



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

**KHYBER PAKHTUNKHWA**

**AUDIT YEAR 2017-18**

**AUDITOR GENERAL OF PAKISTAN**

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## **ABBREVIATIONS AND ACRONYMS**

ADP	Annual Developmental Plan
AIR	Audit and Inspection Report
BOQ	Bill of Quantity
CPWD	Central Public Works Department
CMD	Chief Minister Directives
DAC	Departmental Accounts Committee
DDO	Drawing and Disbursement Officer
DG	Director General
DPR	Disable Person Rehabilitation
FD	Finance Department
LCB	Local Council Board
LED	Light Emitting Diode
LGE&RDD	Local Government Election and Rural Development Department
BDA	Bannu Development Authority
LGA	Local Government Act
MFDAC	Memorandum for Departmental Accounts Committee
MRS	Market Rate Analysis
VCs	Village Councils
P&D	Planning and Development Department
PFC	Provincial Finance Commission
PLA	Personal Ledger Account
PLS	Profit and Loss Sharing
PPRA	Public Procurement Regulatory Authority
RDA	Regional Directorate of Audit
RRM	Random Rubble Masonry
SDA	Special Drawings Account
SMD	Surface Mount Device
TMA	Tehsil Municipal Administration
TAC	Tehsil Accounts Committee
TMO	Tehsil Municipal Officer
VCs	Village Councils
WSS	Water Supply and Sanitation

## **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 (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 Lakki Marwat for the financial year 2016-17. The Directorate General of Audit, District Governments, Khyber Pakhtunkhwa conducted audit on test check basis during 2017-18 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 appropriate legislative forum through the next year's Audit Report.

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

The observations included in this Report have been finalized without written replies of the TMAs. 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 Directorate General Audit, District Governments, Khyber Pakhtunkhwa carries out the audit of all Tehsil Municipal Administrations. The Regional Directorate of Audit Bannu on behalf of the DG District Governments Audit, Khyber Pakhtunkhwa carries out the audit of District Governments, Tehsil Municipal Administrations and VCs/NCs of Lakki Marwat i.e., Lakki Marwat and Saria Nurang.

This Regional Directorate has a human resource of 5 officers and staff with a total of 1250 man-days. The annual budget amounting to Rs 9.109 million was allocated to it during financial year 2017-18. The office is mandated to conduct regularity (financial attest audit and compliance with authority audit) and performance audit of programs/ projects.

Tehsil Municipal Administration in district Lakki Marwat i.e. Lakki Marwat and Serai Naurang perform their functions under Khyber Pakhtunkhwa Local Government Act 2013. Each TMA has one Principal Accounting Officer (PAO) as provided in Section 8 (I) (P) 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. Annual budget is authorized by the Tehsil Council in the form of budgetary grants.

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

The total expenditure of Tehsil Municipal Administrations in District Lakki Marwat, for the Financial Year 2016-17 was Rs 461.987 million. Out of this, RDA Bannu audited an expenditure of Rs 230.993 million which, in term of percentage, was 50% of auditable expenditure.

The total receipts of Tehsil Municipal Administrations Lakki Marwat for the Financial Years 2016-17 were Rs 83.686 million which, in terms of percentage, was 100% of auditable receipts.

The total of expenditure and receipt of Tehsil Municipal Administrations in District Lakki Marwat for the financial year 2016-17 was Rs 545.673 million. Out of this, RDA Bannu audited the expenditure and receipt of Rs 314.679 million.

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

Recovery of Rs 82.545 million was pointed out during the audit. In which recovery was affected of Rs 5.832 million till the finalization of this report. Out of the total recoveries, Rs 76.713 million was not in the notice of the executive before audit.

**c. Audit Methodology**

Audit was conducted after understanding the business processes of TMAs, with respect to their functions, prioritization of risk areas by determining their significance 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 during scrutiny and substantive testing in the field.

**a. Audit Impact**

Audit pointed out various irregularities of serious nature. Cases related to weak internal controls 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 thus irregularities could not come to the light in the proper forum i.e. DAC and PAC.

**d. 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, and ensure accuracy, timeliness and reliability of financial and accounting information for decision making. Deficiencies were observed in the internal control system as depicted in audit findings.

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.

**e. Key audit findings of the report**

- i. Non production of record of Rs 5.965 million was noted in one case. <sup>1</sup>
- ii. Irregularities / non-compliance of Rs 506.994 million was noted in thirty four cases. <sup>2</sup>

**f. Recommendations**

- i. Disciplinary actions need to be taken to stop the practice of violation of the rules and regulations in spending the public money.
- ii. Concerted efforts need to be made to recover long outstanding dues.
- 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 preempted and fair value for money is obtained from public spending.
- iv. Deduction of taxes on supplies and contracts need to be ensured.

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<sup>1</sup> Paras No 1.3.1.1

<sup>2</sup> Paras No 1.2.1.1 to 1.2.1.10, 1.3.2.1 to 1.3.2.18

## SUMMARY TABLES & CHARTS

### I: Audit Work Statistics

(Rs in million)

S. No	Description	No.	Budget
1	Total Entities (PAO) in Audit Jurisdiction	02	545.673
2	Total formations in audit jurisdiction	02	545.673
3	Total Entities (PAO) Audited	02	314.679
4	Total formations Audited	02	314.679
5	Audit & Inspection Reports	02	314.679
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	0
2	Weak financial management	506.994
3	Weak Internal controls relating to financial management	0
4	Others	5.965
<b>Total</b>		<b>512.959</b>



**III: Outcome Statistics****(Rs in million)**

<b>S.No</b>	<b>Description</b>	<b>Expenditure on Acquiring Physical Assets (Procurement)</b>	<b>Civil Works</b>	<b>Receipts</b>	<b>Others</b>	<b>Total For the years 2016-17</b>	<b>Total for the year 2015-16</b>
1	Outlays Audited	4.605	147.576	83.686	78.812	314.679	171.232
2	Amount Placed under Audit Observations /Irregularities of Audit	1.405	264.326	20.190	227.038	512.959	202.674
3	Recoveries Pointed Out at the instance of Audi	0	53.261	28.257	1.027	82.545	57.883
4	Recoveries Accepted /Established at the instance of Audit	-	-	-	-	-	-
5.	Recoveries Realized at the instance of Audit	-	4.783	0.256	0.793	5.832	-

**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	506.994
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources	0
3	Accounting Errors (accounting policy departure from NAM 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.	0
4	Quantification of weaknesses of internal control systems.	0
5	Recoveries and overpayment, representing cases of establishment overpayment or misappropriations of public monies	0
6	Non-production of record	5.965
7	Others, including cases of accidents, negligence etc.	0
<b>Total</b>		<b>512.959</b>

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

<b>S #</b>	<b>Description</b>	<b>Amount</b>
1	Outlays Audited (item 1 of Table 3)	314.679
2	Expenditure on audit	1.5
3	Recoveries realized at the instance of audit	5.832
	Cost-Benefit Ratio	1:3.8

## **CHAPTER 1**

### **1.1 Tehsil Municipal Administrations in District Lakki Marwat**

#### **1.1.1 Introduction**

District Lakki Marwat two Tehsils. Each town office is managed by a Town Municipal Officer. Each Town has its own Town Officer (Finance), Town Officer (Infrastructure) and Town Officer (Regulation).

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

- (a) Monitor and supervise the performance of functionaries of Government offices located in the Tehsil and hold them accountable by making inquiries and reports to the district government or, as the case may be, Government for consideration and action;
- (b) Prepare spatial plans for the Tehsil including plans for land use and zoning and disseminate these plans for public enquiry;
- (c) Execute and manage development plans for improvement of municipal services and infrastructure;
- (d) Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including for agriculture, industry, commercial markets, shopping centers; residential, recreation, parks, entertainment, passenger and freight transport and transit stations;
- (e) Enforce municipal laws, rules and bye-laws;
- (f) Prevent and remove encroachments;
- (g) Regulate affixing of sign-boards and advertisements;
- (h) Provide, manage, operate, maintain and improve municipal services;
- (i) Prepare budget, long term and annual municipal development 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 Expenditure (Variance Analysis)

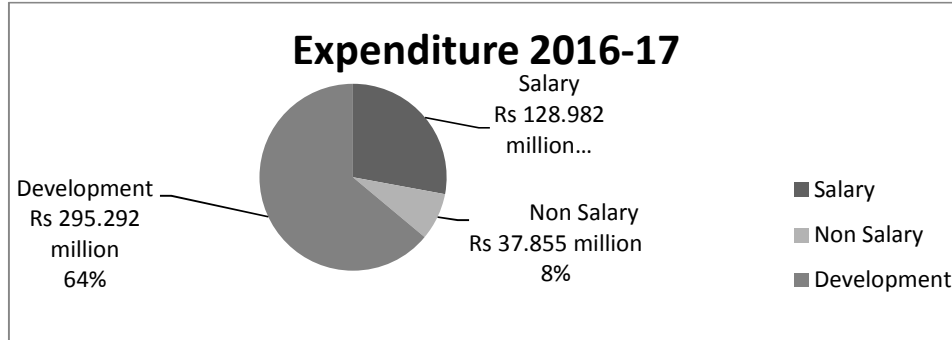
The budget and expenditure position of Tehsil Municipal Administrations Lakki Marwat and Serai Naurang of District Lakki Marwat for the year 2016-17 is as under:

(Rs in million)

2016-17	Budget	Expenditure	Saving/Excess	%age
Salary	130.038	128.982	(1.056)	(0.81)
Non-Salary	51.680	37.855	(13.825)	(26.75)
Developmental	382.309	295.151	(87.158)	(22.80)
<b>Total</b>	<b>564.027</b>	<b>461.988</b>	<b>(102.039)</b>	

2016-17	Budget Receipts	Actual Receipts	Variance	%age
Receipts	92.438	83.686	8.752	9.47%

The huge savings of Rs 102.039 million in all heads of accounts indicate weakness in the capacity of these local institutions to utilize the amounts allocated.



### 1.1.3 Brief comments on the status of Compliance with PAC/DAC Directives

The Audit Reports pertaining to Financial Years 2016-17 on accounts of Tehsil Municipal Administration Lakki Marwat were prepared under the Khyber Pakhtunkhwa Local Government Act, 2013 and submitted to Governor Khyber Pakhtunkhwa but have not yet been discussed in PAC. Provincial Assembly of Khyber Pakhtunkhwa vide letter No PA/KP/PAC/GEN. DISTT GOV/17/7935 dated 23.02.2017 has returned the Audit Reports with the remarks that the same may be examined by respective Accounts Committees of Councils as provided under Khyber Pakhtunkhwa Local Government Act, 2013. Under the direction of the PAC the reports have been submitted to the District Nazim for placing before the District Accounts Committee constituted under LGA 2013.

## **Tehsil Municipal Administration Lakki Marwat**

## 1.2 Audit Paras of Tehsil Municipal Administration Lakki Marwat

### 1.2.1 Irregularity & Non compliance

#### 1.2.1.1.1 Non Deduction of Sales Tax on services - Rs 38.200 million

According to Sr. No. 26 of Khyber Pakhtunkhwa Revenue Authority No. F-16(4) KPRA/Notification /WH/1323 dated: 31-08-2015 states that 15% Services Tax is required to be deducted from services provided by person engaged in contractual execution of work or furnishing supplies.

TMO Lakki Marwat spent Rs 254.677 million on executions of various developmental schemes without deducting the sales tax on services worth Rs 38.200 million during 2016-17as detail below;

S. No	Funds	Allocation	Expenditure	Sales tax on services @ 15%
1	30% PFC Award (Tehsil ADP)2015-16	293.392	160.984	24.147
2	CM Directives	89.387	70.302	10.545
3	District funds 2013-14 & 2014-15	17.993	14.491	2.173
4	Provincial fund ADP	18.731	8.900	1.335
	<b>Total</b>	<b>419.503</b>	<b>254.677</b>	<b>38.200</b>

Non-recovery of sales tax on services occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out in February 2018. Management replied that, after proper consultancy with higher ups replies will be submitted accordingly. The reply is not tenable because the amount was required to be recovered during financial year.

Request for convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**1.2.1.2 Execution of works without Technical Sanction - Rs 30.260 million**

Para 32 of CPWA code states that no work shall be executed without obtaining T.S and A.A.

Para 89 of CPWD Code provides that where work or the supply of material is to be given out on contract, the following condition must be observed:

- a. Tender must be invited after the estimate has been technically sanctioned.
- b. No officer may accept any contract which relates to a work not yet technically sanctioned.

TMO Lakki Marwat awarded contracts of Rs 30.260 million on account of execution of various development schemes during 2016-17. Audit observed that the work was executed without obtaining technical sanction. (Detail is given at **Annexure-2**).

Audit observed that irregular expenditure occurred due to weak internal control, which resulted in violation of rules regarding ascertaining the estimate of actual quantities to be executed during the work based on engineering specification and schedules of rates.

The irregularity was pointed out in February 2018. Management replied that, the work is in progress and TS will be made accordingly. The reply is not tenable because no work shall be executed without obtaining technical sanction.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

Audit suggests action against the person(s) at fault and inquiry by the competent forum into the actual quantities required to be executed



**AIR Para No16 (2016-17)**

**1.2.1.3 Non recovery of departmental dues - Rs 8.208 million**

Para 8 and 26 of GFR Vol-I states that each administrative department is to see that the dues of the government are correctly and promptly assessed collected and paid into government treasury.

TMA Lakki Marwat, awarded revenue contracts to various contractors for Rs 291,960,000 during 2016-17. The Contractors deposited Rs 40,161,200 during the contracts period, whereas Rs 4,099,800 is still outstanding and Rs 2,863,030 was required to penalize the contractors @ 2% per day due to late deposit and amount Rs 1,24,4000 already deposited was required to be forfeited which action was not taken. (Detail is given at **Annexture-4 to 7 &11, 10**).

Non recovery of departmental dues and penalty on account of late deposit is the violation of rules which resulted into loss to TMA.

The irregularity was pointed out in February 2018. Management replied that Rs, 100,000 have been recovered from the contractor Bus Stand Lakki Marwat and remaining will be recovered as soon as possible. The reply is not tenable because the amount was required to be recovered during the financial year.

Request for convening of DAC meeting was made on March 2018, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No 01, 03&05 (2016-17)**

#### **1.2.1.4. Non-imposition of penalty -Rs 5.118 million**

Clause- 2 of Contract Agreement requires the imposition of penalty @ 1 % per day subject to maximum 10% of the estimated cost of the work that remained un-complete/un-finished after the proper dates.

TMO Lakki Marwat incurred expenditure of Rs 51,180,000 on execution of various developmental schemes during 2016-17. The works were awarded vide work order No 3921/TMA/LM dated 06.12.2016 with condition to complete the work within 06-months, but the work was in progress till the date of audit. Instead of imposition of penalty after 6 months expiry period, a further extension period was approved by the council. (Detail is given at **Annexure-3**).

The audit observed that council was not empowered to change the government laws on contracts.

Non imposition of penalty occurred due to non-compliance of government rules which resulted in loss to the government and the population was deprived from the benefits of the schemes.

The irregularity was pointed out in February 2018. Management replied that, due to delay in release of fund by Provincial Government i.e. half fund were released during 2015-16 against total allocation of fund and ongoing schemes were finalized from ADP 2016-17. The reply is not tenable because the work was not completed in stipulated period of time.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No 07 (2016-17)**

**1.2.1.5 Loss of - Rs 1.691 million due to non-deposit into government Treasury**

Para 26 & 28 of GFR Vol-I stipulates that controller officer is required to ensure that all sums due to government are regularly and promptly assessed regularized and duly credited in the government account and that no amount due to government should be left out standing without sufficient reasons.

TMO Lakki Marwat awarded different developmental contracts to various contractors out of 30% PFC ADP fund during 2016-17. The local office paid Rs 141,799,772 to the contractors leaving a balance of Rs 1,691,123, which was deducted from the contractor bills as rates were offered below by contractors. The local office neither surrendered the amount to Provincial government nor approval for further utilization was taken from the competent authority. (Detail is given at Annexure-8).

The audit observed that retention of developmental funds occurred due to non-compliance of rules which resulted in blockage of government money and the people were deprived from the benefits of the schemes.

The irregularity was pointed out in February 2018. Management replied that, after reconciliation with DAO office having saving amount will be returned. The reply is not tenable because the amount was required to be recovered during the financial year.

Request for convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No 10 (2016-17)**

**1.2.1.6 Loss to government due to non-recovery of advance income tax worth - Rs. 1.664 million**

Section 236 (A) of the Income Tax Ordinance 2001 requires the recovery of Advance Income Tax at the time of sale by auction @ 10% of the bid amount.

TMO, Lakki Marwat awarded revenue contracts to various contractors valuing Rs 16,645,000 during 2016-17. Audit observed that income tax worth Rs 1,664,500 was required to be deducted in advance which was not done. Detail is given as under:

S. No.	Name of Contractor	Name of Contractor	Total Bid 2016-17 (Rs)	Non Deposit of Income Tax @10%
1	Cattle Fair Market Tajori	Dil Badshah	795,000	79,500
2	Bus Stand Pezu	M. Jamil Khan	3,470,000	347,000
3	Entry Fee Lakki Marwat	M. Jamil Khan	2,750,000	275,000
4	Raksha Fee Lakki Marwat	M. Jamil Khan	201,000	20,100
5	Bus Stand Ghazni Khel	M. Ismail	678,000	67,800
6	Bus Stand Lakki Marwat	M. Asif Khan	6,210,000	621,000
7	Bus Stand (Malang Ada)	Mir Baz Khan	358,000	35,800
8	Bus Stand Tajori	Muzafar shah	552,000	55,200
9	Water Rate Lakki Marwat	Arif Momin	1631000	163100
	<b>Grand Total</b>		<b>16,645,000</b>	<b>1,664,500</b>

Loss was occurred due to noncompliance of rules, which resulted into loss to government.

The irregularity was pointed out in February 2018. Management replied that notices have been already sent to the defaulters and recovery will be mad as soon as possible. The reply is not tenable because the amount was required to be recovered during the financial year.

Request for the convening of DAC meeting was made on 21.03.2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No 02 (2016-17)**

**1.2.1.7 Loss to Government - Rs 1.477 million due to non-conducting of rate analysis of non-schedule items.**

According to CSR Serial No 8(3) Rate analysis for non-schedule items above Rs 1,000 will be sanctioned / approved from the Chief Engineer / officers exercising the powers of Chief Engineer.

Finance Department Notification No. CSR Cell/ FD/1-7/Rates/2014-15 dated 26.03.2015, rate analysis and specification standardized by Finance Department shall be the basis for market rate of an item, however these can be modified, replaced and added to with the approval of Finance Department.

TMO Lakki Marwat paid an amount of Rs 1,477,000 in excess on account of non-schedule item i.e. Submersible pumps, to the various contractors during 2016-17. On comparison with procurements by other TMAs i.e. Domel & Bannu it was observed that Rs 1.477 million was paid to different contractors in excess for the same quality and specification of submersible pumps. (Detail at **Annexure-9**).

Procurement of non-schedule items without rate analysis, occurred due to non-compliance with the government rules and instructions which resulted in to loss to the government.

The irregularity was pointed out in February 2018. Management replied that, after rate analyses reply will be submitted accordingly. The reply is not

tenable because the amount was required to be recovered during the financial year.

Request for convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No11 (2016-17)**

**1.2.1.8 Unauthorized and doubtful payment on repair and electricity charges of damaged Tube Wells - Rs 1.219 million**

According to detail statement signed by the Incharge of Tube Wells of Tehsil Municipal Administration Lakki Marwat, that the said water supply schemes were damaged since last four to six years.

TMO Lakki Marwat incurred expenditure of Rs 1,219,198 on repair of tube well and electric bills during 2016-17. It was observed that Tube well No.03 and No. 05 were shown damaged for the last 4 to 6 years as per statement of the incharge of tube wells.(Detail is given at annexure 12).

However, Rs 2,426,667 was spent during 2015-16 on account of Solar Energy System of T/well No 07, but Rs 695,149 was spent on electricity bills after solarization which is unjustified.

The audit observed that payment on repair/electricity charges on tube well damaged since long and solarized is unjustified and needs recovery.

The irregularity was pointed out in February 2018. Management replied that, tube wells No. 5 is damaged and expenditure will be authenticated while tube wells No. 03 will be re-functioning in near future. The reply is not tenable because the expenditure was shown incurred on damage tube well in 2016-17.

Request for convening of DAC meeting was made on 21.03.2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

Audit suggests inquiry/ action against the person(s) at fault besides recovery.

**AIR Para No 15&17 (2016-17)**

**1.2.1.9 Non-realization of water charges - Rs 1.136 million**

Para 26 & 28 of GFR Vol-I stipulates that controlling officer is required to ensure that all sums due to government are regularly and promptly assessed regularized and duly credited in the government account and that no amount due to government should be left out standing without sufficient reasons.

TMO Lakki Marwat incurred expenditure of Rs 8,470,207 during 2016-17 on account of repair/ rewinding and electricity charges of various water supply schemes in addition to the expenditure on pay & allowances of the operating staff. However, the office realized only Rs 0.494 million against Rs 1.631 million recoverable during 2016-17 on the same account. A comparison of the above referred expenditure with collect receipts shows that very nominal revenue is realized against outstanding water charges.

The audit observed that non-realization of water charges is the violation of rules, which shows inadequate administrative and financial control.

The irregularity was pointed in February 2018. Management replied that, notices have already been issued against the defaulters and recovery will be shown as soon as possible. The reply is not tenable because the amount was required to be recovered during the financial year.

Request for convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No18 (2016-17)**

**1.2.1.10 Non recovery of rent outstanding against allottee of shops and plot of - Rs. 0.855 million**

Para 8 and 26 of GFR Vol-I states that each administrative department to see that the dues of the Government are correctly and promptly assessed collected and paid into government treasury.

During scrutiny of accounts record of TMA Lakki Marwat, shops and plots situated in district Lakki Marwat, allotted to various allottees on rent basis, and a huge amount of Rs 855,676 was outstanding during 2016-17. (Detail is given at Annexure-13)

Non recovery of the outstanding rent is the violation of rules, which shows inadequate administrative and financial control.

The irregularity was pointed out in February 2018. Management replied that Rs. 155,860 has been recovered at the instance of audit and remaining will be recovered as soon as possible from the concerned. The reply is not tenable because the amount was required to be recovered during the financial year.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No 04 (2016-17)**



**Tehsil Municipal Administration, Serai Naurang**

### **1.3 Audit Paras Tehsil Municipal Administration Serai Naurang**

#### **1.3.1 Non Production of Record**

##### **1.3.1.1 Non Production of Record of - Rs 5.965 million**

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

TMO Serai Nourang did not produce following record despite repeated requests.

1. Service Books of existing staff and pension staff.
2. Rs 2,676,456 were paid to 29 pensioners.
3. Rs 500,000 were paid vide cheque No. 23105952 dated: 10.08.2015.
4. Rs 306,652 were paid vide cheque No. 23105972 dated: 31.08.2015.
5. Rs 126,500 were paid to Mr. Sijjad Anjum on account of Honoraria vide cheque No. 25968131 dated: 29.06.2016.
6. Rs 130,000 were paid to Mr. Shafi ullah on account of Honoraria vide cheque No. 25968129 dated: 29.06.2016.
7. Rs 70,000 were paid to Tehsil Nazim on account of Honoraria vide cheque No. 25968130 dated: 29.06.2016.
8. Rs 270,000 were paid to Tehsil Nazim on account of Honoraria vide cheque No. 31378629 dated: 25.05.2016.
9. Rs 180,000 were paid to Tehsil Naib Nazim on account of Honoraria vide cheque No. 31378630 dated: 25.05.2016.
10. Rs 1,205,183 were spent on electricity charges during 2015-16.
11. Rs 300,000 were paid to wife of Aziz Khan (Death Grant) vide cheque No 23871515 dated: 18.11.2015.
12. Rs 200,000 were paid to wife of Hamid ullah (Death Grant) vide cheque No. 24942940 dated: 04.01.2016 and 23385587 dated: 11.03.2016.

13. Contract File of Cess Fees for the year 2016-17.

Non production of record occurred due to non-compliance of rules, which resulted in to non-authenticity of public spending.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

Audit suggests production of record and action against the person(s) at fault.

**AIR Para No 25 (2016-17)**

## **1.2 Audit Paras of Tehsil Municipal Administration Serai Naurang**

### **1.3.2 Irregularity & Non compliance**

#### **1.3.2.1 Irregular expenditure without SOAE and Non-compliance with Local Government Act 2013, Rules of Business 2015 & Budget Rules 2016 & Non maintenance of accounts of receipts and expenditure – Rs 103.905 million.**

According to section (50) of Budget Rule 2016, the TO (Finance) shall prepare a schedule of authorized expenditure, which was authenticated by the Nazim of Tehsil Council (TMA). According to section 37(4) of LGA 2013, every Nazim, district council and tehsil council shall appoint an Internal Auditor. According to section 39 of LGA 2013, every Nazim shall, once in every year on a date fixed by him, take physical stock of movable and immovable properties. According to clause 1 (e) of section 23 of LGA 2013, Nazim will prepare and present report on the performance of municipal administration in tehsil council at least twice a year. According to schedule-I of Rules of Business 2015, Finance section shall prepare financial statements. According to section (4) of Budget Rule 2016, the TO (Finance) shall develop fiscal forecasts for 3 years. {See Rule 3 (2)} As per instructions / requirements laid down in Schedule 1 of the Khyber Pakhtunkhwa Tehsil and Town Municipal Administration Rules of Business 2015 the Finance Office shall “prepare financial statement and present them for internal and external audit”.

Section 36 of Local Government Act 2013 states that, “(1) the accounts of receipts and expenditure of local governments shall be kept in such form and in accordance with such principles and methods as the Auditor - General of Pakistan may prescribe. (2) The following arrangement for maintaining of accounts in local governments shall be followed: (a) the District Accounts Officer shall maintain the accounts of each district government; (b) the Tehsil Accounts Officer shall maintain the accounts of the tehsil municipal administration; (c) the Village Accountant shall maintain the accounts of village council; (d) the Neighborhood Accountant shall maintain the accounts of neighborhood council; and (e) the Accounts Officer mentioned in clauses (a), (b), (c) and (d) shall

perform pre-audit of all payments from the respective Fund before approving disbursements of monies. (3) The District Accounts Officer shall, quarterly and annually, consolidate the accounts of local governments in the district separately for receipts from the Government and local resources and send a copy to Government, Accountant General and Nazim district council.

TMO, Serai Naurang spent Rs 46,524,342 on current as well as developmental expenditure without preparing / authenticating Schedule of Authorized Expenditure for the year 2016-17. Audit further observed that:-

1. Internal Auditor has not been appointed.
2. Performance report has not been prepared.
3. Financial Statement has not been prepared for internal and external audit.
4. The 03 years fiscal forecast has not been prepared.
5. Annual accounts were not prepared.
6. The annual stock verification, report of moveable, immoveable property/stock has not been prepared for submission to local council.

Irregular expenditure without SOAE occurred due to non-compliance of rules which resulted in to violations of rules.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

Audit suggests regularization and action against the person(s) at fault.

**AIR Para No01, 02 & 08 (2016-17)**

### **1.3.2.2 Non Utilization of Developmental Funds - Rs 79.564 million**

According to Para 12 of GFR Vol.-1, a controlling officer must see not only that the total expenditure is kept within the limits of the authorized appropriation but also that the funds allotted to spending units are expended in the public interest and upon objects for which the money was provided.

TMO Serai Nourang received of Rs 79,564,000 out of 30% PFC ADP fund during 2016-17. The local office instead of utilizing the fund in the current year 2016-17, deposited in the PLA account of the TMA and was carried forward to the next financial year 2017-18.

Audit observed that non utilization of funds occurred due to negligence, weak financial control and ill planning, which deprived the public of the timely benefit of the funds.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

Audit suggests physical verification of all the schemes besides preparation of handing over reports and the post completion evaluation reports for submission to council concerned.

**AIR Para No 10 (2016-17)**

### **1.3.2.3 Unauthorized award of works due to non-transparent tendering Process - Rs 54.084 million.**

According to Procurement Planning Chapter V (Miscellaneous Provisions) of Khyber Pakhtunkhwa Public Procurement Regulatory Authority 2014, each procuring entity shall plan its procurements with due consideration to

transparency, economy, efficiency and timeliness, and shall ensure equal opportunities to all prospective bidders in accordance with section 22 of the Act. According to S. No. 2 of the NIT, the document must attach with the bid i.e. (Enlistment / renewal copy, Original Tender form / BOQ / Valid PEC registration. Incomplete tender forms will not be accepted.

TMO Serai Nourang awarded (48) developmental schemes out of (30% PFC ADP Fund 2015-16) worth Rs 54.084 million during 2016-17. Audit observed that:-

1. Original tender forms / BOQ were not available in most of the cases.
2. No single tender form was signed by any responsible officer/ Procurement committee.
3. The tender forms of all the bidders were not signed by TMO.
4. The BOQ and Abstract of cost were not signed by TOI.
5. Call deposits of all the three participants were not available on record.
6. Contracts agreements were not signed by contractors and management.
7. The source through which the participants sent their bid was not known to Audit.
8. No PEC Registration, CNIC and enlistment copy of the contractor were submitted by the contractors in majority of the developmental schemes as required under the NIT.
9. In the tender opening register, tender form No. submitted by the contractors were not written.
10. The quoted rates offered by the contractors were mentioned only in figure.
11. Date and amount of CDR submitted by the contractors were not recorded in the tender register to ascertain the CDR submitted by the contractors.
12. No recommendation by the works committee regarding the award of work was mentioned in the tender register.
13. Blank handing / taking over reports were found which makes the execution of schemes suspicious.
14. Monthly progress report was not prepared.

Irregular award was occurred due to non compliance of rules, which resulted in to loss to government.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

Audit suggests inquiry in the matter besides action against the person (s) at fault.

**AIR Para No12 (2016-17)**

- 1.3.2.4 i. Irregular preparation of revised salary budget in violation of TMA Budget Rules 2016, misclassification of expenditure**  
**ii. Unauthorized cash payment of monthly salaries / honoraria**  
**- Rs 50.367 million**

According to section 8(1) (m) of Tehsil Municipal Administration Budget Rules 2016, Budget shall be prepared in accordance of with Chart of Accounts issued by the Auditor general of Pakistan.

According to section 4(2) (m) of Tehsil Municipal Administration Budget Rules 2016 stated that the Tehsil Officer Finance ensure the chart of Accounts as prescribed by the Auditor General of Pakistan for recording transactions.

TMO Serai Nourang prepared revised salary budget under head A-01 (Employee related expenditure) (A-01101-Establishment Charges) without proper classification of (Pay of Officers Pay of Establishment and Allowances) of Rs 52,422,749 during 2016-17. Further all expenditure incurred under head



salaries was booked under head A-01101 instead of proper classification, which leads to misclassification of expenditure.

Moreover, TMO paid Rs 50,367,060 to all Gazetted / Non Gazetted employees / Nazim / Naib Nazim on account of monthly salaries / honoraria through DDO instead of direct credit/transfer to their respective Bank Accounts.

Audit observed that all this shown inefficiency / incompetence of the TOF Branch in TMA Serai Nourang.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

Audit suggests regularization of misclassified expenditure and action against the person(s) at fault.

**AIR Para No 03 &07(2016-17)**

**1.3.2.5 Execution of Works without Technical Sanction and non-conduct of Post Audit of PLA Funds–Rs 39.744 million**

Para 32 of CPWA code states that no work shall be executed without obtaining T.S and A.A.

Serial No 3 Accountant General Khyber Pakhtunkhwa letter No. T-015(235) AA/TMAs/2015-16/2971 dated 30.12.2015 provides that the TMOs will submit monthly accounts of expenditure with copies of paid vouchers to their concerned DAOs by 15<sup>th</sup> of the each month to carry out 100% Post audit.

TMO Serai Nourang spent Rs 39,743,786 on account of various development schemes during 2016-17. Audit observed that the work was executed without Technical Sanction and record was also not produced to District Accounts Office Lakki Marwat for post audit.

Audit observed that irregular expenditure occurred due to weak internal control, which resulted in violation of rules regarding ascertaining the estimate of actual quantities to be executed during the work based on engineering specification and schedules of rates.

Execution of works without obtaining technical sanction and non-conducting of post audit occurred due to non-compliance of rules.

The irregularity was pointed in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

Audit suggests action against the person(s) at fault and inquiry by the competent forum into the actual quantities required to be executed

**AIR Para No 06, 9 & 22(2016-17)**

**1.3.2.6 Unauthorized preparation & approval of deficit budget –  
Rs 39.591 million.**

According to Section (35) Clause (5) of the Khyber Pakhtunkhwa Local Government Act, 2013, a local council shall not be empowered to approve a budget if the sums required to meet estimated expenditures exceed the estimated receipts.

TMO Serai Nourang prepared revised estimated budget of receipts of Rs 81.927 million and estimated expenditure of Rs 121.518 million, which was in excess of Rs 39.591 million over estimated receipts, which was not authorized.

Non-compliance of rules is occurred due to weak internal control, which resulted into violation of rules.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

Audit suggests inquiry in the matter besides action against person (s) at fault under intimation to audit.

**AIR Para No 04 (2016-17)**

#### **1.3.2.7 Non-surrender of savings - Rs 24.845 million**

Para 209 of GFR provides, “Unless otherwise ordered by Government, every grant made for a specific object is subject to the implied conditions:

- (i) that the grant will be spent upon the object within a reasonable time, if no time limit has been fixed by the sanctioning authority and
- (ii) that any portion of the amount which is not ultimately required for expenditure upon that object, should be duly surrendered to Government”.

According to S. No-III of the minutes of meeting of Finance Department issued vide Government of Khyber Pakhtunkhwa LGE&RD Department No. SOB/LG/1-4/2003/Vol. II dated 19-11-2013, unspent balances out of allocated funds during the year should be surrendered to Provincial Account I well in time,

so that the same could be re-appropriated to other developmental schemes by P&D Department Khyber Pakhtunkhwa.

TMO Serai Nourang awarded 47 schemes to contractor having an estimated cost of Rs 54.084 million against the bid cost of Rs 29.239 million during 2016-17. As such there occurred savings of Rs 24.845 million as per detail attached. These savings were not surrendered to Government.

Non-surrendering of saving is occurred due to non-compliance of rules.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

Audit suggests regularization and action against person (s) at fault.

**AIR Para No21 (2016-17)**

**1.3.2.8 Loss to federal government due to non-recovery of Income Tax worth Rs 4.145 million.**

Section 236 (A) of the Income Tax Ordinance 2001 requires the recovery of Advance Income Tax at time of sale by auction @ Rs 10% of the bid amount.

Government of Pakistan Federal Board of Revenue vide letter No C No 4 (36) ITP / 2013 dated 19.07.2013 states that the rate of collection of income tax under section 236 (A) has been increased from 5% to 10%.

TMO Serai Nourang awarded different contracts to various contractors valuing 41.448 million without recovery of Income Tax worth Rs 4,144,800 (as per detail given below) during 2016-17.

Sr. No.	Name of Contract	2016-17	
		Bid Amount	Income Tax @ 10%
1.	Cattle Fair Serai Nourang	22,000,000	2,200,000
2.	Lorry Adda Serai Nourang	9,000,000	900,000
3.	2% Property Tax	8,450,000	845,000
4.	Lorry Adda Gandhi Chowk	650,000	65,000
5.	Lorry Adda Serai Gambila	407,000	40,700
6.	Cattle Fair Serai Gambila	111,000	11,100
7.	Cess Fees	830,000	83,000
<b>Total</b>		<b>41,448,000</b>	<b>4,144,800</b>

Loss was occurred due to non-compliance of rules, which resulted in to loss to government.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No13 (2016-17)**

**1.3.2.9 Non-compliance of P&D Guidelines in allocation of developmental funds—Rs 3.978 million.**

Government of Khyber Pakhtunkhwa Planning & Development Department notification No C/RD/P&DD/6-8/1617-1891 dated: 08.08.2016 stated that 05% must be allocated to Beautification projects.

TMO Serai Nourang did not allocate 05% funds Rs 3.978 million for beautification of the council projects.

Non-compliance of rules is occurred due to weak internal control, which resulted into violation of rules.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

Audit suggests necessary justification besides action against person (s) at fault.

**AIR Para No11 (2016-17)**

**1.3.2.10 Loss due to non-deduction of Sales Tax on services – 3.883 million**

Sr. No. 26 of Government of Khyber Pakhtunkhwa Revenue Authority notification No F-16(4) KPRA / Notification / WH / 1323 dated: 31.08.2015 states that 15% service tax on service is required to be deducted from the services provided by the person engaged in contractual execution of work or furnishing supplies.

TMO Serai Nourang spent Rs 25,886,747 on executions of various developmental schemes without deducting the sales tax on services worth Rs 3.883 million during 2016-17.

Non-recovery of sales tax on services was occurred due to non-compliance of rules, which resulted in to loss to Government.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No 20 (2016-17)**

**1.3.2.11 Loss due to non-recovery of penalty worth Rs 3.687 million**

Serial No 06 of model terms and conditions for the year 2016-17 circulated by Government of Khyber Pakhtunkhwa LG & RDD Local Council Board No. AO-II/LCB/6-11/2013 dated: 14.03.2016 states that, the contractor is bound to deposit the monthly installment up to end of each month. If the contractor fails to deposit the monthly installments within stipulated period of time, then 2% per days will be charged as penalty on amount of installment.”

TMO Serai Nourang awarded different contracts to contractors during 2016-17. According to condition contractors are bound to deposit monthly installments up to the end of each month. However the contractors failed to deposit the amount of monthly installments within stipulated period of time. As per condition of the agreement TMA was required to penalize the contractor @ 2% per day which action was not taken, and the TMA was put to loss of Rs 3,686,582.

Loss was incurred due to non-compliance of rules, which resulted into loss to government.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No 16 (2016-17)**

**1.3.2.12 Non-deposit of Income Tax, Stamp Duty & DRP fund – Rs 2.296 million**

According to SRO No 136 dated: 13.02.2015, Section 153 (1)(b) states that Income Tax @ 10% is required to be deducted. Section -II of the disabled person (Employment and Rehabilitation) ordinance 1981. It is legal responsibility of all principal officers of each establishment/organization to deduct DRP at the rate of 0.2% from the bill to be made to contractors/firms who have conducted business of one million and above in a financial year.

TMO Serai Nourang spent Rs 25,886,747 on execution of development schemes during 2016-17. Income Tax @ Rs 7.5%, stamp duty @ Rs 6,250 each and DRP fund @ Rs 2,000 each was deducted, but was not deposited in to Government treasury, which resulted in to loss of Rs 2,296,256 as per detail attached.

Non recovery of tax is the violation of rules and the Government was deprived from revenues of Rs 2,296,256.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No 23 (2016-17)**



### **1.3.2.13 Non-recovery of rent of shops Rs 2.209 million**

Para 26 & 28 of GFR Vol-I stipulates that controller officer is required to ensure that all sums due to government are regularly and promptly assessed regularized and duly credited in the government account and that no amount due to government should be left out standing without sufficient reasons.

TMO Serai Nourang did not recover rent of Rs 2,209,068 outstanding against 81 numbers rentee during 2016-17. This indicates inefficient administrative and financial control of the department.

Non recovery of departmental dues was occurred due to non compliance of rules.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No 18 (2016-17)**

### **1.3.2.14 Non-realization of water charges Rs 1.504 million**

Para 26 & 28 of GFR Vol-I stipulates that controller officer is required to ensure that all sums due to government are regularly and promptly assessed regularized and duly credited in the government account and that no amount due to government should be left out standing without sufficient reasons.

TMO TMA Serai Nourang did not recover water charges of Rs 1,503,790 outstanding against 1767 number water consumers during 2016-17. This indicates inefficient administrative and financial control of the department. As a

result recoverable amount is increased each year which requires special attention of all concerned to get the outstanding government dues cleared.

Non realization of water charges was occurred due to non compliance of rules.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No17 (2016-17)**

**1.3.2.15 Unauthorized expenditure on the purchase of Vehicle – Rs 1.405 million**

According to Serial No 3 of Austerity measures circulated by Government of Khyber Pakhtunkhwa Finance Department letter No. BO.I / FD/ 5-8 / 2016-17 dated: 04.07.2016 that, there shall be complete ban on the purchase of new vehicles during 2016-17. According to Note (b) to Serial No 3 of Government of Khyber Pakhtunkhwa Delegation of Powers under the financial rules and the powers of re-appropriation rules-2001, all cases involving purchase of vehicles / motor cycles shall have prior concurrence of Provincial P&D and Finance Department even it is approved as part of PC-I. According to condition No a & b of Government of Khyber Pakhtunkhwa Local Government Election and Rural Development Department Peshawar notification No SO (C&D) LGE & RDD / Transport Committee / 2015-16/528 dated: 03.04.2017 that, there shall be no duplication of purchases, and only those District Governments & TMAs shall make procurement of new vehicles where the presently serviceable vehicle does

not exists. Further the existing old / unserviceable vehicles shall be surrendered to Administrative Department for auction.

TMO Serai Nourang spent Rs 1,404,910 out of developmental funds security (Bank Account No. 2297-Security) on the purchase of one vehicle during ban period and without allocation of budget and approval of Provincial P&D and Finance Department during Financial Year 2016-17. Audit further observed that:-

1. According to condition (b) of the notification mentioned above only those District Governments & TMAs shall make procurement of new vehicles where the presently serviceable vehicle does not exists. However serviceable vehicle for TMO was available with the local office, which was used by TMO, TMA Serai Nourang.
2. According to condition (a) of the notification mentioned above, the existing old / unserviceable vehicles shall be surrendered to Administrative Department for auction, however the vehicle was neither declared condemned nor surrender to Administrative Department, but was used by the local office and spent Rs 333,000 on the purchase of POL and repair of vehicle bearing Registration No A-1061.

Unauthorized expenditure was occurred due non compliance of rules.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

Audit suggests inquiry in the matter besides regularization and action against person (s) at fault.

**AIR Para No05 (2016-17)**

### **1.3.2.16 Loss due to less deduction of Income Tax – Rs 0.647 million**

According to SRO No 136 dated: 13.02.2015, Section 153 (1)(b) states that Income Tax @ 10% is required to be deducted.

TMO Serai Nourang spent Rs 25,886,747 during 2016-17 on execution of various developmental schemes. Income tax worth Rs 1,941,506 was deducted @ 7.5% instead of Rs 2,588,675, which resulted in to loss of Rs 647,169 (as per detail attached).

Loss was occurred due to non compliance of rules, which resulted into loss government.

The irregularity was pointed out in February 2018. Management did not respond to Audit observation.

Request for the convening of DAC meeting was made on March 2018, but no response was received from the Principal Accounting Officer, however, meeting of DAC could not be convened till finalization of this report.

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

**AIR Para No 19 (2016-17)**

## ANNEXURE

Annex-1

### Detail of MFDAC Paras

(Rs in millions)

#### TMA Lakki Marwat

S. No	AIR No	Department	Caption	Amounts
1.	09	TMA Lakki Marwat	Non deduction of sales tax worth Rs 0.673 million	0.673
2.	06	TMA Lakki Marwat	Non deductions of professional Tax Rs.0.234 million	0.234
3.	12	TMA Lakki Marwat	Overpayment Rs 0.239 million and non-deduction of sales tax Rs 0.110 million	0.349
4	14	TMA Lakki Marwat	Unauthorized expenditure of Rs 0.494 million on account of repair charges of official vehicles	0.494
5	19	TMA Lakki Marwat	Non-deposit of Sales Tax and Income Tax of Rs. 0.793 million	0.793
6	20	TMA Lakki Marwat	Non deposit of income tax of Rs 4.783 million	4.783
<b>TMA Serai Nourang</b>				
7	14	TMA Serai Nourang	Irregular award of contract worth to defaulter Rs 0.407 million	0.407
8	15	TMA Serai Nourang	Less recovery of departmental dues Rs 0.270 million	0.270
9	24	TMA Serai Nourang	Overpayment of Rs 0.152 million	0.152

**Annex-2**  
**Para No. 1.2.1.2**

**List detail of schemes with out technical**

<b>S. No</b>	<b>Name Contractor</b>	<b>Name Scheme</b>	<b>Work Order Date</b>	<b>Approved Cost</b>	<b>T.S</b>	<b>Total Expenditure</b>	<b>Balance</b>
1	Haji Jumaraz	Construction of Drain, Installation of P/pumps, PCC Roads, Boundary Wall etc	06-12-2016	5,250,000	NIL	3608116	1,641,884
2	Qalandar Khel	Installation of P/pumps	06-12-2016	800,000	NIL	800,000	NIL
3	Mirsalam	Installation of P/pumps	06-12-2016	1,519,300	NIL	1,500,309	18,991
4	Juamaraz	PCC Road, Installation of P/pumps, Street etc	06-12-2016	2,700,000	NIL	2,375,596	324,404
5	Qalandar Khel	Installation of P/pumps, Water Tank etc	06-12-2016	2,170,000	NIL	1,527,980	642,020
6	Juamaraz	Pipe Line, Solar Street Lights etc	06-12-2016	1,546,200	NIL	1,421,347	124,853
7	Juamaraz	Installation of P/pumps, PCC Road, Street	06-12-2016	2,700,000	NIL	2,375,596	324,404
8	Mir Salam	Water Tank, Installation of P/pumps, PCC Road etc	06-12-2016	6,300,000	NIL	5,678,617	621,383
9	Jumaraz	Construction of protection band, Water Tank etc	06-12-2016	5,850,000	NIL	4,337,216	1,512,784
10	Zahid Ullah	Construction of Water Tank in Pezu	06-12-2016	6,150,000	NIL	4,699,600	1,450,400
			<b>Total</b>	<b>30,260,500</b>		<b>28,324,377</b>	<b>5,019,239</b>

**Annex-3**  
**Para No.1.2.1.4**

**Detail of Non Imposition of Penalty due to non-completion of Developmental works of Tehsil ADP for the year 2015-16 in respect of TMA Lakki Marwat.**

S. No	Name of Scheme	Name of Area	Approved Cost	Remarks
1	Instt: of Pressure Pumps	VC Abdul Khel, Taja Zai, Tajori, Kaka Khel, Lakki City-1,2 esak Khel	9,00,000	In progress
2	Instt: of Pressure Pumps , Constt: of Water Diggi	VC Tajori,1,2 and Ratan Zai	2,100,000	In progress
3	Instt: of Pressure Pumps , Lying of Pipe line 2” and 3”, Constt: of Water Tanks	Village Adam Zai and NC-2 Lakki City	2,100,000	In progress
4	Constt: of Barani Water Tanks	VC Abdul Khel, Chuwar Khel and Jang Khel	2,100,000	In progress
5	Instt: of Pressure Pumps , Constt: of Water Tanks and Diggi	VC Pezu-1&2 and Azhar Khel	7,50,000	In progress
6	Constt: of PCC street	U/C Abdul Khel, Taja Zai, Tajori, kaka Khel, Lakki-1,2 and Esak Khel	4,50,000	In progress
7	Pavement of street and Constt: of Culverts	Adam Zai	1,250,000	In progress
8	Pavement of street and drains	Village Daulat Khel and Esak Khel	6,00,000	In progress
9	Pavement of streets	Wanda baru and Nizami	4,00,000	NYS
10	Pavement of street and drains	VC Abdul Khel, Chuwar Khel and Jang Khel	1,250,000	In progress
11	Purchase of street System and Pavement of street	VC Abdul Khel, Chuwar Khel and Jang Khel	4,50,000	In progress
12	Pavement of street and drain and pipe culverts	VC Azhar Khel, Pezu	5,00,000	NYS
13	Pavement of PCC street	VC Phar Khel Thal 1,2	1,050,000	In progress

14	Rehabilitation of Childern Park	Lakki City	6,00,000	In progress
15	Constt: of Shingle Road+PCC road	VC Abdul Khel, Taja Zai, Tajori, Kaka Khel, Lakki-1,2 and Esak Khel	3,00,000	In progress
16	Constt: of PCC Roads	Village Adam Zai	7,00,000	In progress
17	Constt: of PCC Road	VC Dara Tang-1,2,and Wanda Baru	2,00,000	Work not yet started
18	Repair of road+PCC Road	VC Abdul Khel, Chuwar Khel and Jang Khel	7,00,000	In progress
19	Repair of road+PCC Road	VC Abdul Khel, Chuwar Khel and Jang Khel	3,00,000	In progress
20	Constt: of PCC Road	VC Azhar Khel, Pezu	2,50,000	NYS
21	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Wanda Rehmana, Begu Khel, Dabak Mandra Khel, Wanda Amir	7,00,000	In progress
22	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines and Wheel Chairs, Debate, Naat Competition and Prizes for Telented Students at School Level	NC 1&2 Lakki City	9,20,000	In progress
23	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Abdul Khel, Taja Zai, Tajori, Kaka Khel, Lakki City-1,2 esak Khel	3,00,000	In progress
24	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Landiwah-1,2 and Mir Azam Michen Khel	7,00,000	In progress
25	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Ahmad Khel and Wanda Kutana	7,00,000	In progress



26	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines and Wheel Chairs, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Samandi and Wanda Aurangzeb	7,00,000	In progress
27	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines and Wheel Chairs, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Suleman Khel and Bhattani Pai Kasht	7,00,000	In progress
28	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Pezu 1,2 and Azhar Khel and Shahbaz Khel	7,00,000	In progress
29	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Tajori,1,2 and Ratan Zai	7,00,000	In progress
30	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Esak Khel, Nawar Khel, Zangi Khel, Langer Khel Hati Khan	7,00,000	In progress
31	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines and Wheel Chairs, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Behram Khel, Adam Zai, Tari Khel	7,00,000	In progress
32	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Kheru Khel Pacca	7,00,000	In progress

33	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines and Wheel Chairs, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Dara Tang-1,2 and Wanda baru	7,00,000	In progress
34	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Esak Khel, Nawar Khel, Zangi Khel, Langer Khel Hati Khan	3,00,000	In progress
35	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Mash Masti Khani, Dadiwala, Atashi Michen Khel	5,00,000	In progress
36	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines and Wheel Chairs, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Abdul Khel, Chuwar Khel and Jang Khel	1,000,000	In progress
37	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Talented Students at School Level	NC 3&4 Lakki City	600,000	In progress
38	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Ghazni Khel, Jabu Khel, Mir Azad Khan Khel	600,000	In progress
39	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Talented Students at School Level	VC Pezu and NC 1,2,3,4	250,000	In progress

40	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	Do	250,000	In progress
41	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Bakhmal Ahmad Zai, Khan Khel Mandazoi, Walia, Bargi	600,000	In progress
42	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Mela Shahab Khel, Wanda Kalan, Dalo Khel 1,2	600,000	In progress
43	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines and Wheel Chairs, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Phar Khel 1,2	600,000	In progress
44	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Dara Tang, Lakki City,1,2,3,4	250,000	In progress
45	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Titter Khel, Tabi Murad ,Ghazi Khel	600,000	In progress
46	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Abba Khel1,2,3,4	600,000	In progress

47	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Kaka Khel and Mandra Khel	600,000	In progress
48	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Masha Mansoor, Hayat Khel and Badni Khel	600,000	In progress
49	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Taja Zai, Bega Taja Zai, Toor Lawang Khel	600,000	In progress
50	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	UC Abba Khel, Taja Zai, Lakki City-1	250,000	In progress
51	Purchase of Sports Kits etc, Sports Galla, Purchase of Sewing Machines, Debate, Naat Competition and Prizes for Telented Students at School Level	VC Masha Mansoor, Pezu	300,000	In progress
52	Instt: of Pressure Pumps, constt: of PCC streets, Solar street lights , Purchase of Generator, Constt: of Water Tanks	NC 1,2,3,4 Lakki City	2,760,000	In progress
53	Instt: of Pressure Pumps and Constt: of Water Tanks/Diggi	VC Abdul Khel, Taja Zai, kaka Khel, Esak Khel, Lakki-1,2, Tajori, Mela Shahab Khel, Suleman Khel	9,00,000	In progress
54	Constt: of Public latrines, water tanks,Upgradation of 03 Nos transformer from 50 KVA to 100 KVA	VC Pezu-1,2, Azhar Khel and Shahab Khel	2,100,000	In progress
55	Constt: of Community Center , Instt: of Pressure pumps	Nawar Khel	2,100,000	In progress

56	Constt:of Commuinty Center	Adam Zai	2,100,000	In progress
57	Transformer 25 KVA, Purchase of Solar system , Constt: of Protection Bund, Constt: of Water Tanks	VC Abdul Khel, Chuwar Khel and Jang Khel	1,700,000	In progress
58	Constt: of public latrines and Purchase of solar system	VC Abdul Khel, Chuwar Khel and Jang Khel	9,00,000	In progress
59	Constt: of water tanks/diggi, Pressure Pump	VC Pezu, Abdul Khel, Begu Khel Masha Mansoor	4,00,000	NYS
60	Improvement of Tube well, Instt: of Pressure Pumps	VC Phar Khel Thal 1,2	1,800,000	In progress
61	Instt: of Pressure Pumps	VC Abba Khel, Taja Zai, Lakki City-1	7,50,000	In progress
62	Constt: of Water Tanks	Soor Band, UC Esak Khel, Dara Tang	7,00,000	In progress
		<b>Total</b>	<b>51,180,000</b>	<b>5,118,000</b>

**Annex-4**  
**Para No. 1.2.1.3**

**List showing detail out standing against following contractors**

<b>S.No</b>	<b>Name of Contractor</b>	<b>Name of Contract</b>	<b>Total Bid 2016-17 (Rs)</b>	<b>Deposited</b>	<b>Outstanding 2015-16 (Rs)</b>
1	Bus Stand Tajazai	Haleem Shah	4,346,000	3,739,200	606,800
2	Bus Stand Pezu	M. Jamil Khan	3,470,000	2,684,000	786,000
3	Entry Fee Lakki Marwat	M. Jamil Khan	2,750,000	2,050,000	700,000
4	Raksha Fee Lakki Marwat	M. Jamil Khan	201,000	132,000	69,000
5	Bus Stand Ghazni Khel	M. Ismail	678,000	673,000	5,000
6	Bus Stand Lakki Marwat	M. Asif Khan	6,210,000	5,250,000	960,000
7	Water Rate Lakki Marwat	Arif Momin	1,631,000	658,000	973,000
	<b>Grand Total</b>		<b>19,286,000</b>	<b>15,186,200</b>	<b>4,099,800</b>

### Detail of Penalty

### Annex-5 Para No. 1.2.1.3

S#	Name of contract	Name of contractor	Due date	Rate of installment	Payment date	Amount Deposit	Late fee 2% penalty
1	2% Property Tax awarded Rs 24,500,000	Haji Raham Dil Khan	03.7.2016	2,227,273 (2,227,273*2%= 44546*7=311,818)	000	000	311,818
2			3.8.2016		10.08.2016	1,800,000	311,818
3			03.9.2016		5.9.16 & 30.9.16	1,500,000	000
4			03.10.2016		29.10.2016	2,000,000	311,818
5			03.11.2016		000	000	311,818
6			03.12.2016		2.12.2016	2,000,000	000
7			03.01.2017		3.1.2017	2,000,000	000
8			03.02.2017		2.2.2017	2,000,000	000
9			03.03.2017		1.3.2017	2,000,000	000
10			03.04.2017		3.4.2017	2,000,000	000
11			03.05.2017		2.5.2017	2,000,000	000
			03.06.2017		1.6.2017	800,000	000
<b>Total</b>						<b>14,800,000</b>	<b>1,247,272</b>

**Annex-6**  
**Para No. 1.2.1.3**

**Detail of Penalty**

S.No	Name of contract	Name of contractor	Due date	Rate of installment	Payment date	Amount Deposit	Late fee 2% penalty
1	Cattle Fair Market Lakki Marwat awarded Rs12,500,000	Haji Raham Dil Khan	03.7.2016	1,136,364 (1,136,364*2%= 22,727*7=159,091)	000	000	159,091
2			3.8.2016		10.08.2016	1,000,000	159,091
3			03.9.2016		3.9.16 & 30.9.16	700,000 700,000	000
4			03.10.2016		31.10.2016	800,000	159,091
5			03.11.2016		25.11.2016 30.11.2016	100,000 700,000	159,091
6			03.12.2016		000	000	159,091
7			03.01.2017		3.1.2017	800,000	47,091
8			03.02.2017		01.2.2017 28.2.2017	800,000 800,000	47,091
9			03.03.2017		1.3.2017	000	159,091
10			03.04.2017		3.4.2017	475,000	000
				<b>Total</b>		<b>6,875,000</b>	<b>1,048,728</b>



**Annex-7**  
**Para No. 1.2.1.3**

**Detail of Penalty**

S.No	Name of contract	Name of contractor	Due date	Rate of installment	Payment date	Amount Deposit	Late fee 2% penalty
1	<b>Bus stand Lakki Marwat awarded Rs 6,210,000</b>	M. Asif Khan	03.7.2016	564,545 ( $564,545 * 2\% = 11290 * 7 = 79,036$ )	000	000	79,036
2			3.8.2016		23.08.2016	400,000	79,036
3			03.9.2016		9.9.2016	400,000	67,740
4			03.10.2016		5.10.2016	500,000	000
5			03.11.2016		03.11.2016	200,000	51,036
6			03.12.2016		21.11.2016 5.12.2016	50,000 150,000	58,036
7			03.01.2017		4.1.2017	200,000	51,037
8			03.02.2017		13.2.2017 21.2.2017	255,200 144,800	79,036
9			03.03.2017		3.3.2017	200,000	51,037
10			03.04.2017		3.4.2017	500,000	000
			03.05.2017		8.5.17 24.5.17	200,000 100,000	51,036
<b>Total</b>						<b>3,300,000</b>	<b>567,030</b>

**Annex-8**  
**Para No.1.2.1.5**

**List detail of scheme approved by below rates**

<b>S. No</b>	<b>Name Contractor</b>	<b>Name of Schemes</b>	<b>Approved Cost</b>	<b>Below Rate</b>	<b>Amount</b>
1	M/s Jumaraz khan	Inst. Of P. Pumps, extension of pipe line etc	8,130,000	1.35%	109,755
2	-do-	Inst. Of P. Pumps, Hand pumps and Cost. Of Drain etc	22,200,000	1.49%	330,780
3	M/s Amir zali khan	Inst. Of P.Pumps, Cost. Of water Tank etc	15,300,000	1.34%	205,020
4	Haji Mir salam khan	Inst. Of P.Pumps, const of water tank etc	20,469,300	1.26%	257,913
5	M/S Zahid ullah & Bro	Inst. Of P.Pumps, const of water tank etc	28,961,872	1.10%	318,580
6	M/S Qalander khel	Inst. Of P. Pumps, roof of water tank etc	10,142,400	1.10%	11,566
7	Haji Jumaraz khan	Const of Barani water tank, inst of P. Pumps etc	32,246,200	1.35%	435,324
8	Spin zar Const	Inst of P. Pumps, Hand Pumps etc	4,350,000	0.51%	22,185
		<b>Total</b>	<b>141,799,772</b>		<b>1,691,123</b>

**Annex-09**  
**Para No.1.2.1.7**

**Loss to Government due to Non Schedule Item**

<b>S. No</b>	<b>Dated</b>	<b>Name of Contractor</b>	<b>Name of Contract</b>	<b>Sub. Moters</b>	<b>Market Rate</b>	<b>Variance</b>	<b>Excess</b>
1	16-02-2016	Qalender Khel Const Co.	4 Nos Inst of P/pumps @ Rs 26000	104,000	13000	13000*4	52000
2	03-04-2016	Qalender Khel Const Co.	1 No Inst of P/pump	26,000	-do-	13000	13000
3	Nil	Jumaraz	6 Nos Inst of P/pumps @26000	156,000	-do-	13000*6	78000
4	05-04-2017	Jumaraz	6 Nos Inst of P/pumps	156,000	-do-	13000*6	78000
5	05-04-2017	Jumaraz	8 Nos Inst of P/pumps @ Rs 21000	168,000	-do-	8000*8	64000
6	15-02-2017	Amirza Ali Khan	1 No Inst of P/pump	26,000	-do-	13000	13000
7	20-02-2017	Amirza Ali Khan	2 Nos Inst of P/pumps	52,000	-do-	13000*2	26000
8	27-02-2017	Amirza Ali Khan	5 Nos Inst of P/pumps	130,000	-do-	13000*5	65000
9	10-04-2017	Amirza Ali Khan	2 Nos Inst of P/pumps	52,000	-do-	13000*2	26000
10	05-10-2017	Amirza Ali Khan	3 Nos Inst of P/pumps	78,000	-do-	13000*3	39000
11	05-07-2017	Amirza Ali Khan	6 Nos Inst of P/pumps	156,000	-do-	13000*6	78000
12	14-02-2017	Haji Abdullah Jan	12 Nos Inst of P/pumps	3,12,000	-do-	13000*12	156000
13	NIL	Jumaraz	5 Nos Inst of	130,000	-do-	13000*5	65000

			P/pumps				
14	27-05-2017	Jumaraz	1 Nos Inst of P/pumps	26,000	-do-	13000	13000
15	15-02-2017	Amirza Ali Khan	2 Nos Inst of P/pumps	52,000	-do-	13000*2	26000
16	20-02-2017	Amirza Ali Khan	2 Nos Inst of P/pumps	52,000	-do-	13000*2	26000
17	NIL	Mir Salam	3 Nos Inst of P/pumps	78,000	-do-	13000*3	39000
18	NIL	Mir Salam	6 Nos Inst of P/pumps	156,000	-do-	13000*6	78000
19	05-04-2017	Jumaraz	1 Nos Inst of P/pumps	600,000	-do-	00	00
20	NIL	Jumaraz	6 Nos Inst of P/pumps	156,000	-do-	13000*6	78000
21	NIL	Qalandar Khel	3 Nos Inst of P/pumps	78,000	-do-	13000*3	39000
22	NIL	Qalander Khel	1 Nos Inst of P/pumps	21,000	-do-	13000	8000
23	NIL	Qalander Khel	1 Nos Inst of P/pumps	26,000	-do-	13000	13000
24	NIL	Jumaraz	2 Nos Inst of P/pumps	52,000	-do-	13000*2	26000
25	NIL	Jumaraz	1 No Inst of P/pumps 1.5HP@ Rs 26000	26,000	-do-	13000	13000
26	NIL	Jumaraz	2 Nos Inst of P/pumps	52,000	-do-	13000*2	26000
27	NIL	Mir Salam	4 Nos Inst of P/pumps@29000	116,000	-do-	00	00
28	NIL	Jumaraz	8 N Nos Inst of P/pumps@21000	168,000	-do-	8000	64000
29	NIL	Jumaraz	5 Nos Inst of P/pumps@21000	105,000	-do-	8000*5	40000
30	NIL	Jumaraz	5 Nos Inst of P/pumps 1 HP@ Rs 21000	105,000	-do-	8000*5	40000
31	NIL	Qalander Khel	1 Nos Inst of P/pumps 2 HP	29,000	-do-	00	00

32	NIL	Qalandar Khel	1 No Installation of P/pumps	26,000	-do-	13000	13000
33	NIL	Shah Jahan	10 Nos Inst of P/pumps	26,000	-do-	13000	13000
34	17-02-2017	Jumaraz	6 Nos Inst of P/pumps	156,000	-do-	13000*6	78000
35	12-04-2017	Jumaraz	7 Nos Inst of P/pumps	182,000	-do-	13000*7	91000
			<b>Total</b>	<b>3,534,003</b>			<b>1,477,000</b>

**Annex-10**  
**Para No. 1.2.1.3**

**Detail of Penalty**

<b>S.No</b>	<b>Name of contract</b>	<b>Name of contractor</b>	<b>Due date</b>	<b>Rate of installment</b>	<b>Payment date</b>	<b>Amount Deposit</b>		
1	Entry Fee Lakki Marwat awarded Rs 2,750,000	<b>M. Jamil Khan</b>	03.7.2016	250,000	000	000		
2			3.8.2016		15.08.2016	50,000		
3			03.9.2016		01.9.2016	50,000		
4			03.10.2016		29.10.2016	100,000		
5			03.11.2016		30.11.2016	100,000		
6					03.12.2016		000	000
7					03.01.2017		31.1.2017	100,000
8					03.02.2017		27.2.2017	100,000
9					03.03.2017		000	000
10					03.04.2017		03.4.2017	100,000
			03.05.2017		30.5.2017	100,000		
<b>Outstanding till last date of Audit 14.02.2018</b>						<b>700,000</b>		

**Annex-11**  
**Para No. 1.2.1.3**

**Detail of late deposit**

S.No	Name of contract	Name of contractor	Due date	Rate of installment	Payment date	Amount Deposit		
1	<b>Bus Stand PezoLakki Marwat awarded Rs 3,470,000</b>	<b>M. Jamil Khan</b>	03.7.2016	315,455	20.7.2016	100,000		
2			03.8.2016		15.08.2016	100,000		
3			03.9.2016		01.9.2016	100,000		
4			03.10.2016		29.10.2016	150,000		
5			03.11.2016		30.11.2016	150,000		
6					03.12.2016		000	000
7					03.01.2017		31.1.2017	150,000
8					03.02.2017		27.2.2017	150,000
9					03.03.2017		000	000
10					03.04.2017		03.4.2017	150,000
			03.05.2017		30.5.2017	100,000		
<b>Outstanding till last date of Audit 14.02.2018</b>						<b>786,000</b>		

**Annex-12**  
**Para No. 1.2.1.8**

**List showing payment on Damage Tube Wells**

<b>S.No</b>	<b>Year 2016-17</b>	<b>Name of Scheme</b>	<b>Amount</b>	<b>Account No.</b>	<b>Nonfunctional since</b>
1	24.1.17	T/well No 5 repaired	80000	0296200	04 years
2	31.10.16	T/well No 5 repaired	24240	0296200	-do-
3	13.10.16	T/well No 5 repaired	6905	0296200	-do-
4	-	T/well No 5 repaired	39700	0296200	-do-
5	31.1.2017	Electricity charges T/well No 5	246,324	0296200	-do-
6	6.2017	-Do-	136,992	0296200	-do-
7	23.1.2017	Electricity charges T/well No 3	266,142	0228500	06 years
8	11.2016	-do-	402,895	0228500	-do-
9	10.5.2017	T/well No 13 repaired	16000	0142150	10 Months
		<b>Total Rs</b>	<b>1,219,198</b>		



<b>Annex-13</b>					
<b>Para No.1.2.1.10</b>					
<b>Detail of Outstanding Against Shops / Plots Allottee TMA Lakki Marwat</b>					
<b>S.No.</b>	<b>Name of Allottee</b>	<b>Plot/ Shop No.</b>	<b>Monthly Rent</b>	<b>Months</b>	<b>Out Standing amount</b>
1	Saifullah S/O Taj Muhammad	7	1155	12	13860
2	Sherin Jan S/O Aman ullah	8	871	12	10452
3	Hafizullah S/O Shamroz	12	545	12	6540
4	Nawab Ali S/O Sadozai	35	908	12	10896
5	Irfan, Rehmanullah S/O Rizwan	40	2045	12	24540
6	Ghulam Nabi S/O Ghulam Sadiq	41	1731	12	20772
7	Nowbat Khan S/O Mamrez Khan	59	1731	12	20772
8	Ghulam Akbar S/O Adam Khan	71	745	12	8940
9	Haji Mosam Khan S/O Ramzan	72	698	12	8376
10	Saifullah S/O Ashiq Khan	74	950	12	11400
11	Abdul Jabbar Khan S/O Umar Khan	79	1159	1	1159
12	Ali Marjan S/O Ghazi Marjan	81	1307	5	6535
13	Syed Rasool S/O Saifullah	85	739	6	4434
14	Mashal Khan S/O Pir Ghulam	86	712	12	8544
15	Muhammad Anwar S/O M. Yousaf	202	915	12	10980
16	Muhammad Anwar S/O M. Yousaf	203	959	12	11508
17	Ghulam Shabir S/O Ghulam Hayder	205	605	12	7260
18	Muhammad Anwar S/O M. Yousaf	207	1917	12	23004
19	Ghulam Hurr S/O Khuda Bakhsh	210	550	12	6600
20	Muhammad Ali S/O Hamid Ullah	211	480	12	5760
21	Haji Nawaz Khan S/O Mamrez Khan	5	1092	12	13104
22	Noor Ali Shah S/O Abdullah Shah	9	1416	12	16992
23	Akram S/O Ghulam Yasin	16	1218	12	14616
24	Haqdad S/O mehr Dad	20	501	12	6012
25	Juma Khan S/O Surat Khan	21	522	12	6264
26	Falak Naz S/O Haq Nawaz Khan	22	528	12	6336
27	Haq Nawaz S/O Gulan	23	522	12	6264

28	Muhammad Rafiq S/O Khan Muhammad	24	638	12	7656
29	Taj Ali S/O Saleh Khan	25	580		64000
30	Saifullah S/O Ghulam Nabi	26	580		64000
31	Sanaullah, Ikramullah	211	2642	24	63408
32	Ghulam Muhammad S/O Ghulam Hussain	97	2239	12	26868
33	Abdullah Jan S/O Badshah Khan	100	1172	12	14064
34	Hafiz Ishaq S/O Sher Dad	103	1177	12	14124
35	Taj Ali S/O Sher Muhammad	121	9342	12	112104
36	Faiz Dil Khan S/O Taj Ali Khan	123	9342	12	112104
37	Mosa Khan S/O Nawaz Khan	132	1239	12	14868
38	Wali Khan S/O M. Nawaz Khan	163	616	12	7392
39	Faiz Dil Khan S/O Taj Ali Khan	179	1046	12	12552
40	Taj Ali S/O Sher Muhammad	180	1104	12	13248
41	Gulo Khan S/O Sher Muhammad	181	1104	12	13248
42	Faiz Dil Khan S/O Taj Ali Khan	185	798	12	9576
43	Asif Salim S/O Amir Nawaz	200	440	12	5280
44	Haq Nawaz S/O Feroz Jang	201	772	12	9264
<b>Total</b>					<b>855,676</b>