



**AUDIT REPORT
ON THE ACCOUNTS OF
TEHSIL MUNICIPAL ADMINISTRATIONS
IN DISTRICT MANSEHRA**

KHYBER PAKHTUNKHWA

AUDIT YEAR 2016-17

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

AC	Assistant Commissioner
ADP	Annual Development Plan
AP	Advance Para
B&R	Building and Road
BOQ	Bill of Quantity
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
DDO	Drawing and Disbursing Officer
GFR	General Financial Rules
HRA	House Rent Allowance
KKH	Karakoram Highway
KP	Khyber Pakhtunkhwa
KPPRA	Khyber Pakhtunkhwa Public Procurement Regulatory Authority
LGA	Local Government Act
LGE&RDD	Local Government Election and Rural Development Department
MB	Measurement Book
MFDAC	Memorandum for Departmental Accounts Committee
MOU	Memorandum of Understanding
MRS	Market Rate System
PAO	Principal Accounting Officer
PAC	Public Accounts Committee
PC-I	Planning Commission Proforma-I
PCC	Plain Cement Concrete
RCC	Reinforced Concrete Cement
RDA	Regional Directorate of Audit
TS	Technical Sanction
WSS	Water Supply Scheme
ZAC	Zilla Accounts Committee

Preface

Articles 169 &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, requires 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 Mansehra 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 findings. 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. In all cases where the PAO does not initiate appropriate action, the Audit observations 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 discussion with management, however department did not submit written replies. DAC meetings were not convened despite repeated requests.

The Audit Report is submitted to the Governor of 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 Director General Audit, District Governments, Khyber Pakhtunkhwa carries out the audit of all Tehsil Municipal Administrations and Town Municipal Administrations. The Regional Directorate of Audit Abbottabad, on behalf of the DG District Governments Audit, Khyber Pakhtunkhwa carries out the audit of Six District Governments, TMAs and VCs/NCs of six districts i.e. Abbottabad, Mansehra, Haripur, Battagram, Kohistan and Tor Ghar respectively.

The Regional Directorate of Audit Abbottabad has a human resource of 10 officers and staff with a total of 2250 man days. The annual budget amounting to Rs 16.237 million was allocated to the RDA during financial year 2016-17. The directorate is mandated to conduct regularity (financial attest audit and compliance with authority audit) and performance audit of programs and projects.

Tehsil Municipal Administrations in District Mansehra conduct their operations under Khyber Pakhtunkhwa Local Government Act 2013. Each TMA has one Principal Accounting Officer (PAO) as provided in Section 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/Town Council in the form of budgetary grants.

a. Scope of Audit

The total expenditures of TMAs, District Mansehra for the financial year 2015-16 was Rs 515.349 Million. Out of this, RDA Abbottabad audited an expenditure of Rs 271.45 million which, in terms of percentage, is 60% of auditable expenditure.

The total receipts of the TMAs, District Mansehra for the financial year 2015-16 were Rs 738.935 million. Out of this, RDA Abbottabad audited receipts of Rs.369.467 million which, in terms of percentage, is 50% of auditable receipts.

b. Recoveries at the instance of audit

Recovery of Rs 59.392 million was pointed out during the audit. However no recovery was affected till finalization of this report.

c. Audit Methodology

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

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. 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, 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 in 01 case amounting Rs 2.819 million.¹
- ii. Irregularities & non compliance in 10 cases amounting to Rs 104.764 million were noticed.²
- iii. Internal control weaknesses in 11 cases amounting to 150.889 million were observed.³

g. Recommendations

- i. Production of record for verification and appropriate action against person(s) at fault.
- ii. Investigation, fixing responsibility and disciplinary action against person(s) at fault besides recovery under intimation to audit.
- iii. Deduction of income tax from contractors needs to be ensured.
- iv. Corrective actions/ Disciplinary actions need to be taken to stop the practice of violation of the rules and regulations in spending the public money.
- v. Recovery of outstanding rent, vacation of Government property (State land) and lease out properly on market rate basis.
- vi. All sectors of TMAs need to strengthen internal controls i-e financial, managerial, operational, administrative and accounting controls to ensure that reported lapses are preempted and fair value for money is obtained from public spending

¹ Para No. 1.2.1.1

² Para No. 1.2.2.1, 1.2.2.2, 1.2.2.3, 1.2.2.4, 1.2.2.5, 1.2.2.6, 1.2.2.7, 1.2.2.8, 1.2.2.9, 1.3.3.1, 1.3.3.2

³ Para No. 1.4.1.1, 1.4.1.2, 1.4.1.3, 1.4.1.4, 1.4.1.5, 1.4.1.6, 1.4.1.7, 1.4.1.8, 1.4.1.9, 1.4.1.10, 1.4.1.11

SUMMARY TABLES & CHARTS

I: Audit Work Statistics

(Rs in million)

S. No.	Description	No.	Budget
1.	Total Entities (PAO) in Audit Jurisdiction	03	1254.374
2.	Total formations in audit jurisdiction	03	1254.374
3.	Total Entities (PAO) Audited	03	640.917
4.	Total formations Audited	03	640.917
5.	Audit & Inspection Reports	03	640.917
6.	Special Audit Reports	-	
7.	Performance Audit Reports	-	
8.	Other Reports	-	

II: Audit observation Classified by Categories

(Rs in million)

S. No.	Description	Amount Placed under Audit Observation
1.	Unsound asset management	-
2.	Weak financial management	107.283
3.	Weak Internal controls relating to financial management	138.505
4.	Others	12.383
	Total	258.171

III: Outcome Statistics

(Rs in million)

S. No	Description	Expenditure on Acquiring Physical Assets (Procurement)	Civil Works	Receipts	Others	Total Current year	Total last year
1.	Outlays Audited	-	380.804	223.497	134.634	640.917	692.570
2.	Amount Placed under Audit Observation /Irregularities of Audit	-	197.504	53.672	6.995	258.171	213.380
3.	Recoveries Pointed Out at the instance of Audit	-	50.953	8.439	-	59.392	61.96
4.	Recoveries Accepted /Established at the instance of Audit	-	-	-	-	-	-
5.	Recoveries Realized at the instance of Audit	-	-	-	-	-	-

Noted:- 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.

Table 4: Table of Irregularities pointed out**(Rs in million)**

S. No	Description	Amount Placed under Audit Observation
1.	Violation of Rules and regulations, principle of propriety and probity in public operation	120.32
2.	Report cases of fraud, embezzlement, thefts and misuse of public resources.	0
3.	Accounting Errors (accounting policy departure from NAM ⁴ , 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.	10.32
4.	Quantification of weakness of internal control systems.	124.712
5.	Recoveries and overpayment, representing cases of establishment overpayment or misappropriations of public monies	
6.	Non production of record	2.819
7.	Others, including cases of accidents, negligence etc.	0
	Total	258.171

Table 5: Cost Benefit Ratio**(Rs in million)**

S. No	Description	Amount
1	Outlays Audited (item 1 of Table 3)	640.917
2	Expenditure on audit	0.120
3	Recoveries realized at the instance of audit	0
	Cost-Benefit Ratio	1:0

⁴The Accounting Policies and Procedures prescribed by the Auditor General of Pakistan which are IPSAS (Cash).

1. CHAPTER – 1

1.1 Tehsil Municipal Administration District Mansehra

1.1.1 Introduction

District Mansehra has three TMAs, TMA Manserha, TMA Balakot, and TMA Oggi. Each TMA office is managed by a Tehsil Municipal Officer. Each TMA 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;

1.1.2. Comments on budget and expenditure 2015-16 (Variance analysis)

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

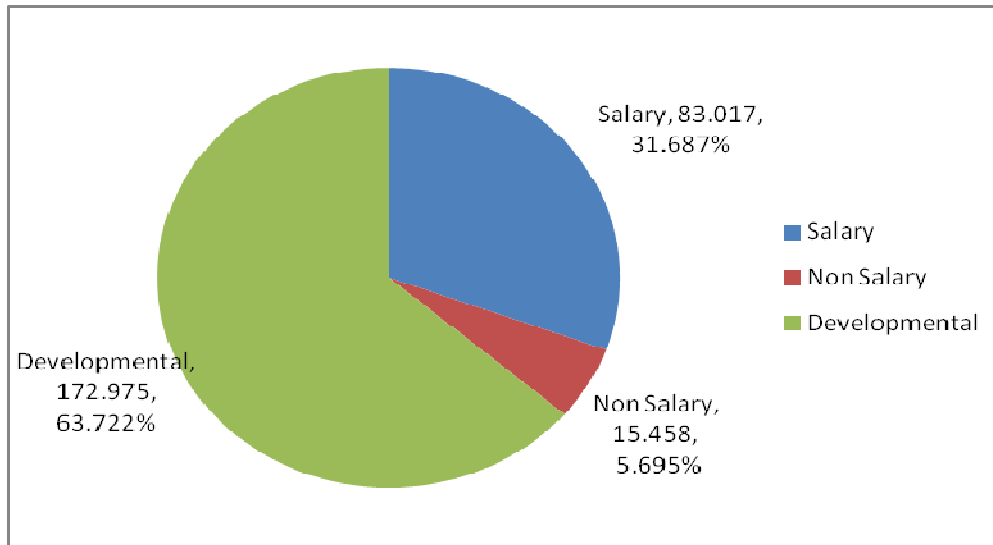
(Rs in million)

Particulars	Budget	Expenditure	Excess/(Saving)	Percentage
Salary	111.921	83.017	(28.904)	25.825
Non Salary	22.714	15.458	(7.256)	31.945
Developmental	380.804	172.975	(207.829)	54.57
Total	515.439	271.45	(243.989)	47.336

2015-16	Budget Receipts	Actual Receipts	Variation	Percentage
	738.935	738.935	0	0

The savings of Rs 243.989 million in all heads of accounts indicate weakness in the capacity of these local institutions to utilize the amounts allocated.

Expenditure 2015-16



1.1.3 Compliance with PAC/ZAC 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.

TEHSIL MUNICIPAL ADMINISTRATION MANSEHRA

1.2 Audit Paras of Tehsil Municipal Administration Mansehra

1.2.1 Irregularities / Non-Compliance

1.2.1.1 Irregular expenditure of Rs 1.0 million

Para 10(i) of GFR Vol-I, provides that every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect expenditure of his own money.

TMO, Mansehra paid Rs 1,000,000 in advance to Chief Sanitary Inspector on account of Cleanliness Campaign as briefed below:

(Amount on Rs)

S.No	Purpose	Cheque No. and Date	To Whom Paid	Amount
1	Cleanliness Campaign	60129874 dated 27.04.2016	Muhammad Sadeeq	500,000
2	Cleanliness Campaign	60130028 dated 17.05.2016	Muhammad Sadeeq	500,000
			Total	1,000,000

Sanitation staff along with heavy machinery was available in the local office as such heavy advance payment for the purpose is beyond understandings. Moreover, progress of work done and detail of expenditure was not available in the office record.

The irregularity occurred due to poor administration and financial indiscipline.

The irregularity was pointed out it in February 2017, management stated that detail reply would be given after consultation of record. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

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

AIR Para No 45 (2015-16)

1.2.1.2 Irregular expenditure of Rs 3.0 million

According to Government of Khyber Pakhtunkhwa Planning and Development Department letter No. Chief-R-D/P&DD / dated 07.11.2013 that scope and site of Chief Minister Directives funds shall not be change without approval of competent forum.

TMO, Mansehra awarded repair of Road Hafiz Abad with estimated cost of Rs 3,000,000 to Government contractor Sher Afzal .The contractor offered rate of Rs 2,070,000 against the total estimated cost of Rs 3,000,000. Later on the scope of work was changed and the following observations were noticed:

1. The scheme was shown completed on 09.03.2016 while PC-I was approved on 27.10.2016.
2. The scheme was revised without the approval of competent forum as no Revised Administrative Approval was accorded nor revised District Development Committee approval was available.

The irregularity occurred due to non-compliance of rules.

The irregularity was pointed out it in February 2017, management stated that detail reply would be given after consultation of record. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

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

AIR Para No 49 (2015-16)

1.2.1.3 Irregular expenditure - Rs 3.80 million

Para 10(i) of GFR Vol-I, provides that every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect expenditure of his own money.

TMO, Mansehra awarded “construction of different wells at District Mansehra” with estimated cost of Rs 3,800,000 to government contractor. Audit observed the following shortcomings:

1. No site plan/ Areas of different Wells was available on record.
2. PC-I was defective as no detailed drawing, design was mentioned.
3. PC-IV completion report was not available
4. Inspection/monitoring report was not available on record.

Audit observed that the irregularity occurred due to non-compliance of rules.

The irregularity was pointed out it in February 2017, management stated that detail reply would be given after consultation of record. No progress was reported till finalization of AP. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

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

AIR Para No 50 (2015-16)

1.2.1.4 Non recovery of water user charges Rs 41.081 million

Para 26 of GFR Vol-I requires that it is the duty of the Departmental Controlling Officer to see that all sums due to Government are regularly and promptly assessed, realized and duly credited in the Public Account.

Tehsil Municipal Officer, Mansehra did not recover long outstanding water user charges amounting to Rs 41,081,656/- against the consumers as on 30.06.2016 which was a huge loss to government.

Audit observed that the irregularity occurred due to non-compliance of rules.

The irregularity was pointed out it in February 2017, management stated that detail reply would be given after consultation of record. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

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

AIR Para No 51(2015-16)

1.2.1.5 Non recovery of rent of TMA property Rs 4.048 million

Para 26 of GFR Vol-I requires that it is the duty of the Departmental Controlling Officer to see that all sums due to Government are regularly and promptly assessed, realized and duly credited in the Public Account.

Tehsil Municipal Officer, Mansehra failed to collect rent from the tenants of TMA owned shops amounting to Rs 4,048,637/- during 2015-16. Audit observed that non recovery of long outstanding dues resulted in loss to government. **Annexure-2**

Audit observed that the irregularity occurred due to non-compliance of rules.

The irregularity was pointed out it in February 2017, management stated that detail reply would be given after consultation of record. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

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

AIR Para No 52 (2015-16)

**1.2.1.6 Loss to Government on account of latrine fee contract
Rs 1.280 million**

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

TMO Mansehra awarded the contract of Latrine Fee for Rs 5,346,000 during 2015-16 to Mr. Dilawar Maseeh on 13-10-2015. According to the local office the contractor did not deposit 25% advance and installments of the contract resultantly the contract was cancelled on 30-10-2015 and re-auctioned for Rs 2,050,000 (six months) on 15-01-2016 besides departmental recovery of Rs 2,015,105 (six months) which resulted in loss of Rs 1,280,895 (Rs5,346,000-4,065,105).

Audit was of the view that the defaulter contractor was not blacklisted nor the loss was recovered from him.

The irregularity was pointed out it in February 2017, management stated that detail reply would be given after consultation of record. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

Audit suggests recovery of loss besides fixing responsibility

AIR Para No 53 (2015-16)

**1.2.1.7 Loss to Government on account of awarding contract of cattle
fair Mansehra Rs 4.844 million.**

As per model terms and conditions No. AO-II/LCV/6-11/2013 Dated Peshawar, the 1-06-2015 the contract for the present year must have an increase of 20% over the last year approved bid.

Tehsil Municipal Officer, Mansehra awarded contract of cattle fair Mansehra to a contractor for Rs 22,200,000 (11 months) besides departmental recovery of Rs 915,470 during 2015-16. However recovery of the same contract for the year 2014-15 was Rs 23,200,000 and according to the rules the increase of 20% over the last year income should have been achieved which was not done and Government was put to loss of Rs 4,844,530 as detailed below.

(Amount on Rs)

Name of contract	Recovery for 2014-15	Required recovery for 2015-16	Actual recovery for 2015-16	Loss
Cattle fair Mansehra	23,300,000	23,300,000x20%=27,960,000	23,115,470	4,844,530

Audit observed that the irregularity occurred due to non-compliance of rules.

The irregularity was pointed out it in February 2017, management stated that detail reply would be given after consultation of record. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

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

AIR Para No 56 (2015-16)

1.2.1.8 Non- imposition of penalty Rs 2.719 million

Clause-2 of the conditions of the Contract Agreement provides that in the event of contractors failing to complete the work within the stipulated period, he shall be liable to pay as compensation an amount equal to 1% or such smaller amount as the superintending engineer may decided on the said estimated cost of the whole work for every day that the due quantity of work remains incomplete provided always that the entire amount of the compensation to be paid shall not exceed 10% of the estimated cost of the work as shown in the tender.

TMO, Mansehra awarded various developmental schemes during 2015-16. The schemes were not completed in stipulated period of time however compensation for delay amounting to Rs 2,719,000 was not recovered from the contractors as per **Annexure-3**

Audit observed that non-imposition of penalty occurred due to lack of financial management which resulted in loss to public exchequer.

The irregularity was pointed out it in February 2017, management stated that detail reply would be given after consultation of record. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

Audit recommends immediate imposition of penalty besides fixing responsibility against the person(s) at fault.

AIR Para No 59 (2015-16)

1.2.1.9 Un-authorized drawl of advances Rs 4.990 million

Para 290 of CTR provides that no money shall be drawn from the treasury unless it is required for immediate disbursement and it is not permissible to draw money from treasury in anticipation of demands or to prevent the laps of budget grants.

TMO, Mansehra allowed advance payment to various officials for miscellaneous works amounting to Rs 4,990,000 as per **annexure 4**. However, neither adjustment was made nor the amount recovered and deposited with TMA till the date of Audit.

Audit observed that the irregularity occurred due to non-compliance of rules.

The irregularity was pointed out it in February 2017, management stated that efforts were being made to adjust the advances. The reply was not convincing as the amount was unrecovered since long. Request for DAC meeting

was made in February 2017 which could not be convened till finalization of this Report.

Audit recommends immediate adjustment/recovery besides fixing responsibility on the person(s) at fault.

AIR Para No 61 (2015-16)

**TEHSIL MUNICIPAL ADMINISTRATION
BALAKOT**

1.3 Audit Paras of Tehsil Municipal Administration Balakot

1.3.1 Non-Production of Record

1.3.1.1 Non- production of record Rs- 2.819

Section 14(3) of Auditor General’s Functions, Powers and Terms and Conditions of Service Ordinance, 2001 provides, “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.”

Tehsil Municipal Officer Balakot did not produce record regarding following developmental schemes like Technical Sanctions, Payment vouchers along with supporting documents, completion certificates, and Tendering documents etc during the year 2015-16:

S.No	Name of Work	Estimated Cost in millions (Rs)	Up to date expenditure in millions(Rs)
1.	Constt: Gali to Kund Road	2.00	1.292
2.	Repair and Improvement Kotgali Road	0.500	0.500
3.	PCC Baghah Road	0.100	0.328
4.	PCC Streets Mohallah Uppper Qadirabad	0.500	0.450
5.	Protection Wall for Graveyard Mohallah Gandik	0.300	0.249
	Total:	3.4	2.819

Non- production of record was misconduct which resulted in to non-authenticity of public spending.

The irregularity was pointed out to management in January 2017, management stated that detail reply along original record will be submitted to audit. Reply was not cogent as no progress was made till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

Audit recommends taking action against the person(s) at fault besides production of record for audit scrutiny.

AIR Para No 32 (2015-16)

1.3.2 Irregularities / Non-Compliance

1.3.2.1 Irregular expenditure without Technical Sanction -Rs.35.677 million

Para 58 of CPWD read with Para 32 of CPWA Code Volume-I provides that no work shall be executed without Administrative Approval / Technical Sanction and Budget allotment.

According to S/No. i of letter No. SO(PAC)DAC/48-2008/DERA/W&SD dated 10.03.2008, "Technical Sanction should be obtained prior to commencement of the work as per rules. In future if the TS is not obtained prior to commencement of scheme then disciplinary action will be initiated against the responsible officer".

Tehsil Municipal Officer, Balakot paid Rs. 24,144,217 for execution of various developmental works against the estimated cost of Rs 35,677,069 during the year 2014-16 as per detail given below:-

(Amount on Rs)

S.No	Name of Work	Date of Commencement	Estimated Cost	Progressive Expenditure	Physical Progress
1.	Imp: of Dara Shohal Road	23-04-2015	2,599,905	2,599,905	Completed
2.	Constt: Slaughter House	15-06-2015	29,060,000	18,068,423	In Progress
3.	Constf: Sanjora Raod		2,017,164	2,017,164	Completed
4.	Repair of Bridge Gul Seri		1,000,000	570,670	
5.	Repair of Bridge Tangir Hangrai	09-03-2016	1,000,000	888,055	In progress
Total:			35,677,069	24,144,217	

However, Technical Sanctions for these schemes prior to commencement of work was not obtained from the competent authority.

Execution and payment for scheme without technical sanction occurred due to lack of administrative and financial control.

The irregularity was pointed out to management in in January 2017, management stated that most the schemes were commenced after Technical Sanction. Reply was not cogent as no proof regarding Technical Sanction was produced to audit. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

Audit recommends regularization besides taking action against the person(s) at fault under intimation to audit.

AIR Para No 29 (2015-16)

1.3.2.2 Non Recovery of penalty on late completion of schemes - Rs. 2.325 million

Clause-2 of the conditions of the Contract Agreement clearly provides that the contractor has to pay compensation @ 1% per day or maximum 10% of the estimated cost for delay in completion of work.

Tehsil Municipal Officer, Balakot executed various developmental schemes with an estimated cost of Rs.24, 463,000 during the year 2015-16.

These schemes were not completed within stipulated period of time. Neither time extension was granted nor penalty @10% amounting to Rs.2, 324,569 was imposed on the contractors as per **Annexure-5**.

Audit observed that non imposition of penalty occurred due to lack of financial management and favouring the contractors on government cost, which resulted in loss to public exchequer.

The irregularity was pointed out to management in in January 2017, management stated that most of the works were delayed due to site disputes, however penalty @1% has been imposed on the contractors. Reply was not cogent as penalty @10% was required to be imposed as per above criteria.

Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

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

AIR Para No 30 (2015-16)

**TEHSIL MUNICIPAL ADMINISTRATION
OGHI**

1.4 Audit Paras of Tehsil Municipal Administration Oghi

1.4.1 Weak Internal Control

1.4.1.1 Irregular expenditure on execution of schemes without T S - Rs 31.000 million

Para 58 of CPWD read with Para 32 of CPWA Code Volume-I provide that no work shall be executed without Administrative Approval / Technical Sanction and Budget allotment.

According to Para I of General Instructions issued vide Government of NWFP (Works & Services Department) No. SO (PAC) DAC/48-2008/DERA/W&SD dated 10-3-2008, Technical Sanction should be obtained prior to commencement of the works as per rules. In future, if the TS is not obtained prior to commencement of scheme then disciplinary action will be initiated against the responsible officer.

According to Government of NWFP Local Government Department Letter No.ACI/LCB/ESTT:/3-5/2005 dated 22-11-2005, Engineers in BPS-17 is empowered to accord technical sanction up to Rs 1,500,000.

Tehsil Municipal Officer, Oghi executed 12 schemes having estimated cost of Rs 31.000 million during 2015-16 against which a sum of Rs 29.374 million has been paid. These schemes were executed and paid without approval of technical sanction prior to commencement of work as per **annexure 6**. Carrying out the work in this way was against the rules.

Irregular payment for scheme without technical sanction occurred due to lack of administration and financial control.

The irregularity was pointed out in February 2017, management stated that detailed reply would be submitted within fifteen days. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

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

AIR Para No 66 (2015-16)

1.4.1.2 Payment for doubtful execution/completion of works – Rs 10.416 million

According to rule 30 of Khyber Pakhtunkhwa Public Procurement 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.

Tehsil Municipal Officer, Oghi paid Rs 10,416,655 for the execution of 4 schemes against the estimated cost of Rs 10,500,000 during 2015-16 as detailed below:

(Amount on Rs)

S/No.	Fund	Scheme name	E. Cost	Payments
1	ADP 1119	PCC Road Hassan Banda Jangal Pura	4,000,000	3,985,765
2	-do-	PCC Road Zaid Abad	3,000,000	2,993,226
3	-do-	PCC Road Manchora	3,000,000	2,987,664
4	ADP 746 2015-	PCC Road Nasir Abad Uc Perhana	500,000	450,000
Total			10,500,000	10,416,655

Payment for schemes mentioned against S. No. 1 to 3 is held doubtful as the reports of TO (I) recorded on note sheets created skepticism regarding the qualitative and quantitative completion of these schemes. As for as the work mentioned against S/No. 4, completion report and contractor bill revealed that the work has been completed on 31.10.2016 whereas, TO(I) notice No. 524 and 547 dated 26.10.2016 and 04.11.2016 respectively stated that the work has not so far started/completed.

Payment for doubtful execution/completion of works was due to weak internal control system and involvement of personal interest cannot be ruled out.

The irregularity was pointed out in February 2017, management stated that detailed reply would be submitted within fifteen days. No progress was

reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

Audit recommends a fact finding inquiry of above mentioned schemes and strict disciplinary action against the person(s) at fault.

AIR Para No 64 (2015-16)

1.4.1.3 Irregular expenditure on developmental schemes – Rs 29.374 million

S/No. 5(c) of D.O. No. F.7(1)RO(RD)/2003 dated Islamabad, the January, 2004 of the Government of Pakistan Ministry of Local Government and Rural Development provides, “Land for the purpose for developmental schemes wherever applicable, is to be provided free of cost, it shall not form part of the cost estimates of the scheme. In case a member offers private land its mutation shall be effected before execution of scheme”.

Tehsil Municipal Officer, Oghi paid Rs 29.374 million against the estimated cost of Rs 31.000 million during 2015-16 for number of schemes as per **annexure 7**, whereas the management did not affect any mutation deed. The amount so spent was against the rules mentioned above.

The irregularity was due to lack of interest towards public assets.

The irregularity was pointed out in February 2017, management stated that detailed reply would be submitted within fifteen days. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

Audit recommends that mutation may immediately be effected besides action against the person(s) at fault.

AIR Para No 65 (2015-16)

1.4.1.4 Non-recovery of penalty for late completion of schemes – Rs 1.579 million

According to clause 2 of the conditions of contract agreement, 1% penalty should be deducted from the contractor's bill for every day delay. The penalty is subject to maximum of 10%.

Tehsil Municipal Officer, Oghi did not recover Rs 1,579,000 from various contractors on account of penalty for delay in completion of developmental schemes during 2015-16 detail is given at **annexure 8**

Penalty was not imposed due to weak internal control, which resulted in loss to Government.

The irregularity was pointed out in February 2017, management stated that detailed reply would be submitted within fifteen days. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

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

AIR Para No 71 (2015-16)

1.4.1.5 Overpayment due to allowing higher rates - Rs 1.816 million

As per Para 220 and 221 of CPWA Code, 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.

Tehsil Municipal Officer, Oghi overpaid Rs 1.816 million during 2015-16 due to allowing higher rates for a number of items of work in various schemes. Allowing such higher rates resulted in overpayment of Rs. 1.816 million.**Annexure-9.**

Overpayment occurred due to lack of financial and administrative control resulting in loss to Government.

The irregularity was pointed out in February 2017, management stated that detailed reply would be submitted within fifteen days. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

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

AIR Para No 68 (2015-16)

1.4.1.6 Unauthorized execution/change of scheme – Rs 1.00 million

S/No. m read with e of Modalities for ADP schemes “special package” Notification No. C/RD/P&DD/LG&RD/73/1822-1922 dated 13.11.2013 of the Government of KP provides, “scope & site of the Chief Minister Directive schemes/projects shall not be changed after its approval by the competent forum except as the Chief Minister may deem appropriate”.

Tehsil Municipal Officer, Oghi changed (two) 2 schemes i.e. PCC roads into Kacha roads having an estimated cost of Rs 1.000 million under CMD-ADP 746 for the year 2015-16 without the approval of the CM secretariat. Detail is as under:

(Amount on Rs)

S/No.	Original Scheme	Changed scheme	E. Cost
1	PCC road remaining work village galyan to Ali garan uc perhana	Kacha road chamyan to galian uc perhana	500,000
2	PCC link road shelahyan uc phulra	Kacha road shelahyan uc phulra	500,000
Total			1,000,000

Furthermore, the schemes were administratively approved on 19.05.2015 and tendered on 22.10.2015 but no progress reported till date of audit as the relevant record were no produced.

The irregularity occurred due to lack of interest towards Government instructions and utilization of public funds resulted in violation of rules and blockage of funds.

The irregularity was pointed out in February 2017, management stated that detailed reply would be submitted within fifteen days. No progress was reported till finalization of this report Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

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

AIR Para No 72 (2015-16)

1.4.1.7 Blockage of funds due to non-execution of works – Rs 7.718 million.

According to rule 30 of Khyber Pakhtunkhwa Public Procurement 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.

Tehsil Municipal Officer, Oghi allocated a sum of Rs 7.718 million for the execution of 20 schemes under CMD 2015-16 and Net Hydrel Profit for the year 2014-15. Record revealed that all of the schemes were in process for retendering or retendering till the date of audit. Management failed to utilize the funds which deprived the community of the basic facilities for which such a huge amount was been allocated. It shows lack of interest in government work. Detail is given at **Annexure 10**.

The irregularity was pointed out in February 2017, management stated that detailed reply would be submitted within fifteen days. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

Audit recommends action against the persons at fault.

AIR Para No 71 (2015-16)

1.4.1.8 Loss due to non-utilization of PFC fund- Rs 54.51 million

Letter No. AO/LCB/TMA/OGHI(BUDGET)2016 dated Peshawar, the 27/09/2016 of Government of Khyber Pakhtunkhwa, LG&RDD, LOCAL COUNCIL BOARD says:

1. An amount of Rs 40.28 million reflected as remaining amount of 30% PFC share 2015-16 on the income side of the budget which is not to be released by finance department.
2. The current year 30%PFC share be reduced up to 82.94 million instead of 97.57 million.

Tehsil Municipal Administration, Oghi was released a sum of Rs 40.28 million on 16.10.2015 and 03.11.2015 for the first two quarters of 30% PFC for the year 2015-16 with the directives to utilize the same in accordance with the guidelines issued by P&D.

Management could not utilize the funds due to which Rs 40.28 million for the year 2015-16 were withheld while the funds under the head for the financial year 2016-17 were reduced to the extent of Rs 14.63 million. This resulted in loss to the local Government worth Rs 54.91 million.

Furthermore, a sum of Rs 40.50 million was released in December 2015 for the execution of various schemes during 2015-16 under ADP-757, 762 and 756. The management failed to utilize the funds during the year as the schemes were administratively approved in May 2016, advertized in June 2016 and work orders were issued in August to November 2016. Thus it was great negligence on the part of management.

The irregularity was pointed out in February 2017, management stated that detailed reply would be submitted within fifteen days. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

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

AIR Para No 62 (2015-16)

1.4.1.9 Illegal deduction and retention of 1% contingency charges – Rs 1.093 million

Letter No. BO/2-1/2005-2006/FD dated 09.05.2006 says that it had been noticed that provision of contingency is still made/provided in the PC-I(s), which is contrary and in violation of decisions/Govt. policy already conveyed vide letter No B1/5-17/97-98/FD dated 20.01.1998 and No. B1/5-898-99/FD dated 17.08.1998.

Tehsil Municipal Officer, Oghi deducted Rs 1.093 million from the contractors on account of 1% contingency charges during 2015-16 and retained in PLA. Furthermore, no precise record of all the transactions was kept nor shown to audit regarding its debits, credits and accumulative balance since its deduction as detailed briefed below.

(Amount on Rs)

S/no.	Source of fund	No. Of schemes	Estimated cost	Expenditure	1 % contingency
1	ADP 746 2015-16	15	15.393	12.009	0.154
2	ADP 757 2015-16	16	10.500	4.844	0.105
3	ADP 762 2015-16	32	15.000	5.633	0.150
4	ADP 756 2015-16	21	15.000	3.193	0.150
5	ADP 719 2014-15	85	20.000	19.360	0.200
6	DDI non-ADP 2014-15	17	11.700	8.400	0.117
7	DDI non-ADP 2014-15	23	11.700	10.000	0.117
8	ADP 1119 2014-15	3	10.000	9.967	0.100
	Total	212.000	109.293	73.406	1.093

Illegal deductions and retention occurred due to non-compliance of rules and regulations.

The irregularity was pointed out in February 2017, management stated that detailed reply would be submitted within fifteen days. No progress was

reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

Audit recommends that the figures of all schemes executed under different funds during preceding years may be worked out and deposited/credited in to Government treasury under intimation to audit besides disciplinary action against the persons at fault.

AIR Para No 63 (2015-16)

1.4.1.10 Mismanagement of cash reserves – Rs 10.378 million

According to Government of Pakistan Finance Division Islamabad letter No. F4 (1) 2002-BRII dated 02.07.2003 endorsed by Government of KP Finance Department vide letter No. 2/3funds/loans (FD) 2003/Vol. VIII dated 21.10.2003, before making any investment, it would be necessary for public sector entities to setup in house professional treasury management functions. Specifically, they would need to have an investment committee with defined investment approval authority.

Tehsil Municipal Officer, Oghi had an accumulative balance of pension fund worth Rs 10,377,901 as per two different accounts in UBL. The management was required to constitute an investment committee for investing their surplus funds in various banks to get maximum return on it, which was not done and the Government was put in to loss.

Mismanagement was due to weak internal control system and violating the government rules.

The irregularity was pointed out in February 2017, management stated that detailed reply would be submitted within fifteen days. No progress was reported till finalization of this report.

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

AIR Para No 77(2015-16)

1.4.1.11 Doubtful payment on account of pension fund – Rs 2.005 million

According to letter No. AO/LCB/LCB dues/2016 dated 12.01.2106 of Local Council Board Government of KP, the dues may be deposited through Bank Draft in the name of Secretary LCB.

Treasury Rule 283 states that the head of an office is personally responsible for the amount drawn on a bill signed by him or on his behalf until he has obtained a legally valid acknowledgement.

TMA, Oghi paid Rs 649,980 vide cross cheque bearing No.12804329 dated 05.06.2015 and Rs1,355,472 vide cross cheque bearing No. 15345464 dated 10.02.2016 to LCB on account of pension contribution of PUGF staff. However UBL bank statement revealed that the amount was drawn in cash. Furthermore, copy of Bank Draft along with acknowledgement of LCB in this regard was not available on record. In this situation both transactions appear to be doubtful and the amount has been drawn illegally.

The irregularity/doubtful payment occurred due weak internal control system and negligence of the concerned officials. Misappropriation of amount cannot be ruled out.

The irregularity was pointed out in February 2017, management stated that detailed reply would be submitted within fifteen days. No progress was reported till finalization of this report. Request for DAC meeting was made in February 2017 which could not be convened till finalization of this Report.

Audit recommends that inquiry may be conducted in the matter and action be taken against the persons at fault under intimation to audit.

AIR Para No 76 (2015-16)

**ANNEXURE
Annex-1**

Detail of MFDAC Paras

(Amount on Rs)

S. No	AP No	Department	Caption	Amount
1.	34	TMA Mansehra	Mis appropriation	0.089
2.	35	-do-	Irregular payment	0.120
3.	36	-do-	Un authorized payment	0.150
4.	37	-do-	Un authorized Drawl	0.10
5.	38	-do-	Irregular expenditure	0.643
6.	39	-do-	Overpayment	0.102
7.	40	-do-	Irregular Expenditure	0.30
8.	41	-do-	Irregular Payment	0.237
9.	42	-do-	Irregular Expenditure	0.139
10.	43	-do-	Mis appropriation	0.30
11.	44	-do-	Overpayment	0.084
12.	45	-do-	Irregular Expenditure	1.0
13.	46	-do-	Irregular Expenditure	0.593
14.	47	-do-	Overpayment as compared to the bid	0.355
15.	48	-do-	Overpayment	0.852
16.	49	-do-	Irregular Expenditure	3.00
17.	55	-do-	Loss to government of due non recovery of pay and allowance	0.135
18.	57	-do-	Loss to government on account of awarding to contract of adda fee	0.039
19.	58	-do-	Loss to government due to non recovery from wedding from wedding hall	0.720
21.	28	TMA Balakot	Non adjustment of advances	0.760
22.	30		Doubtful execution of work	0.195
23.	62	TMA Oghi	Unjustified payment for incomplete work	0.800
24.	73		Loss due payment of excess bid	0.077
25.	78		Mis application of funds	0.500
26.	79		Non deduction of tax	0.06
Total:				11.35

Annex-2

Para .2.1.5

Detail of Rent

(Amount in Rs)

	Shop No	Location	Per month rent	Demand for the year 2015-16	Recovery 2015-16	Outstanding 2015-16	Arrears upto 30 june 2015	Total arrears upto 30 june 2016
1	6	GBS Mansehra	4183	50196	8366	41830	0	41830
2	16	GBS Mansehra	2766	33192	29000	4192	0	4192
3	20	GBS Mansehra	2537	30444	15222	15222	0	15222
4	32	GBS Mansehra	4493	53916	38000	15916	0	15916
5	35	GBS Mansehra	4492	53904	25000	28904	0	28904
6	45	GBS Mansehra	5871	70452	61113	9339	0	9339
7	70	GBS Mansehra	4084	49008	24504	24504	0	24504
8	176	GBS Mansehra	2099	25188	19025	6163	0	6163
9	268	GBS Mansehra	733	8796	0	8796	0	8796
10	271	GBS Mansehra	1302	15624	6772	8852	0	8852
11	272	GBS Mansehra	666	7992	0	7992	0	7992
12	273	GBS Mansehra	666	7992	0	7992	13860	21852
13	275	GBS Mansehra	666	7992	0	7992	0	7992
14	276	GBS Mansehra	605	7260	6050	1210	0	1210
15	283	GBS Mansehra	666	7992	0	7992	0	7992
16	284	GBS Mansehra	666	7992	0	7992	0	7992
17	299	GBS Mansehra	2600	31200	28340	2860	0	2860
18	307	GBS Mansehra	1000	12000	11000	1000	0	1000
19	2	GBS Mansehra	1113	13356	6680	6676	0	6676
20	33	GBS Mansehra	698	8376	4188	4188	0	4188
21	34	GBS Mansehra	698	8376	6282	2094	0	2094
22	60	GBS Mansehra	783	9396	8000	1396	0	1396
23	121	GBS Mansehra	587	7044	2935	4109	0	4109
24	5	Woman Plaza	2392	28704	14352	14352	0	14352
25	16	Woman Plaza	807	9684	0	9684	4322	14006
26	17	Woman Plaza	807	9684	0	9684	5131	14815
27	20	Woman Plaza	807	9684	0	9684	0	9684
28	27	Woman Plaza	666	7992	1332	6660	0	6660
29	14	Baidrah Road	1041	12492	1050	11442	0	11442
30	1	Lawyer Office Court Rd	829	9948	0	9948	85332	95280
31	2	Lawyer Office Court Rd	772	9264	0	9264	74598	83862
32	3	Lawyer Office Court Rd	829	9948	0	9948	70236	80184

33	4	Lawyer Office Court Rd	829	9948	0	9948	85332	95280
34	5	Lawyer Office Court Rd	829	9948	0	9948	79650	89598
35	6	Lawyer Office Court Rd	829	9948	0	9948	85332	95280
36	7	Lawyer Office Court Rd	772	9264	9264	0	0	0
37	8	Lawyer Office Court Rd	829	9948	0	9948	85332	95280
38	9	Lawyer Office Court Rd	829	9948	0	9948	85332	95280
39	10	Lawyer Office Court Rd	910	10920	0	10920	74127	85047
40	11	Lawyer Office Court Rd	829	9948	0	9948	85232	95180
41	12	Lawyer Office Court Rd	829	9948	0	9948	85332	95280
42	13	Lawyer Office Court Rd	1001	12012	0	12012	45480	57492
43	14	Lawyer Office Court Rd	829	9948	0	9948	72458	82406
44	15	Lawyer Office Court Rd	829	9948	0	9948	85232	95180
45	16	Lawyer Office Court Rd	829	9948	0	9948	41328	51276
46	17	Lawyer Office Court Rd	829	9948	0	9948	85232	95180
47	18	Lawyer Office Court Rd	722	8664	0	8664	21516	30180
48	19	Lawyer Office Court Rd	829	9948	4974	4974	0	4974
49	20	Lawyer Office Court Rd	753	9036	0	9036	68727	77763
50	21	Lawyer Office Court Rd	923	11076	0	11076	92461	103537
51	22	Lawyer Office Court Rd	466	5592	0	5592	44041	49633
52	23	Lawyer Office Court Rd	1326	15912	0	15912	125991	141903
53	24	Lawyer Office Court Rd	797	9564	9564	0	0	0
54	25	Lawyer Office Court Rd	829	9948	0	9948	85432	95380
55	26	Lawyer Office Court Rd	910	10920	0	10920	95148	106068
56	27	Lawyer Office Court Rd	829	9948	0	9948	85032	94980
57	28	Lawyer Office Court Rd	829	9948	0	9948	85332	95280
58	29	Lawyer Office Court Rd	932	11184	0	11184	100174	111358
59	30	Lawyer Office Court Rd	932	11184	0	11184	100380	111564
60	32	Lawyer Office Court Rd	932	11184	0	11184	100780	111964
61	33	Lawyer Office Court Rd	932	11184	0	11184	0	11184
62	34	Lawyer Office Court Rd	932	11184	0	11184	97380	108564
63	35	Lawyer Office Court Rd	932	11184	0	11184	100380	111564
64	36	Lawyer Office Court Rd	932	11184	0	11184	100380	111564
65	37	Lawyer Office Court Rd	932	11184	0	11184	96330	107514
66	38	Lawyer Office Court Rd	946	11352	0	11352	114660	126012
67	39	Lawyer Office Court Rd	753	9036	0	9036	76196	85232
68	40	Lawyer Office Court Rd	753	9036	0	9036	76296	85332
69	1	Main Chowk Pull	458	5496	0	5496	13644	19140
70	2	Main Chowk Pull	504	6048	4524	1524	0	1524
71	3	Main Chowk Pull	458	5496	5496	0	0	0
72	4	Main Chowk Pull	458	5496	5496	0	0	0
73	5	Main Chowk Pull	458	5496	5496	0	0	0
74	6	Main Chowk Pull	458	5496	5496	0	0	0
75	1	Meet Market	2285	27420	27420	0	0	0

76	2	Meet Market	3931	47172	47172	0	0	0
77	3	Meet Market	3249	38988	0	38988	27040	66028
78	7	Meet Market	3573	42876	0	42876	204788	247664
		Total	99679	1196148	442113	754035	3160986	4.0486

**Annex -3
Para 1.2.2.8**

Detail of Penalty

(Amount on Rs)

S.No.	Name of Scheme	Estimated Cost	Date of Commencement	Date of Completion	Remarks	Penalty
1	Excavation of well for village Shanai	0.300	26/10/2015	31/3/2016	In progress	0.03
2	Mari Janzagah Boundary wall	0.500	do	do	In progress	0.05
3	Akabar Tanda Narra Street	0.300	do	do	In progress	0.03
4	Mumtazabad Bajan Masjid Street	0.150	do	do	In progress	0.015
5	PCC Street Wajib Khan , Muhammad Anwar, Javiad Kala Khan Bela Masjid Aqsa to house of Shokat Kangarmera UC Labarkot	0.800	6/4/2015	22-06-2015	In progress	0.08
6	Construction Nika Road	0.500	6/4/2015	22-06-2015	In progress	0.05
7	Phughar Banda Street Chan Khan and Guli Bagh Street Master Nawaz	0.700	6/4/2015	22-06-2015	In progress	0.07
8	WSS Makria Bala Saeed	0.500	6/4/2015	22-06-2015	In progress	0.05
9	PCC/Well Village Chontran	0.500	6/4/2015	22-06-2015	In progress	0.05
10	PCC Street Kandar UC Phulra	0.500	6/4/2015	22-06-2015	In progress	0.05
11	Village Lundai Banda Road U/C Malik Pur	0.700	12/7/2015	30-04-2016	In Progress	0.07
12	Cheek Ghandian Road UC	0.500	do	do	In Progress	0.05

	Inayatbad					
13	Kharanaka Road Kulhary UC Baffa	0.500	do	do	In Progress	0.05
14	PCC Road Bero Bandi Data	1.000	12/9/2015	30-04-2016	In Progress	0.1
15	PCC Road Muhayan Khori Behali	1.000	do	do	In Progress	0.1
16	PCC Street Basti Gallah NHO Abdul Rehman (Late)	0.300	do	do	In Progress	0.03
17	PCC Road Pahandran NHO Hanif Atter Shisha	0.400	do	do	In Progress	0.04
18	PCC Road Mohri Bararkot Ghari Habibullah	0.593	do	do	In Progress	0.0593
19	PCC Road from Sum Phulra Road Maira to Budjakka C/O Master Muhammad Riaz Buddaka UC Phulra	2.500	25-01-2016	30/6/2016	In Progress	0.25
20	P/Wall Road Madina Colony Draddian Potha	0.300	12/1/2015	31-03-2016	In Progress	0.03
21	Repair/ Rehabilitation of road Showhal Bridge to pat sere	3.000	5/5/2015	30-06-2015	In progress	0.3
22	PCC Street & Sewerage Line from road to HO Mazhar Khan	0.500	5/5/2015	30-06-2015	In progress	0.05
23	PCC road Halan Bai UC Lassan Nawab	0.500	5/5/2015	30-06-2015		0.05
24	WSS/Well Basti Maskeen Seri Mehtar Gul and	0.500	5/5/2015	21-04-2016	In progress	0.05

	Village Choja UC Phulra					
25	PCC Remaining Work Murat Mera	0.500	22-05-2015	30-06-2015	In progress	0.05
26	Construction of Katcha Road kund Data	1.000	--do--	--do--	In progress	0.1
27	Const: of well Moh: Tanoli Berkund & Kuligah Sum	0.250	--do--	--do--	In progress	0.025
28	Pav: of Streets/ Sewerage Line near H/O Abdul Sattar Khaki doraha degree college	0.500	--do--	--do--	In progress	0.05
29	WSS at Ashwal	0.700	--do--	--do--	In progress	0.07
31	M&R Schemes 2014-15	6.500	--do--	--do--	In progress	0.65
	Total	27.693				2.719

Annex- 4
Para 1.2.2.9

Detail of Advances

(Amount on Rs)

S. No.	Name of Official	Designation	Amount
1	Muhammad Iqbal	Chief Sanitary Inspector	1,240,000
2	Muhammad Sadique	Sanitary Inspector	1,350,000
3	Muhammad Tariq	Senior Firebrigada Officer	1,300,000
4	Shafiq ur Rehman	Electrical Supervisor	200,000
5	Muhammad Sarfaraz	Senior Firebrigade Officer	425,000
6	Muhammad Asif	Assistant Sanitary Inspector	275,000
7	Sardar Khalid	Sub Engineer	200,000
		Total	4,990,000

Annex- 5
Para 1.3.1.2

Detail of Penalty on account of delay in completion of work during 2015-16
(Amount on Rs)

Name of Work	Estimated Cost	Date of Commencement	Progressive Expenditure	Physical Progress	Scheduled Date of Completion	Penalty @ 10% on estimated cost
Imp: of Dara Shohal Road	3,284,000	23-04-2015	2,599,905	Late Completion	24-10-2015	259,990
Imp: Basoot Road	3,135,000	16-04-2015	2,545,906	-Do-	17-10-2015	313,500
Imp: Wall Kalish Road	500,000	09-03-2016	401,000	-Do-	9-06-2016	40,100
Constt: Chaprian to Noor Banna Road	500,000	22-03-2016	400,530	-Do-	30-06-2016	40,053
Constt: Marano Hangrai Road	500,000	09-03-2016	420,000	-Do-	30-06-2016	42,000
PCC Road Banna Kanool	1,000,000	15-03-2016	960,000	-Do-	15-06-2016	96,000
Imp: Sewerage System MC Balakot	834,000	05-05-2015	829,419	-Do-	06-09-2015	82,942
Imp: Water Supply System MC Balakot	4,472,000	05-05-2015	4,428,699	-Do-	06-09-2015	442,870
Imp: Drainage System MC Balakot	1,838,000	04-05-2015	1,820,000	-Do-	06-09-2015	182,000
Constt: Battal to Doga Road Bagar	700,000	22-03-2016	700,000		22-06-2016	70,000
Widening Sanjora Road	2,000,000	22-03-2016	370,969	In Progress	22-06-2016	200,000
Constt: Road GMS Ochari to Botbal	1,000,000	01-03-2016	510,553	In progress	30-06-2016	100,000
11 Wells for different places in Balakot	2,200,000	09-03-2016	2,101,540	In progress	30-06-2016	220,000
WSS and Constt of Water Tank Mang Gharbi	500,000	09-03-2016	457,068	Late Completion	30-06-2016	45,707
Suspension Bridge Garlat Balakot	1,000,000	15-03-2016	999,981	-Do-	30-06-2016	99,998
Suspension Bridge Gul Seri Balakot	1,000,000	15-03-2016	570,670	-Do-	30-06-2016	89,409
	24,463,000					2,324,569

Annex-6
Para 1.4.1.1

Detail showing execution of works without technical sanction.
(Amount on Rs)

S. No.	Fund	Name of Scheme	Estimated Cost
1	ADP756 2015-16	Construction of Slab Bridge Kund Tarla	2.000
2	DDWP 2014-15	PCC Road Manchora	3.000
3	DDWP 2014-15	PC C Road Kot Zaidabad	3.000
4	DDWP 2014-15	PCC Road Hussain Banda Janjalpura ETC	4.000
5	DDWP 2014-15	PCC Road Oghi	4.000
6	ADP 746 2015-16	PCC road chakal nika pani	2.000
7	ADP 746 2015-16	PCC road lasa noawab	2.000
8	ADP 746 2015-16	PCC road phulra high school	2.000
9	ADP 746 2015-16	PCC road Galian to Daroo	2.000
10	ADP 746 2015-16	PCC road village hastan	2.000
11	ADP 762 2015-16	PCC road Ckamang pain	2.500
12	ADP 762 2015-16	PCC road bilimang	2.500
Total			31.000

Annex-7
Para 1.4.1.3

Detail of payment in absence of mutation documents

(Amount on Rs)

S. No.	Fund	Name of Scheme	Estimated Cost	Expenditure
1	ADP756 2015-16	Construction of Slab Bridge Kund Tarla	2.000	2.000
2	DDWP 2014-15	PCC Road Manchora	3.000	3.000
3	DDWP 2014-15	PC C Road Kot Zaidabad	3.000	3.000
4	DDWP 2014-15	PCC Road Hussain Banda Janjalpura ETC	4.000	4.000
5	DDWP 2014-15	PCC Road Oghi	4.000	4.000
6	ADP 746 2015-16	PCC road chakal nika pani	2.000	2.000
7	ADP 746 2015-16	PCC road lasa noawab	2.000	2.000
8	ADP 746 2015-16	PCC road phulra high school	2.000	2.000
9	ADP 746 2015-16	PCC road Galian to Daroo	2.000	0.863
10	ADP 746 2015-16	PCC road village hastan	2.000	2.000
11	ADP 762 2015-16	PCC road Ckamang pain	2.500	2.230
12	ADP 762 2015-16	PCC road bilimang	2.500	2.281
Total			31.000	29.374

**Annex-8
Para 1.4.1.4**

Detail showing penalty for late completion of schemes

(Amount on Rs)

S. no	Source of fund	Scheme name	Date of commencement	Compl. Period	Actual date of compl.	Estimated cost	Penalty
1	ADP 746 2015-16	PCC Road Galian to Daroo	25.05.2016	6 m	WIP	2,000,000	200,000
2	-do-	PCC Road Galian Village & Maintenance of WSS	-do-	-do-	-do-	500,000	50,000
3	-do-	PCC Road Galia Khanda	-do-	-do-	-do-	500,000	50,000
4	-do-	PCC Road Village Jorria	-do-	-do-	-do-	390,000	39,000
5	ADP 1119 2014-15	PCC Road Zahid Abad	26.03.2014	-do-	27.04.2016	3,000,000	300,000
6	-do-	PCC Road Hassan Banda	26.03.2015	-do-	15.01.2016	4,000,000	400,000
7	-do-	PCC Road Manchora	-do-	-do-	30.12.2015	3,000,000	300,000
8	NHP 2014- 15	PCC Street & Hps Uc Sawan Maira	09.10.2015	4 m	11.08.2016	800,000	80,000
9	CMD 2014- 15	9 wells in uc Dilbori	02.04.2015	2.5 m	18.01.2016	900,000	90,000
10	-do-	7 wells in uc Beelian	02.03.2015	6 m	WIP	700,000	70,000
Total							1,579,000

**Annex-9
PDP 1.4.1.5**

Detail of Overpayment due to allowing higher rates

(Amount on Rs)

S/No.	work	item of work	MRS 2015 rate	rate paid	Diff.	Qty.	overpayment
ADP 746 2015-16	PCC Road Chakal Uc Nika Pani	PCC 1:4:8	5,316.24	6,000.00	683.76	135.75	92,820.42
ADP 746 2015-16	do	PCC 1:2:4	6,997.38	8,550.00	1,552.62	135.75	210,768.17
ADP 746 2015-16	PCC Road High School to Ahel Serai Uc Phulra	PCC 1:2:4	6,997.38	10,671.50	3,674.12	137.51	505,228.24
ADP 746 2015-16	PCC Road Lassan Nawab Pul to Mand Uv Phulra	PCC 1:2:4	6,997.38	9,500.00	2,502.62	136.38	341,307.32
ADP 746 2015-16	PCC Road Nasir Abad Uc Perhina	PCC 1:4:8	5,316.24	5,500.00	183.76	34.59	6,356.26
ADP 746 2015-16	PCC Road Jebia Uc Perhina	PCC 1:2:4	6,997.38	8,600.00	1,602.62	18.68	29,936.94
ADP 746 2015-16	PCC Road Mandu Uc Phulra	PCC 1:2:4	6,997.38	9,675.00	2,677.62	34.57	92,565.32
NHP 2014-15	Package No.1	PCC 1:2:4	6,997.38	8,200.00	1,202.62	63.84	76,775.26
NHP 2014-15	do	PCC 1:2:4	6,997.38	7,600.00	602.62	63.84	38,471.26
NHP 2014-15	do	PCC 1:2:4	6,997.38	7,600.00	602.62	63.84	38,471.26
NHP 2014-15	Package No.4	PCC 1:2:4	6,997.38	8,009.00	1,011.62	49.91	50,489.95
NHP 2014-15	Package No.3	PCC 1:2:4	6,997.38	7,640.00	642.62	52.24	33,570.47
NHP 2014-15	do	Excavatio n in shingle gravel	236.83	500.00	263.17	537.48	141,448.61

NHP 2014-15	do	Excavation in hard soil	204.16	500.00	295.84	429.98	127,205.28
NHP 2014-15	WSS Barah Pain and Jadeed	S/F of GI pipe 1.5" dia	600.35	700.00	99.65	304.79	30,372.32
Total							1,815,787.09

Annex-10
Para 1.4.1.7

Detail of blocked funds

(Amount on Rs)

S. No.	Fund	Name of Scheme	Estimated Cost	Bid Amount	Expenditure	Balance	Remarks
1	ADP756 2015-16	PCC Street village Gegal Jabori	0.500		0.000	0.500	waiting for re-tender
2	ADP756 2015-16	PCC Street Banda Khwajgan	0.500		0.000	0.500	waiting for re-tender
3	ADP756 2015-16	PCC Street village Kanog	1.000		0.000	1.000	waiting for re-tender
4	ADP756 2015-16	Const: of Road Berrian Patti C/O Azhar Gul	0.400		0.000	0.400	waiting for re-tender
5	ADP756 2015-16	PCC Street village Sachan Khurd & Sachan Kalan	1.000		0.000	1.000	waiting for re-tender
6	ADP756 2015-16	PCC Street village Gair Sachan C/O Master Fiaz	0.500		0.000	0.500	waiting for re-tender
7	ADP756 2015-16	PCC Road Bjabar Gali Masjid to Katha Khorian C/O Murtaza	0.500		0.000	0.500	waiting for re-tender
8	ADP756 2015-16	const: of Road village Jabar Gali to Chinar	0.200		0.000	0.200	waiting for re-tender
9	ADP756 2015-16	PCC Street Jaba Dispanciry to Narra Patta	0.200		0.000	0.200	waiting for re-tender
10	ADP756 2015-16	const: of Road Katha Khorian Jabar	0.200		0.000	0.200	waiting for re-tender
11	NHP 2014-15	PCC street Waris Jan to GGPS Juma	0.200	0.200	0.000	0.200	tendered/awarded

		Gul Mosque UC Darband					
12	NHP 2014-15	PCC street Moh: Teerbat Basti Arif & Dawood UC Darband	0.400	0.400	0.000	0.400	tendered/awarded
13	NHP 2014-15	PCC street Habib Zargar C/O Zulfiqar UC Darband	0.300	0.300	0.000	0.300	tendered/awarded
14	NHP 2014-15	PCC street Bradar Miana C/O Wali Mohd Chairman UC Nikka Pani	0.300		0.000	0.300	tendered/awarded
15	NHP 2014-15	Extension of WSS Kiara UC Darband	0.200	0.200	0.000	0.200	tendered/awarded
16	NHP 2014-15	Extension of Remaining work of well Jisgran Basti, Malik Aftab	0.100	0.100	0.000	0.100	tendered/awarded
17	NHP 2014-15	HPs/Wells Village Kahawa Basti Qayyum UC Sawan Maira, Village Kahawa Basti Farooq UC Sawan Maira, Village Shah Kot C/O Syed Aris Shah UC Sawan Maira and Village Trappi Basti Haji Abad Trappi C/O Haji Masood- ur-Rehman UC Sawan Maira	0.400	0.400	0.000	0.400	tendered/awarded

18	NHP 2014-15	PCC street Rooria Basti Sher Bhadar S/O Miskeen UC Perhinna	0.200	0.198	0.000	0.200	tendered/awarded
19	NHP 2014-15	One Talla (Gabion) River Sim near Village Jabba, Basti Nadeem Khan UC Perhinna	0.500	0.450	0.000	0.500	tendered/awarded
20	NHP 2014-15	PCC street Village Baila Phase-I C/O Foujee Habib- ur-Rehman UC Sawan Maira	0.118		0.000	0.118	tendered/awarded
Total			7.718	2.248	0.000	7.718	