

AUDIT REPORT

AUDIT YEAR 2022 - 23

**ON THE ACCOUNTS OF
LOCAL GOVERNMENTS
DISTRICT CHITRAL UPPER**



AUDITOR GENERAL OF PAKISTAN

SERVING THE NATION BY PROMOTING ACCOUNTABILITY, TRANSPARENCY AND GOOD GOVERNANCE IN
THE MANAGEMENT AND USE OF PUBLIC RESOURCES

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

“ IN THE NAME OF ALLAH THE MOST BENEFICENT THE MOST MERCIFUL ”



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ABBREVIATIONS AND ACRONYMS

AD	Assistant Director
ADP	Annual Development Program
AIR	Audit & Inspection Report
BHU	Basic Health Unit
CPWA Code	Central Public Works Account Code
CTR	Center Treasure Rules
DAC	Departmental Accounts Committee
DDO	Drawing and Disbursing Officer
DEO	District Education Officer
DG	Director General
DHO	District Health Officer
DPR	Disabled Person Rehabilitation
EOL	Extra-ordinary leave
EPI	Expanded Program of Immunization
FAC	Factory Acceptance Test
FD	Finance Department
FP	Family Planning
HPA	Health Professional Allowance
HRA	House Rent Allowance
INTOSAI	International Organization of Supreme Audit Institutions
KP PPRA	Khyber Pakhtunkhwa Public Procurement Regulatory Authority
KP	Khyber Pakhtunkhwa
LGE & RDD	Local Government Election & Rural Development Department
NCs	Neighborhood Councils
PAO	Principal Accounting Officer
RDA	Regional Directorate of Audit
TAC	Tehsil Accounts Committee
TMA	Tehsil Municipal Administration
TS	Technical Sanction
VCs	Village Councils
ZAC	Zilla Accounts Committee



PREFACE

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Sections 8 and 12 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 and Section 37 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019 require the Auditor General of Pakistan to conduct audit of the accounts of receipts and expenditure of Local Governments of each District of the Khyber Pakhtunkhwa.

The report is based on audit of the accounts of offices of the District Government, Tehsil Municipal Administrations, Assistant Director Local Government Elections and Rural Development Department in District Chitral Upper for the financial year 2021-22. The Directorate General of Audit, District Governments, Khyber Pakhtunkhwa conducted audit during 2022-23 on test check basis with a view to report significant findings to the relevant stakeholders. The main body of the audit report includes systemic issues and significant audit findings. Relatively less significant issues are listed in Annexure-1 of the Audit Report. The audit observations listed in Annexure-1 will be pursued with the Principal Accounting Officers at the DAC level. In all cases where Principal Accounting Officers do not initiate appropriate action, the audit observations will be brought to the notice of appropriate 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.

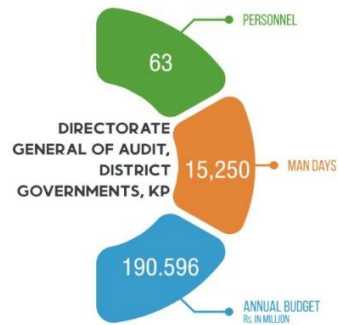
Some of the observations included in this report were finalized in the light of written replies of the departments whereas in most cases the departments did not submit written replies till the finalization of this report. DAC meetings were not convened despite reminders.

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

Islamabad
Dated:

(Muhammad Ajmal Gondal)
Auditor General of Pakistan

SUMMARY



The Directorate General of Audit District Governments, Khyber Pakhtunkhwa carries out the audit of Local Governments in 35 Districts of Khyber Pakhtunkhwa. Regional Directorate of Audit (RDA) Swat, on behalf of the Directorate General of Audit District Governments, Khyber Pakhtunkhwa carried out the audit of Local Governments of seven Districts namely Swat, Shangla, Dir Lower, Dir Upper, Chitral Lower, Chitral Upper and Bajaur.

This Directorate General of Audit has a human resource of 63 officers and staff with a total of 15,250 man-days. The annual budget amounting to Rs 190,596 million was allocated to the office during FY 2022-23. The office is mandated to conduct regularity audit, financial attest audit, performance audit and special studies.

Local Governments of District Chitral Upper consist of three tiers, which perform their operations under the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019. Financial provisions of the Act describe the Local Consolidated Fund and Public Account for which annual Budget Statement is approved by the respective councils in the form of budgetary grants

The Local Government has the following three Tiers:

- i. District Government;
- ii. Tehsil Municipal Administration;
- iii. Village and Neighborhood Councils.

The District Government comprises one Principal Accounting Officer (PAO) i.e. Deputy Commissioner for the District Government, who is officer in charge (Administrator) of 10 devolved departments including AD Local Government Election & Rural Development Department (AD LGE & RDD). The Tehsil Municipal Administrations have one PAO i.e. Tehsil Municipal Officer for each administration. There are two Tehsil administrations in district Chitral Upper. The Village and neighborhood Councils have AD LGE & RDD as their Principal Accounting Officer. There are 39 VCs/NCs in District Chitral Upper.

A. SCOPE OF AUDIT

This office is mandated to conduct audit of 87 formations working under 04 PAOs. Total expenditure and receipts of these formations were Rs. 2,579.265 million and Nil, respectively for the financial year 2021-22.

Audit coverage relating to expenditure for the current audit year comprises 07 formations of 04 PAOs having a total expenditure of Rs 1,294.332 million for the financial year 2021-22. In terms of percentage, the audit coverage for expenditure is 50% of auditable expenditure.

Audit coverage relating to receipts for the current audit year was nil as there was no receipts in District Government, TMAs and AD LGE & RDD.

This audit report also includes audit observations resulting from the audit of expenditure of Rs 41.943 million for the financial year 2020 -21 pertaining to 02 Formations of 01 PAO.

In addition to this compliance audit report, Directorate of District Audit conducted Financial Attest audits, Performance Audits and Special Studies for which reports are being published separately.



B.Recoveries at the Instance of Audit

As a result of audit, recovery of Rs 14.680 million was pointed out in this report. No recovery was affected till finalization of the report.



AUDIT RECOVERIES

RS. 14.680 MILLION
Recovery pointed out by the Audit

RS. NIL
Recovery verified by the Audit

C.Audit Methodology

Audit was conducted according to INTOSAI guidelines for compliance audit and Financial Audit Manual of AGP.

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

D.Audit Impact

As a result of the Audit, control environments of audited entities have been effectively strengthened by facilitating Local Government's offices in risk mitigation and improving the effectiveness and efficiency of their business processes:

i.A recovery of Rs 14.680 million was pointed out by audit;

ii.Unauthorized payments through DDOs were reduced;

iii.Some offices converted their Bank Accounts from Current into Profit & Loss Sharing (PLS) Mode and

iv.Bank profit deposited into Government Treasury

Comments on Internal Control

Internal controls are designed to address risks and to provide reasonable assurance that, pursuit of entity's mission, its objectives are being achieved.

Comments on the five components of internal control are given below.

- The organizational structure followed in the local Government Offices was according to The Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019.
- No activity i.e. risks identification, risk evaluation and appropriate responses were carried out in the local government.
- Accounts were not submitted by TMAs concerned to the DAO. No review was carried out of the performances.
- TMAs did not follow the accounting procedure given in the APPM.
- No system of monitoring was found to track the progress of District Government towards its objectives. No internal Auditor was appointed. Annual Review of internal control was also not carried out.



B.Key Audit Findings of the Report .

- 01 Non-compilation/consolidation Of Accounts Of Local Governments Rs 83.777 Million.**
- 02 Unauthorized Cheque Payments To Ddos Instead Of Vendors Rs 42.191 Million.**
- 03 Procurement Related Issues Were Noticed In 06 Cases Amounting To Rs 60.855 Million.**
- 04 Management Of Accounts With Commercial Banks Related Issues Were Noticed In 01 Case Amounting To- Rs 5.4 Million.**
- 05 Values For Money Were Noticed In 12 Cases Amounting To Rs. 31.514 Million.**
- 06 Others, Including Cases Of Accidents, Negligence Etc Were Noticed In 11 Cases Amounting To Rs326.145 Million**

Recommendation:

- TMA accounts need to be consolidated at the DAO level.
- Disciplinary actions need to be taken to stop the practice of violation of the rules and regulations in spending public money.
- Strenuous efforts need to be made by the departments to recover long outstanding dues.
- Departments need to strengthen internal controls such as financial, managerial, operational, administrative, and accounting, etc. Controls to ensure that lapses of the kind reported in this audit report are pre-empted and fair value for money is obtained from public spending.
- The DAC meetings should be held more frequently.





CHAPTER-01

PUBLIC FINANCIAL MANAGEMENT



CHAPTER-1

Public Financial Management

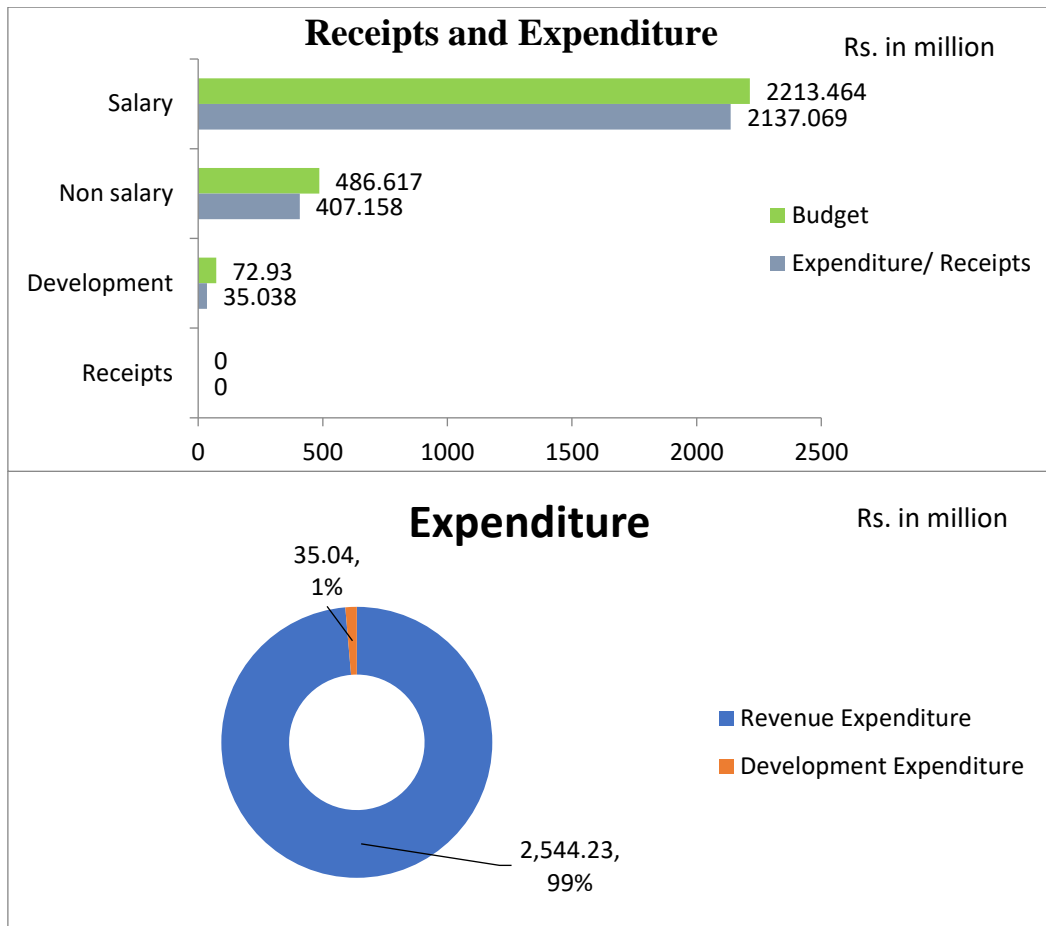
1.1 Sectoral Analysis

In compliance to the Notification of Local Government, Election & Rural Development Department issued on 4th September, 2019, councils of all tiers of District Government were stood dissolved on the culmination of their respective tenures on 29th August, 2019. The same Notification authorized Deputy Commissioners, Tehsils/ Towns Municipals Officers and Assistant Directors, LG&RDD to perform functions of respective Nazimeen as envisaged under the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, till the instillation of newly elected Local Governments. In the light of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, District Chitral Upper as headed by Deputy Commissioner who is principal accounting officer of the budget grant allocated to the 11 offices devolved at District level. Similarly, Tehsil Municipal Administration is headed by Tehsil Municipal Officer who is its principal accounting officer. Moreover, Assistant Director LGE&RDD is a principal accounting officer for Village/ Neighborhood Councils.

In District Chitral Upper, funds amounting to Rs. 2773.011 million were allocated to 87 formations working under 04 PAOs. Out of which, expenditure of 2579.265 million was made resulting into saving of Rs.193.746 million. Audit coverage relating to receipts for the current audit year was nil as there was no receipts in District Government, TMAs and AD LGE&RDD. Audit coverage relating to expenditure for the current audit year comprises 10 formations of 04 PAOs having a total expenditure of Rs. 1294.332 million for the financial year 2010-22. In terms of percentage, the audit coverage for expenditure is 50% of auditable expenditure.

(Rs in million)

2021-22	Budget	Actual Expenditure/ Receipts	(Saving)/ Excess	Expenditure/ Receipts Audited	%age
Salary	2213.464	2137.069	76.395	1294.332	50%
Non-salary	486.617	407.158	79.459		
Developmental (A/C-IV)	72.930	35.038	37.892		
Total	2773.011	2579.265	193.746		
Receipts	-	-	-	-	



According to Section 36(3) of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, the District Accounts Officer was required to consolidate accounts of Local Government on quarterly and annual basis. However, District Accounts Officer, Chitral Upper did not reflect Rs. 83.777 million into the consolidated financial statement of Local Government, Chitral Upper which resulted into qualified opinion on the accounts of Local Government Chitral Upper.

District Government, Chitral Upper was found lagging behind in many areas envisioned as integral component of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019. The District Government could not establish & maintain Public Fund account as required under section 30 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019. The receipts

collected as taxes/fees/rents under section 42 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019 were also not credited to the District Fund. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, Chitral Upper with prescribed format and necessary trainings to compile the accounts of TMAs and Village/Neighborhood councils and then reflect the same in the consolidated financial statement of the district, which resulted in disclaimer of its accounts by the Auditor General of Pakistan. Moreover, Internal Audit function could not be established as provided in sub section 04 of section 37 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, as internal auditors were not posted in the District and Tehsil Councils. In addition, Asset management by District Government was yet another area it could not address as required under section 38 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019

The Local Government provided services in the following sectors.

Education

The education sector is one of the major sectors in District Chitral Upper like other districts. Statistics show that there are 2695 primary, 20 middle, 37 secondary and 6 higher secondary schools in District Chitral Upper. The estimated Teacher Student Ratio is 1:18 at primary, 1:22 at middle, 1:24 at secondary and 1:26 at the level of higher secondary schools. District Chitral Upper literacy rate is 89% the Gross Enrollment Rate (GER) is 89.71%, and the Net Enrollment Rate (NER) is 78.97% at the primary level. On budgetary front, District Education office, Chitral Upper succeeded in spending 85% of the District ADP and 90% non-salary budgets.

District Education Offices in Chitral Upper enrolled 14,583 in boys schools while 14,451 students were enrolled in female Government schools. Similarly, annual average of teacher's attendance rate and student attendance rate as per independent Monitoring Unit (IMU) data were approximately 84% & 87% respectively. Furthermore, 76% schools in district Chitral Upper were provided with all basic facilities like classrooms, water supply, group latrine, boundary walls and electrification. However, administrative visits of DEO, DDEO and SDEO were 30% against the assigned target.

Health

Health is another important sector of District Chitral Upper with a total of 29 health facilities spread across the district. Their further break-up is 10 BHUs, 15 CDs, 01 THQ Hospitals and 3 RHC with the total catchment area population of approximately 169,240 as per survey carried out by Health department in 2016-17.

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

As the district is a newly created district, the Health Management Information System (HMIS) was not established during the year 2020-21 and information regarding OPD, vaccination, Mother & Child Health and Family Planning were combinedly recorded in the HMIS of district Chitral Upper.

Social Welfare

In Social Welfare and Women Empowerment sector, budgetary allocations were focused on providing social cushion to the deprived and marginalized segments of society especially, women and children. In the proposed development plan, the department had continued to proceed with its ongoing projects which included schemes for the wellbeing and safeguarding of destitute women, orphans, beggars, drug addicts and special persons. However, keeping in view the spread of drug use and incidence of poverty the efforts made by Social Welfare office are not likely to bring about any visible improvement in the short or long run unless more resources are diverted to this sector.

Panagah(s) were established under Ehsaas Program of the Federal Government, in order to provide valued but temporary/overnight stay with two-time meals to the needy individuals seeking bed and breakfast in pursuit of employment. Panagah(s) were established in major cities/Divisional Districts based on need assessment in 1st phase. However, panagah services were not existed in District Chitral Upper.

There is no Darual Kafalas for baggers in District Chitral Upper. Rehabilitation center for drug addicts did not exist in District Chitral Upper.

Municipal Services

Town Municipal Administrations, District Chitral Upper did not fulfill some primary requirements envisioned as integral component of Local Government in the Khyber Pakhtunkhwa Local Government (Amended) Act, 2019. The Local Government could not establish & maintain Tehsil Public Fund Account as required under the section 30 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019. Similarly, Tehsil Account Officers were not appointed in TMAs. The accounts of receipt and expenditure were also not maintained in such form as prescribed by Auditor General of Pakistan and required under section 36 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019. Financial Statements, Finance Account and Appropriation Accounts of the TMAs were not prepared accordingly. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, Chitral Upper with prescribed format and necessary trainings to compile the accounts of TMAs and then reflect the same in the consolidated financial statement of the district, which resulted in disclaimer of its accounts by the Auditor General of Pakistan. Moreover, Internal Audit function could not be established as provided in sub section 4 of section 37 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, as internal auditors were not posted in the TMAs to support the Council. In addition, Asset management by tehsil councils was yet another area it could not address as required under section 38 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019.

1.2 AUDIT PARAS (Financial Attest Audit)

1.2.1 Non compilation/consolidation of accounts of Local Governments – Rs. 83.777 million

According to section 36(3) of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, the District Accounts Officer shall, quarterly and annually consolidate the accounts of Local Governments in the district separately for receipts from the Government and local resources and send a copy to the Government, Accountant General and Nazim District Council.

During certification audit of the accounts of the DAO, Chitral Upper for the financial year 2021-22, audit observed incompleteness and incorrect presentation of the financial statements as the DAO failed to consolidate into the quarterly and annual accounts of the district, the Government and local resources, as required under section-36(3) of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019. Receipts and expenditure of Rs. 83.770 million of the TMAs were also not reflected in accounts. Same is the case with the receipts and expenditure of the VCs/NCs, the figures of which were not available at the time of audit.

Due to non-consolidation of accounts of TMAs, the financial statements of local Government remained incomplete which led to qualification of audit opinion. The similar observation was also pointed out during the Financial Year 2019-20 and 2020-21 amounting to Rs45.658 and Rs 421.728 respectively. However, no corrective measures were taken.

As per decision of DAC meeting held in September 2022, Para stands till compilation of accounts as per rules.

Audit recommends compilation of accounts in light of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019.

1.2.2 Unauthorized cheques payments to DDOs instead of Vendors – Rs 42.191 million

According to Para 2.3.2.8 of the directions of APPM, the accounting system shall improve controls to minimize the risk of fraud and corruption. This objective shall be addressed by issue of payment through direct bank transfer and cheques (to employees/ vendor concerned) instead of payment through DDOs. Furthermore, Finance Department Letter No: BO (W&M) /6-5/2019-20 dated

19/02/2020, provides that in order to streamline the management in public account and observe fiscal discipline, it has been decided to stop forthwith all payments through open cheques or cash payments.

District Accounts Officer Chitral, Upper paid Rs 42.191 million to various DDOs instead of issuance crossed cheques to Vendor/Payees Accounts. The similar observation was also pointed out during the Financial Year 2019-20 and 2020-21 amounting to Rs9.436 and Rs 142.123 respectively. However, no corrective measures were taken.

The lapse occurred due to weak internal controls, which resulted in unauthorized payments to DDOs.

As per decision of DAC meeting held in September 2022, Para stands for investigation of the matter and appropriate action.

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



CHAPTER-02

DISTRICT GOVERNMENT



CHAPTER-2

District Government

2.1 A. Introduction

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

According to section 13 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, the authority and responsibilities of the District Government have been given as under:

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

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

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

Audit Profile of the District Government Chitral Upper

(Rs. in million)

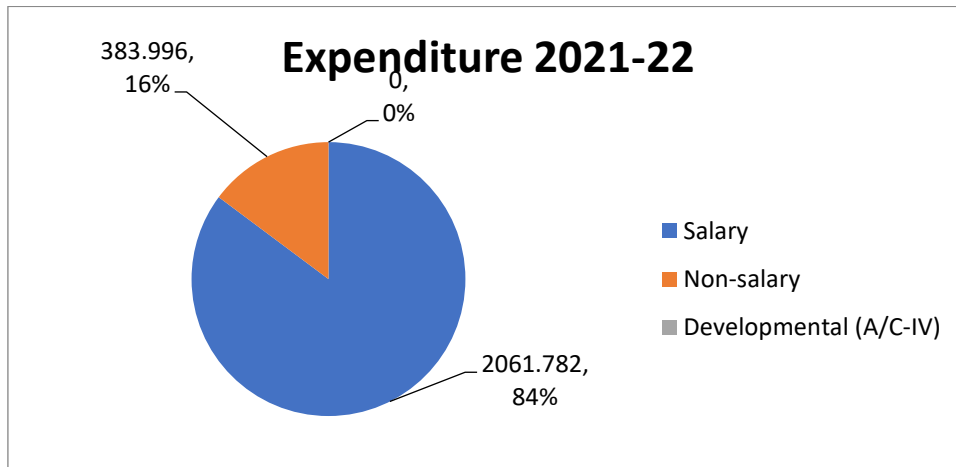
S.No	Description	Total Nos	Audited	Expenditure audited FY 2021-22	Revenue /Receipts audited FY2021-22
1	Formations	52	04	1160.845	0
	Total	52	04	1160.845	0

2.1 B. Comments on Budget and Accounts (Variance Analysis)

(Rs. in million)

District Government Chitral Upper				
2021-22	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	2121.878	2061.782	24.324	1.146
Non-salary	405.685	383.996	21.989	5.420
Developmental (A/C-IV)	0	0	0	0
Total	2527.563	2445.778	46.313	
Receipts	0	0	0	0

(Rs. in million)



The savings of Rs.46.313 million indicate inefficiency in the capacity of District Government Departments to utilize the amount allocated. Furthermore, the salary component was 84% of the total expenditure whereas, non-salary component was only 16% of the total expenditure with 0% allocation/expenditure on developmental side. No allocation of budget was made for the development activities, due to insufficient release and lack of interest of the Provincial Government towards development at District level. As a result, no development activity, job opportunities were not adequately provided to the large population. Business operations were not increased and ultimately standard of living of the people was not improved and roll of the District Government could

not be seen in the development functions as required under Rules of Business 2015.

2.2 Classified Summary of Audit Observations

Audit observations amounting to Rs. 349.702 million were raised in this audit report. This amount also includes recoverable of Rs. 10.022 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Table: Classified Summary of Audit Observations

Sr. No.	Classification	Amount (Rs.)
1	Reported cases of fraud, embezzlement and misappropriation	
2	Irregularities	
A	Procurement related irregularities	60.855
B	Management of Accounts with Commercial Banks	5.4
3	Value for money and service delivery issues	26.871
4	Others, including cases of accidents, negligence etc.	256.576
	Total	349.702

2.3 Comments on the status of compliance with Zilla Accounts Committee Directives

The audit report pertaining to following year has been submitted to the Governor of Khyber Pakhtunkhwa. Status of ZAC meeting is given below:

S#	Audit Year	ZAC Meeting
01	2020-21	Not Convened
02	2021-22	Not Convened

2.4 AUDIT PARAS

2.4.1 Irregularities

A. Procurement related irregularities

2.4.1.1 Irregular payment on account of purchase of vehicles – Rs 22.777 million

Para 10 (i) of General Financial Rules Volume 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 of expenditure of his own money.

Office of the DC Upper Chitral paid Rs 22.777 million on account of purchase of official vehicles for district Upper Chitral during the financial year 2021-22. During scrutiny of record, it was observed that authorization of the Transport Committee, Administration Department was not obtained to regularize the payment. Moreover, the Provincial Government has imposed ban on purchase of new vehicles as Austerity Measures during the financial year 2021-22, but ban relaxation was also not obtained from the authority concerned. Thus, the payment made was held irregular. Detail is as under.

S. No.	Particulars	Quantity	Amount (Rs)
01	Toyota Fortuner	01	9,142,000
02	Hilux Revo (G)	02	13,635,000
Total			22,777,000

The lapse occurred due to non-compliance with rules and regularization, which resulted in irregular expenditure.

When pointed out in July 2022, management stated that detailed reply would be submitted after scrutiny of record.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends regularizing the payment.

AIR No.09(2021-22)

2.4.1.2 Purchase of sub-standard medicines without Batch number's Rs-3.627 million

A Batch number is designation given to a product made in same manufacturing run, it consists numerals, letters, or symbols, and it allows the items to be traced after they have been distributed,

Office of the DHO Upper Chitral drew Rs3.627 million on account of Purchase of Medicines from the government exchequer during the financial year 2021-22. On scrutiny of record of medicines purchased, it was observed that no Batch No was mentioned in the invoices, thus purchase of medicines without Batch no leads to be substandard as without Batch No the medicines cannot be traced after distributions. The batch Number is designation given to a product made in manufacturing units.

The lapse occurred due to non-compliance with rules, regularization and administrative controls which resulted in purchase of sub-standard medicines.

When pointed out in July 2022, management stated that reply will be submitted after scrutiny of record.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

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

AIR No.12 (2021-22)

2.4.1.3 Non-supply of medicine Rs 5.195 million

Treasury Rule 290 provides that no money shall be drawn from the treasury unless it is required for immediate disbursement. It is not permissible to draw money from the treasury in anticipation of demands or to prevent the lapse of budget grants.

Office of the DHO Upper Chitral paid Rs 5.195 million for purchase of medicines the supply orders were placed in April, 2021-22 which were required to be supplied within 45 days. But the supply was not made till the date of audit. The local office neither cancelled the supply orders nor arranges any alternative for the supply of medicines. Thus, on one hand the people of the locality were deprived of the basic facility of medicine and on the other hand, the Government money drawn in anticipation of actual demand and the money was blocked for a considerable time period which need justification. Detail as per Annexure-2:

The lapse occurred due to non-compliance of rules and weak administrative controls which resulted in non-supply of medicines. The similar observation was also pointed out during the F.Y 2019-20 and 2020-21 amounting to Rs1.468 million & Rs 2.380 million respectively. However, no corrective measures were taken.

When pointed out in July 2022, management stated that reply will be submitted after scrutiny of record.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends ensuring complete supply of medicines.

AIR No.14 (2021-22)

**2.4.1.4 Loss to Government due to non-supply of Medical equipments
Rs7.569 million**

According to Para 290 of Federal Treasury Rules “No money should be drawn from Treasury unless required for immediate disbursement. It is not permissible to draw money from treasury in anticipation of demand or to prevent lapse of budget grant. Further, para 23 of GFR Vol-1, Requires that every Government officer is personally responsible for any loss sustained by the Government through fraud or negligence either on his part or the part of his subordinate staff.

Office of the DHO Upper Chitral incurred expenditure of Rs 7.569 million on account of purchase of Medical Equipments in the financial year 2021-22. The supply order was placed in May 2021 but the medical equipments were not supplied till date of audit. The local office was required to cancel the order but failed to do so. Detail is as per annexure-3.

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in non-supply of medical equipments. The similar observation was also pointed out during the F.Y 2020-21 amounting to Rs 2.790 million. However, no corrective measures were taken,

When pointed out in July 2022, management stated that supplies were received and were not taken on stock register.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends ensuring early completion of supply.

AIR No.23 (2021-22)

2.4.1.5 Unauthentic supply of furniture and un-authorized payment-Rs20.218 million

According to Notification No. SO(IMP-1)R&I/E&SED/2021/Furniture Procurement dated 28.01.2022 issued by Secretary to KP for Elementary & Secondary Education Department, the following Inspection Committee will check and verify physically the quality and quantity of newly procured furniture as per approved specification.

1. Mr. Abdul Akram Additional Secretary (General)
2. DMO Abbottabad
3. DMO Swat
4. M&E officer (Malakand & Hazara), E&SED Division
5. Additional Director Establishment E&SED
6. Representative of DC concerned
7. Section Officer (Litigation)E&SED

Office of the DEO (Male) Upper Chitral purchased furniture for Rs 20.218 million from M/S Daniyal Traders Timergara during the financial year 2021-22. Audit could not authenticate the supply because inspection reports of the above-mentioned committee regarding supply and verification of the furniture was produced. In addition, stock register, and satisfactory supply reports from the concerned principals and head masters of the schools were also not available on the record of the local office.

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in unauthentic expenditure.

When pointed out in August 2022, management stated that inspection has been carried out by the local committee. Reply was not convincing as report of the above-mentioned committee was not available on record of the local office.

The lapse occurred due to weak financial control, which resulted in unauthorized payment and unauthentic supply.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends conducting inspection by the committee concerned.

AIR No. 03 (2021-22)

2.4.1.6 Unauthentic supply of furniture and un-authorized payment-Rs.1.550 million

According to Notification No. SO(IMP-1)R&I/E&SED/2021/Furniture Procurement dated 28.01.2022 issued by Secretary to KP for Elementary & Secondary Education Department, the following Inspection Committee will check and verify physically the quality and quantity of newly procured furniture as per approved specification.

1. Mr. Abdul Akram Additional Secretary (General)
2. DMO Abbottabad

3. DMO Swat
4. M&E officer (Malakand & Hazara), E&SED Division
5. Additional Director Establishment E&SED
6. Representative of DC concerned
7. Section Officer (Litigation)E&SED

According to letter No. SO(IMP-1) R&I/E&SED/2021/FURNITURE-20-21 dated 01.12.2021 issued by Elementary & Secondary Education Department, the DC concerned will notify a committee at district level for inspection of newly procured furniture for Government Schools.

Office of the DEO (Female) Upper Chitral purchased furniture for Rs1.550 million from M/S Daniyal Traders Timergara during the financial year 2021-22. Audit could not authenticate the supply because inspection reports of the above-mentioned committee regarding supply and verification of the furniture was not produced. In addition, stock register, and satisfactory supply reports from the principals concerned and head masters of the schools were also not available on the record of the local office.

The lapse occurred due to non-compliance of rules and weak administrative controls which resulted in irregular expenditure.

When pointed out in August 2022, management stated that detailed report would be submitted after scrutiny of record. Reply was not convincing as no such report was available in the local office.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends to conducting inspection by the committee concerned.

AIR No. 03 (2021-22)

B. Management of Accounts with commercial bank

2.4.1.5 Illegal retention of Government money in form of Bank Drafts - Rs 5.456 million

Treasury Rule 290 provides that no money shall be drawn from the treasury unless it is required for immediate disbursement. It is not permissible to draw money from the treasury in anticipation of demands or to prevent the lapse of budget grants.

Office of the DHO Upper Chitral Drew Rs 5.456 million on account of Purchase of Medicines from the government exchequer before the closing of the financial year 2021-22. on scrutiny of record it came to notice that the bank drafts were prepared on the name of various suppliers for the supply of medicines, but such Bank drafts were not handed over to the concerned and were lying in the local office and not handed over so far. The retention of government money creates doubt and the chance of misappropriation can't be rolled out. Detail is as per Annexure-4:

Illegal retention of government money occurred due to weak internal and administrative controls, which resulted in violation of rules.

When pointed out in July 2022, management stated that the bank draft was prepared and will be handed over to the firm concerned.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends inquiry of illegal retention of money.

AIR No.30 (2021-22)

2.4.1.6 Non deposit of bank profit into Government treasury – Rs.1.439 million

According to Finance Department Khyber Pakhtunkhwa Peshawar letter No. 2/3-(F/1) /FD/2007-08/VOL-IX dated 16.03.2018 read with even no dated

10.02.2014, the interest / profit amounts accrued/earned on the funds placed in Government Banks (PLS mode) may be deposited into Government Treasury.

Office of the DC Upper Chitral earned profit of Rs 1.439 million on the public fund placed in designated bank account during F.Y 2021-22. However, the same was retained in the bank till the date of audit (July, 2022) and not deposited into the Government treasury Detail is as under:

S. No.	Name Of Bank	Account No.	Amount of Profit
1	National Bank Bonilasht Branch	3159950245	1420093
2	National Bank Bonilasht Branch	3159945886	19,356
Total			1,439,449

Non-deposit of bank profit occurred due to non-compliance with Finance Department instructions and weak administrative controls which resulted in declining of provincial consolidated fund for further budgeting.

When pointed out in July 2022, management stated that bank profit would be deposited into Government treasury. Reply was not tenable as profit on bank accounts was not deposited into Government treasury.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends deposit of profit into Government treasury.

AIR No.02 (2021-22)

2.4.2 Value for money and service delivery issues

2.4.2.1 Non deduction of income tax–Rs 1.024 million

Para 8 and 26 of the General Financial Rules Volume I require each administrative department to see that the dues of the government are correctly and promptly assessed, collected and paid into Government Treasury.

Office of the DC Upper Chitral paid Rs 22.777 million on account of purchase of official vehicles for district Upper Chitral during the financial year 2021-22. During scrutiny of record, it was observed that income tax amounting to Rs 1.024 million was not deducted from the supplier and deposited into Government treasury. Detail is as under:

S. No.	Particulars	Quantity	Amount (Rs)	4.5% Income tax (Rs)
01	Toyota Fortuner	01	9,142,000	411,390
02	Hilux Revo (G)	02	13,635,000	613,575
Total			22,777,000	1,024,965

Non-deduction of income tax occurred due to non-compliance with rules, regulations and weak administrative controls which resulted in declining of consolidated fund for further budgeting and non-allocation of fund to prioritized sectors.

When pointed out in July 2022, management stated that detailed reply would be provided after clarifying from the supplier i.e. Indus Motors. Reply was not convincing as income tax was not deducted from the supplier.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends recovery of income tax from the concerned contractors.

AIR No. 10 (2021-22)

2.4.2.2 Unauthentic deposit of 4/5th of sales tax – Rs 3.097 million

According to SRO No. 660 (I)/2007 dated 30-06-2007, the DDO concerned shall prepare the return in the form as in the Annexure to these rules for each month and forward the same to the Collector having jurisdiction by the 15th of the following month.

Office of the DC Upper Chitral paid Rs 22.777 million on account of purchase of official vehicles for district Upper Chitral during the financial year 2021-22. During scrutiny of record, it was observed that 17% sales tax amounting to Rs 3.872 million was included in the cost of vehicles. 1/5th of sales tax amounting to Rs 774,418 was retained by the local office and the remaining 4/5th amounting to Rs 3.097 million was required to be deposited by the supplier. According to the above-mentioned criteria, the local office was required to prepare the return for each month which was not done and leads to unauthentic deposit of sales tax by the supplier. Detail is as under:

S. No.	Particulars	Quantity	Amount (Rs)	17% sales tax (Rs)	4/5 th of sales tax (Rs)
01	Toyota Fortuner	01	9,142,000	1,554,140	1,243,312
02	Hilux Revo (G)	02	13,635,000	2,317,950	1,854,360
Total			22,777,000	3,872,090	3,097,672

The lapse occurred due to non-compliance with rules, regulations and weak administrative controls which resulted in declining unauthentic deposit of sales tax.

When pointed out in July 2022, management stated that detailed reply would be provided after clarifying from the supplier i.e. Indus Motors. Reply was not convincing as return was not prepared and forwarded to the Collector.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends authenticating the deposit of sales tax.

AIR No.11 (2021-22)

2.4.2.3 Loss to government due to non-imposition of penalty – Rs.2.873 million

According to the Clause 22 (a) and (b) of Standard Bidding Documents of Director General Health Services, Government of Khyber Pakhtunkhwa, the supply of stock shall be completed within 30 days after the receipts of supply order. The supplier may avail 15 days extension with 3% penalty and another 15 days with 7% penalty on the cost of non-supplied items.

Office of the DHO Upper Chitral paid Rs 95.774 million on account of purchase of Machinery and equipment and petty repair during the financial year 2021-22. Scrutiny of record revealed that the contractor neither supplied the purchase items nor made any repair so far. The local office was required to cancelled the order or impose penalty @ 7% amounting to Rs 2.873 million but failed to do so. Detail is as under:

S.No	Particular	Quantity	Rate	Amount	Amount of Penalty
1	Hamatology Analyzer	2	2700000	5400000	162000
2	Micro lab	1	1950000	1950000	58500
3	Petty Repair			88424355	2652730
	Total			95,774,355	2,873,230

The lapse occurred due to non-compliance with rules, regulations and weak administrative controls which resulted in loss to Government.

When pointed out in July 2022, management stated that the detail reply will be submitted on scrutiny of record.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends recovery of penalty.

AIR No.28 (2021-22)

2.4.2.4 Loss to Government due to Non deposit of receipts-Rs 2.36 million

According to Treasury Rule-7 (i), all the money received by or tendered to government officers on account of the revenue shall without undue delay be paid in full into a treasury.

Office of the Rural Health Centre Shagram under the administrative control of DHO Upper Chitral, it was noticed that health receipts of OPD, indoor, Laboratory, X-ray, ECG and Ultrasound fee amounting to Rs 13.776 million were collected during financial year 2020-21. On scrutiny of record, it was noticed that out of which Rs 11.407 million was deposited in designated bank account of Agha Khan Hospital Service, Pakistan, (AKHSP) and the remaining amount of Rs 2.36 million was not deposited in the bank. which was clear violation of government rules. Detail is as under:

S.No	Total Receipts	Total Deposited	Difference
01	13,776,696	11,407,981	2,368,715

Non-deposit of receipts occurred due to non-compliance with rules, regulations and weak administrative controls which resulted in declining of consolidated fund for further budgeting and non-allocation of fund to prioritized sectors.

When pointed out in July 2022, management stated that the detail reply will be submitted on scrutiny of record.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends to deposit the amount into Government treasury.

AIR No.29 (2021-22)

2.4.2.5 Loss to Government due to Non deposit of receipts-Rs1.10 million

The Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019 clause 45 (collection and recovery of taxes, etc) sub-clause (1) requires that failure to pay any tax and other money claimable under this Act shall be an

offense and clause (ii) states that all arrears of taxes, rents and other moneys claimable by a Local Council under this Act shall be recoverable as arrears of land revenue and deposited into government treasury.

Office of the Rural Health Center Mastuj Upper Chitral did not deposit receipts amounting to Rs 1.101 million into Government treasury during FY 2020-21. Detail is as under:

S.No	Total Receipts	Total Deposit	Difference
1	1,101,915	Nil	1,101,915

Non-deposit of receipts occurred due to non-compliance with rules, regulations and weak administrative controls which resulted in declining of consolidated fund for further budgeting and non-allocation of fund to prioritized sectors.

When pointed out in July 2022, management stated that the detail reply will be submitted on scrutiny of record.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends deposit of receipts into Government treasury.

AIR No.31 (2021-22)

2.4.2.6 Non deposit of health receipt and unauthorized retention in designated bank account – Rs 13.776 million

The Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019 clause 45 (collection and recovery of taxes, etc) sub-clause (1) requires that failure to pay any tax and other money claimable under this Act shall be an offense and clause (ii) states that all arrears of taxes, rents and other moneys claimable by a Local Council under this Act shall be recoverable as arrears of land revenue and deposited into government treasury.

Office of the Health Centre Shagram under the administrative control of DHO Upper Chitral, it was noticed that health receipts of OPD, indoor, Laboratory, X-ray, ECG and Ultrasound fee amounting to Rs 13.776 million were collected during financial year 2020-21. On scrutiny of record, it was noticed that the amount was not deposited into Government treasury but retained in designated bank account of Agha Khan Hospital Service, Pakistan, (AKHSP) in violation of the Government rules.

Non-deposit of health receipts occurred due to non-compliance with rules, regulations and weak administrative controls which resulted in declining of consolidated fund for further budgeting and non-allocation of fund to prioritized sectors.

When pointed out in July 2022, management did not respond to the observation.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends to deposit the amount into Government treasury.

AIR No.34 (2021-22)

2.4.2.7 Overpayment of Health Professional Allowance and Conveyance Allowance during the period of leave –Rs1.208 million

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

Office of the DHO Upper Chitral overpaid Rs 1.208 million on account of Health Professional Allowance and Conveyance Allowance during the period of their leaves. Detail is as per annexure-5.

The overpayment occurred due to non-compliance with rules, regulations and weak administrative controls which resulted in loss to Government.

When pointed out in July 2022, management stated that amount will be recovered from the concerned.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends to deposit the amount into Government treasury.

AIR No.35 (2021-22)

2.4.3 Other, including cases of accidents, negligence etc

2.4.3.1 Non reconciliation of Revenue Deposits – Rs 2.186 million

Para 89(4) (viii-2) of GFR Vol-I requires that main object of the reconciliation is to ensure that the departmental accounts are sufficiently accurate to render possible and efficient departmental control of expenditure.

Office of the DC Upper Chitral paid Rs 2.186 million on purchase of land for various departments in the financial year 2021-22. During scrutiny of record, it came to notice that no reconciliation was made with the concerned. In the absence of reconciliation, the transaction at the district level remained unverified. Detail is as under.

S.No.	Particulars	Cost of Land (Rs)
1	Upgradation of GPS Zezdi to GMS Zezdi Mulkoh	1,896,299
2	Restoration of CharunZondrangram road at Madak	290,324
Total		2,186,623

The laps occurred due to non-compliance with rules, regulations and weak administrative controls which non-reconciliation of revenue deposits.

When pointed out in July 2022, management stated that reconciliation would be made. Reply was not convincing as reconciliation with the quarter concerned was not shown to audit.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends to carry out reconciliation.

AIR No.03 (2021-22)

2.4.3.2 Irregular utilization of fund on account of Expanded Program of Covid-19 –Rs1.674 million

Para 10 (i) of General Financial Rules Volume 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 of expenditure of his own money.

Office of the DC Upper Chitral transferred Rs 1.674 million to District Health Officer Upper Chitral on account of Expanded Program of Covid-19 during the financial year 2021-22. During scrutiny of record, it was observed that the amount was distributed among 04 No Data Entry Operators, 06 No. Supervisors and 28 No. Vaccinators. But APRs to the support of the payment was not available to verify the actual disbursement among the staff acquired for the Expanded Program of Covid-19.

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in irregular utilization of funds.

When pointed out in July 2022, management stated that detailed reply would be submitted after scrutiny of relevant record.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends the matter for justification.

AIR No.04 (2021-22)

2.4.3.3 Non reporting of clinical efficacy of medicines – Rs 9.08 million

According to MCC rules 2021-22 clinical efficacy report is mandatory to collect by the head of the office for onward submission to headquarter concerned.

Office of the DHO Upper Chitral issued medicines of Rs 9.083 million to various health units for the treatment of patients during the financial year 2021-22. As per MCC rules 2021-22 the head of the office was required to collect clinical efficacy report quarterly from the health units for onward submission to the quarter concerned to know the effectiveness of the medicines issued to the

patients, but the local office failed to do so which was clear violation of the MCC rules. Detail is as per Annexure-6.

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in irregular expenditure.

When pointed out in July 2022, management stated that the stock has recently received the clinical efficacy report if received from units will be submitted.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends inquiry into the matter for fixing responsibility.

AIR No.17 (2021-22)

2.4.3.4 Unauthentic Expenditure on account of Transportation Charges Rs 4.109 million

Rule 174 of CTR Vol-I states, that all payment must be supported with acknowledgement.

Office of the DHO Upper Chitral incurred expenditure of Rs 4.109 million on account of transportation charges during the financial year 2021-22. The expenditure was showed on transportation of medicines from Main stores to various health units situated in the district on Scrutiny of record the following observation were raised.

- 1- Actual Payee receipts/ Acknowledgement of the health units were not available on the record of the local office
- 2- Date of supply of medicines was not recorded in any documents.
- 3- Quantities of medicines were also not shown.
- 4- Distance were not mentioned in the bill
- 5- The hiring charges seem much more than market rate.

- 6- Normally, medicines and other goods were issued to health facilities on quarterly basis thus claim of excess trips need justification.
- 7- No contract agreement was executed with the contractor.

In the absence of the above-mentioned data the expenditure cannot be verified.

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in unauthentic expenditure.

When pointed out in July 2022, management stated that reply will be submitted after scrutiny of record.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends inquiry into the matter for fixing responsibility.

AIR No.18 (2021-22)

2.4.3.5 Irregular payment on account of repair of machinery & equipment – Rs 1.153 million

According to Para 290 of Federal Treasury Rules “No money should be drawn from Treasury unless required for immediate disbursement. It is not permissible to draw money from treasury in anticipation of demand or to prevent lapse of budget grant. Further, para 23 of GFR Vol-1, Requires that every Government officer is personally responsible for any loss sustained by the Government through fraud or negligence either on his part or the part of his subordinate staff.

Office of the DHO Upper Chitral incurred expenditure of Rs 1.153 million on account of repair of machinery and equipments during the financial year 2021-22. During audit the following irregularities were pointed out.

1. Detail specification of repairable components /parts of machinery and equipments were not obtained from the Electro Medical Engineer.

2. Name of units in which the repair of Machinery and Equipments was carried out were not mentioned in the relevant record.
3. NOC was not obtained from the In-charge Engineer of sub workshop Batkhela regarding carry out the repair work from the local market.
4. Completion and Inspection Report was also not obtained from the engineer concerned.
5. No committee consisting of professional was constituted to see the repair works.
6. Most of the machinery was functional in units
7. Huge amount was already spent on the repair of M&E in last year.
8. No report of the in charge concerned for the necessary repair was available which also create doubts about the expenditure.
9. No contract agreement was executed with the contractor.

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in irregular expenditure.

When pointed out in July 2022, management stated that reply will be submitted after scrutiny of record.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends inquiry into the matter for fixing responsibility.

AIR No.19 (2021-22)

2.4.3.6 Unauthorized withdrawal from Government treasury without sanction of the competent authority-Rs 88.424 million.

S. No. 3 II of the Third Schedule of Government of NWFP Delegation of Powers Rules, 2018, Chief Engineer should accord, sanction for repairs to non-residential buildings.

Office of the DHO upper Chitral drew Rs 88.424 million from Government treasury on account of civil work in various health facilities during the financial year 2021-22. The amount was required to transfer to C&W

Department for the execution of Civil Works but the local office failed to do so. Sanction was accorded by the DHO while he was not competent to accord the sanction and even then, the amount was drawn from the government treasury for the execution of civil work /repair works. Moreover, no contract agreement was executed with the contractor which also needs justification.

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in unauthorized expenditure.

When pointed out in July 2022, management stated that reply will be submitted after scrutiny of record.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends to obtain sanction from the competent authority.

AIR No.20 (2021-22)

2.4.3.7 Irregular expenditure on account of Petty Repair Rs88.42 million

According to Para-58 of the CPWD code read with para-178 (iii) of GFR Vol-I, that no work should be commenced until administrative approval has been obtained, and a properly detailed design and estimate have been sanctioned.

Para 2.4 of B&R Department Code requires that no work shall be started without administrative approval, technical sanction and allotment of funds.

According to Government of Khyber Pakhtunkhwa, Local Government, Election and Rural Development Department, Local Council Board letter No.AO (Planning)/LCB/Gen/Inst/4-10/2016 dated 31.01.2019.

- PC-1 should be on proper format ensuring all requisite details of quantities and costs.

- District Monitoring Officers of Districts concerned should visit all developmental schemes and submit detail report.

Office of the DHO Lower Chitral drew of Rs 88.424 million on account of petty repair works in various health units during the financial year 2021-22. On scrutiny of record the following irregularities were pointed out.

- 1- Work was started without administrative approval and technical sanction of the competent authority.
- 2- Execution of work was not recorded in Measurement Book
- 3- Contract was not executed with the contractor
- 4- PC-1 should be on proper format was not prepared for ensuring all requisite details of quantities and costs.
- 5- Monitoring report of District Monitoring Officers of Districts concerned was also not available on the record of the local office.

Detail is as under:

S.No	Particular	Unit	Amount (Rs)
1	Petty Repair	THQ, RHC's, BHU's and CD's	88,424,355

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in irregular expenditure.

When pointed out in July 2022, management stated that reply will be submitted after scrutiny of record.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends inquiry into the matter for fixing responsibility.

AIR No.21 (2021-22)

2.4.3.8 Irregular expenditure on account of installation of solar system Rs 6.757 million

The main object of the Fat test is to test the safety instrumented system and to verify all important documents such as manual, instruction, plane, drawings and instrument diagram.

Office of the DHO Chitral incurred expenditure of Rs 6.757 million on account of installation of Solar system in THQ Boni and RHC Darsoon in the financial year 2021-22. During audit, the following observations were raised:

- 1- FAT test was not available on the record of the local office. As the FAT reveals weaknesses in the design and engineering phase. Factory acceptance test is the most lucrative way to ensure equipment or plants operate correctly.
- 2- Registration of installation of solar system was also not found.
- 3- Certificate of past experience of installation of solar system was also not available.
- 4- No contract agreement was executed with the contractor.

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in unauthentic expenditure.

When pointed out in July 2022, management stated that reply will be submitted after scrutiny of record.

PAO was requested to convene DAC meeting in August 2022, which could not be convened till finalization of this report.

Audit recommends obtaining FAT to ensure the safety of the system.

AIR No.27 (2021-22)

2.4.3.9 Advance payment to the supplier on account of purchase of furniture and non-supply of furniture –Rs 20.423 million

According to clause 3.1& 3.1(a) of the agreement between the DEO (M) Upper Chitral and M/S Daniyal Traders Timergara dated 20.09.2021, payment will be made after completion of delivery and verification (quality and quantity) certificate and no advance payment shall be made.

Office of the DEO Male Upper Chitral paid Rs 20.423 million to M/S Daniyal Trader Timergara on account of purchase of furniture during the financial year 2021-22. As per agreement executed between the DEO (Male) and Daniyal Trader Timergara, payment would be made after completion of delivery and verification of (quality and quantity) and no advance payment shall be made to the supplier. The supply has not been completed and the local office has made advance payment which was clear violation of the agreement.

Advance payment to the supplier occurred due to weak internal controls, which resulted in violation of rules.

When pointed out in August 2022, management stated that as per direction of the authority, payment has been made on the supplied furniture. However, CDR worth Rs 5.000 million has been obtained from the supplier concerned for the unsupplied furniture. Reply was not convincing as advance payment was not allowed to be made to the supplier according to the above-mentioned criteria.

PAO was requested to convene DAC meeting in November 2022, which could not be convened till finalization of this report.

Audit recommends to ensure the supply and as far as advance payment is concerned; responsibility may be fixed for appropriate action against the person(s) at fault.

AIR No. 04 (2021-22)

2.4.3.10 Un-verified expenditure on account of PTC fund -Rs 10.739 million

According to the Financial Procedure for incurrence of expenditure by Parents-Teacher Council (PTCs) notified vide Government of Khyber PakhtunKhwa Finance Department letter No.BO-V/FD/3-10/2006-07 dated 9th June 2007, Serial No. B(6)the vouched account shall be subject to inspection by the functionaries of the School & Literacy Department and to third party validation. PTC shall maintain complete record of income and expenditure and

shall also submit copies thereof to the DEO concerned at the closure of financial year.

Office of the DEO Male Upper Chitral transferred Rs10.739 million to PTCs' bank accounts of the schools for Petty Repair and Classroom Consumable items during the financial year 2021-22. Further utilization by the PTCs and relevant record was not produced to audit for detail verification. Therefore, expenditure remained unverified. Detail is as under:

S. No.	Particular	Amount (Rs)
1	Class Room Consumable	4,225,000
2	Petty Repair	6,514,500
Total		10,739,500

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in unverified expenditure.

When pointed out in August 2022, management stated that record would be obtained from the schools concerned and would be shown to audit. Reply was not convincing as detailed record was not available in the local office to verify the expenditure.

PAO was requested to convene DAC meeting in November 2022, which could not be convened till finalization of this report.

Audit recommends inquiry into the probable cause of unverified expenditure.

AIR No.06 (2021-22)

2.4.3.11 Non-supply of Furniture - Rs 4.853 million

Treasury Rule 290 provides that no money shall be drawn from the treasury unless it is required for immediate disbursement. It is not permissible to draw money from the treasury in anticipation of demands or to prevent the lapse of budget grants.

Office of the DEO (Male) Upper Chitral paid Rs 4.853 million for purchase of furniture during the financial year 2021-22. The supply orders were placed in 12/2021 and the supply was required to be completed before closing of the financial year, but the supply was not made till the date of audit. The local office neither cancelled the supply orders nor was alternate arrangements made for the purchase of furniture. Thus, on one hand the students of the locality were deprived of the basic facility of furniture and on the other hand, the Government money was drawn in anticipation of actual demand which needs justification

The lapse occurred due to weak internal and administrative controls, which resulted in non-supply of furniture.

When pointed out in August 2022, management stated that as per agreement executed with the contractor concerned, the furniture was to be supplied up to 20-09-2022. The supply was in process and was suffered due to rainfall and flood in Upper Chitral. Reply was not convincing as the payment was made to the supplier but the supply was not made.

PAO was requested to convene DAC meeting in November 2022, which could not be convened till finalization of this report.

Audit recommends ensuring early completion of supply.

AIR No.07 (2021-22)

2.4.3.12 Irregular purchase of furniture without financial sanction from competent authority - Rs 1.550 million

According to rules 2(vi) of the second schedule of the delegation of financial powers 2018, District Education Officer is empowered to grant financial sanction of Rs 1,000,000 for purchase of furniture.

According to clause 3.1& 3.1(a) of the agreement between the DEO (F)upper Chitral and M/S Daniyal Traders Timergara dated 20.09.2021, payment will be made after completion of delivery and verification (quality and quantity) certificate and no advance payment shall be made.

Office of the DEO (Female) Upper Chitral paid Rs 1.550 million to M/S Daniyal Trader Timergara on account of purchase of furniture during the financial year 2021-22. On scrutiny of record, it was observed that the amount was paid from AC-IV. Therefore, sanction was required to be obtained from Deputy Commissioner Upper Chitral which was not done. Moreover, as per agreement executed between the DEO and Daniyal Trader, the payment would be made after completion of delivery and verification of (quality and quantity) but the local office made the payment in advance i.e before completion of supply, which was clear violation of the agreement.

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in irregular expenditure.

When pointed out in August 2022, management stated that detailed report would be submitted after scrutiny of record. Reply was not convincing as no such record was available in the local office.

PAO was requested to convene DAC meeting in November 2022, which could not be convened till finalization of this report.

Audit recommends regularizing the expenditure.

AIR No.02 (2021-22)

2.5.3.13 Un-verified expenditure on account of PTC fund - Rs 3.459 million

According to the Financial Procedure for incurrence of expenditure by parents-Teacher Council (PTCs) notified vide Government of Khyber Pakhtunkhwa Finance Department letter No.BO-V/FD/3-10/2006-07 dated 9th June 2007, Serial No. B(6) the vouched account shall be subject to inspection by the functionaries of the School & Literacy Department and to third party validation. PTC shall maintain complete record of income and expenditure and shall also submit copies thereof to the DEO concerned at the closure of financial year.

Office of the DEO (Female) Upper Chitral transferred Rs 3.459 million to PTCs' bank accounts of the schools for Petty Repair and Classroom Consumable items during financial year 2021-22. Further utilization by the PTCs and relevant record was not produced to audit for detail verification. Therefore, expenditure remained unverified. Detail is as under:

S.No.	Particular	Amount (Rs)
1	Class Room Consumable	1,485,000
2	Petty Repair	1,974,000
Total		3,459,000

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in unverified expenditure.

When pointed out in August 2022, management stated that detailed report would be submitted after scrutiny of record. Reply was not convincing as no such record was available in the local office.

PAO was requested to convene DAC meeting in November 2022, which could not be convened till finalization of this report.

Audit recommends inquiry into the probable cause of unverified expenditure.

AIR No.06 (2021-22)

2.4.3.14 Non-disbursement of stipend of female students - Rs 12.219 million

According to rule 174 of FTR Vol-I, all payment must be supported with acknowledgement.

Office of the DEO (Female) Upper Chitral paid Rs 12.219 million to Post Master GPO Chitral vide cheque No 1247201 dated 22/6/2022 for onward distribution among the female students during the financial year 2021-22. On scrutiny of record, it was observed that the amount of stipend was not distributed among the students till August 2022 without any cogent reason. Therefore, on one hand the students were deprived from the stipend and on other hand the

Government money was blocked. The local office also did not take any interest to ask from the Post Office about such abnormal delay.

The lapse occurred due to non-compliance with rules and weak administrative controls which resulted in non-disbursement of stipends.

When pointed out in August 2022, management stated that DEO (Female) Chitral already submitted both the cheques for girl stipend program for the year 2021-22. 1st installment has been disbursed by the GPO Lower Chitral and the 2nd has not yet been disbursed.

PAO was requested to convene DAC meeting in November 2022, which could not be convened till finalization of this report.

Audit recommends inquiry into the probable cause of irregularity and for such abnormal delay of disbursement of stipend amount.

AIR No.10 (2021-22)



CHAPTER-03

TEHSIL MUNICIPAL ADMINISTRATIONS



CHAPTER-3

Tehsil Municipal Administrations

3.1. A Introduction

District Chitral Upper has two Tehsils i.e. Mastuj and Mulkoh. The office of a Tehsil Municipal Administration is managed by the Tehsil Municipal Officer. He is assisted by a Tehsil Officer (Finance), a Tehsil Officer (Regulation) and a Tehsil Officer (Infrastructure).

According to section 22 of The Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019 the functions and powers of TMAs are briefly given as under:

- (a) Monitoring and supervising the performance of functionaries of Government offices located in the Tehsil,
- (b) Land management in the Tehsil, provision of municipal services, execution and management of development plans for improvement of municipal services and infrastructure.
- (c) Enforcing municipal laws, rules and bye-laws, Preventing and removing encroachments, regulate affixing of sign-boards and advertisements;
- (d) Financial management of the Tehsil such as, Preparation of budget and annual municipal development programmes, collection of revenue such as taxes, penalties, fines etc. manage municipal properties, assets and funds, and liaise with the district government in all these matters.
- (e) Maintaining a comprehensive data base and information system on services in the Tehsil municipal record and archives and provide public access to it on nominal charges;
- (f) Organizing sports, cultural, recreational events, fairs, cattle fairs and cattle markets;
- (g) Co-ordinate and support municipal functions amongst village and neighborhood councils;
- (h) Regulate markets and services, issue licenses, permits, grant permissions and impose penalties for violation thereof;

Audit Profile of TMAs of the District Chitral Upper

(Rs. in million)

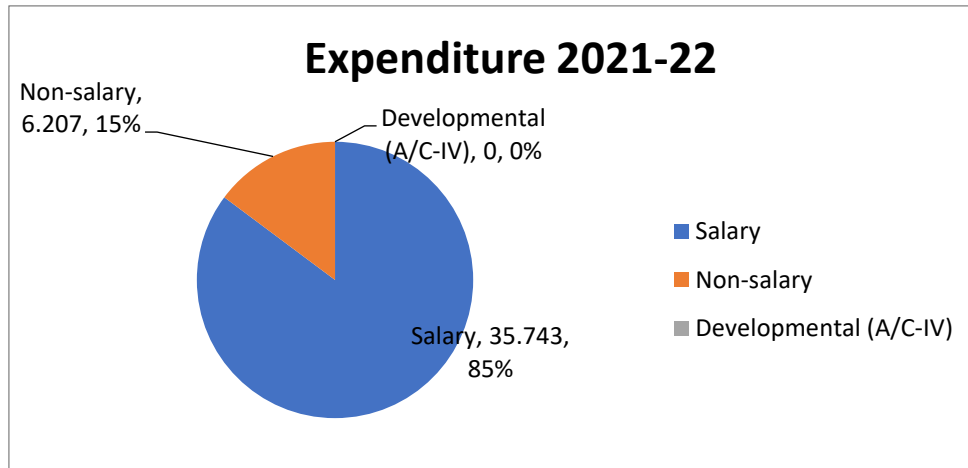
Sr No	Description	Total Nos	Audited	Expenditure audited FY2021-22	Revenue /Receipts audited FY2021-22
1	Formations	2	2	91.537	0
	Total	2	2	91.537	0

3.1.B Comments on Budget and Accounts (Variance Analysis)

(Rs. in million)

2021-22	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	56.615	39.544	17.071	30.15%
Non-salary	74.713	16.955	57.758	77.30%
Developmental	72.930	35.038	37.892	51.95%
Total	204.258	91.537	112.721	55 %
Receipts	0	0		

(Rs. in million)



The savings of Rs.112.721 million indicate weakness in the capacity of Tehsil Municipal Administrations to utilize the allocated budget. Furthermore, the savings in salary and non-salary components was 30.15% and 77.30% respectively which shows over estimation of budget. Whereas, the savings in development budget was 51.95% shows inefficiency in utilization of fund on the part of the management.

3.2 Classified Summary of Audit Observations

Audit observations amounting to Rs. 74.212 million were raised in this audit report. This amount also includes recoverable of Rs. 4.658 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rs. in million)		
Sr. No.	Classification	Amount
1	Value for money and service delivery issues	4.643
2	Others, including cases of accidents, negligence etc.	69.569
Total		74.212

3.3 Comments on the status of compliance with Tehsil Accounts Committee Directives

The audit report pertaining to following year has been submitted to the Governor of Khyber Pakhtunkhwa. Detail of TAC meetings are given below:

Sr. No.	Audit Year	TAC meeting
1.	2021-22	Not convened

3.4 AUDIT PARAS

3.4.1 Value for money and service delivery issues

3.4.1.1 Non-imposition of penalty for delay in completion of works –Rs 1.49 million

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

Office of the TMO Boni upper Chitral awarded contracts of various developmental schemes with estimated cost of Rs14.900 million during the financial year 2021-22. The schemes were not completed in stipulated period of time even till the dates of audit i.e. November 2022 The local office neither granted time extension to the contractors nor penalty @10% amounting to Rs1.490 million was imposed. Detail is as per annexure-7.

Non-imposition of penalty occurred due to non-compliance with rules, regulations and weak administrative controls which resulted in loss to Government. The similar observation was also pointed out during the F.Y2020-21 amounting to Rs 1.970 million. However, no corrective measures were taken till finalization of this report.

When pointed out in November, 2022, management stated that the working season in Upper Chitral is too short. Reply was not convincing as the local office was required to obtained extension but failed to do so.

PAO was requested to convene DAC meeting in December 2022, which could not be convened till finalization of this report.

Audit recommends recovery of penalty and its deposit into government treasury.

AIR No.01 (2021-22)

3.4.1.2 Loss to Government due to non-adjustment of Income tax– Rs1.117 million

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

Office of the TMO Boni upper Chitral executed 47developmental schemes with an estimated cost of Rs 14.900 million during financial year 2021-22 and paid on Market Rate System which includes 7.5% income tax. Deduction of Income tax was not made in the bills while estimates were prepared on MRS which resulted in loss of Rs 1.117 million as detailed below:

S.No	Source of fund	No of Schemes	E.Cost (Rs)	Income tax @ 7.5% (Rs)
01	MPA fund	21	14,900,000	1,117,500

Non-adjustment of income tax occurred due to non-compliance with rules, regulations and weak administrative controls which resulted in declining of consolidated fund for further budgeting and non-allocation of fund to prioritized sectors.

When pointed out in November, 2022, management stated that reply will be submitted after consulting record. No reply was furnished.

PAO was requested to convene DAC meeting in December 2022, which could not be convened till finalization of this report.

Audit recommends recovery and action against the persons at fault.

AIR No.03 (2021-22)

3.4.1.3 Non-imposition of penalty for delay in completion of works – Rs 1.003 million

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

Office of the TMO Mulko awarded contracts of various developmental schemes with estimated cost of Rs10.034 million during the financial year 2021-22. The schemes were not completed in stipulated period of time even till the dates of audit i.e. November 2022 The local office neither granted time extension to the contractors nor penalty @10% amounting to Rs 1.003 million was imposed. Detail as per annexure-8.

Non imposition of penalty occurred due to weak internal and administrative controls, which resulted in loss to Government. The similar observation was also pointed out during the F.Y2020-21 amounting to Rs 310,000 However, no corrective measures were taken till finalization of this report.

When pointed out in November 2022, management stated that the working season in Chitral is too short. Reply was not convincing as the local office was required to obtain extension but failed to do so.

PAO was requested to convene DAC meeting in December 2022, which could not be convened till finalization of this report.

Audit recommends to recover the amount of penalty.

AIR No.03 (2021-22)

3.4.1.4 Loss Government due to non-adjustment of Income tax– Rs1.048 million

According to Finance Department Khyber Pakhtunkhwa Notification NO.SO(Dev-II) FD/12-6/14-5 dated 21.04.2015, the Competent Authority has been pleased to direct that all Provincial Works Departments, while preparing Cost Estimates of developmental projects which fall in the tax exempted areas such as PATA, shall frame the same on Market Rate System- but with 7.5% less

cost to defray the amount added in the rate analysis of all works/construction/supply items to meet withholding tax.

Office of the TMO Mulkoh Chitral executed 47 developmental schemes with an estimated cost of Rs 13.974 million during financial year 2021-22 and paid on Market Rate System which includes 7.5% income tax. Deduction of Income tax was not made in the bills while estimates were prepared on MRS which resulted in loss of Rs 1.048 million detailed below:

S.No	Source of fund	No of Schemes	E.cost (Rs)	Income tax @ 7.5% (Rs)
01	MPA fund	47	13,974,000	1048,050

Non-adjustment of income tax occurred due to non-compliance with rules, regulations and weak administrative controls which resulted in declining of consolidated fund for further budgeting and non-allocation of fund to prioritized sectors.

When pointed out in November 2022, management stated that reply will be submitted after consulting record. No reply was furnished.

PAO was requested to convene DAC meeting in December 2022, which could not be convened till finalization of this report.

Audit recommends recovery and action against the persons at fault.

AIR No.06 (2021-22)

3.4.2 Other, including cases of accidents, negligence etc

3.4.2.1 Irregular Expenditure on account of Developmental Schemes - Rs 12.40 million

According to Government of Khyber Pakhtunkhwa, Local Government, Election and Rural Development Department, Local Council Board letter No.AO (Planning)/LCB/Gen/Inst/4-10/2016 dated 31.01.2019;

- PC-1 should be on proper format ensuring all requisite details of quantities and costs.
- Before and after pictures of developmental schemes should be the part of concerned file.
- District Monitoring Officers of Districts concerned should visit all developmental schemes and submit detail report.

Office of the TMO Boni awarded various developmental schemes with estimated cost of Rs 12.400 million during 2021-22. Audit observed the following shortcomings.

1. GPS coordinates were not available.
2. Before and after pictures of developmental schemes were not available.
3. Monitoring of schemes was not done by District Monitoring Officers as no monitoring report of developmental scheme was available.

Detail of the schemes as per annexure-9.

Irregular expenditure occurred due to weak internal controls, which resulted in violation of rules.

When pointed out in November, 2022, management did not respond to the observation.

PAO was requested to convene DAC meeting in December 2022, which could not be convened till finalization of this report.

Audit recommends investigation besides fixing responsibility on the person(s) at fault.

AIR No.02 (2021-22)

3.4.2.2 Irregular expenditure without technical sanction-Rs 14.90 million

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

Office of the TMO Boni Upper Chitral awarded various developmental schemes with estimated cost of Rs 14.900 million during 2021-22. Audit observed that Technical Sanction of the competent authority was not obtained. Thus, the commencement of work without technical sanction was irregular. Detail as per annexure-10.

Expenditure without TS occurred due to non-compliance with rules, regulations and weak administrative controls which resulted in irregular expenditure. The similar observation was also pointed out during the F.Y 2020-21 amounting to Rs 11.700 million. However, no corrective measures were taken.

When pointed out in November, 2022, management stated that the schemes are on going and technical sanction will be obtained. Reply was not convincing the technical sanction was required to be obtained before commencement of work.

PAO was requested to convene DAC meeting in December 2022, which could not be convened till finalization of this report.

Audit recommends investigation and fixing responsibility on the person(s) at fault.

AIR No.04 (2021-22)

3.4.2.3 Irregular Award of Civil Works without rate analysis Rs 8.497 million

According to clause 11(iv) of the terms and condition of tender advertised in News Paper, if contractor give 30% below rate, he will satisfied the executing agency by rate analysis. If the head of the executing agency satisfied from rate analysis presented by the contractor, then he will accept otherwise not.

Office of the TMO Boni Upper Chitral incurred expenditure of Rs 8.497 million on account of execution of developmental Schemes in the financial year 2021-22, audit held that if the contractors give 30% below rate, the contractors will satisfy the executing agency by rate analysis but the local office failed to do so which was clear violations of the above-mentioned Criteria. Detail is as per annexure-11.

Irregular expenditure occurred due to weak internal controls, which resulted in violation of rules.

When pointed out in November, 2022, management stated that the detail reply will be furnished.

PAO was requested to convene DAC meeting in December 2022, which could not be convened till finalization of this report.

Audit recommends inquiry into the probable cause of irregularities.

AIR No.05 (2021-22)

3.4.2.4 Irregular award of Civil Works at abnormal below rate - Rs 5.80 million

According to letter No. PO (LG) KPPRA /2017-18 dated 10/7/2017 abnormal below tender 40%-65% be discourage in order to achieve the objective laid down in Section 2 (q)of the KPPRA Rules.

According to clause 11(iv) of the terms and condition of tender advertised in News Paper if contractor give 30% below rate, he will satisfy the executing agency by rate analysis. If the head of the executing agency satisfied from rate analysis presented by the contractor, then he will accept otherwise not.

Office of the TMO Boni awarded 09 developmental Schemes to the contractors with estimated cost of Rs 5.802 million abnormal below in the financial year 2021-22, which were clear violation of the above-mentioned Criteria. Detail as per Annexure-12.

Award of schemes on abnormal below rates occurred due to weak administrative controls, which resulted in irregular award of contract. The similar observation was also pointed out during the F.Y 2020-21 amounting to Rs 13.200 million. However, no corrective measures were taken.

When pointed out in November 2022, management stated that the contracts were awarded according to KPPRA Provision. Reply was not convincing the contracts were not awarded according to KPPRA provision as mentioned above.

PAO was requested to convene DAC meeting in December 2022, which could not be convened till finalization of this report.

Audit recommends inquiry into the probable cause of irregularities.

AIR No.06 (2021-22)

3.4.2.5 Irregular expenditure without technical sanction-Rs 9.5 million

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

Office of the TMO Mulko awarded various developmental schemes with estimated cost of Rs 9.512 million during 2021-22. Audit observed that Technical

Sanction of the competent authority was not obtained. Thus, the commencement of work without technical sanction was irregular. Detail as per annexure-13.

Expenditure without TS occurred due to non-compliance with rules, regulations and weak administrative controls which resulted in irregular expenditure. The similar observation was also pointed out during the F.Y 2020-21 amounting to Rs 3.100 million. However, no corrective measures were taken.

When pointed out in November 2022, management did not respond to the observation.

PAO was requested to convene DAC meeting in December 2022, which could not be convened till finalization of this report.

Audit recommends investigation and fixing responsibility on the person(s) at fault.

AIR No.01 (2021-22)

3.4.2.6 Irregular expenditure on installation of HDPE pipes-Rs 1.879 million

According to circular No11/Dev-14/PHE (N) dated 14-7-2015 in order to stop the entry of the sub-standard product the field staff must be instructed to adopt the following quality assurance steps for compliance

- i. Original Manufacturer/confirmation through his letter head and seal.
- ii. Gate Pass No./Sales Tax invoice.
- iii. Confirmation that manufacturers all documents are original
- iv. Code No, on Product (year, month, date)

Office of the TMO Mulko incurred an expenditure of Rs 1.879 million on account of Supply and Fixing of HDPE pipes in various Water supply Schemes in the financial year 2021-22. Audit observed that the Local office did not adopt the following quality assurance steps to ensure the quality of pipes as well as the health of the people of locality.

- i. Original Manufacturer/confirmation through his letter head and seal
- ii Gate Pass No./Sales Tax invoice.
- iii Confirmation that manufacturers all documents are original
- iv Code No, on Product (year, month, date).

In the absence of the above-mentioned documents the entry of substandard Pipes cannot be rolled out.

Irregularity occurred due to weak internal controls, which resulted in violation of rules.

When pointed out in November 2022, management stated that ISO certified pipes have been installed. Reply was not convincing as no documentary proof mention above was shown to audit.

PAO was requested to convene DAC meeting in December 2022, which could not be convened till finalization of this report.

Audit recommends inquiry into a probable cause of irregularity.

AIR No.03 (2021-22)



CHAPTER-04

ASSISTANT DIRECTOR LGE & RDD



CHAPTER-4

AD LGE & RDD

4.1 A Introduction

Assistant Director Local Government, Election and Rural Development Department in District Chitral Upper have 39 VCs/NCs. Each VC/NC has a Secretary. Assistant Director Local Government Election & Rural Development Department is Drawing and Disbursing Officer (DDO) for his office and PAO for VCs/NCs of the District Chitral Upper.

According to section 29 of The Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019 the authority and responsibilities of the District Government have been given as under:

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

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

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

- i. Monitoring and supervision of the performance of functionaries of all government offices located in the area of the respective village council or neighborhood council, including education, health, public health engineering, agriculture, livestock, police and revenue, and hold them accountable by making inquiries and reports to the Tehsil municipal administration, district government or, as the case may be, the Government for consideration and action;
- ii. Providing effective forum for out of court amicable settlement of disputes and, for this purpose, constitute panels of members as conciliators;
- iii. Registration of births, deaths and marriages;
- iv. Implementation and monitoring of village level development works;
- v. Improving water supply sources, maintain water supply distribution system and take measures to prevent contamination of water;
- vi. Maintenance of village level infrastructure, footpaths, tracks, streets, playgrounds, graveyards, funeral places, eid-gah, parks, public open spaces and community centers.
- vii. Identifying development needs of the area for use by municipal administration and district government in prioritizing development plans;
- viii. Making arrangements for sanitation, cleanliness, disposal of garbage and carcasses, drainage and sewerage system;
- ix. Displaying land transactions in the area for public information;
- x. Mobilizing community for maintaining public ways, public streets, culverts, bridges and public buildings, de-silting of canals and other development activities;
- xi. Organizing cattle fairs and agriculture produce markets;
- xii. Organizing sports teams, cultural and recreational activities;
- xiii. Organizing watch and ward in the area;
- xiv. Promoting plantation of trees, landscaping and beautification of public places;
- xv. Regulating grazing areas, establish cattle ponds and provide protection against stray animals and animal trespass;
- xvi. Considering and approving annual budget presented by the respective Nazim, village council or neighborhood council;

- xvii. Facilitating formation of voluntary organizations for assistance in functions assigned to it;
- xviii. Facilitating the formation of co-operatives for improving economic returns and reduction of poverty;
- xix. Electing an Accounts Committee and review its recommendations on the annual statement of accounts and audit reports; and
- xx. Reporting cases of handicapped, destitute and of extreme poverty to district government.

(Rs. in million)

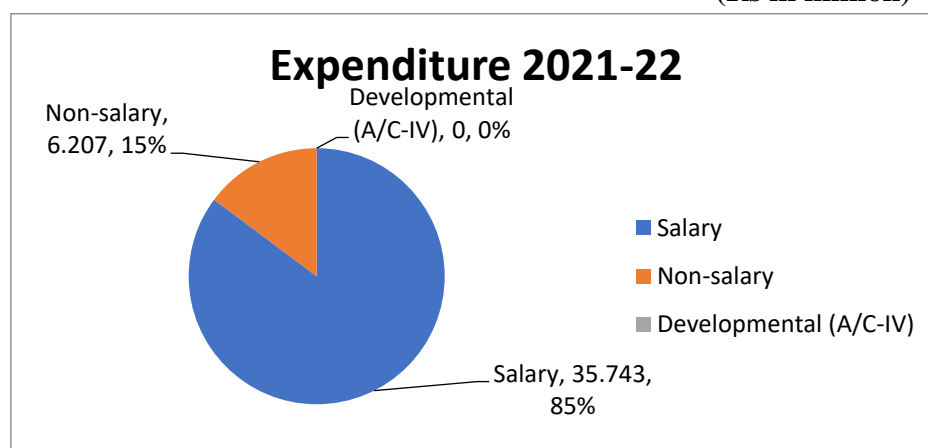
Sr No	Description	Total Nos	Audited	Expenditure audited FY 2021-22	Revenue /Receipts audited FY 2021-22
1	Formations	1	1	41.95	Nil
				41.95	

4.1 B Comments on Budget and Accounts (Variance Analysis)

(Rs in million)

2021-22	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	34.971	35.743	0.772	2.20
Non-salary	6.219	6.207	(0.012)	0.19
Developmental	0	0	0	0
Total	41.190	41.950	0.760	1.85
Receipts	-	-	-	-

(Rs in million)



The salary component was 85% of the total expenditure whereas, non-salary component was only 15% of the total expenditure with 0% allocation/expenditure on developmental side. No allocation of budget was made for the development activities, due to insufficient release and lack of interest of the Provincial Government towards development at District level. As a result, no development activity, job opportunities were not adequately provided to the large population. Business operations were not increased and ultimately standard of living of the people was not improved and roll of the District Government could not be seen in the development functions as required under Rules of Business 2015.

4.2 Classified Summary of Audit Observations

Audit observations amounting to Rs.2.45 million were raised in this audit report. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs. in million)
1	Irregularities	
A	Procurement related irregularities	2.45
	Total	2.45

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

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

Sr. No.	Audit Year	VACs/NACs meeting
01	2020-21	Not Convened

ANNEXURES

Annexure-1

(Detail of MFDAC Paras)

(Rs in million)

S. No.	Department	AIR No	Caption	Amount
1	Deputy Commissioner	01	Overpayment on account of compulsory acquisition charges of land.	0.276
2		05	Irregular utilization of fund on account of Expanded Program of Covid-19.	0.868
3		06	Irregular payment on account of hiring of vehicles for Expanded Program of Covid-19.	1.501
4		07	Non maintenance of Stock Register.	0.806
5		08	Irregular payment on account of transportation.	0.476
6	District Education Officer (M)	01	Non submission of 10% performance guarantee.	2.021
7		02	Irregular purchase of furniture without financial sanction from competent authority.	20.218
8		05	Unauthentic payment of stipend to the hired teacher of Double Shift.	14.04
9		08	Placement of public fund in current bank account instead of PLS.	1.764
10		09	Non deposit of bank profit into Government treasury.	0.954
11		10	Unauthorized payment of 15% DRA.	4.755
		11	Non reconciliation of expenditure.	197.698
		12	Unauthentic expenditure repair of vehicles.	0.112
	13	Misclassification.	3.706	
	14	Unauthorized payment of 15% DRA.	2.970	
12	District Education Officer (F)	01	Non submission of 10% performance guarantee.	0.155
13		04	Advance payment to the supplier on account of purchase of furniture and non-supply of furniture.	1.550
14		05	Unauthentic payment of stipend to the hired teacher of Double Shift.	10.755
15		07	Placement of public fund in current bank account.	3.092
16		08	Non-deposit of bank profit into Government treasury.	0.222
		09	Irregular Expenditure on account of TA/D.	0.781
		11	Unauthorized payment of 15% DRA.	2.418
		12	Irregular expenditure on account of repair of vehicle.	0.091
	13	Unauthorized payment of 15% DRA.	1.181	
	14	Misclassification.	0.101	
17	DHO	01	Loss to government due to non-deduction of Income tax	0.577
18		04	Loss to Government due to non-imposition of penalty	0.519
19		05	Unjustified retention and non-issue of medicines	1.16
20		11	Loss to Government due to Non deduction of DPR fund	0.216

21		14	Purchase of medicines without observing MCC rules	13.82
22		21	Irregular expenditure on repair of vehicle	1.27
23	TMA Boni	08	Irregular payment without Factory Acceptance test.	1.403
25	TMA Mulkoh	03	Irregular expenditure on installation of HDPE pipes.	1.87
		04	Irregular payment without Factory Acceptance test.	1.72
		05	Irregular Award of Civil Works without rate analysis.	2.2
	AD LG&RDD		Irregular expenditure without technical sanction	4.9
			Irregular Expenditure on account of Developmental Schemes	4.9
Total				

Annexure-2
Para No. 2.4.1.3

Detail of non-supply of medicine

S.No	Supply Order Date	Name of firm	Name of items	Quantity	Amount
1	11/04/2022	M/S Amsons	Myconil	1000	64000
2	11/04/2022	M/S Amsons	Hzoneae	3000	149400
3	11/04/2022	M/S Amsons	Imatet	3000	137400
4	11/04/2022	M/S ZafaPharam	Inj. Diclofenac 3ml	20000	110000
5	11/04/2022	M/S MKB Pharma	Syp. Aluminium Hydroxide + Magnesium Hydroxide + Simethicone 120ml	10000	297200
6	11/04/2022	M/S MKB Pharma	Syp. Aminophyline + Diphenhydramine + Amoniumchloride 120ml	5000	119850
7	11/04/2022	M/S Hashir Surgical	I/V Cannula 20G	2000	91800
8	11/04/2022	M/S Hashir Surgical	I/V Cannula 22G	2000	84000
10	11/04/2022	M/S Hashir Surgical	I/V Cannula 24G	1000	48900
11	11/04/2022	M/S Hashir Surgical	Disposible Syringes 10ml	5000	69000
12	11/04/2022	M/S Hashir Surgical	Surgical Blade 15	1000	25500
13	11/04/2022	M/S Hashir Surgical	2-Way Foleys Catheter 16Fr	1000	93000
14	11/04/2022	M/S NovamedPharma	Cap. Doxycycline 100mg	50000	225000
15	11/04/2022.	M/S Mega Pharma	Tab: Drotaverine 40mg	100000	144000
16	11/04/2022.	M/s IBL Health Care	I/V Set YPOT	15000	360000
17	19/05/2022	M/S AstellasPharma	Cefixime Susp.200mg	3350	267230
18	08/06/2022	M/S Bosch Pharma	Inf: Paracetamol 1000mg	500	34800
19	11/04/2022	M/S Bosch Pharma	Tab: Amoxicilin + Clavulanic acid 625	30000	491700
20	11/04/2022	M/S Bosch Pharma	Tab: Amoxicilline + Clavulanic acid 1 gm	30000	576000
21	11/04/2022	M/s Gsk Pakistan	Tab. Chlorpheniramine maleate 4mg	100000	29900
22	11/04/2022	M/S Bosch Pharma	Tab. Sulfamethoxazole+ Trimethoprim 400+80 mg	100000	250000
23	11/04/2022	M/S Bosch	Syp. Sulfamethoxazole+	3000	114000

		Pharma	Trimethoprim 200+40 mg		
24	11/04/2022	M/S Bosch Pharma	Polymyxin-B Sulphate + Bacitracin eyeoint	3000	79320
25	11/04/2022	M/S Bosch Pharma	Polymyxin-B Sulphate + Bacitracin skinoint	3000	185040
26	26/10/2021	M/S Frontier Dextrose	Inf: Normal Saline, Ringer Lactate	11000	417355
27	19/05/2022	GSK Pakistan	Betamethsone	5000	205150
28	11/4/2022	Silver Surgical	DisposiablSirang	50000	299500
29	11/4/2022	Bin Qasim	Foltab tablet	105000	224470
		Total			5,193,515

Annexure-3
Para No. 2.4.1.3

Detail of Loss to Government due to non Supply of Medical equipments

S.No	Particular	Quantity	Rate	Amount
1	HamatologyAnalyzer	2	2700000	5400000
2	Micro lab	1	1950000	1950000
3	Jister 10M-100ML	10	2500	25000
4	Delivery Set	10	16000	160000
5	Jister 100M-500ML	10	2500	25000
6	Scissor	10	600	6000
7	Meedle Holder	12	250	3000
Total				7,569,000

Annexure-4**2.4.1.6****Illegal retention of Government money in form of Bank Drafts**

S.No	Name of Firm	Amount
1	Barrett Hidgson Pak	100089
2	M/S Phramasol	93951
3	M/S Zaman	73656
4	M/S Heel Phrama	705128
5	M/S Pak tax	287722
6	Vikorphrama	295020
7	Sami Phrama	200445
8	Asian Continental	169785
9	Amsons Vaccine	335412
10	Abbot Phrama	286601
11	Mepilink international	135970
12	Arson Phrama	117810
13	M/s Benson	424710
14	Stanley Phrama	939708
15	Karim industries	289694
16	GeofamanPhrama	40280
17	Stallion Phramma	960795
	Total	5,456,776

Annexure-05
Para No.2.4.2.8

**Detail of Overpayment of Health Professional Allowance and
Conveyance Allowance**

S. No	Name	Designation	Period	Days	HPS	Conveyance	Over Payment HPA	O/P conveyance
1	Dr.Ziaullah	MO/Coordinator PHC	25th March to 31st March 2	7	12800 0	5000	29866	1166
2	Dr.FawadShahzad	Medical Officer	29th March to 04th April 2022	7	12800 0	5000	29866	1166
3	Dr.Shabir	Medical Officer	08th Feb to 12 Feb 2022	6	12800 0	5000	25833	996
4	Amjad Ali	X-ray Technician	10-5-2022 to 23-05-2022	14	15000	5000	7000	2332
5	Dr.Anisazaib	Medical Officer	15-06-2022 to 30-07-2022	45	12800 0	5000	19197 0	7470
6	Dr.Mansoor Amir	Medical Officer	14-03-2022 to 21-03-2022	8	12800 0	5000	34128	7500
7	Dr.FazalKaram	Medical Officer	07-03-2022 to 16-03-2022	10	12800 0	5000	42660	1660
8	Dr.Sardar Nawaz	Medical Officer/Covid F/P	21-02-2022 to 25-02-2022	5	12800 0	5000	21233	830
9	Dr.Ziaullah	MO/Coordinator PHC	01-11-2021 to 05-11-2021	5	12800 0	5000	21233	830
16	Rashid Hussain	MT	21-06-2022 to 06-07-2022	14	15000	5000	7000	2324
18	HamidurRehman	MT	13-06-2022 to 20-06-2022	8	15000	5000	4000	1328
19	MumtazRehmat	Senior PHC Tech (Phar)	07-06-2022 to 09-06-2022	3	15000	5000	1500	498
20	Danish Elahi	MT	07-06-2022 to 13-06-2022	7	15000	5000	3500	1162
21	AbdurRehman	MT	26-05-22 to 29-05-22	4	15000	5000	2000	664
22	Samina Gul	LHV	18-06-22to 23-06-22	6	15000	5000	3000	996
23	Sabira	Charge Nurse	17.06.2022to 30.06.2022	14	15000	5000	7000	2324
24	Rabia	Charge Nurse	26-05-2022 to	45	15000	5000	22500	7470
25	Gulshanbibi	Charge Nurse		45	15000	5000	22500	7470
28	Farida Jahan	LHV	09-05-2022 to 15-05-2022	7	15000	5000	3500	1162

29	Inayaturrehman	Dispenser	01-02-2022 to 10-02-2022	10	15000	5000	5000	1660
30	Shakil Ahmad Khan	MT	03-02-2022 to 12-02-2022	10	15000	5000	5000	1660
31	Zahiruddin	Dispenser	18 to 23rd Feb 2022	6	15000	5000	3000	996
43	Mehtabbibi	EPI Technician	04-04-2022 to 13-04-2022	10	15000	5000	5000	1660
44	Shahnaz bibi	EPI Technician	22-06-2022 TO 07-08-2022	45	15000	5000	22500	7470
45	Nusratbibi	OTA	02/08/2021 to 14/08/2021	12	15000	5000	6000	1992
53	HamidaYounus	DHIS Coordinator	27 to 29 October 2021	3	15000	5000	1500	498
54	NaginaAzam	Charge Nurse	Study leave w.e.f -9-12-2021	2 Years	15000	5000	360000	120000
57	Rabia	Charge Nurse	11/04/2022 to 25/05/2022	45	15000	5000	22500	7500
58	Gulshanbibi	Charge Nurse	05/04/2022 to 21/05/2022	45	15000	5000	22500	7500
60	Mehnaz	Charge Nurse	03/07/2021 to 18-08-2021	45	15000	5000	22500	7500
61	Gulshadbibi	Charge Nurse	03-07-2021 to 8/08/2021	45	15000	5000	22500	7500
62	Sadia	LHW	05/08/2021 to 20-09-2021	45	0	1932	0000	2898
63	Suraya Shahab	LHW	01-09-2021 to 16-10-2021	45	0	1932	0000	2898
64	Bibi Shazia	LHW	w.e.f 26-08-2021	45	0	1932	0000	2898
65	Bibi Shazia	LHW	w.e.f 11-08-2021	45	0	1932	0000	2898
66	NaziaNaz	Nutrition Assistant	w.e.f 11-10-2021	45	0	1785	0000	2898
							978289	229774
G.Total							1.208,063	

Annexure-6
Para No. 2.4.3.3

Detail of non reporting of clinical efficacy of medicines

S.No	Name of firm	Name of items	Quantity Demand	Amount
1	M/S Macter International	Cap: Amoxicillin 500mg	100000	510000
2	--do--	Cap: Cefixime 400-mg	20000	480000
3	M/S Heal Pharma	Tab Metronidazole 400mg	100000	165000
4	M/S Heal Pharma	Syp. Metronidazole 60ml	5000	155000
5	M/S Heal Pharma	Tab Ceterizine 10mg	100000	78000
6	M/S Heal Pharma	Tab Amlodopine 5mg	10000	85000
7	M/S Heal Pharma	Flavoured oral Rehydration salt sashe	20000	185000
8	M/S Heal Pharma	Syp. Salbutamol 60ml	3000	44250
9	M/S Heal Pharma	Tab Metronidazole 400mg	100000	165000
10	M/S Benson Pharma	Tab. Famotidine 40mg	300000	429000
11	M/s Asian Continental	Tab. Diclofenac Sodium 50mg	100000	144000
12	M/s Asian Continental	Inj. Tranexamic Acid 500mg	1000	27500
13	M/S Paktex Industries	Cotton Bandages 6.5x4m	500	5705
14	M/S Paktex Industries	Cotton Bandages 7.5x4m	500	6705
15	M/S Paktex Industries	Crape Bandages 7.5x4.5	1000	75900
16	M/S Paktex Industries	Gauze cloth Roll 100x40	200	202318
17	M/S Abbott	Tab. Ascorbic Acid 500mg	100000	289000
18	M/S Stanley Pharama	Syp. Ibuprofen 90ml	3000	92700
19	M/S Stanley Pharama	Tab. Paracetamol 500mg	300000	387000
20	M/S Stanley Pharama	Syp. Paracetamol 60ml	15000	322500
21	M/S Stanley Pharama	Syp. Albendazole 10ml	3000	57000
22	M/S Stanley Pharama	Syp. Dimenhydranate 60ml	3000	90000
23	M/S Vikor Health Care	Circle Needle 3/0	1000	140000
24	M/S Vikor Health Care	Circle Needle 2/0	1000	158000
25	M/S Sami Pharam	Cap: Tranexamic Acid 500mg	10000	117500
26	M/S Sami Pharam	Inj: Paracetamol 300mg	5000	85000
27	M/S Arson Pharma	Adhesivetape 1x3.5m	1000	31000
28	M/S Arson Pharma	Adhesivetape 2x5m	1000	88000
29	M/S Geofmann	Clotrimazole Cream 1% 10mg	2000	42400
30	M/S Karim Industries	Crape Bandages 7.5 Cm	500	51600
31	M/S Karim Industries	POP Bandages 15cm	1000	49980
32	M/S Karim Industries	POP Bandages 10x2.7cm	960	107520
33	M/S Karim Industries	Crape Bandages 7.5 Cm	960	83520
34	M/S Stallion	Cap. Amoxycillin 250mg	150000	450000
35	M/S Stallion	Syp. Amoxycillin 60ml	3000	114000

36	M/S Stallion	Syp. Amoxicillin 250mg/60ml	3000	135000
37	M/S Stallion	Inj. Amoxicillin 500mg	500	10500
38	M/S Stallion	Syp. Amoxicillin + Clavulanic Acid 90ml		261000
39	M/S PharmasolePharma	Inj. Dexamethasone 4mg	10000	94900
40	M/s Fuji Pakistan	X-Ray Film 12x15	1500	122250
41	--do--	X-Ray Film 10x12	1800	96300
42	M/S NabiQasim	Tab. Folic acid 5mg	100000	54000
43	--do--	Syp. Zinc Sulphate 60ml	2000	53260
44	--do--	Syp. Chlorpheniramine+Mal	3000	117210
45	M/S Surge Laboratories	Inj. Lignocaine 2% 10ml	5000	77000
46	M/S Surge Laboratories	Tab. Atenolol 50mg	100000	91000
47	M/S Surge Laboratories	Tab. GlycerylTrinitrate 0.5mg	5000	4700
48	M/S Surge Laboratories	Tab. Nizoprostol 200mg	10000	64700
49	M/S Surge Laboratories	Inj. Magnesium sulphate 500mg	1000	9850
50	M/S Surge Laboratories	Tab. Salbutamol 2mg	100000	74000
51	M/S Surge Laboratories	Syp. Aminophyline + Diphenhydramine + Amoniumchloride 120ml	5000	119850
52	M/S Frontier Dextrose	Infusion Metronidazole 500mg/100ml	1500	44490
53	M/S Frontier Dextrose	Dextrose 5% Infusion 500ml	1000	36780
54	M/S Frontier Dextrose	Dextrose 5% Infusion 1000ml	1000	52300
55	M/S Frontier Dextrose	Infusion Normal saline 500ml	1000	33620
56	M/S Frontier Dextrose	Infusion Ciprofloxacin 200mg/100ml	1500	54825
57	M/S Frontier Dextrose	Infusion Ringerlactate + Dextrose 1000ml	1000	55170
58	M/S Frontier Dextrose	Infusion Ringer+Dextrose 500ml	1000	37930
59	M/S Frontier Dextrose	Infusion Ringer 500ml	1000	34770
60	M/S Frontier Dextrose	Infusion Ringer 1000ml	1000	48270
61	M/S Frontier Dextrose	Infusion Sodium Bi Carbonate	1000	19200
62	M/S Barrethodghson	Lignocaine gel	1000	35880
63	--do--	Chloranphnicol Drop	2000	65220
64	M/S Zia Enterprise	Cap: Omeprazole	20400	49980
65	--do--	Cap: Omeprazole	20400	49980
66	M/S Zia Enterprise	Air way D/s	50	2500

67	M/S Zia Enterprise	NG Tube D/s	300	12000
68	M/S Zia Enterprise	Folyscathter 18-16	300	24000
69	M/S Zia Enterprise	FolysCathater 8,10,12	127	11430
69	M/S MediCarftPharma	Inj: Drotaverine 40mg/2ml	20000	156000
70	M/S MedilinkInt Peshawar	30mm1/2 Cycle Round Bodied 75cm	2000	75800
71	M/S MedilinkInt Peshawar	40mm 1/2 Cycle Round Bodied 75cm	1200	41880
72	M/S MedilinkInt Peshawar	JST 17%		20005
73	M/s Gsk Pakistan	Tab. Chlorpheniramine maleate 4mg	100000	29900
74	M/s Gsk Pakistan	Tab. Sulfamethoxazole+ Trimethoprim 400+80 mg	100000	250000
75	M/s Gsk Pakistan	Syp. Sulfamethoxazole+ Trimethoprim 200+40	3000	114000
76	M/s Gsk Pakistan	Polymyxin-B Sulphate + Bacitracin eyeoint	3000	79320
77	M/s Gsk Pakistan	Polymyxin-B Sulphate + Bacitracin skinoint	3000	185040
78	M/S Heal Pharma	Tab: Metronidazole 400mg	50000	82500
79	M/S Heal Pharma	M/S Metronidazole 200mg	1000	31000
80	M/S Paktex Industrial area	Gauze Cloth Roll Packing 100 Cmx20m	250	126450
81	M/S Stallion Pharma	Syp: Amoxicilline 250mg/5 ml	2130	95850
82	M/S Karim Industries Lahore	Cotton (Surgical) Corded 200gm	200	20640
83	M/S Karim Industries Lahore	Pop Bendage 15cm X 2.7m	480	53760
84	M/S Karim Industries Lahore	Cripe Bandage 7.5Cm x4.5M	1000	49980
85	M/S Karim Industries Lahore	Pop Bendage 10X2.7Cm	480	41760
86	M/S Amson Vaccine	Tetanus toxoid Inj	1000	45800
87	M/S Amson Vaccine	Snake Venom Anticrime	10	15150
			Total:-	9,083,798

Annexure-7
Para No.35.1.1

Detail of Non-imposition of penalty for delay in completion of works

S. No	Name of Schemes	E.Cost	Expenditure	Period(days)	W/order	10% penalty
1	Const: of Culverts kargeen	500000	294704	180	7-9-2020	50000
2	Consto Of rood green last	500000	294775	180	7-9-2020	50000
3	Const:ofprot: wall reshungole	500000		180	7-9-2020	50000
4	Rep: of Masjid Ayishasiddiquaparwak	500000	423000	180	7-9-2020	50000
5	Repair of road Charun River Sid	500000	500000	180	7-9-2020	50000
6	Const: of P/Wall at boniGole	500000	500000	180	7-9-2020	50000
7	Repair of Pipe line ReshunNarzom /Raghen	500000	500000	180	7-9-2020	50000
8	Rep/Reh: of WSS pipe LakhapChinar	500000	500000	180	7-9-2020	50000
9	Const of Dug well	500000	141031	180	7-9-2020	50000
10	Repair of center Masjid charun	500000	365150	180	7-9-2020	50000
11	Repairn of WSS pipes sheghanden	500000		180	7-9-2020	50000
12	Solor irrigation Khuz	800000	479200	180	7-9-2020	80000
13	Solorirregparimali	1600000	958400	180	7-9-2020	160000
14	Const: of Link road Charoon	1000000	492820	180	7-9-2020	100000
15	Drinking Water Supply Gahli	1000000	440339	180	7-9-2020	100000
16	Rep:ofirreg: channel yarkhunLasht	500000	326750	180	7-9-2020	50000
17	Const of water tank yarkhoonlasht	500000	286950	180	7-9-2020	50000
18	Repair of bridgShust	500000	217146	180	7-9-2020	50000
19	Const: of link road Unuchyarkhoon	1000000	580000	180	7-9-2020	100000
20	Const: of link road manddagh	500000	269250	180	7-9-2020	50000
21	Repair of Channel BilamLaspur	2000000	1899245	180	7-9-2020	200000
	Total	14900000	5950100			1,490,000

Annexure-8
Para No. 3.4.1.3

Detail of Non-imposition of penalty for delay in completion of works

S.No	Name of Schemes	E.Cost	Period	W/order	10% penalty
1	Reh: Green Shadi Stadium	200000	180(days)	3-11-2021	20000
2	SolorizationLashtMuxghol	300000	180(days)	21-11-2021	30000
3	Repair of Link road MorderGoluk	200000	180(days)	1-11-2021	20000
4	Link road DokShagram	300000	180(days)	2-11-2021	30000
5	Provision of Pipeline Turkoh	400000	180(days)	4-11-2021	40000
6	Internal works Madrassa Parpishowir	400000	180(days)	9-12-2021	40000
7	Sanitation schemes near Istaru bridge	300000	180(days)	16-12-2021	30000
8	Provision of PipesUCTurkoMulko	200000	180(days)	10-12-2021	20000
9	Provision of Pipe	500000	180(days)	13-12-2021	50000
10	P/Wall river side Lush Muxghole	300000	180(days)	3-11-2021	30000
11	Solor system sundraghKosht	350000	180(days)	6-12-2021	35000
12	IrregchanalKosht	200000	180(days)	15-12-2021	20000
13	Imp: of Road Khotekan	200000	180(days)	2-11-2021	20000
14	Solor Pump warijun	400000	180(days)	2-11-2021	40000
15	Internal orkJamaia masjid Morder	500000	180(days)	15-12-2021	50000
16	Irreg: channel MetariMulko	200000	180(days)	1-12-2021	20000
17	Shatkhar Civil chinal	500000	180(days)	4-11-2021	50000
18	Internal work madressabdulQadir Azad	200000	180(days)	9-12-2021	20000
19	Link Road Saht	100000	180(days)	2-11-2021	10000
20	Repair of channel Sherandur Shah	100000	180(days)	4-11-2021	10000
21	Irregation Channel terich	500000	180(days)	5-11-2021	50000
22	MadrassQari Sana ullah	500000	180(days)	3-11-2021	50000
23	In: work madrasstalim ul ranDokTerich	442000	180(days)	10-12-2021	44200
24	Beautification f Madrassa amir nawaz	442000	180(days)	9-12-2021	44200
25	Solor System Wazir Began Dehi	200000	180(days)	8-12-2021	20000
26	Repair of Road toqmuxghole	100000	180(days)	8-12-2021	10000
27	W/tank Saht	350000	180(days)	9-12-2021	35000
28	Reh: of /tank Mulko	300000	180(days)	10-12-2021	30000
29	IrregChanal Lone	100000	180(days)	15-11-2021	10000
30	Provision of PVC pipe owir	500000	180(days)	10-11-2021	50000
31	Link road gahtraghodok	500000	180(days)	9-12-202	50000
32	Leveling of graveyard goledoristare	250000	180(days)	4-11-2021	25000
	Total	10034000			1,003,400

Annexure-9**Para No. 3.4.2.1****Irregular Expenditure on account of Developmental Schemes**

S.No	Name of Schems	E.Cost
1	Rep: of Masjid Ayishasiddiquaparwak	500000
2	Repair of road Charun River Sid	500000
3	Const: of P/Wall at boniGole	500000
4	Repair of Pipe line ReshunNarzom /Raghen	500000
5	Rep/Reh: of WSS pipe LakhapChinar	500000
6	Const of Dug well	500000
7	Repair of center Masjid charun	500000
8	Repairn of WSS pipes sheghanden	500000
9	Solor irrigation Khuz	800000
10	Solorirregparimali	1600000
11	Const: of Link Road Charoon	1000000
12	Drinking Water Supply Gahli	1000000
13	Rep:ofirreg: channel yarkhunLasht	500000
14	Repair of bridgShust	500000
15	Const: of link road Unuchyarkhoon	1000000
16	Repair of Channel BilamLaspur	2000000
	Total	12,400,000

Annexure-10
Para No. 3.4.2.2

Detail of Irregular expenditure without Technical sanction

S.No	Name of Schems	E.Cost	Expenditure
1	Const: of Culverts kargeen	500000	294704
2	Consto 0f rood green last	500000	294775
3	Const:ofprot: wall reshungole	500000	389670
4	Rep: of Masjid Ayishasiddiquaparwak	500000	423000
5	Repair of road Charun River Sid	500000	500000
6	Const: of P/Wall at boniGole	500000	500000
7	Repair of Pipe line ReshunNarzom /Raghen	500000	500000
8	Rep/Reh: of WSS pipe LakhapChinar	500000	500000
9	Const of Dug well	500000	141031
10	Repair of center Masjid charun	500000	365150
11	Repairn of WSS pipes sheghanden	500000	324568
12	Solor irrigation Khuz	800000	479200
13	Solorirregparimali	1600000	958400
14	Const: of Link road Charoon	1000000	492820
15	Drinking Water Supply Gahli	1000000	440339
16	Rep:ofirreg: channel yarkhunLasht	500000	326750
17	Const of water tank yarkhoonlasht	500000	286950
18	Repair of bridgShust	500000	217146
19	Const: of link road Unuchyarkhoon	1000000	580000
20	Const: of link road manddagh	500000	269250
21	Repair of Channel BilamLaspur	2000000	1899245
Total		14,900,000	10182998

Annexure-11
Para No. 3.4.2.3

Detail of Irregular Award of Civil Works without rate analysis

S.No	Name of Schems	Below %	E.Cost	Expenditure
1	Consto 0f rood green last	42.02	500000	294775
2	Const:ofprot: wall reshungole	45.46	500000	328690
3	Repair of road Charun River Sid	38.00	500000	500000
4	Const: of P/Wall at boniGole	40.00	500000	500000
5	Repair of Pipe line ReshunNarzom /Raghen	38.50	500000	500000
6	Rep/Reh: of WSS pipe LakhapChinar	33.60	500000	500000
7	Const of Dug well		500000	141031
8	Solor irrigation Khuz	40.10	8000000	479200
9	Solorirregparimali	40.10	1600000	958400
10	Const: of Link road Charoon	42.09	1000000	492820
11	Drinking Water Supply Gahli	38.00	1000000	440339
12	Rep:ofirreg: channel yarkhunLasht	34.65	500000	326750

13	Const of water tank yarkhoonlasht	33.00	500000	286950
14	Const: of link road Unuchyarkhoon	42.00	1000000	580000
15	Const: of link road manddagh	40.75	500000	269250
16	Repair of Channel BilamLaspur	42.00	2000000	1899245
			19600000	8,497,450

Annexure-12
Para No. 3.4.2.4

Irregular Award of Civil Works at abnormal below rate

S.No	Name of Schems	Below %	E.Cost	Expenditure
1	Consto Of rood green last	42.02	500000	294775
2	Const:ofprot: wall reshungole	45.46	500000	328690
3	Const: of P/Wall at boniGole	40.00	500000	500000
4	Solor irrigation Khuz	40.10	8000000	479200
5	Solorirregparimali	40.10	1600000	958400
6	Const: of Link road Charoon	42.09	1000000	492820
7	Const: of link road Unuchyarkhoon	42.00	1000000	580000
8	Const: of link road manddagh	40.75	500000	269250
9	Repair of Channel BilamLaspur	42.00	2000000	1899245
			15600000	5,802,380

Annexure-13
Para No. 3.4.2.5

Detail of Irregular expenditure without Technical sanction

S.No	Name of Schems	E.Cost	Expenditure
1	Reh: Green Shadi Stadium	200000	137940
2	Exv: of well for solor system	300000	223020
3	Reh: of Road Farooq village	200000	172610
4	Sanitation schemes near Istaru bridge	300000	135383
5	Solor system sundraghKosht	350000	303005
6	Solor Pump warijun	400000	275880
7	Internal orkJamaia masjid Morder	500000	371225
8	Reh: of Link Road RagholeTerich	400000	248480
9	Dahar Rad Shongushowir	500000	173454
10	Repair of Road WarimunTerich	500000	312140
11	Internal work madressabdulQadir Azad	200000	154000
12	Link Road Saht	100000	69000
13	Solor scheme Warijun	500000	349950
14	In: work madrasstalim ul QuranDokTerich	4420000	316000
15	Beautification f Madrassa amir nawaz	442000	287000
16	Solor System Wazir Began Dehi	200000	155092
	Total	9,512,000	3,684,179