction of income tax from salaries	0.025
16	78	Non deposit of DPR fund	0.157
<b>Total</b>			

**Annexure-2****Annexure-2 Detail of Budget and Expenditure****(Rs in Million)**

<b>2015-16</b>	<b>Budget</b>	<b>Expenditure</b>	<b>(+)Excess/(-)Saving</b>	<b>Percentage</b>
Salary	85.173	56.633	-28.540	34%
Non-salary	85.694	60.401	-25.293	30%
Developmental	329.979	52.002	-277.977	84%
<b>Total</b>	<b>500.846</b>	<b>169.036</b>	<b>-331.810</b>	<b>66%</b>
<b>Receipts</b>	105.673	105.673	0	-
<b>Grand Total</b>	<b>606.519</b>	<b>274.709</b>	<b>-331.810</b>	<b>66%</b>

**Annexure- 3**  
**Para# 1.2.1.1**

**Detail of pay and allowances**

<b>Month</b>	<b>Cheque No</b>	<b>Date</b>	<b>Amount(Rs)</b>
7/2015	1955050	30-07-2015	1,800,897
8/2015	1955064	1-09-2015	1,799,095
9/2015	1955067	21-9-2015	2,221,478
10/2015	1955100	2-11-2015	3,346,933
11/2015	19590978	1-12-2015	2,816,012
12/2015	19591006	4-01-2016	2,844,515
1/2016	19591033	1-02-2016	2,873,171
2/2016	00000024	1-03-2016	2,780,250
3/2016	00000038	1-04-2016	2,789,659
4/2016	00000061	2-5-2016	2,804,700
5/2016	00000089	1-6-2016	2,737,120
6/2016	00000115	28-6-2016	2,796,974
<b>Total</b>			<b>31,610,804</b>

**Annexure-4  
Para# 1.2.1.3**

**Detail of Professional Tax, stamp duty and DPR**

<b>Detail of Professional Tax</b>				
S.No	Name of Contract	Name of Contractor	E/Cost	Tax Amount(Rs)
1	Developmental works	Abdul Karim	2.215	7,000
2	Developmental works	Ahmad jan	1.840	7,000
3	Developmental works	Alamzeb	4.320	18,000
4	Developmental works	Anisullah	2.300	7,000
5	Developmental works	Anwarullah	0.981	5,000
6	Developmental works	Aramzai Constt	4.100	18,000
7	Developmental works	Asfandiyar	4.603	18,000
8	Developmental works	Bakhtiyar Ahmad	2.000	7,000
9	Developmental works	Fazal Constt	7.157	18,000
10	Developmental works	Gul Nawab	0.600	5,000
11	Developmental works	Hazrat Nawaz	1.000	7,000
12	Developmental works	Ihtisham & Co.	2.000	7,000
13	Developmental works	Ikramullah	9.820	18,000
14	Developmental works	Imranullah	3.060	18,000
15	Developmental works	Iqbal Constt	2.600	18,000
16	Developmental works	Israr Mohd	1.300	7,000
17	Developmental works	Izhar ullah	6.650	18,000
18	Developmental works	Jehan Alam	4.600	18,000
19	Developmental works	Khazana Constt	2.970	18,000
20	Developmental works	Khalji Brothers	1.000	7,000
21	Developmental works	Kushal Khan	3.200	18,000
22	Developmental works	Lal Zaman	1.000	7,000
23	Developmental works	Lawari Constt	0.500	4,000
24	Developmental works	Miftah uddin	1.100	7,000
25	Developmental works	M. Nabi	4.500	18,000
26	Developmental works	Naik Mohd	2.950	18,000
27	Developmental works	Nasir ullah	4.000	18,000
28	Developmental works	New Othman Khail	1.000	7,000
29	Developmental works	Noor Islam	0.500	4,000
30	Developmental works	O.K Constt	3.407	18,000
31	Developmental works	Rabat Constt	12.958	18,000
32	Developmental works	Said Ambar	8.829	18,000
33	Developmental works	Saif Constt	1.200	7,000
34	Developmental works	Sajid Khan	3.500	18,000
35	Developmental works	Sareer Shah	0.500	4,000
36	Developmental works	Sher Mohd Builders	5.000	18,000
37	Developmental works	Sher mohd Talash	9.257	18,000
38	Developmental works	Shoukat Enterpriser	0.920	5,000
39	Developmental works	Talash Constt	5.200	18,000
40	Developmental works	Wahid Gul	2.500	18,000
41	Developmental works	Yasir Khan	2.000	7,000
42	Developmental works	Zain Constt	5.550	18,000
				532,000

S.No	Fund Name	No of Schemes	E.Cost (Rs)	Amount of Stamp Duty (Rs)
1	Special Package	52	43,840,000	183,200
2	District Development initiative	61	42,340,000	191,250
3	Priority Projects	25	17,700,000	83,450
4	Tehsil ADP	71	49144000	154,950
Total		209	153,024,000	612,850

Detail of DPR Fund

Rs in million

S.No	Contractor Name	Total amount(Rs)	DPR Fund @ 0.2%
1	Abdul Karim	2.215	0.00443
2	Ahmad jan	1.840	0.00368
3	Alamzeb	4.320	0.00864
4	Anisullah	2.300	0.0046
5	Anwarullah	0.981	0.001962
6	Aramzai Constt	4.100	0.0082
7	Asfandiyar	4.603	0.009206
8	Bakhtiyar Ahmad	2.000	0.004
9	Fazal Constt	7.157	0.014314
10	Gul Nawab	0.600	0.0012
11	Hazrat Nawaz	1.000	0.002
12	Ihtisham & Co.	2.000	0.004
13	Ikramullah	9.820	0.01964
14	Imranullah	3.060	0.00612
15	Iqbal Constt	2.600	0.0052
16	Israr Mohd	1.300	0.0026
17	Izhar ullah	6.650	0.0133
18	Jehan Alam	4.600	0.0092
19	Khazana Constt	2.970	0.00594
20	Khalji Brothers	1.000	0.002
21	Kushal Khan	3.200	0.0064
22	Lal Zaman	1.000	0.002
23	Lawari Constt	0.500	0.001
24	Miftah uddin	1.100	0.0022
25	M. Nabi	4.500	0.009
26	Naik Mohd	2.950	0.0059
27	Nasir ullah	4.000	0.008
28	New Othman Khail	1.000	0.002
29	Noor Islam	0.500	0.001
30	O.K Constt	3.407	0.006814
31	Rabat Constt	12.958	0.0259164
32	Said Ambar	8.829	0.0176576
33	Saif Constt	1.200	0.0024
34	Sajid Khan	3.500	0.007
35	Sareer Shah	0.500	0.001
36	Sher Mohd Builders	5.000	0.01
37	Sher mohd Talash	9.257	0.018514
38	Shoukat Enterpriser	0.920	0.00184
39	Talash Constt	5.200	0.0104



40	Wahid Gul	2.500	0.005
41	Yasir Khan	2.000	0.004
42	Zain Constt	5.550	0.0111
Total		144.687	0.289374

Name & designation	Total Annual of Gross Salary (Rs)	Total Months of Salary	Income Tax Rate %	Total Income Tax (Rs)
Attaullah ( TMO) BPS-17	618,100	12	2000+118100*5%	7,905
Pervez Akhtar (AMOR) BPS-16	628,391	12	2000+128391*5%	8,270
Noor-ul-Basar TOI BPS-18	847,239	12	14500+97239*10%	24,224
Ihsan ullah ATO(I)- BPS-16	566,501	12	2000+66501*5%	5,325
Bakhti rawan ATS BPS-11	465,742	12	65742*2%	1,315
Bacha Muhammad ATOF BPS-16	570,587	12	2000+70587*5%	5,529
Muhammad Shuaib Asstt: BPS-14	492,128	12	92128*2%	1,843
	4,188,688			54,411
Total		(532,000+612,850+289,374+54,411)		<b>Rs 1,488,635</b>

**Annexure- 5**  
**Para# 1.2.1.4**

**Detail of overpayment of inadmissible rates**

S.No	Name of Schemes	Quantity (M)	Paid Rate (Rs/M)	Rate admissible excluding labour charges (48.54%) (Rs/M)	Difference in rates	Amount (Rs)
1	DWSS V/C Pigal	3657.4	97.48	50.16	47.32	173,068
2	DWSS V/C dehrai	2285.88	82.84	42.63	40.21	91,915
3	DWSS V/C Ziarat	1585.32	94.90	48.84	46.06	73,020
4	DWSS V/C Nagrai	4120	75.67	38.94	36.73	151,328
5	DWSS V/C dehrai talash	3862.20	98	50.43	47.57	183,725
6	DWSS V/C Tangai	2407.80	81.38	41.88	39.50	95,108
7	DWSS V/C Pato	7497.714	101	51.97	49.03	352,904
8	DWSS V/C Shekolai	1306.30	83	42.71	40.29	52,631
<b>Total</b>						<b>1,173,699</b>

**Annexure- 6  
Para# 1.2.1.6**

**Annexure-6 Detail of forfeited earnest money**

S.No	Name of Scheme	Estimated Cost	Forfeited Call Deposit No	Date		Name of Contractor
1	PCC Road Band Saparay Talash Atak U/C Khungay	5,00,000	0017996 BOP	15-01-2016	10,000	Sareer Shah
2	PCC Road Gumbatkay U/C Noorakhail	10,00,000	SD 2743314 UBL	02-09-2015	20,000	Naik Muhammad
3	PCC Road Ziarat Talash U/C Shahikhail	10,00,000	SD 2743316 UBL	02-09-2015	20,000	Naik Muhammad
4	PCC Road Khatkalay Bandagai U/C Bandagai	10,00,000	SD 2743317 UBL & 0273834 BOK	02-09-2015 27-04-2015	20,000 12,800	Naik Muhammad Fazal Subhan
5	PCC Road Khona kandaw u/c Bandagai	5,00,000	66/1313 MCB	03-09-2015	10,000	Malak Bakht Rawan
6	PCC Road Dhaerai kalay U/C Bandagai	20,00,000	SD 2743320 UBL	02-09-2015	20,000	Naik Muhammad
7	Barikot PCC Road U/C Bandagai	10,00,000	SD 2743315 UBL	02-09-2015	20,000	Naik Muhammad
8	Rehabilitation/Extension Barikot Kas Road	10,00,000	SD 2743311 UBL	02-09-2015	20,000	Naik Muhammad
9	Extension Of Road Kamar tangay Bandagy	5,00,000	SDR 0879934	04-09-2015	10,000	M/S TajKhungi&Co
10	PCC Road Cheno U/C Bandagai	5,00,000	SDR 0879829	01-09-2015	10,000	M/S TajKhungi&Co
11	PCC Road Bajawro Shah AkhtaR Gul korona U/C Bandagai	5,00,000	SDR 0879996& 13225011 HBL	04-09-2015 04-09-2015	17,850 11,250	Abdul Karim Asfandiar
12	Extension PCC Road watangay U/C Munjai	10,00,000	SDR 0872688BOK	01-09-2015	20,000	Sher Mohd Builders
13	PCC Road Mandish U/C Rabat	10,00,000	SD 5296236 UBL	04-09-2015	20,000	Miftah Ud Din
14	C/ work/repair work ziarat masjidU/C Sh/khail	10,00,000	0948912 BOK	20.01.2016	11,250	Noor Islam
15	PCC road Manzai OtaIa Bagh Dushkhail	100,0000	0941255 BOK	20.01.2016	10,000	Hazrat Ali
16	PCC Road Sangar Malakand U/C Balambat	10,00000	0941260 BOK	20.01.2016	20,000	Hazrat Ali
17	Pavt; of street Bangai U/C Bandagai.	1000000	0941258 BOK	20.01.2016	20,000	Hazrat Ali
18	PCC Road Ahmad Gali(New Road)Bandagy	5000000	0941263 BOK	20.01.2016	10,000	Hazrat Ali
19	Const; of room Madrasa Aman Ullah lajbook	500000	0948911 BOK	20.01.2016	11,250	Noor Islam
20	Ext; Masho Shani PCC Chinaro U/C Dshkhail	500000	0108038 BOP	19.01.2016	11,250	Anis ullah&Brothers
21	Const;/Repair work masjid goro talash pk-94	300000	0941262 BOK	20.1.2016	10,000	Hazrat Ali
22	DWSS Bandagai Nagotal U/C Gall	1000000	0941255 BOK	20.01.2016	20,000	Hazrat Ali
23	Const;Repair work Madrasa Tafheem ul Islam Bar kali khail	1500000	0948907 BOK 00339716 BOK	20.01.2016 12.05.2016	21,850 8,000	Noor Islam
24	PCC Road Manogai U/C Haji Abad	1000000	866808 MCB	12.04.2016	20,000	Rabat Const; Co;
25	Ext; Safari Rashkani Road U/C Khungai.	500000	0959661 BOK	12.04.2016	10,000	Shah Nawaz Khan
26	Pavt; of Street Saddo U/C Khungai	500000	866813 MCB	12.04.2016	10,000	Rabat Const: Co;
27	PCC Road/Streets V.C Odigram,Manzari Tangai V.C Odigram	22,00000	0950277 BOK	12.04.2016	35,000	Sher Mohd Builder.
28	Pavt; of Street Shekolai Dabar DehraiKhungai.	2000000	866819 MCB	12.04.2016	40,000	Rabat Const; Co
29	PCC Roiad Gumbat Shah U/C Shahi Khail.	500000	0108305 BOP	17.04.2016	10,000	New Utman Khail.
30	Onst; work Masjid Khadang PataiU/C S Khail.	1000000	0958599 BOK	7.04.2016	20,000	Fazal Const;Co
31	PCC Road Village Council Daro Jabagai.	800000	5941474 UBL	12.04.2016	16,000	Imran ullah
32	PCC Road/Street V.C Zaimdara	1300000	0958641 BOK 13200401 HBL 00339703 BOK	8.04.2016 8.04.2016 05.052016	20,000 10,000 16,000	Aramzai const; co; On time const; co; Aramzai const; co;
33	PCC Road V.C Babagam	1200000	0950284 BOK 0950251 BOK	12.04.206 08.04.2016	15,000 10,000	Sher Mohd Khan
34	Const; of Intezarga Rabat U/C Rabat	500000	0959660 BOK	12.04.2016	10,000	Shah Nawaz Khan
35	DWSS /Open Well Haji Hedayat Ullah Korona	500000	0958652 BOK	8.4.2016	10,000	Noor Islam
36	Const; of Road Noor Halim Korona Vill; lajbook	500000	0279338 BOK 14138558 HBL	07.04.2016 12.04.206	10,000 10,000	Aramzai Const; Co'; Abdul Karim
37	Const; ofn Waters pond lass Khan Sahib Haji Korona V.C morani.	500000	01007237	04,05.2016	10,000	Iqbal Const; Co;
38	Preasure pump sami ullah Mahla Mian Baba Odigram	200000	01007257 BOK	04.05.2016	4,000	Abdul Karim
39	PCC Road/Streets V.C Khan Abad.	1750000	00340083 BOK	27.06.2016	35,000	Abdul Karim.
<b>Total</b>					<b>736,500</b>	

**Annexure- 7**  
**Para# 1.2.2.1**

**Detail of water Charges**

<b>S.NO</b>	<b>Name of Scheme</b>	<b>No of Connections</b>	<b>Rate Per Month (Rs)</b>	<b>Total outstanding Amount (Rs)</b>
1	DWSS Trai	110	150	162,650
2	DWSS Saddo	141	150	129,100
3	DWSS ShekawlaiDabbar	215	150	293650
4	DWSS Khungi	215	150	185,350
5	DWSS ToraTiga	345	150	412,000
6	DWSS Timergara Phase-I	390	150	445,700
7	DWSS HassaniDehrai	81	150	124,350
8	DWSS Chargorai	242	150	244,700
9	DWSS Main Banda	558	150	738,300
10	DWSS Timergara Phase-II	793	150	951,600
	<b>TOTAL</b>	<b>3090</b>		<b>3,687,400</b>

**Annexure-8**  
**Para# 1.2.2.2**

**Detail of non-imposition of penalty for late deposit installments**

S.No	Name of contract	Months	Due date	Deposit date	Delayed (Days)	Daily penalty @ 2 % (Rs)	Total penalty (Rs)
1	Cattle fair talash	9-2015	30-09-2015	16-10-2015	15	(41,000*2%)820	12,300
		10-2015	31-10-2015	19-11-2015	18	(41,000*2%)820	14,760
2	Hotel GBS	7-2015	31-7-2015	17-8-2015	16	(28,000*2%)560	8,960
3	Cattle fair trai	9-2015	30-9-2015	16-10-2015	15	(41,000*2%)1,200	18,000
		10-2015	31-10-2015	23-11-2015	22	(60,000*2%)1,200	26,400
		12-2015	31-12-2015	14-1-2016	13	(60,000*2%)1,200	15,600
4	Slaughter house	9-2015	30-9-2015	28-10-2015	27	(74,000*2%)1,480	39,960
		10-2015	31-10-2015	27-11-2015	26	(74,000*2%)1,480	38,480
		11-2015	30-11-2015	16-12-2015	15	(74,000*2%)1,480-	22,200
		12-2015	31-12-2015	15-1-2016	14	(74,000*2%)1,480	20,720
5	GBS Timergara	7-2015	31-7-2015	13-08-2015	12	(5,460,000*2%)109,200	1,310,400
		3/2016	31-3-2016	13-4-2016	12	(4,360,000*2%)87,200	1,046,400
<b>Total</b>							<b>2,574,180</b>

**Annexure-9**  
**Para# 1.3.1.1**

**Detail of pay and allowances**

<b>Month</b>	<b>Cheque No</b>	<b>Date</b>	<b>Amount(Rs)</b>
7/2015	-	-	0
8/2015	-	-	0
9/2015	57618477	04-01-2016	399,266
10/2015	57618477	04-01-2016	399,266
11/2015	57618477	04-01-2016	399,266
12/2015	57618480	05-01-2016	404,906
1/2016	57618497	22-03-2016	404,906
2/2016	57618498	25-04-2016	350,950
3/2016	57618503	13-06-2016	316,625
4/2016	57618502	1-6-2016	312,332
5/2016	57618502	1-6-2016	312,332
6/2016	57618502	28-6-2016	324,442
<b>Total</b>			<b>3,624,291</b>

**Annexure-10**  
**Para# 1.3.1.3**

**Annexure-10 Detail of non deposit of forfeited earnest money**

<b>Detail of non deposit of forfeited earnest money</b>						
<b>S. NO</b>	<b>Name Of Scheme</b>	<b>E/Cost</b>	<b>Forfeited call deposit</b>	<b>date</b>	<b>Amount (Rs)</b>	<b>Contractor</b>
2	DWSS ward koto	900,000	0959904	22.4.2016	14,000	Noor Islam
3	DWSS V/C Sarbanda Sher Zada korona	460,000	13225100	11.4.2016	10,000	Alamzeb
5	DWSS V/C Kote Bala Hayaserai	450,000	13200372	11.4.2016	10,000	Iqbal Constt
8	DWSS Jamea Masjid Biarai Lajbook	363,500	0339784	6.6.2016	10,000	Syed ambar
			2072447	25.4.2016	18,000	Wardag constt
10	DWSS Ward Lajbook	900,000	018303	25.4.2016	14,000	Anisullah
			0957399	25.4.16	9,000	Alamzeb
11	DWSS C/O Noor Islam Korona Lajbook	460,000	14138557	12.4.2016	10,000	Jehanalalam
			0366143	17.6.16	14,000	Sahibzada
13	DWSS V/C Koto	690,000	468513/75938	3.6.16	14,000	Rabat constt
			2072439	25.4.16	28,000	Wardag constt
14	DWSS V/C Byarai Lajbok	1,360,000	0959875	21.4.16	28,000	Zain constt
					9,500	
34	PCC Roads Mathoor Bazar Rabat	455,000	0959953	25.4.16		Shahnawaz
					9,500	
35	PCC Roads Rabat	455,000	0959952	25.4.16		Shahnawaz
					10,000	
36	PCC Roads Shehzadi Inamulhaq korona	455,000	0958652	8.4.2016		Noor islam
			13225118	19.4.2016	6,000	Asfandiyar
37	Danga wall PCC Roads Ward lajbok	455,000	0958653	8.4.2016	10,000	Noor islam
					10,000	
41	Danga wall Chino Khuwar Shehzadi	100,000	019503	13.6.3016		Wahid gul
			0279378	12.4.16	10,000	
45	PCC Road Rabat	800,000	0958676	8.4.16	10,000	Shahnawaz
					10,000	
46	PCC Road Sheen Ghar	600,000	14138555	12.4.2016		Abdul Karim
			01007226	3.5.2016	20,000	Zain constt
48	PCC Road Pervez khan korona.etc Mano Banda	700,000	03340074	27.6.2016	8,000	Khilji brothers
					10,000	
49	PCC Road bashir korona etc Darmal Bala	450,000	14138556	12.4.2016		Abdul karim
			0959878	21.4.2016	16,000	Zain constt
50	PCC Road Gujar korona etc Darmal bala	793,500	0959711	18.4.2016	10,000	Fazal constt
					6,000	
52	Construction of sports ground at Morani lajbok	260,000	0340091	27.6.2016		Abdul karim
			10677460		20,000	
60	Pavement of Streets Ward Lajbok	1,069,000		8.4.2016		Syed rahim shah
			10677464	4.4.2016	14,000	Syed rhim shah
61	Pavement of Street V/C Biayarai lajbok,Gwargy	900,000	0339871	13.6.2016	18,000	Ahmad jan
					10,000	
68	Irragation Channel Gulabi Patay V/C Malakand	500,000	018232	25.4.2016		Saif constt
	<b>Total</b>				<b>396,000</b>	

<b>Detail of Professional Tax</b>				
<b>S.No</b>	<b>Name of Contract</b>	<b>Name of Contractor</b>	<b>E/Cost</b>	<b>Tax Amount</b>
1	Developmental works	Abdul Karim	2.790	18,000
2	Developmental works	Ahmad jan	1.355	7,000
3	Developmental works	Bahramand khan	3.235	18,000
4	Developmental works	FB constt	2.015	7,000
5	Developmental works	Asfandiyar	3.705	18,000

6	Developmental works	Fazal Constt	1.460	7,000
7	Developmental works	Ihtisham constt	2.550	18,000
8	Developmental works	Ikramullah	0.100	4,000
9	Developmental works	Iqbal Constt	1.960	7,000
10	Developmental works	Israr khan	0.460	4,000
11	Developmental works	Khazana Constt	1.370	7,000
12	Developmental works	Khalji Brothers	2.670	18,000
13	Developmental works	Kushal Khan	0.450	4,000
14	Developmental works	Naik Mohd	0.60	5,000
15	Developmental works	Noor Islam	2.385	7,000
16	Developmental works	Rabat Constt	3.910	18,000
17	Developmental works	Syed Ambar	2.110	7,000
18	Developmental works	Shahnawaz	0.900	5,000
19	Developmental works	Syed Rahim khan	0.794	5,000
20	Developmental works	Syed Rahim shah	1.60	7,000
21	Developmental works	Waheed gul	0.900	5,000
22	Developmental works	Wardag constt	1.84	7,000
23	Developmental works	Zain constt	5.269	18,000
				221,000

**Detail of stamp duty**

S. NO	Name Of Scheme	E/Cost	Expditure (Rs)	Contractor	Stamp duty (Rs)
1	Open Well DWSS ward Balambat	1,360,000	563000	Bahramand khan	6,250
2	DWSS ward koto	900,000	393000	Khilji brothers	1,850
3	DWSS V/C Sarbanda Sher Zada korona	460,000	197000	Israr khan	1,250
4	DWSS V/C Sangoli bala and Payeen	460,000	217000	Khazana constt	1,250
5	DWSS V/C Kote Bala Hayaserai	450,000	0	Khushal Khan	1,250
6	DWSS V/C Sherkhani	460,000	0	Syed Ambar	1,250
7	Open Well DWSS ward Lajbook	900,000	322000	Bahramand khan	1,850
8	DWSS Jamea Masjid Biarai Lajbook	363,500	0	?	1,250
9	DWSS Attaullah korona Moranai	260,000	195023	Noor Islam	1,250
10	DWSS Ward Lajbook	900,000	316000	Zain constt	1,850
11	DWSS C/O Noor Islam Korona Lajbook	460,000	207000	Noor Islam	1,250
12	DWSS V/C Shehzadi	690,000	282000	Rabat Constt	1,850
13	DWSS V/C Koto	690,000	581883	Syed Ambar	1,850
14	DWSS V/C Byarai Lajbok	1,360,000	595000	Fazal constt	6,250
15	DWSS Ward Munjai	1,360,000	623000	Rabat Constt	6,250
16	DWSS Ward Rabat	1,360,000	706000	Rabat Constt	6,250
17	DWSS V/C Kotkay and Rabat	460,000	135000	Wardag constt	1,250
18	DWSS Gngla Rabat	460,000	406296	Wardag constt	1,250
19	DWSS V/C Mandish	460,000	221000	Wardag constt	1,250
20	DWSS Aseelo Rabat	460,000	0	Wardag constt	1,250
21	DWSS Mano banda V/C Darmal Payeen	460,000	346052	Bahramand khan	1,250
22	DWSS Jehan zeb Charingo	460,000	246000	Syed Ambar	1,250
23	02 Nos; Open well Rabat	460,000	189000	FB constt	1,250
24	DWSS said jafar Korona Lajbook	300,000	0	Noor Islam	1,250
25	DWSS Sher zamin Korona Mano Banda	500,000	136000	Syed Ambar	1,850
26	Rehabilitation of DWSS Standar Manzai	1,500,000	987000	Zain constt	6,250
27	PCC Road Shera gul Korona V/C Malakand	455,000	253000	Noor Islam	1,250
28	PCC Road Dod Khana	455,000	0	Noor Islam	1,250
29	PCC Koto	455,000	344245	Khazana constt	1,250



30	PCC Road Hondak	455,000	252000	Ahmad jan	1,250
31	PCC Road Lajbok	514,500	404831	Bahramand khan	1,850
32	PCC Road Munjaye	455,000	148000	Asfand yar	1,250
33	PCC Road V/C biaray and lajbok	455,000	149000	Noor Islam	1,250
34	PCC Roads Mathoor Bazar Rabat	455,000	327000	Khazana constt	1,250
35	PCC Roads Rabat	455,000	206000	FB constt	1,250
36	PCC Roads Shehzadi Inamulhaq korona	455,000	0	Abdul Karim	1,250
37	Danga wall PCC Roads Ward lajbbok	455,000	229000	Abdul Karim	1,250
38	PCC Roads V/C khema	1,400,000	706000	Asfand yar	6,250
39	PCC Roads Malakand Payeen	1,350,000	627000	Asfand yar	6,250
40	PCC Roads V/C Malakand Bala	450,000	0	Iqbal constt	1,250
41	Danga wall Chino Khuwar Shehzadi	100,000	86269	Ikramullah	1,250
42	PCC Road Telyano Haji Abad	300,000	0	Iqbal constt	1,250
43	PCC Road Ward Hayaseri	750,000	0	Iqbal constt	1,850
44	PCC Road Ward Munjai	750,000	0	Ihtesham constt	1,850
45	PCC Road Rabat	800,000	435000	FB constt	1,850
46	PCC Road Sheen Ghar	600,000	496058	Khilji brothers	1,850
47	PCC Road Naro ondisa Payeen	500,000	217000	Abdul Karim	1,850
48	PCC Road Pervez khan korona.etc Mano Banda	700,000	310000	Syed rahim shah	1,850
49	PCC Road bashir korona etc Darmal Bala	450,000	352770	Khilji brothers	1,250
50	PCC Road Gujar korona etc Darmal bala	793,500	729559	syed rahim khan	1,850
51	Improvement/Rehabilitation of road lajbbok	900,000	481241	Zain constt	1,850
52	Construction of sports ground at Morani lajbook	260,000	167000	Khilji brothers	1,250
53	Construction of sports ground at Byarai lajbook	100,000	0	Fazal constt	1,250
54	Pavement of Streets V/C Malakand Payeen	900,000	349000	Waheed gul	1,850
55	Pavement of Streets V/C Koto	900,000	449000	Syed rahim shah	1,850
56	Pavement of Streets V/C koto	460,000	156000	Abdul Karim	1,250
57	Pavement of Streets V/C Ward Shehzadi	460,000	342969	Abdul Karim	1,250
58	Pavement of Streets Ward Hayaserai	900,000	662312	Ihtesham constt	1,850
59	Pavement of Streets Lajbook	460,000	0	Abdul Karim	1,250
60	Pavement of Streets Ward Lajbok	1,069,000	344000	Zain constt	6,250
61	Pavement of Street V/C Biayarai lajbook,Gwargy	900,000	792167	Zain constt	1,850
62	Pavement of Streets Ward Munjai	900,000	0	Ihtesham constt	1,850
63	Pavement of Streets V/C Kotkai and Rabat	900,000	0	Ahmad jan	1,850
64	Pavement of Streets Ward Rabat	900,000	107000	Shah nawaz	1,850
65	Pavement of Streets V/C Meray Standar	460,000	0	Iqbal constt	1,250
66	Pavement of Streets Sherkhani Adil jan korona	460,000	351321	Khilji brothers	1,250
67	Pavement of Streets V/C Sangoli	460,000	0	Fazal constt	1,250
68	Irragation Channel Gulabi Patay V/C Malakand	500,000	0	Asfand yar	1,850
69	Constru. water Chanel Zaheer(M)Korona koto	600,000	490793	Naik Mohd	1,850
70	Construction of janazgah Rabat	300,000	204401	FB constt	1,250
71	Levalling of Ground GHS Shehzadi	100,000	72000		1,250
72	Improvement of Jenazgah Shehzadi khanano korona	500,000	449381	Rabat Constt	1,850
					145,000
<b>Total (396000+221,000+145000)=Rs 762,000</b>					

**Annexure-11**  
**Para# 1.4.1.2**

**Detail of Unauthentic expenditure without pre-audit**

<b>S.No</b>	<b>Description</b>	<b>Expenditure (Rs)</b>
1	Salary/Establishment charges.	917,385
2	Honoraria	350,000
3	Telephone and Trunk Calls	24,440
4	Law charges	8,000
5	Electricity	50,014
6	Hot & Cold Whether charges	276,426
7	Travelling Allowance	81,270
8	P.O.L Charges	1,768
9	Stationary	64,888
10	Entertainment	115,136
11	Purchase of Sanitation equipments	10,220
12	Purchase of Furniture	224,600
13	Misc; charges	95,161
	<b>Total</b>	<b>2,219,308</b>

**Annexure-12  
Para# 1.4.1.3**

**Detail of purchase without open tender**

<b>Detail of purchase without open tender</b>				
<b>SNo</b>	<b>Items</b>	<b>Cheque No and Date</b>	<b>Name of supplier</b>	<b>Amount</b>
	furniture	96304 dt 21.01.2016	Alfalah furniture	98,400
	furniture	4094314 dt 5.03.2016	do-	55,700
	furniture	4094292 dt 22.2.2016	Dubai furniture	33,500
	furniture	4094295 dt 2.3.2016	MashAllah furniture	37,000
	generator	4094350 dt 13.6.2016	MashAllah furniture	39,100
	computer	4094298 dt 2.3.2016	Iran computer	23,700
Total				287,400
<b>Detail of pay and allowances</b>				
<b>Month</b>	<b>Cheque No</b>	<b>Date</b>	<b>Amount(Rs)</b>	
/2015	-	-	0	
/2015	24094277	31-12-2015	21,177	
/2015	24094277	31-12-2015	75,982	
0/2015	24094277	31-12-2015	75,982	
1/2015	24094277	31-12-2015	75,982	
2/2015	24094277	31-12-2015	78,846	
/2016	24094289	01-02-2016	78,276	
/2016	24094293	01-03-2016	78,276	
/2016	24094308	31-03-2016	78,276	
/2016	24094325	02-05-2016	107,506	
/2016	24094335	31-05-2016	106,638	
/2016	24094354	29-06-2016	112,794	
<b>Total</b>			<b>889,735</b>	

**Annexure-13**  
**Para# 1.5.1.2**

**Detail of pay and allowances**

<b>Month</b>	<b>Cheque No</b>	<b>Date</b>	<b>Amount(Rs)</b>
7/2015	-	-	0
8/2015			
9/2015	17007015	23-11-2015	6,898
10/2015	17007012	2-11-2015	153,496
11/2015	17007016	23-12-2015	69,461
12/2015	17007017	05-01-2016	70,132
1/2016	170070031	01-02-2016	146,722
2/2016	17007038	01-03-2016	203,542
3/2016	17007046	01-04-2016	201,447
4/2016	17007057	02-05-2016	201,777
5/2016	00000010	01-06-2016	201,777
6/2016	00000022	30-06-2016	201,777
<b>Total</b>			<b>1,457,029</b>

**Annexure-14**  
**Para# 1.5.1.3**

**Detail of expenditure without pre-audit of TMA Lalqilla**

<b>S.No</b>	<b>Description</b>	<b>Expenditure (Rs)</b>
1	Salary/Establishment charges.	801,860
2	Postage and telegraph	5,000
3	Bank fee	4,587
4	Telephone and Trunk Calls	14,280
5	News paper	900
6	Hot & Cold Whether charges	182,313
7	Travelling Allowance	19,130
8	Stationary	30,400
9	Photo state charges	12,739
10	Printing & publication	25,235
11	Conference & seminars	22,300
12	Entertainment	45,580
13	Computer equipments	6,200
14	Purchase of Furniture	87,300
15	Misc; charges	30,770
16	Others cost of store	142,850
17	Repair of transport	2,420
	<b>Total</b>	<b>1,433,864</b>

**Annexure-15**  
**Para# 1.6.1.1**

**Detail of expenditure without Technical Sanction**

<b>S. No</b>	<b>Name of Schemes</b>	<b>Cost in Million (Rs)</b>	<b>Exp upto June16(Rs)</b>
1	DWSS Khyampur Seya Warghar Barankai Tehani Bala Tiknai Payeen Bochaky Khanpur China Ward Khanpur	2,500,000	693,000
2	DWSS Laram Dara Khairabad Osakai Birand Shara May Khonano baba Khur China Ward Kotigram	1,500,000	414,000
3	DWSS/ Open Well at Tazagram DOP Shalam Baba Ketyarai Tarnaw Shaban Landai Shah Ward Tazagram	1,600,000	585,000
4	DWSS Nawagai Ward Asbanr	2,000,000	550,000
5	DWSS Dulserai Barangola Mayar Khadagzai Shinkay Chira Ward Khadzakzai	800,000	199,000
6	DWSS Sogyar Terona Kamala Katkala Khapongo China Ward Khadzazai	1,000,000	276,000
7	DWSS Jabagzi Mian Battan nishan China Ouch Ward Ouch	1,100,000	277,000
8	Water Supply Asbanr Khass	2,050,000	731,000
9	DWSS, Open Well Sharqi, gharbi, Jan Mohd, Muzafar Ali Khan guli Bagh Naeem Khan Korona Union Council Ouch.	3,097,000	1,284,000
10	DWSS. Open Well Kamala, Sarpat Dandaona, Kagan, Terona, Shengai U/C Khadakzai.	2,163,000	935,000
11	PCC Road/Drain Yago Tal U/C Khanpur	1,663,000	540,000
12	PCC Road Bari Shah U/C Khanpur	1,200,000	618,000
13	Sanitation Scheme usman , Mehboob, Shafiq Khan, Afzal Lala Warsak, Naeem Korona Gharbi Ouch	4,293,000	2,286,000
14	Pavt; of Streets/ Drinans Surrounding to GGMS Bahattan U/C Ouch	900,000	341,000
15	Pavt; of Streets Surrounding to GGHS Tindo Dag U/C Tazagram	2,203,000	1,065,251
16	Const. of B/ Wall Janazgah Shalama	500,000	143,000
17	DWSS uc Khan pur	1,997,000	723,000
18	DWSS tindo dag shawa UC Taza gram	1,000,000	455,000
19	PCC Road karim Khan Usam, Kacha Road Fazil haji , Murad Khan path, Kagan, Link Road Musa Thangai, Thangi Bala langaro, u/C Khadakzai.	2,834,000	1,303,000
20	Sanitation Scheme U/C Khadagzai	1,663,000	897,000
21	Const of PCC Road at Mayar Khadagzai	2,500,000	1,285,000
<b>Total</b>		<b>38,563,000</b>	<b>15,600,251</b>

**Annexure-16  
Para# 1.6.1.3**

**Annexure-16 Non recovery of penalty due to late deposit of monthly installment**

Sno	Name of Contract	Year	Collected Amount	Amount	Late period (days)	1% penalty per day (Rs)	Total Penalty (Rs)
			(Rs)	(Rs)			
1	Lorry Adda chicdara	Jul-16	182,000	182,000	20	3640	72,800
2	-do-	Aug-16	182,000	182,000	21	3640	76,440
3	-do-	Sep-16	182,000	182,000	58	3640	211,120
4	-do-	Oct-16	182,000	182,000	28	3640	101,920
5	-do-	Nov-16	182,000	182,000	26	3640	94,640
6	-do-	Dec-16	182,000	182,000	23	3640	83,720
7	-do-	Jan-17	182,000	182,000	30	3640	109,200
8	-do-	Feb-17	112,000	112,000	30	2240	67,200
9	-do-	Feb-17	70,000	70,000	30	1400	42,000
10	-do-	Mar-16	50,000	50,000	0	1000	0
11	-do-	Mar-16	50,000	50,000	40	1000	40,000
12	-do-		44,000	44,000	70	880	61,600
13	Cattle fair	Jan-16	273,000	273,000	37	5460	202,020
14	-do-	Feb-16	45,000	45,000	30	900	27,000
15	-do-	Feb-16	45,000	45,000	56	900	50,400
16	-do-	Feb-16	45,000	45,000	64	900	57,600
17	-do-	Feb-16	45,000	45,000	72	900	64,800
18	-do-	Mar-16	45,000	45,000	60	900	54,000
19	-do-	Mar-16	45,000	45,000	74	900	66,600
Total							<b>1,483,060</b>

**Annexure-17**  
**Para# 1.8.2.1**

**Detail of expenditure without pre-audit**

S.No	Name of Schemes	Expenditure (Rs)
1	PCC Road at Khuna	176,196
2	PCC Road at kata sar	373,585
3	PCC Road atjanat tangai	494,000
4	PCC Road at nawa abad	689,888
5	PCC Road at Barikot	885,985
6	PCC Road at shenjal	354,351
7	Const: of PCC Road manor	727,241
8	Installation of hand pumps munda	619,460
	<b>Total</b>	<b>4,320,706</b>