



**AUDIT REPORT
ON
THE ACCOUNTS OF
LOCAL GOVERNMENTS
DISTRICT DIR LOWER**

AUDIT YEAR 2021-22

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

AA	Administrative Approval
AG	Accountant General
AIR	Audit and Inspection Report
AP	Advance Para
BHUs	Basic Health Units
C&W	Communication & Works
CPWA Code	Central Public Works Account Code
CPWD Code	Central Public Works Department Code
DAC	Departmental Accounts Committee
DHO	District Health Officer
DO	District Officer
KP	Khyber Pakhtunkhwa
LGA	Local Government Act
M&R	Maintenance and Repair
MFDAC	Memorandum for Departmental Accounts Committee
NSI	Non-Schedule Item
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PCC	Plain Concrete Cement
PEC	Pakistan Engineering Council
PESCO	Peshawar Electricity Supply Company
RCC	Re-in forced Cement Concrete
SDO	Sub Divisional Officer
TAC	Tehsil Accounts Committee
TS	Technical Sanction
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 Khyber Pakhtunkhwa Local Government Act 2013 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, Village Councils and Neighborhood Councils in District Dir Lower for the financial year 2020-21. The Director General of Audit, District Governments, Khyber Pakhtunkhwa conducted audit during 2021-22 on test check basis with a view to report significant findings to the relevant stakeholders. The main body of the audit report includes the systemic issues and significant audit findings. Relatively less significant issues are listed in Annex-1 of the Audit Report. The audit observations listed in Annex-1 shall be pursued with the Principal Accounting Officers at the DAC level. In All cases where Principal Accounting Officers do not initiate appropriate action, the audit observations will be brought to the notice of appropriate 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 also not convened despite reminders.

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

Islamabad
Dated:

(Muhammad Ajmal Gondal)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General 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 DG 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 has a human resource of 61 officers and staff with a total of 15250 man-days. The annual budget amounting to Rs 172.467 million was allocated to the office during FY 2021-22. The office is mandated to conduct regularity audit, financial attest audit, performance audit and special studies.

Local Governments of District Dir Lower consist of three tiers, which perform their operations under Khyber Pakhtunkhwa Local Government Act, 2013. Financial provisions of the Act describe the Local Consolidated Fund and Public Account for which annual Budget Statement is approved by the respective councils in the form of budgetary grants. Top Tier – the District Government comprises one Principal Accounting Officer (PAO) i.e. Deputy Commissioner for the District Government, who is officer in charge of 10 devolved departments including AD Local Government Election & Rural Development Department. The second Tier-Tehsil Municipal Administrations have one PAO i.e. Town/Tehsil Municipal Officer for each administration. There are seven Tehsils administrations in district Dir Lower. The third Tier-village and neighborhood Councils have AD LGE & RDD as their Principal Accounting Officer. There are 198 VCs/NCs in District Dir Lower.

Scope of audit

This office is mandated to conduct audit of 418 formations working under 09 PAOs. Total expenditure and receipts¹ of these formations were Rs 10,520.065 million and Rs 190.976 million respectively for the financial year 2020-21.

Audit coverage relating to expenditure for the current audit year comprises 26 formations of 09 PAOs having a total expenditure of Rs 3,446.785

¹ District Government has no receipts

million for the financial year 2020-21. In terms of percentage, the audit coverage for expenditure is 33 % of auditable expenditure.

Audit coverage relating to receipt for the current audit year comprises 07 formations of 07 PAOs (7 TMAs) having a total receipt of Rs 190.976 million for the financial year 2020-21. In terms of percentage, the audit coverage for receipts is 100% of auditable receipt.

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

a. Recoveries at the instance of audit

As a result of audit, a recovery of Rs 46.639 million was pointed out in this report. Recovery of Rs 1.899 million was made at the instance of audit.

b. Audit Methodology

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

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

d. Audit Impact

Recovery of Rs 46.639 million was pointed out by audit, however positive audit impact depends on management willingness to implement internal control framework and recommendations of audit.

e. Comments on Internal Control.

Internal control is 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 LGA 2013.

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 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.

f. Key audit findings of the report

- i. Non Compilation/Consolidation of Accounts of Local Governments- Rs. 1384.759 million.¹
- ii. Unauthorized payments to DDOs instead of crossed cheques to vendors - Rs 102.247 million.²
- iii. HR/Employees related irregularities were noted in 08 cases amounting to Rs.37.035 million.³
- iv. Procurement related irregularities were noted in 11 cases amounting to Rs.81.994 million.⁴
- v. Management of accounts with commercial bank was noted in 06 cases amounting to Rs.334.362 million.⁵
- vi. Values for money were noticed in 12 cases amounting to Rs. 51.271 million.⁶
- vii. Others, including cases of accidents, negligence etc. were noted in 33 cases amounting to Rs. 961.172 million.⁷

¹ Para 1.2.1

² Para 1.2.2

³ Para 2.5.1.1 to 2.5.1.6, 3.5.1.1 to 3.5.1.2

⁴ Para 2.5.1.7 to 2.5.1.12, 3.5.1.3 to 3.5.1.7

⁵ Para 2.5.1.13 to 2.5.1.14, 3.5.1.8 to 3.5.1.9, 4.5.1.1 to 4.5.1.2

⁶ Para 2.5.2.1 to 2.5.2.2, 3.5.2.1 to 3.5.2.7, 4.5.2.1 to 4.5.2.3

⁷ Para 2.5.3.1 to 2.5.3.15, 3.5.3.1 to 3.5.3.11, 4.5.3.1 to 4.5.3.7

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

Recommendations

- i. TMAs accounts need to be consolidated at DAO.
- ii. All payments need to be made through crossed cheques to vendors.
- iii. Departments need to strengthen internal controls i.e. financial, managerial, operational, administrative and accounting controls etc. to ensure that lapses of the kind reported in this audit report are preempted and fair value for money is obtained from public spending.
- iv. Departments need to implement all the components of internal control for ensuring effective and efficient utilization of public money.
- v. Strenuous efforts need to be made by the departments to recover outstanding dues on account of rent of shops, revenue contracts and income tax.
- vi. The DAC meetings should be held more frequently.

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 dissolve on the culmination of their respective tenure on 29th August, 2019. The same notification authorized Deputy Commissioners, Tehsil/Town Municipal Officers and Assistant Directors LGE&RDD to perform functions of respective Nazimeen as envisaged under Local Government Act 2013, till the instillation of newly elected local Governments. In the light of LGA 2013, District Dir Lower is headed by Deputy Commissioner who is Principal Accounting Officer of the budget grant allocated to the 11 offices devolved at District level. Similarly, Town/Tehsil municipal Administration is headed by TMO who is its Principal Accounting Officer. Furthermore, Assistant Director LGE&RDD is the Principal Accounting Officer of Village/Neighborhood councils.

In District Dir Lower, Funds amounting to Rs. 11,577.407 million were allocated to 418 formations working under 09 PAOs. Out of which, expenditure of Rs. 10,520.062 million was made resulting into saving of Rs. 1,057.344 million. Receipts of Rs. 1,90.932 million were collected through these formations (TMAs) during the financial year 2020-21. Audit coverage relating to expenditure for the current audit year comprises 12 formations of 09 PAOs having a total expenditure of Rs 3,446.785 million for the financial year 2020-21. In terms of percentage, the audit coverage for expenditure is 32.76% of auditable expenditure. Similarly, audit coverage for receipts is 100%.

District Dir Lower					
2020-21	Budget	Actual Expenditure/ Receipts	(Saving)/ Excess	Expenditure Audited	%age
Salary	9,060.54	8,956.50	(104.04)	3,446.785	32.76
Non-salary	803.997	782.722	(21.28)		
Developmental	1,712.87	780.84	(932.03)		
Total	11,577.407	10,520.062	(1,057.344)	3,446.785	32.76
Receipts	168.799	190.976	22.177	190.976	100.00

According to Section 36(3) of Local Government Act 2013, the District Accounts Officer was required to consolidate accounts of Local Government on quarterly and annual basis. However, District Accounts Officer, Dir Lower did not reflect Rs. 1384.759 million into the consolidated financial statement of Local Government, Dir Lower.

Similarly, the development expenditure of Rs.485.62 million was presented under operating expenses, whereas, this should have been presented under the head “Physical Assets and Civil Works”.

District Government, Dir Lower was found lagging behind in many areas envisioned as integral component of the Local Government in the Khyber Pakhtunkhwa Local Government Act 2013. The District Government could not establish & maintain Public Fund account as required under section 30 of LGA 2013. Similarly, it also failed to prepare, present and approve the budget estimates of receipts from district council for District Government, Dir Lower as required under section 34 of LGA 2013. The receipts collected as taxes/fees/rents under section 42 of LGA-2013 were also not credited to the District Fund. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, Dir Lower with prescribed format and necessary trainings to compile the accounts of TMAs and Village/Neighborhood councils and then reflect the same in the consolidated financial statement of the district, which resulted in disclaimer of its accounts by the Auditor General of Pakistan. Moreover, Internal Audit function could not be established as provided in sub section 4 of section 37 of LGA 2013, as internal auditors were not posted in the District and Tehsil Councils. In addition, Asset management by District Government was yet another area it could not address as required under section 38 of the LGA 2013.

The Local Governments provided services in the following sectors.

Education

The education sector is one of the major sectors in District Dir Lower like other districts. Statistics show that there are 1237 primary, 157 middle, 71 secondary and 15 higher secondary schools in District Dir Lower. The estimated

Teacher Student Ratio is 1:40 at primary, 1:18 at middle, 1:23 at secondary and 1:26 at the level of higher secondary schools. District Dir Lower literacy rate is 29% the Gross Enrollment Rate (GER) is 69%, and the Net Enrollment Rate (NER) is 54% at the primary level. On budgetary front, District Education office, Dir Lower.

District Education Offices in Dir Lower enrolled 172,582 in boys schools while 143,825 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 92% & 86% respectively. Furthermore, 80% schools in district Dir Lower 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 60%.

Health

Health is another important sector of District Dir Lower with a total of 83 health facilities spread across the district among which 34 BHUs, 25 CDs, 12 MCHs, 04 RHCs and 06 THQs/Category-D hospitals.

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

On mother and child health care front, 5,986 babies were born in health centers/ lab investigations and diagnostic facilities were also fully utilized as 74512 lab tests, 11130 X-rays, 22850 ultrasounds and 4125 ECGs were done in both primary and secondary health centers in district Dir Lower. Figures of immunization are also very impressive as 8922 pregnant women received TT-2 vaccines, 4616 kids under 12 months received full immunization 15,846 families were provided family planning services. Human resource data from facility records revealed that these health centers were amply provided with medical

officers and paramedics as only very few positions were found vacant. As these centers were frequently visited by patients for medical treatment and other lab investigations etc.

Social Welfare

In social Welfare and Women Empowerment sector, budgetary allocations were focused on providing social cushion to the deprived and marginalized segments of society especially, women and children. In the proposed development plan, the department had continued to proceed with its ongoing projects which included schemes for the wellbeing and safeguarding of destitute women, orphans, beggars, drug addicts and special persons.

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 Dir Lower.

There was one (01) Darul Kafala for beggars with the objective to rehabilitate male and females beggars mostly orphan by provision of various services in order to control beggary and to impart vocational training in tailoring. In Dir Lower no bagger were benefited from this facility. Rehabilitation center for drug addicts has 48 beds and it had treated 10 patients during the year. Furthermore, various vocational and industrial trainings are provided by the Social Welfare Department. However, keeping in view the spread of drug use and incidence of poverty the efforts made by Social Welfare office are not likely to bring about any visible improvement in the short or long run unless more resources are diverted to this sector.

Municipal Services

Tehsil Councils District Dir Lower were found lagging behind in many areas envisioned as integral component of the Local Government in the Khyber

Pakhtunkhwa Local Government Act 2013. The Local Government could not establish & maintain Tehsil Public Fund Account as required under the section 30 of LGA. Similarly, the Tehsil Account Officers were not appointed in TMAs and the accounts of receipts and expenditure were not maintained in such form and in accordance with such principles and methods as the Auditor General of Pakistan prescribed as required under section 36 of LGA. Financial Statements, Finance Account and Appropriation Accounts of the TMAs were not prepared accordingly. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, Dir Lower with prescribed format and necessary trainings to compile the accounts of TMAs and then reflect the same in the consolidated financial statement of the district, which resulted in disclaimer of its accounts by the Auditor General of Pakistan. Moreover, Internal Audit function could not be established as provided in sub section 4 of section 37 of LGA 2013, as internal auditors were not posted in the TMAs to support the Council. In addition, Asset management by tehsil councils was yet another area it could not address as required under section 38 of the LGA 2013.

1.2 AUDIT PARAS

1.2.1 Non compilation/consolidation of accounts of Local Governments – Rs. 1384.759 million

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

During certification audit of the accounts of the DAO Dir Lower for the financial year 2020-21, 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 Local Government Act, 2013. Receipts of Rs 1,279.86 million and expenditure of Rs. 104.896 million respectively, of the TMAs are not reflected in accounts.

Due to non-consolidation of accounts of TMAs, the financial statements of local Government remained incomplete which led to disclaimer of audit opinion.

As per decision of DAC meeting held in September 2021, Para stands till correction of these omissions.

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

1.2.2 Unauthorized payments to DDOs instead of crossed cheques to vendors – Rs 102.247 million

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

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 Dir Lower, paid Rs. 102.247 million to various DDOs instead of issuance crossed cheques to Vender/Payees Accounts.

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

As per decision of DAC meeting held in September 2021, 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-2

District Government Dir Lower

2.1 Introduction

Under the Khyber Pakhtunkhwa Local Government Act 2013, activities of District Government are managed through offices of Deputy Commissioner and District Officers. Each department of the districts is headed by a District Officer (DO). According to the Rules of Business of District Government 2015, work of the district departments is distributed among the officers, branches, and/or sections in the district departments. Deputy Commissioner is the Principal Accounting Officer for all the devolved departments of the district which includes District Officers Agriculture, Education, Health, Fisheries, Population Welfare, LGE & RDD, Sports, Animal Husbandry, Soil Conservation, and Cooperative Society & Social Welfare.

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

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

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

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

Audit Profile of the District Government Dir Lower

(Rs. in million)

S.No.	Description	Total Nos	Audited	Expenditure audited FY 2020-21	Revenue / Receipts audited FY 2020-21
1.	Formations	10	04	2538.667	Nil

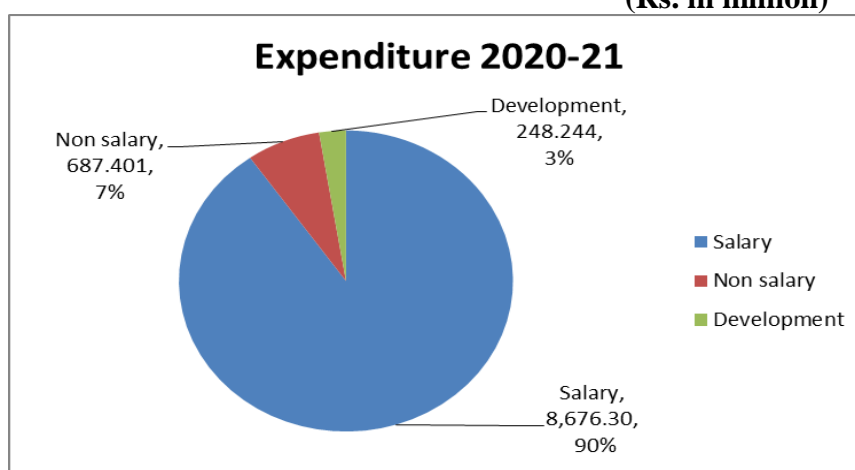
2.2 Comments on Budget and Accounts (Variance Analysis)

(Rs. in million)

2020-21	Budget	Actual Expenditure/ Receipts	Excess/(Saving)	%age
Salary	8,738.403	8,676.302	(62.101)	-1%
Non salary	697.307	687.401	(9.906)	-1%
Development	800.601	248.244	(552.357)	-69%
Total	10,236.311	9,611.947	(624.364)	-6%

The savings of Rs. 624.364 million indicate inefficiency in the capacity of Local Government Departments to utilize the amount of allocated funds.

(Rs. in million)



2.3 Classified Summary of Audit observation

Audit observations amounting to Rs.895.567 million were raised as a result of this audit. This amount also included recoverable of Rs. 7.829 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs.)
1	Irregularities	
A	HR/Employees related irregularities	31.566
B	Procurement related irregularities	41.559
C	Management of Accounts with commercial bank	9.872
2	Value for money and service delivery issues	15
3	Others, including cases of accidents, negligence etc.	797.57
Total		895.567

2.4 Comments on the status of compliance with Zilla Accounts Committee directives

The audit reports pertaining to following years have been submitted to the Governor of Khyber Pakhtunkhwa. Status of ZAC meetings are given below:

S #	Audit Year	ZAC meeting
1.	2002-03	Convened
2.	2003-04	Not convened
3.	2004-05	Not convened
4.	2005-06	Not convened
5.	2006-07	Not convened
6.	2007-08	Not convened
7.	2008-09	Not convened
8.	2009-10	Not convened
9.	2010-11	Not convened
10.	2011-12	Convened
11.	2012-13	Not convened
12.	2013-14	Not convened
13.	2016-17	Not convened
14.	2017-18	Not convened
15.	2018-19	Not convened
16.	2019-20	Not convened
17.	2020-21	Not convened

2.5 AUDIT PARAS

2.5.1 Irregularities

A. HR related irregularities

2.5.1.1 Non-recovery of HPA & Conveyance allowances during the period of leave –Rs 2.673 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 extraordinary leave except casual leave.

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, extraordinary leave except casual leave and out Side the MTIs and Health Department.

Office of the District Health Officer Dir Lower paid Rs 2,673,288 on account of Health Professional Allowance and Conveyance Allowance to officers/officials in the period of their earned leave, study leave and extraordinary leave during 2020-21 which resulted in the loss to the Government. Detail at Annexure-2.

Non-recovery of occurred due to a lack of financial control, which resulted in a loss to the Government exchequer.

When pointed out in August 2021, management stated that the recovery would be made and will be shown to audit. However, no action was intimated till the finalization of this report.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till finalization of this report

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

AIR Para No. 3 & 5(2020-21)

**2.5.1.2 Non deduction on account of Conveyance Allowance and HRA
–Rs 1.138 million**

i. According to Government of Pakistan Accountant General Khyber Pakhtunkhwa letter No Computer/HR-LAB/CIC/203 dated 4-8-2011, Para 2(iv) Conveyance allowance is not admissible to a government servant who resides in the office premises.

ii. According to the Government of Khyber Pakhtunkhwa Finance Department letter, No BOVII/FD/1-2/BE-20012-13 dated 5-11-2012, No such policy of exemption from house rent deduction exists. Even the provincial civil servant who has an office within the premises and he refused to occupy such accommodation is also not entitled to house rent allowance.

Office of the District Health Officer Dir Lower paid Rs 1,138,907 on account of Conveyance Allowance and HRA to officers/officials residing in government accommodations in the Hospital/ health facilities' premises for which they were not entitled during 2020-21 as detailed in Annexure-3

Non deduction of Conveyance allowance and HRA occurred due to weak financial management which resulted in a loss to Government.

When pointed out in August 2021, management stated that the observation would be checked and the overpayment if made would be recovered. However, no action was intimated till the finalization of this report.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

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

AIR Para No. 10(2020-21)

2.5.1.3 Unauthentic expenditure on account of Hiring charges- Rs18.720 million

According to Para 290 of CTR, 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.

According to Rule 283 (I) of the CTR Vol- I, acquaintance roll-on Form TR 28 be maintained in support of payments.

Office of the District Education Officer (Male & Female) Dir Lower drawn Rs 18,720,000 on account of hiring charges of teachers through PTC during 2020-21, however actual payee receipts/acquaintance rolls of the teachers were not available to verify the payment.

Audit observed that unauthentic payment occurred due to weak financial control, which resulted in a violation of treasury rules.

When pointed out in August 2021, management stated that actual payee receipts/ acquaintance rolls of the teachers would be obtained from the teachers concerned and would be submitted to audit for verification. Reply was not convincing as the relevant record was not available in the local office.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

Audit recommends investigation and action against the persons at fault.

AIR Para No. 03 & 04(2020-21)

2.5.1.4 Irregular cash payment in violation of rules – Rs 3.496 million

According to para 4.2.9.9 of the Accounting Policies and Procedure Manual, Cheque payments should be released to the payee or personally collected by the payee or his authorized agent. Cheque payments made by registered post

should have cheque envelopes bearing a direction to return the unclaimed cheque (i.e. unclaimed post) to the issuing department.

According to Rule-12 of the chapter- IV of Khyber Pakhtunkhwa Local Council Accounts Rules 1980, where the local fund is kept in the treasury of the bank no payment exceeding Rs 500 shall be made except through cheque.

Office of the Deputy Commissioner Dir Lower incurred expenditure of Rs 3,496,800 during the year 2020-2021 on account of contingent paid staff (Muavineen-e-Qazi) and cash disbursement were shown instead of payments using cheques in violation of rules.

Audit observed that irregular payment occurred due to weak financial control, which resulted in a violation of rules.

When pointed out in July 2021, Management stated that the Movineen Qazis were appointed on daily wages basis at the rate of Rs.1200/- per working day. They have no bank account and keeping in view their financial constraints and Eidul Azha, cash payment was made to them due to the reason that an open cheque cannot be issued to them. However, they have been directed to open their bank a/c and in the future, this exercise will not be repeated. No progress was intimated till finalization of audit reports.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

Audit recommends justification/ regularization.

AIR Para No. 12 (2020-21)

**2.5.1.5 Irregular and unauthorized withdrawal on account of conveyance charges – Rs 2.565 million
Overpayment on account of conveyance charges Rs 900,000**

According to Serial No. 5(xxxvii) of Second Schedule of Delegation of Powers under the Financial Rules and the Powers of Re-Appropriation Rules-

2001, the category-II officer was competent to accord sanction of conveyance charges of Rs 5,000 per annum.

According to Standing Operating Procedures for payment of conveyance charges to female ASDEOs/ADEOs (Female) @ Rs 15,000 per month circulated vide Government of Khyber Pakhtunkhwa, Finance Department letter No. BOV/FD/3-1/2014-15 dated 20.11.2014 endorsed by Elementary & Secondary Education Department Letter No. SO (B&A)1-6/14- Conveyance Charges Releases dated 26.09.2014 read with No. SO (B&A_1-11/14/Conv. Charges/Releases dated 15.12.2014.

- i. Conveyance charges @ Rs 15,000 per month will be allowed to female ASDEOs/ADEOs as they will have to be in the field for at least 15 days a month.
- ii. Payment to ASDEOs/ADEOs female will be made on production of the actual receipts of a taxi with the name of the driver and visit reports in lieu of TA.
- iii. Funds will be released to the SDEO office.
- iv. They will conduct one annual and three unscheduled/supervisory visits of each primary school and will evaluate students learning outcomes and teacher performance during every visit, compare the quality of education and check the attendance register.

Office of the District Education Officer (Female) Dir Lower withdrew Rs 2,565,000 during the financial year 2020-21 on account of conveyance charges @ Rs 15,000 per month for female ASDEOs/ADEOs in lieu of TA. The amount was withdrawn in violation of Standard Operating Procedures as per some sample instances below:

1. Funds were released to the DEO office instead of SDEOs in violation of SOPs.
2. Conveyance charges of Rs 900,000 were paid from May 2020 to September 2020 while the schools were closed due to the covid-19 pandemic which resulted in an overpayment that needs recovery.

3. Rs 1,665,000 were paid to Male ASDEOs instead of females and hence unauthorized and irregular.
4. Cash payment was made instead of transfer to their bank accounts.
5. The payment was made without supporting vouchers or visit detail.

When pointed out in August 2021, management stated that payment of conveyance charges have been made according to TORs and follow the TORs mentioned in the FD letter No. BOV/FD/3-1/2014-15 dated 20.11.2014 endorsed by Elementary & Secondary Education Department letter No. SO (B&A)1-6/14-Conveyance Charges Releases dated 26.09.2014 read with No. SO (B&A_1-11/14/Conv. Charges/Releases dated 15.12.2014. para wise reply of the local office is as under: -

1. Funds were released by the Finance department to the DEO office, which was further processed by the local office in the Vogue. Release of funds in the discretionary power of the FD and no request for releases of the said funds to the DEO office instead of the SDEOS office was made by the local office.
2. According to the TORs concerned ASDOEs / ADEOs have regularly visited the related schools for the collection of various information required to the high ups in the period as motioned closed the audit. It is further stated that no instructions/ directions were issued by the government in this regard.
3. No instruction/direction was motioned in the TORs for nonpayment of the conveyance charges to the male ASDEOs/ ADEOs.
4. No restrictions were motioned in the TORs of cash payment to the concerned ASDEOS/ADEOs.
5. All the supporting papers related to visits to the concerned schools each month are available for ready reference. Reply of the department is not convincing.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

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

AIR Para No. 01 (2020-21)

**2.5.1.6 Irregular Cash payment on account of Hard Area Allowance
Rs. 2.074 million**

According to Chief Minister Directive and Government of Khyber Pakhtunkhwa Admn Deptt: (Cabinet Wing) letter No. SO (Imp)AD/CMD/2-24/2013/General Dated Peshawar October 2013,” Salaries of All Government Department employees be issued through Cheques, to be deposited in their respective Bank Accounts.

Office of the District Education Officer Female, Dir Lower drew Rs. 2,074,700 on account of Hard Area Allowance and disbursed among staff in cash during the year 2020-21. During scrutiny of the record revealed that no provision was made in the budget during 2020-21 payment was made from unspent balance from previous years. Furthermore, sanction of the competent authority was also not obtained.

Audit observed that irregular payment occurred due to weak financial control, which resulted in a violation of rules

When pointed out in August 2021, management stated that payment of Hard area allowance to the concerned staff was made from the unspent balance amount of the previous year 2019-20, and no funds were drawn in this object from the Government treasury during FY 2020-21. The amount was paid to the concerned staff and obtained APR from them. Instructions about payment in cash will be followed in the future.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

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

AIR Para No. 15(2020-21)

B. Procurement related irregularities

2.5.1.7 Irregular expenditure on account of purchase of Machinery & types of equipment and Hardware - Rs 2.681 million

According to CTR 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 Deputy Commissioner Dir Lower incurred expenditure of Rs 2,681,648 on account of purchase of Machinery Equipments & Hardware in the financial year 2020-2021. Scrutiny of the record revealed that the items were received and dumped in the office premises and not installed till the date of audit. Furthermore, a quality/ Quantity report was not obtained from the technical committee.

Audit observed that irregular payment occurred due to weak financial control, which resulted in a violation of rules

When pointed out in July 2021, Management stated that due to urgency, the tender was processed at the belated stage of the financial year i.e. 15-6-2021. The firms concerned have supplied the required items according to the specification. Scrutiny/Technical committee has been constituted for its inspection. But due to Eid-ul- Azha holidays the inspection of these items has not been carried out. The same will be done by the inspection committee as early as possible and an inspection report would be produced to audit for perusal. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

Audit recommends that proper inspection and installation will be made and the report will be produced to audit.

AIR Para No. 5(2020-21)

2.5.1.8 Non-supply of furniture– Rs 2.983 million

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

Office of the Deputy Commissioner Dir Lower withdrew Rs 2,983,000 vide cheque No. 1090588 dated 21.6.2021 from Government treasury on account of purchase of furniture during the financial year 2020-2021 and advance payment was made to the suppliers but no supply was made till the date of audit.

Audit observed that irregular payment and non supply of furniture occurred due to weak financial control, which resulted in a violation of rules

When pointed out in July 2021, Management stated that due to the urgency of the matter, the procurement of furniture for the newly under-constructed Conference Room in the DC office was made at a belated stage i.e. 15-6-2021. Most of the items are foreign-made and imported nature. Some items have been supplied. The rest of the items are processed and will soon be received.

The supply will be completed in near future and will be shown to audit for satisfaction. As early stated, that the purchase of these furniture has been made for the under-construction conference room. On completion of the said conference room, the same furniture will be shifted and properly installed through the firm concerned. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

Audit recommends supply of furniture without further delay.

AIR Para No. 6(2020-21)

2.5.1.9 Non-Supply/ late supply of medicines Rs 6.440 million and non-imposition of penalty amounting to Rs 193,223

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 the treasury in anticipation of demand or to prevent a lapse of budget grants. 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 District Health officer Dir Lower placed an order to various firms for the purchase of medicines during the financial year 2020-21. On scrutiny of record, it came to notice that medicines costing Rs 6,440,750 were not yet supplied by the firms. Furthermore, a penalty of Rs 193,223 was required to impose which was not done. As per detail at anneure-4

Audit observed that non-supply of medicines occurred due to weak internal control, which resulted in a loss to Government.

When pointed out in August 2021, management stated that the recovery would be made and will be shown to audit and delivery challan would be shown to audit after supply of medicine. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September 2021, which could not be convened till finalization of this report

Audit recommends an immediate supply of medicines.

AIR Para No. 02(2020-21)

2.5.1.10 Unauthentic expenditure on account of medicines - Rs 1.177 million

According to GFR-23 provides that every controlling officer will be personally responsible for the loss sustained by the government through negligence or fraud on his part or the part of his subordinate.

Office of the District Health Officer Dir Lower spent Rs 1,177,198 on account of purchase of medicines during the financial year 2020-2021 no entry was made in the stock register as per detail given below:

S.No	Name of firm/company	Name of medicine	Total quantity	Rate (Rs)	Amount (Rs)
1	Allied distributors	Restane 100mg	100	2620.8	262,080
2	Abbott	Tab Epival 250 mg	600	511.98	307,188
3	Abbott	Syp Epival 120ml	500	135.86	67,930
4	Zafa Pharmaceutical	Yes 2 Zinc	20000	27	540,000
Total					1,177,198

When pointed out in August 2021, management stated that the purchase was made in June 2021, and proper entry of the stock register and its issuance would be shown to the next audit. The reply is not convincing as the stock entry of stock register and delivery challan was not produced to audit. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

Audit recommends investigation and action against the person (s) at fault under intimation to audit.

AIR Para No. 6(2020-21)

2.5.1.11 Unauthorized withdrawal of medical bills of previous years - Rs 2.948 million

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

Office of the District Health Officer Dir Lower withdrew Rs 2,948,545 during the financial year 2020-2021 from the Government treasury on account of medicine bills about the previous financial year 2019-20 and 2018-19 which are unauthorized and irregular. As per detail in annexure-5

Audit observed that irregular payment occurred due to weak internal control, which resulted in a violation of rules

When pointed out in August 2021, management stated that the non-availability of Budget in the previous year was cleared in the current financial year. The reply is not convincing.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

Audit recommends investigation/ production of stock entry, further distribution, and action against the person(s) at fault.

AIR Para No. 07(2020-21)

2.5.1.12 Unauthentic purchase of medicines without observing MCC rules – Rs 25.197 million

i. According to Para 6 of the Government MCC Khyber Pakhtunkhwa Peshawar, No 191-200/MCC dated 17/02/2016, the procuring entity shall arrange to obtain samples from each batch of the supplied drugs/medicines through notified drug inspectors concerned and send to the concerned Drug testing Laboratory for Test/ Analysis as provided in the drug Act 1976.

ii. According to Para 6 of the Government MCC Khyber Pakhtunkhwa Peshawar, No 191-200/MCC dated 17/02/2016, the purchasing entity shall submit reports regarding the clinical efficacy of the Government approved brands of medicines, surgical disposables & other non-drug items used at their ends, on the format enclosed with this letter. This report is mandatory and in case of failure, disciplinary action will be initiated against the head of the purchasing entity.

iii. According to Para (22) of the MCC Rules, the successful bidder with each supply order shall submit a 10% Performance Guarantee to the procuring entity to be returned to the bidder after the successful finalization of the process of supplies by the purchasing entities.

Office of the District Health Officer Dir Lower purchased medicines amounting to Rs 25,197,299 from various suppliers during 2020-21 and issued them to various health facilities. However, the clinical efficacy reports of the medicines were not submitted to the quarter concerned which was contrary to the above instructions. Detail as per annexure-6.

Unauthentic purchases of medicines occurred due to weak internal control, which resulted in a violation of government instructions.

When pointed out in August 2021, management stated that the report would be collected from the health facilities and would be shown to audit. No progress was shown to audit. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

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

AIR Para No. 08(2020-21)

C. Management of Accounts with Commercial Banks

2.5.1.13 Non-conversion of the current account to PLS mode – Rs 6.459 million

According to Para 1 and 2 of Finance Department Khyber Pakhtunkhwa letter No. 2/3-(F/L)/FD/2007-08/Vol-IX dated 10th February 2014, Khyber Pakhtunkhwa Finance Department has from time to time allowed sanctioned Bank accounts in the commercial bank for various Departments/Autonomous/Semi-Autonomous Bodies/Corporations in Khyber Pakhtunkhwa for particular

and specific purposes. Such accounts may be converted to PLS mode and the profit earned to be deposited in Government Treasury under the relevant head of account immediately and not later than a week when declared by the concerned bank.

Office of the District Education Officer (Male & Female) Dir Lower operating current Accounts for transfer of cash from treasury to DDO account instead of PLS mode resulted in violation of Government's instructions and loss to Government as detailed below:

Bank account No	Department	Balance in the account as on 30.6.2021 (Rs)
4039779694	DEO (Male)	3,412,007
4039777285	DEO (Male)	897.76
4039806029	DEO (Female)	3,045,395
4039781225	DEO (Female)	437
Total		6,458,736.76

Audit observed that maintenance of current designated bank accounts occurred due to violation of rules which resulted in an understatement in provincial receipts during the year.

When pointed out in August 2021, management stated that the local office has already been requested to the Manager National Bank for conversion of current accounts into PLS mode vide this office memo: No.3863 dated.24/09/2018 but the matter is still lying pending on the part of Manager NBP Timergara. Now the local office has sent a non-compliance report of Manger NBP to the higher authority as well as the state bank of Pakistan for necessary action. Reply is not convincing as no proof was shown till finalization of this report.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

Audit recommends immediate conversion of current accounts into PLS mode.

AIR Para No. 04 &10(2020-21)

2.5.1.14 Unjustified closing balance of bank account –Rs 3.413 million

Para 89(4) (viii-2) of GFR Vol-I requires that the 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 District Education Officer (male) Dir Lower retained Rs 3,412,904 on account of Parents-Teachers-Councils funds during the financial year 2020-21 and the amount was kept in his designated bank account No. 4039779694. The audit is of the view that the amount was withdrawn from the Government treasury without actual incurrence of the expenditure and irregularly retained in the designated account.

Audit observed that irregularity occurred due to weak financial controls, unauthorized payment, and unauthentic expenditure.

When pointed out in August 2021, management stated that needful will be made and the record will be submitted to audit for verification. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

Audit recommends reconciliation with the Bank to clarify the matter and action against the person(s) at fault.

AIR Para No. 09(2020-21)

2.5.2 Value for money and service delivery issues

2.5.2.1 Overpayment on account of 15% compulsory land acquisition charges –Rs 13.740 million

Section 18(1) of Land Acquisition Act 1894 provides that any person interested who has not accepted the award may, by written application to the collector, require that the matter be referred by the collector for the determination of the Court, whether his objection is to the measurement of the land, the amount of the compensation, the person to whom it is payable or the apportionment of the compensation among the persons interested.

Section 18(2) the Act requires that the application shall state the grounds on which objection to the award is taken.

Section 20 a & b of Land Acquisition Act 1894 requires that the court shall thereupon cause a notice specifying the day on which the court will proceed to determine the objection, and directing their appearance on that day to be served on the applicant and all persons interested in the objection.

According to section 23(2) of Land Acquisition Act 1894," in addition to the market value of the land as above provided, the court shall in every case award a sum of 15% on such market value, in consideration of the compulsory nature of the acquisition".

Office of the Deputy Commissioner Dir Lower paid an amount of Rs 118,450,262 on account of the acquisition of land for different departments and overpaid thereon Rs 13,740,021 as 15% compulsory acquisition charges during 2020-2021. Audit observed the following points:

1. Compulsory acquisition charges were allowed at the initial stage of acquisition
2. No written objection, obstruction, refusal, or appeal was made to the Collector/Court by the owner.
3. 15% compulsory acquisition charges shall be allowed by the court under section 23(2) of the Act, not by the other authority. Under section 3(d) of the Act "Court" means an additional District Judge is the judge of

Principal Civil Court of original jurisdiction, an Additional District Judge, like the District Judge himself, is a judge of such court, and as such he is competent to hear and dispose of the reference under the Land Acquisition Act which is over to him for disposal by the District Judge. The expression "Court" does not include Collector.

4. Nor the cases were referred to Court nor any proceeding was undertaken/carried out under sections 20(a)&(b) mentioned in the criteria.

The detail of compulsory acquisition charges is as under:

S.No	Particular of land acquired	Cost of Land	15% Compulsory acquisition charges (Rs)
1	Land for const of RCC Bridge Khazana Bay Pass	19,957,015	2,603,089
2	Cost of RCC Bridge Khall	1,184,187	177,628
3	GGD College Lal Qilla	42,192,810	5,503,410
4	Cost of Road Balambat- timergara to Kalpani	44,362,740	3,881,433
5	Cost of Koto Hydropower Project	8,782,387	1,317,358
6	Graveyard walai Kandow	1,971,123	257,103
	Total	118,450,262	13,740,021

Compulsory acquisition charges were paid in violation of rules which resulted in losing the Government.

When pointed out in July 2021, management stated that According to Land Acquisition Rules 2020 received through Commissioner Malakand Division Saidu Sharif Swat vide his letter No.6911-24 dated 30-07-2020 as well as vide letter No.2518-29 dated 18-05-2021 (copies enclosed) the Commissioner Malakand Division Saidu Sharif Swat forwarded opinion of Law Department in light of Supreme Court orders which reveals that the District Collector concerned has to determine and ascertain the compulsory acquisition charges for company private use or for public purpose on case to case basis under Section-23 (2) of the Land Acquisition Act, 1894.

Request for convening the DAC meeting was made in September 2021, which could not be convened till the finalization of this report.

Audit recommends recovery of the amount of justification under intimation to audit.

AIR Para No. 01(2020-21)

2.5.2.2 Non-deposit of stamp duty on the acquisition of land - Rs 1.260 million

According to Section 51 of the Land Acquisition Act 1894, no award or agreement made under this Act shall be chargeable with stamp duty and no person claiming under any such award or agreement shall be liable to pay any fees for a copy of the same.

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 Deputy Commissioner Dir Lower did not deposit Rs 1,260,320 in Government treasury on account of registration and stamp duty fee on the acquisition of land for 3 no of projects during 2020-2021. The detail is given below:

S.No	Particular of land acquired	Cost of Land (Rs)	Stamp duty (Rs)
1	GGD College Lal Qilla	42,192,810	632,892
2	Cosnt of Road Balambat- Timergara to Kalpani	44,362,740	446,365
3	Cont of Koto Hydropower Project	8,782,387	151,496
4	Graveyard walai Kandow	1,971,123	29,567
	Total	97,309,060	1,260,320

When pointed out in July 2021, Management stated that the amount of Stamp Duty has already been transferred to the Sub Registrar Dir Lower with the directions to deposit the same in Revenue Deposit under the proper head of account for Registration of the acquired land on the name of acquiring department. A detailed reply will be submitted soon. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit recommends deposit of stamp duty into the relevant head of account.

AIR Para No. 03(2020-21)

2.5.3 Others, including cases of accidents, negligence, etc.

2.5.3.1 Non-disbursement on account of land compensation – Rs.55.116 million

According to Para 290 of CTR, 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.

According to Rule 283 (I) of the CTR Vol- I, acquaintance roll on Form TR 28 be maintained in support of payments.

Office of the Deputy Commissioner Dir Lower received Rs 55,116,250 on account of land compensation for onward disbursement to the land owners, however actual payee receipts/acquaintance rolls of the landowners were not available to verify the payment as detailed below:

S.No	Particular of land acquired	Cost of Land (Rs)
1	Cosnt of Road Balambat- timergara to Kalpani	44,362,740
2	Cont of Koto Hydropower Project	8,782,387
3	Graveyard walai Kadow	1,971,123
Total		55,116,250

Audit observed that non-disbursement on account of land compensation occurred due to weak financial control, which resulted in blockage of Governmnet money.

When pointed out in July 2021, Management stated that the subject amount has already been sent to the concerned Tehsildars with the directions to disburse the same amount to the landowners concerned. Partial payment has been made to the landowners, but some payments are pending due to disputes over ownership or other litigation. Therefore, full payment has not been completed. Detailed reply along with acquaintance roll will be submitted soon. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit recommends disbursement and production of APR.

AIR Para No. 04(2020-21)

2.5.3.2 Unauthentic Receipts and payment due to non-maintenance of cash book -Rs 63.334 million

According to Para 15 of GFR Volume I, everyone whose duty is to prepare and render any accounts or returns in respect of public money or store is personally responsible for their completeness and strict accuracy and their dispatch within the prescribed date.

Office of the Deputy Commissioner Dir Lower Received amounting to Rs 118,450,262 and paid Rs 63,334,012 on account of land compensation during the financial year 2020-2021, however, the cash book was not maintained. Therefore, the authenticity of receipts and payments could not be ensured. The detail is given below:

S.No	Particular of land acquired	Cost of Land	Expenditure (Rs)
1	Land for const of RCC Bridge Khazana Bay Pass	19,957,015	19,957,015
2	Cosnt of RCC Bridge Khall	1,184,187	1,184,187
3	GGD College Lal Qilla	42,192,810	42,192,810
4	Cosnt of Road Balambat- timergara to Kalpani	44,362,740	0
5	Cont of Koto Hydropower Project	8,782,387	0
6	Graveyard walai Kandow	1,971,123	0
	Total	118,450,262	63,334,012

Unauthentic payment occurred due to weak internal control which resulted in a violation of rules.

When pointed out in July 2021, Management stated that as per past practice cash book has not been maintained in the Revenue Section, however, it will be maintained in the future and a verified copy will be provided for the above-mentioned amount shortly in the detailed reply. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit recommends that a proper cash book be maintained and shown to audit.

AIR Para No. 07(2020-21)

2.5.3.3 Unauthentic receipts on account of Arms Licenses – Rs 11.470 million

As per the Agreement deed, Para 6.1 monthly licenses receipts must be submitted by M/S M.Comm private limited into treasury on the 5th date of next month, and communication into this effect shall be made to the authorities.

During an audit of the accounts record of Office of the Deputy Commissioner Dir Lower for the financial year 2020-2021, it was noticed that Rs 11,470,490 was collected by M/s M.Comm (A2Z E-Payments) on account of Arms licenses in District Dir Lower but no proof of deposit into treasury was available in the local office. Furthermore, reconciliation of receipts collected by M/S M.Comm Private Ltd with Home Department was also not available on record for the financial year 2020-2021.

Non-deposit of arms licenses fee occurred due to weak financial management which resulted in a loss to Government.

When pointed out in July 2021, Management stated that in this regard it is requested that the prescribed amount of Rs.11.470 million has been deposited to A2Z Pvt Co Ltd A/C No.001002912164001.

A few online deposit slips of arm license receipts are enclosed as proof (record of all deposits are available and will be produced if required)

At the final stage, A2Z Co deposits the collected amount under the head of Account CO3835 (Provincial arms license receipt) few specimens of deposits are attached. It is, therefore, requested that the para may please be dropped.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit recommends justification.

AIR Para No. 08(2020-21)

2.5.3.4 Irregular release of funds –Rs 1.250 million

CTR 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 Deputy Commissioner, Dir lower (Finance Department) released 1,250,000 to District Health Officer on account of vaccination center for Covid-19 from the regular budget of District Accounts-IV. Scrutiny of record it was observed that hand sum amount of Covid-19 was available in the designated bank account of the local office. Hence release from the regular budget of District Account-IV was irregular and unauthorized.

When pointed out in July 2021, Management stated that an amount of Rs.22,000,000/- has been placed at the disposal of Deputy Commissioner Dir Lower for the expenditure of COVID-19 especially for the establishment of Quarantine Centers and Food packages for corona affected people. After the introduction of the Corona Vaccine, the Provincial Govt: directed to establish Mass Vaccination Centers for the vaccination of the general public to prevent the spread of the coronavirus.

In light of the direction of Provincial Govt: and on the request of District Health Officer, Dir Lower, an amount of Rs.1250,000- was released to the Health

Department for the establishment of Mass Vaccination Centers at Timergara, Chakdara, Lal Qilla, and Samarbagh.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit recommends regularization from the competent authority.

AIR Para No. 09(2020-21)

2.5.3.5 Non-reconciliation of expenditure-Rs 63.334 million

Para 89(4)(iii) of GFR the head of department/accountant general will jointly be responsible for the reconciliation of the figure given in the accounts maintained by the head of the department.

Rule 77 of the Treasury Rules Vol-I requires that every officer receiving money on behalf of the government should maintain a cash book in Form T.R.4 and all monetary transactions should be entered in the cash book as soon as they occur and attested by the head of the office in token of the check.

Office of the Deputy Commissioner Dir Lower incurred an expenditure of Rs 63,334,012 during 2020-2021, but no reconciliation was made with DAO for the receipts of money from the departments and payment thereof to the landowners. The audit is of the view that in the absence of reconciliations, the transactions at the district and tehsil level remained unverified. The detail is as under:

S.No	Particular of land acquired	Cost of Land	Expenditure (Rs)
1	Land for const of RCC Bridge Khazana Bay Pass	19,957,015	19,957,015
2	Cosnt of RCC Bridge Khall	1,184,187	1,184,187
3	GGD College Lal Qilla	42,192,810	42,192,810
4	Cosnt of Road Balambat- timergara to Kalpani	44,362,740	0
5	Cont of Koto Hydropower Project	8,782,387	0
6	Graveyard walai Kandow	1,971,123	0
	Total	118,450,262	63,334,012

The audit observed that non-reconciliation was occurred due to a violation of rules.

When pointed out in July 2021, Management stated that it reveals from a hectic search of the available record in the section that reconciliation in the past has not been carried out. The District Account Officer has been requested to provide the last reconciled statement for onward reconciliation as and when received reconciliation will be made accordingly. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit recommends to make head wise and department-wise reconciliations for the collected, paid, and balance amount lying in revenue deposits.

AIR Para No. 10(2020-21)

2.5.3.6 Non-transfer of land to the name of acquiring government Department Rs 97.309 million

According to Para VI of the Second Schedule of Khyber Pakhtunkhwa District Government Rules of Business 2015, District Administration will maintain a record of the Assets & Liabilities of the District.

Office of the Deputy Commissioner Dir Lower paid Rs. 97,309,060 on the purchase of land for various departments in the year 2020-2021. However, lands were not transferred/registered on the name of acquiring departments details is as under:

S.No	Particular of land acquired	Cost of Land
1	GGD College Lal Qilla	42,192,810
2	Cosnt of Road Balambat- Timergara to Kalpani	44,362,740
3	Cont of Koto Hydropower Project	8,782,387
4	Graveyard walai Kandow	1,971,123
	Total	97,309,060

Non-registered land in the name of acquiring departments occurred due to weak financial control which resulted in a loss to the government.

When pointed out in July 2021, Management stated that at the time of issuance of Final Award U/S-11 of the Land Acquisition Act, 1894 the acquiring departments are directed to contact Sub Registrar Dir Lower for registration of the acquired land in the name of their department. Government taxes for registration of land are sent to the Sub Registrar Dir Lower for the purpose. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit recommends immediate transfer/registration of land to the name of acquiring department.

AIR Para No. 11(2020-21)

2.5.3.7 Doubtful purchase due to unjustified retention and non-issue of medicines -Rs 28.741 million

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

Office of the District Health Officer Dir Lower purchased medicines of Rs 28,741,383 for various health units during the financial year 2020-21. On scrutiny of the main stock register of the medicine record, it came to notice that these medicines were not issued to the units for which they were purchased and retained in balance, the medicines were required to be issued to various health facilities well in time for the further issue to patients. Retention of medicines in stock for a long time without issue to subunits of the district made the purchase doubtful and allocated funds of medicines were withdrawn from the Government treasury but not actually utilized in the public interest and hence chances of misappropriation could not be ruled out. Details as per annexure-7

Audit observed that misappropriation occurred due to unjustified retention of medicines without further issue which resulted in a loss to the Government.

When pointed out in August 2021, management stated that the medicine will be issued as per the demand of the health facilities. The reply is not convincing as retention of such a huge quantity of medicine was unjustified.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit recommends investigation and action against the person (s) at fault besides detailed inquiry for verification of the actual purchase, receipt & issue of medicines and payment to the supplier.

AIR Para No. 1(2020-21)

2.5.3.8 Irregular drawl in the name of DDO in violation of rules – Rs.4.324 million

According to para 4.2.9.9 of the Accounting Policies and Procedure Manual, Cheque payments should be released to the payee or personally collected by the payee or his authorized agent. Cheque payments made by registered post should have cheque envelopes bearing a direction to return the unclaimed cheque (i.e. unclaimed post) to the issuing department.

According to Rule-12 of chapter- IV of Khyber Pakhtunkhwa Local Council Accounts Rules 1980, where the local fund is kept in the treasury of the bank no payment exceeding Rs 500 shall be made except by means of cheque.

Office of the District Health Officer Dir Lower Dir Lower incurred expenditure of Rs 4,324,180 during the year 2020-21 on out of polio fund and cash disbursement were shown instead of payments through in pay in violation of rules. Due to cash disbursement, actual payments to the concerned could not be ensured and chances of misappropriation could not be ruled out.

Irregular cash payments occurred due to weak financial control, which resulted in a violation of rules.

When pointed out in August 2021, management stated that a detailed reply would be submitted, after checking the record. No progress was shown to audit.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

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

AIR Para No. 09(2020-21)

2.5.3.9 Irregular Expenditure on account of Class room consumables & Petty Repair of - Rs. 62.500

As per Serial No. 6 Part-B of the Annexure to PTC Guidelines, issued by the Government of the Khyber Pakhtunkhwa Elementary and Secondary Education Department, the vouched accounts shall be subject to inspection by the functionaries of the Education Department and third-party validation

During scrutiny of record of Office of the District Education Officer (Male & Female), Dir Lower it was observed that relevant records of actual expenditure incurred by PTCs i.e. Cashbook, bank statements, payment vouchers, etc were not produced to audit for verification nor submitted to DEOs concerned for inspection by the functionaries of Education Department and third-party validation.

S. No.	PTC fund	Department	F. Year	Amount (Rs)
1	A03970-039-CRC	DEO (Male)	2020-2021	19,000,000
2	A13303-009-Petty repair	DEO (Male)	2020-2021	24,000,000
1	A03970-039-CRC	DEO (Female)	2020-2021	9,000,000
2	A13303-009-Petty repair	DEO (Female)	2020-2021	10,500,000
Total				62,500,000

Non-submission of vouched accounts occurred due to lack of financial management which resulted in a violation of PTC Guidelines.

When pointed out in August 2021, management stated that all the auditable records of PTC funds expenditure are lying in the related schools the audit is requested to make necessary arrangements for checking he vouched for accounts in the related schools as submission of the total auditable records of all schools to the DEO office and its checking/verification is impossible in the DEO office. The local office has already checked/ verified regularly the same records of each and every financial year in the related schools through various inspection teams. The inspection/checking reports will be shown to audit. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit recommends PTCs shall maintain a complete record and shall also submit copies thereof to the DEO concerned and appropriate effort be made to submit vouched accounts under intimation to Audit.

AIR Para No. 01 & 4 (2020-21)

2.5.3.10 Irregular /unauthentic expenditure on account of play areas – Rs 17.52 million

According to Para 17 of GFR Volume-I, the auditable record must be produced to audit for verification.

Office of the District Education Office (Male) Dir Lower transferred funds of Rs 17,520,000 on account of Play Area to various schools in the financial year 2020-2021. During scrutiny of the record, the following observations were raised.

- 1) The local office did not collect any report regarding the construction of play areas and whether the play areas were made according to approved drawing, design, and specification.
- 2) No Certificate in this regard has been obtained from the head/in charge of the concerned school that such facilities were not carried out under any other schemes.

- 3) The progress of work and utilization of fund report of the work was also not available on the record of the local office

Audit observed that irregular expenditure occurred due to weak administrative control, which resulted in a violation of government rules/policy.

When pointed out in August 2021, management stated that the local office directed the field staff to submit the required documents for audit. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit suggests inquiry into the probable cause of irregularities.

AIR Para No. 02 (2020-21)

2.5.3.11 Unjustified transfer of Conditional Grants –Rs 70.460 million

According to Para 23 of GFR Vol-1, every government officer is personally responsible for any loss sustained by the Government through fraud or negligence either on his part or on the part of his subordinate staff.

As per Government of KPK Elementary and Secondary Education Department order No.CPO/PO.3/4-4/ESRU dated 7-8-2-10 expenditure on civil works shall be on market based and shall be incurred by exercising general financial procedure.

Office of the District Education Officer Male & Female Dir Lower transferred Rs 70,460,000 to the PTCs accounts of schools on account of basic facilities i.e. construction G/L, B/W, and water supply. During scrutiny of record, it was observed that the cost estimates were not prepared by the DO for civil works through PTC Fund. PC-1 was not available on the record to ensure that the facilities included in PC-1. As per Government policy the expenditure on civil works shall be market-based and shall be incurred by exercising general financial

procedure, but the local officials failed to do so. Thus the possibility of misappropriation of the fund could not be avoided.

Audit observed that irregularity occurred due to weak financial controls and non-observance of PTC guidelines.

When pointed out in August 2021, management stated that all the processes of transfer of conditional Grants have been done according to the rules and no irregularities have been made. The required records/documents will be shown once again to the audit for verification, please. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit recommends the matter for corrective action.

AIR Para No. 03&05(2020-21)

2.5.3.12 Unverified expenditure – Rs 70.460 million

According to Section 14(1-b) & (3) of the Auditor General's (Functions, Powers and Terms, and Conditions of Service) Ordinance, 2001 the Auditor General has the authority to require any accounts, books, papers, and other documents which deal with, or form, the basis of or otherwise relevant to transactions to which his duties in respect of audit extend hence any person or authority hindering the auditorial functions of the Auditor General of Pakistan regarding the inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules, applicable to such person.

Office of the District Education Officer Male & Female Dir Lower transferred Rs 70,460,000 to the PTCs accounts of schools on account of basic facilities i.e. construction G/L, B/W, and water supply. During scrutiny of the Record, it was observed that Utilization of funds as per procedure and in a transparent and efficient manner was not ensured because of Vouchers. Accounts,

bank statements, and progress reports pertaining to conditional grants were not submitted for scrutiny to the office of the DEO Office.

When pointed out in August 2021, management stated that all the records/documents i.e. vouchers, accounts, bank statements, and progress reports pertaining to conditional grants will be shown to the audit for verification. The reply is not convincing as no record was produced to audit for verification.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit recommends investigation for fixing responsibility and disciplinary action against persons at fault.

AIR Para No. 08 & 07(2020-21)

2.5.3.13 Irregular withdrawal from Government treasury without the sanction of the competent authority - Rs 71.112 million

According to Para 4 of the financial procedure for Parents-Teachers-Council, notified vide Government of Khyber Pakhtunkhwa Finance Department letter No.BO-V/FD/3-10/2006-07 dated 9th June 2007, the District Education Officer of the respective district Government shall accord administrative sanction and EDO (Finance & Planning)/Deputy Commissioner shall issue a financial sanction for the transfer of funds from the district Account-IV to the bank account of the Parents-Teachers-Councils. These funds shall be transferred/credited upfront in the bank account of the Councils by the respective District Accounts Officers.

Office of the District Education Officer (Male & Female) Dir Lower withdrew Rs 71,112,000 from Government treasury on account of District ADP, Conditional Grant, CRC, and Petty Repairs during the financial year 2020-21 without the sanction of the competent authority.

When pointed out in August 2021, management stated that the ADP scheme is already sanctioned by the competent forum and no further sanction is required for making an expenditure in the ADP scheme. Therefore, all the

expenditures are properly regularized. The reply was not convincing as the sanction was accorded by the DEO which was not.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit suggests probing into the matter and action against the person(s) at fault.

AIR Para No. 10&09(2020-21)

2.5.3.14 Unauthentic expenditure on account of Hiring charges without Sanction - Rs 18.720 million

Para 9 of GFR Vol-I states that as a general rule no authority may incur any expenditure until the expenditure has been sanctioned by an authority to which power has been duly delegated in this behalf and the expenditure has been provided in the authorized grants and appropriations for the year.

Office of the District Education Officer (Male & Female) Dir Lower drawn Rs 18,720,000 on account of hiring charges of teachers through PTC during 2020-21, on the basis of the wrong sanction accorded by the DEO Male.

Audit observed that unauthorized payment occurred due to violation of rules which resulted in spending of public money on the basis of invalid sanction.

When pointed out in August 2021, management stated that the expenditure on account of hiring amounting to Rs 6.240 million will be regularized and the record will be submitted to the audit for verification, please. However, no progress was shown till the finalization of this report.

Request for convening the DAC meeting was made in September, 2021, which could not be convened till the finalization of this report.

Audit recommends regularization from the competent authority.

AIR Para No. 11&06(2020-21)

2.5.3.15 Non-disbursement / unauthentic payment of stipends without reconciliation – Rs 161.920 million

According to Government of Khyber Pakhtunkhwa Elementary & Secondary Education Department Letter No. DPC/Stipends/E&SED/2017-18 dated 24th May 2018, DEO will sign reconciliation with District Post Offices, installment wise instead of cheque wise in order to rectify discrepancies between PMG and MIS figures.

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 District Education Officer (Female) Dir Lower transferred Rs 161,920,409 to Senior Post Master GPO Batkhela Malakand on account of stipend of girls students of class 6th to 10th of district Dir Lower during the financial year 2019-20 in two installments in January and March 2020. The Senior Post Master disbursed stipends of Rs 161,920,409 among girls students at school level. Audit held that reconciliations at schools level and district level were not made in violation of rules, and acknowledgment of receipts of money, countersigned by the concerned headmistress/Principal was not obtained due to which the actual payment could not be authenticated and verified.

The unauthentic payment was occurred due to weak internal control.

When pointed out in August 2021, management stated that the senior post Master of GPO Batkhela has not yet completed the disbursement of money order/ disbursement to the concerned schools in District Dir lower. The disbursement is in progress from Senior Post Master Batkhela as and when the process is completed. The complete record would be submitted to the audit for verification.

Audit recommends proper reconciliations at schools and district level on prescribed form 6 and form 7 as approved as per standard operating procedure and recovery of the unpaid amount from the GPO and deposit into Government treasury.

AIR Para No. 11(2020-21)

CHAPTER-3

Tehsil Municipal Administration

3.1 Introduction

District Dir Lower has seven TMA i.e. Chakdara, Munda, Timergara, Samarbagh, Balambat, Khal and Lal Qila. 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 13 of the Khyber Pakhtunkhwa Local Government Act 2013 the authority and responsibilities of the District Government have been 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 District Dir Lower

(Rs. in million)

S.No.	Description	Total Nos	Audited	Expenditure audited FY 2020-21	Revenue /Receipts audited FY 2020-21
1.	Formations	07	07	582.922	190.976

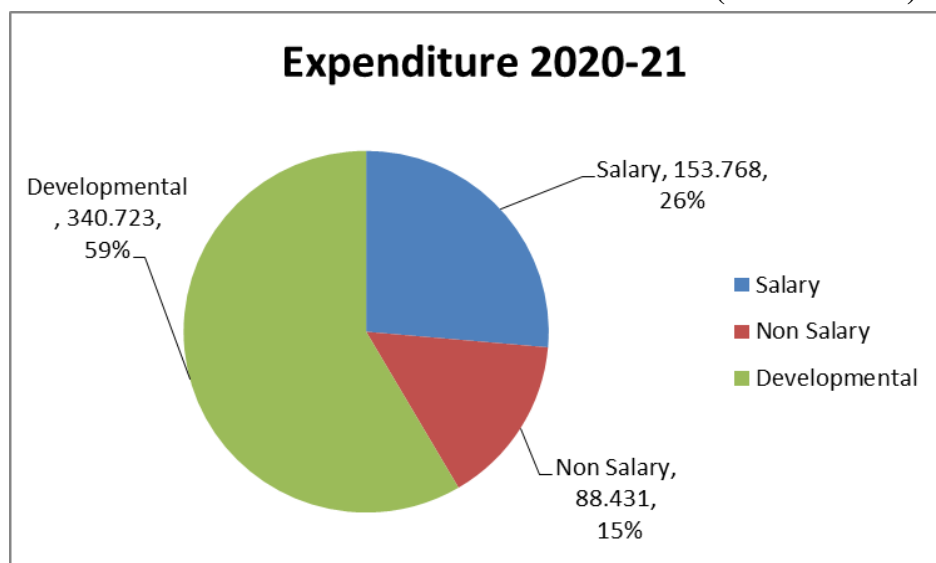
3.2 Comments on Budget and Accounts (Variance Analysis)

(Rs. in million)

TMAs				
2020-21	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	192.217	153.768	(38.449)	20
Non-Salary	99.569	88.431	(11.138)	11
Developmental (Local Fund+PFC)	579.538	340.723	(238.815)	41
Total	871.324	582.922	(288.402)	33
Receipts	168.799	190.976		13

The savings of Rs 288.402 million indicate inefficiency in the capacity of Tehsil Municipal Administration Departments to utilize the amount allocated fund.

(Rs. in million)



3.3 Classified Summary of Audit observations

Audit observations amounting to Rs.173.482 million were raised as a result of this audit. This amount also included recoverable of Rs. 30.916 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs.)
1	Irregularities	-
A	HR/Employees related irregularities	5.469
B	Procurement related irregularities	40.435
C	Management of Accounts with commercial bank	6.472
2	Value for money and service delivery issues	30.916
3	Others, including cases of accidents, negligence etc.	90.19
Total		173.482

3.4 Comments on the status of compliance with Tehsil Accounts Committee directives

The audit reports pertaining to following years have been submitted to the Governor of Khyber Pakhtunkhwa. Detail of TAC meetings is given below:

S #	Audit Year	TAC meeting
1.	2002-03	Convened
2.	2003-04	Not convened
3.	2004-05	Not convened
4.	2005-06	Not convened
5.	2006-07	Not convened
6.	2007-08	Not convened
7.	2008-09	Not convened
8.	2009-10	Not convened
9.	2010-11	Not convened
10.	2011-12	Convened
11.	2012-13	Not convened
12.	2013-14	Not convened
13.	2014-15	Not convened
14.	2015-16	Not convened
15.	2016-17	Not convened
16.	2017-18	Not convened
17.	2018-19	Not convened
18.	2020-21	Not convened

3.5 AUDIT PARAS

3.5.1 Irregularities

A. HRA Irregularities

3.5.1.1 Unauthentic cash payments to daily wagers and fixed pay – Rs.3.669million

According to Rule 12 (1) of Chapter- IV of the Khyber Pakhtunkhwa Local Councils Accounts Rules 1980, where the Local Fund is kept in a treasury or bank no payment exceeding Rs 500 shall be made except by means of a Cheque.

According to serial No. 4.3.1.1 of the Accounting Policies and Procedures Manual, all expenditure will be made through crossed Cheques in the name of supplier/contractor.

According to Para 7 sub para (ii) of the Policy Guidelines for the creation of posts and recruitment of staff (non PUGF) in Towns and Tehsil Municipal Administration Khyber Pakhtunkhwa, circulated vide Government of Khyber Pakhtunkhwa Local Government Elections and Rural Development Local Council Board letter No.AO-IV/4-1/TMA/General/2019 dated 29.03.2019, no TMA shall appoint any contract or fixed pay employees henceforth.

Office of the Tehsil Municipal Officer, TMA Munda District Dir Lower, incurred expenditure of Rs 3,465,704 during financial year 2020-21 on account of daily wages/contingent paid staff @ Rs 17,000 per month and cash payments were shown made by obtaining finger prints or doubtful signatures instead of payments through Cheques from the designated bank account. Moreover, almost the same wagers were retained through the year without proper written orders and without sanction of the provincial Government. Hence not only the policy was violated but the payment was also un-authentic. Moreover, Rs 204,000 was spent on fixed pay of Muhammad Ismail Sweeper during financial year 2020-21 in violation of the purposes of the policy referred to above.

Cash payments were made and fixed pay employee was engaged in violation of rules/policy which resulted in unauthentic payments and loss to the TMA.

When pointed out in December 2021, management stated that Cheques were issued in the name of sanitary supervisor on monthly basis for further disbursement among daily wage employees as per attendance register. Now their salaries are transferred to their bank accounts. Moreover, provincial Government issued sanction for the fixed pay employee since 2016. However, this office withdrew that office order of fixed pay employees and now he is working on daily wages basis. Management replies were not convincing as cash payments were shown made to daily wagers and doubtful signatures/finger prints were obtained on payment sheets while fixed pay was given to the employee during the entire financial year 2020-21 despite discontinuation of the fixed pay employees since 2019.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends inquiry to probe into the matter.

AIR Para No. 22(2020-21)

3.5.1.2 Unauthentic cash payments to daily wagers and fixed pay - Rs1.800 million

According to Rule 12 (1) of Chapter- IV of the Khyber Pakhtunkhwa Local Councils Accounts Rules 1980, where the Local Fund is kept in a treasury or bank no payment exceeding Rs 500 shall be made except by means of a Cheque.

According to serial No. 4.3.1.1 of the Accounting Policies and Procedures Manual, all expenditure will be made through crossed Cheques in the name of supplier/contractor.

According to Para 7 sub para (ii) of the Policy Guidelines for the creation of posts and recruitment of staff (non PUGF) in Towns and Tehsil Municipal

Administration Khyber Pakhtunkhwa, circulated vide Government of Khyber Pakhtunkhwa Local Government Elections and Rural Development Local Council Board letter No.AO-IV/4-1/TMA/General/2019 dated 29.03.2019, no TMA shall appoint any contract or fixed pay employees henceforth and (iii) in case of urgent needs. Only daily wage staff shall be hired for specific time by the TMA or hiring entity for which the concerned branch shall maintain proper muster roll. However, such staff shall not continue for more than 06 (six) months period.

Office of the Tehsil Municipal Officer, TMA Khall District Dir Lower, incurred expenditure of Rs 1,800,000 during financial year 2020-21 on account of ten (10) daily wages/contingent paid staff @ Rs 15,000 per month and cash payments were shown made by obtaining finger prints or doubtful signatures instead of payments through Cheques from the designated bank account. Moreover, the same wagers were retained through the years since 1st July 2019 till date through office orders for each year instead of three months on need basis. Hence not only the policy was violated but the payment was also un-authentic.

Cash payments were made and fixed pay employee was engaged in violation of rules/policy which resulted in unauthentic payments and loss to the TMA.

Audit recommends inquiry to probe into the matter.

AIR Para No. 09 (2020-21)

B. Procurement related irregularities

3.5.1.3 Irregular award of contracts without deposit of advances and security – Rs 12.717 million and non-forfeiture of call deposits – Rs 0.900 million

According to serial No.3 of the Policy Guidelines for the auction of Local Councils contracts of Khyber Pakhtunkhwa circulated vide Government of Khyber Pakhtunkhwa Local Government & Rural Development department, Local Council Board, letter NO.AO-II/LCB/6-11/2019 dated 10.03.2020, each contractor shall deposit earnest money in the name of concerned TMO @ 5%

depending upon the last year approved bid/income before participation in the E. auction proceeding which will be released to them after deposit 5% security and 15% advance money, which will be released to contractor after 30.06.2021 or the expiry of its contract subject to adjustment and clearance of all the dues. If any amount is found outstanding against the contractor it will be deducted from the security and advance of the contractor and the balance amount will be paid to the contractor.

According to serial No. 12 of the policy *ibid*, in case the contractor does not deposit advances or does not enter into agreement within 7 days of his acceptance of bid, the bid should be considered as cancelled and the earnest money be forfeited in favour of the concerned local council.

Office of the Tehsil Municipal Officer, TMA Munda District Dir Lower, awarded two contracts of Cattle Fair and Bus Stand worth Rs 12,717,000 for the financial year 2020-21 without deposit of 15% advances and 5% securities amounting to Rs 2,543,400 as required under the policy guidelines referred to above under which call deposits of Rs 900,000 should have been forfeited and contracts were required to be re-auctioned and subsequent loss due to re-auction was required to be recovered from the movable and immovable properties of the defaulting contractors which was not done. Detail is as under:

S.No	Name of contract	Date of auction	Name of contractor	Contractual amount (Rs)	5% security and 15% advances(Rs)	Amount of call deposit (Rs)
01	Bus Stand Munda	29.07.2020	RahmatUllah	7,901,000	1,580,200	500,000
02	Cattle Fair Munda	10.06.2020	AftaburRehman	4,816,000	963,200	400,000
Total				12,717,000	2,543,400	900,000

Non deposit of security and advances and non-forfeiture of call deposit occurred due to violation of relevant policy which resulted in irregular award of contracts and loss to the TMA.

When pointed out in December 2021, management stated that this office has already issued letter to the RMO that the amount was not deposited due to stoppage of Cattle Fair & Bus Stand during the period of Covid-19. Management reply was totally irrelevant as fulfillment of terms and conditions before the award of contracts as per relevant terms and conditions of the provincial

Government was mandatory and at that time there was no issue of stoppage of Cattle Fair and Bus Stand.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends fixing responsibility for irregular award of contracts and non-forfeiture of call deposits.

AIR Para No. 07 (2020-21)

3.5.1.4 Irregular award of works in violation of P&D guidelines and without open tender system - Rs 4.250 million

According to clause 6.5.2 of the Planning & Development guidelines notified vide Government of Khyber Pakhtunkhwa Planning & Development Department (Rural Development Section) Notification No.C/RD/P&DD/6-24/1850-1970 dated 19th October 2015 amended vide Notification No.C/RD/P&DD/6-24/1617-1891 dated 8th August 2016, priority area for Tehsil Government shall be as under:

DWSS	25%
Municipal Services	20%
Beautification projects	05%
Discretion of Tehsil Council	50%

Office of the Tehsil Municipal Officer, TMA Munda District Dir Lower, approved four developmental schemes of Rs 4,250,000 from 30% ADP for the financial years 2019-20 and 2020-21. The schemes were approved in violation of Planning and Development guidelines 2016 referred to above and without open tender system in print media. Audit further held that:

1. Three schemes of Rs 3,350,000 at serial No. 2-4 below was approved in violation of P& D guidelines as either irrelevant sector was mentioned or sector/priority area was not mentioned.
2. Award of two works of Rs 2,400,000 at serial No. 3 and 4 below was irregular as PEC certificate of the contractor was expired on 30th June 2020 while tender was opened on 22nd October 2020.

3. Award of work of Rs 2,000,000 at serial No.3 below was irregular without deposit of additional security of the amount equal to the financial difference beyond 10 % below amounting to Rs 714,000 in accordance with NIT condition No. 3 & 4 (2,000,000 (45.70 % below – 10% below =35.70% of Rs 2,000,000).
4. Call deposit of Rs 400,000 for the scheme at serial No. 3 below was required to be forfeited due to non-deposit of additional security which was not done.
5. A handsome and unjustified amount of Rs 2,000,000 was expended on repair of existing solar lights but old parts were neither accounted for in the estimate/bill nor auctioned or deducted from the bills of the contractor.
6. Excess payment of Rs 625,440 over and above the estimated quantity of 2000 VRLA GEL Batteries was made which was unjustified as 5000 quantity was purchased instead of 3000.

S. No	Name of scheme	Estimated cost (Rs)	Sector as per Administrative approval
01	Purchase/Installation of Dust Bin at Tehsil Munda (30% ADP 2020-21)	900,000	Municipal services
02	Improvement of Floor at Tehsil Masjid Munda (30% ADP 2020-21)	1,350,000	Not mentioned
03	Repair of Solar lights (30% ADP 2019-20)	2,000,000	Electricity
04	Protection Wall (30% ADP 2019-20)	400,000	Not mentioned
	Total	4,250,000	

Irregular approval and award occurred due to violation of rules which resulted in loss to the Government.

When pointed out in December 2021, management stated that detailed report would be furnished after scrutiny of record.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends fixing responsibility on the persons at fault.

AIR Para No. 14(2020-21)

3.5.1.5 Non-execution of developmental schemes -Rs 3.00 million

According to clause 3 (a) of contract agreement, call deposit may be forfeited in case a contractor fails to fulfill contractual obligations.

According to Clause 24 of the contract agreement, if the contractor refusing to carry out the work or leaving it incomplete, at any time or after the commencement of the work, the contractor shall pay compensation an amount equal to 10% of the estimated cost and the controlling officer, by in writing, rescind the contract and the security deposited by the contractor shall stand forfeited.

Office of the TMO Lalqila awarded contracts of various developmental schemes at an estimated cost of Rs 3,000,000 in June 2020 and was required to be completed on within 6 months. However, the contractors failed to start the works till the date of audit (October, 2021). Detail is given below:

S.no	Name of scheme	E/Cost (Rs)
1	PCC Road Galgot V/C Dokrai U/C Kotkay	1,500,000
2	pcc road khatkayvcmarkhanyucbishgram	500,000
3	DWSS at Muhammad Ghani korona vckassuc gall	500,000
4	PCC Road SataraBarjamVc Kass Uc Gall	500,000
	Total	3,000,000

Non-execution of work and blockage of Government fund was due to weak administrative control which resulted in loss to Government and deprived the public from the developmental activities.

When pointed out in November 2021, management stated that due to non availability of fund, the work was not started and work will be stared as fund will be released.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends initiation of action against the defaulting contractors and action against the person(s) at fault.

AIR Para No. 1(2020-21)

3.5.1.6 Unauthorized award of works of estimated cost of Rs 10.400 million without deposit of additional securities Rs 0.832 million and Non imposition of earnest monies – Rs 0.208 million

According to condition No. 9 of the NIT published in daily Mashriq dated 3.6.2020, opened on 16.06.2020, in case of quoting rate of more than 10 below on MRS/estimated cost additional security of 8% of the estimated cost will be deposited failing which 2% earnest money will be forfeited and the work will be retendered.

Office of the Tehsil Municipal Officer, TMA Khall Dir Lower awarded 16 developmental schemes of Malakand Area Development Programme with estimated cost of Rs 10,400,000 to contractors without deposit of additional securities of Rs 832,000 which was required as per NIT as the contractors quoted more than 10% below rates. Hence the award was unauthorized. The local office was required to forfeit their earnest money/CDRs of Rs 208,000 and put the works to retender besides other required actions against the contractors. Detail of work is given at the annexure-8

Unauthorized award occurred and earnest money was not forfeited in violation of rules which resulted in loss to the Government.

Audit recommends fixing responsibility on the persons at fault for irregular award of works without deposit of additional securities and non-forfeiture of 2% earnest money.

AIR Para No. 03 (2020-21)

3.5.1.7 Irregular award of works in violation of Planning & Development guidelines - Rs 8.140 million

According to clause 6.5.2 of the Planning & Development guidelines notified vide Government of Khyber Pakhtunkhwa Planning & Development

Department (Rural Development Section) Notification No. C/RD/P&DD/6-24/1850-1970 dated 19th October 2015 amended vide Notification No. C/RD/P&DD/6-24/1617-1891 dated 8th August 2016, priority area for Tehsil Government shall be as under:

DWSS	25%
Municipal Services	20%
Beautification projects	05%
Discretion of Tehsil Council	50%

According to Para 6.3 of guidelines *ibid*, the broad sector wise allocation shall be made by the respective councils based upon priorities and needs of respective localities. Such allocations shall not be in contravention of identified/communicated provincial sector policies/priorities.

According to Para 11 (11.1 & 11.2) of the Planning & Development guidelines notified vide Government of Khyber Pakhtunkhwa, Planning & Development Department, (Rural Development Section) Notification No.C/RD/P&DD/6-24/1850-1970 dated 19th October 2015 amended vide Notification No.C/RD/P&DD/6-24/1617-1891 dated 8th August 2016, Minutes of the approving Committees meetings shall be issued within three days by the District Planning & Development Department

Office of the Tehsil Municipal Officer, TMA Khall District Dir Lower, approved 44 developmental schemes of Rs 16,280,000 from 30% ADP for the financial years 2018-19 in TDC meeting held on 7th June 2019. The schemes were approved in violation of Planning and Development Guidelines 2016 up to the extent of 25% sector wise allocations of Rs 8,140,000 as per detail given below

S.No	Sector	%age	Required allocation (Rs)	Approved allocation (Rs)	Difference (Rs)
01	Beautification	5%	814,000	0	814,000
02	Municipal Services	20%	3,256,000	0	3,256,000
03	DWSS	25%	4,070,000	5,280,000	1,210,000
04	Discretion	50%	8,140,000	11,000,000	2,860,000
Total			16,280,000	16,280,000	8,140,000

Audit further held that:

1. Minutes of the minutes of Tehsil Developmental Committee were issued from the office of the TMO under the signature of Tehsil Nazim instead of issuance from the Planning & Development section of the office of Deputy Commissioner Dir Lower.
2. Difference of Rs 900,000 was noticed in the total amount of ADP as allocated budget for developmental schemes was Rs 15,380,000 while schemes of Rs 16,280,000 were actually approved as evident from the minutes of the meeting, administrative approval and progress report.

Approval of schemes occurred in violation of Planning & Development guidelines due to which two sectors were totally ignored and more allocations were made in other two sectors in controversy of instructions of the provincial Government.

Audit recommends regularization from the provincial Government besides fixing responsibility on the persons at fault.

AIR Para No. 06 (2020-21)

C Management of Accounts with Commercial Banks

3.5.1.8 Non conversion of current account in PLS bank accounts-Rs2.532 million

According to para 1 and 2 of Finance Department Khyber Pakhtunkhwa letter No.2/3-(F/L)FD/2207-08/Vol-IX dated 10-2-2014, Khyber Pakhtunkhwa Finance Department has from time to time allowed sanctioned bank accounts in the commercial bank for various departments/autonomous/semi-autonomous bodies/corporations in Khyber Pakhtunkhwa for particular and specific purposes. Such accounts may be converted to PLS mode and the profit earned be deposited in Government Treasury under relevant head of account immediately and not later than a week when declared by the concerned bank.

During audit of the accounts of the office of the Tehsil Municipal Officer TMA Balambat for the financial year 2020-21 it was noticed that the office operating a current designated bank account No.4057679768 with the National Bank of Pakistan and a closing balance of Rs. 2,532,676. Transactions in million were made during the financial year under audit. A handsome amount can be earned in shape of profit by converting the current account into PLS, resulted in loss to the government and the local department.

The maintenance of current designated bank accounts occurred due to violation of rules which resulted in understatement government receipts during the year.

Non conversion of current account into PLS mode occurred due to weak internal control, which resulted irregularity and loss to Government.

When pointed out in November 2021, management stated that TMA Balambat has open four No PLS account in Khyber Bank account and amount will be transferred very soon and record will be shown to the audit party. However, no progress was shown till the finalization of this report.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends immediate conversion of current accounts into PS mode under intimation to audit.

AIR Para No. 03 (2020-21)

3.5.1.9 Non conversion of Current account in PLS mode- Rs. 3.940 million

According to para 1 and 2 of Finance Department Khyber Pakhtunkhwa letter No.2/3-(F/L)FD/2207-08/Vol-IX dated 10-2-2014, Khyber Pakhtunkhwa Finance Department has from time to time allowed sanctioned bank accounts in the commercial bank for various departments/autonomous/semi-autonomous bodies/corporations in Khyber Pakhtunkhwa for particular and specific purposes. Such accounts may be converted to PLS mode and the profit earned be deposited

in Government Treasury under relevant head of account immediately and not later than a week when declared by the concerned bank.

During audit of the accounts record Office of the Tehsil Municipal Officer Adenzai for the financial year 2020-21 it was noticed that the current designated bank accounts were maintained by the local office with closing balances of Rs.3,940,476 instead of PLS account, which was clear violation of the government orders. Detail is as under:

S.No	Account title	Name of bank	Account NO	Balance (Rs)
1	TMO	NBP	4081940929	3,940,476

Non maintenance of PLS designated band accounts occurred due to violation of rules which resulted in understatement in provincial receipts during the year.

When pointed out in September 2020, management stated that the account will be converted into PLS account progress will be shown to audit. However, no progress was shown till the finalization of this report.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends immediate conversion of current accounts into PLS mode.

AIR Para No. 03 (2020-21)

3.5.2 Value for money and service delivery issues

3.5.2.1 Non collection of outstanding water charges –Rs 2.745 million

According to Para 26 of GFR Vol-I, it is the duty of departmental controlling officer to see that all sums due to government are regularly and promptly assessed, realized and duly credited in the public account.

Office of the Tehsil Municipal Officer, TMA Balambat did not recover water user charges amounting to Rs 2,745,725 during the Financial Year 2020-21 as per detail given below:

S.No	Particulars	Out standing Amount (Rs)
1	DWSS Kandaro	509,880
2	DWSS Khema	1,358,030
3	DWSS Stanadara	877,815
	Total	2,745,725

Audit observed non recovery of water charges due to weak internal control, which resulted in loss to the Government.

When pointed out in November 2021, management stated that TMA Balambat has recovered most of its outstanding dues during the last FY and trying its best to recover the remaining amount as soon as possible. However, no progress was shown till the finalization of this report.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit suggests recovery of water charges from the concerned and action against the person(s) at fault.

AIR Para No. 01 (2020-21)

3.5.2.2 Loss due to unauthorized release of forfeited call deposit in violation of Tehsil's Council decision – Rs 1.00 million

According to the decision taken by the Tehsil Council Munda District Dir Lower in its meeting held on 9th August 2017, call deposit of Rs 1,000,000 was forfeited due to failure of the highest bidder for Cattle Fair Munda for the financial year 2017-18 to deposit security and advance and decided to recover the subsequent loss from the movable and immovable property of the contractor as he used delaying tactics in depositing advance and execution of agreement.

According to condition No.13 of terms and conditions for 2017-18, circulated to all TMOs vide Khyber Pakhtunkhwa, Local Government & Rural Development Department (Local Council Board) letter No.AO-II/LCB/6-11/2017 dated 20.02.2017, the successful bidder shall within 7 days of his acceptance of bid shall executed an agreement and shall produce guarantee of two local notable residents having property equivalent to the contract amount. In case the contractor does not deposit advances or does not enter in to agreement with in the specified period the bid shall be cancelled while the earnest money shall be forfeited in favour of the concerned local council.

Office of the Tehsil Municipal Officer, TMA Munda District Dir Lower, auctioned the contract of Cattle Fair Munda for the financial year 2017-18 in 2nd auction on 29th May 2017 and highest & reasonable bid of Rs 13,120,000 offered by M/S Aftab-Ur-Rahman was accepted & approved by the Tehsil Council duly vetted by the provincial Government vide letter No. AO-II/LCB/920/2017 dated 6.7.2017. TMO issued notices to the contractor for deposit of advances and execution of agreement but he neither deposited advances nor executed agreement. The Tehsil Council in its meeting held on 9th August 2017 forfeited his call deposit of Rs 1,000,000 and decided to recover the resulting loss of contractor from the movable and immovable property of the contractor. The local office did not recover loss of Rs 2,620,000 (Rs 13,120,000 – 10,500,000) but contrarily released his forfeited call deposit of Rs 1,000,000 after four (04) years.

Deficit in realization of revenues as a result of departmental collection was not recovered and forfeited call deposit was releases in violation of rules which resulted in loss to the TMA.

When pointed out in December 2021, management stated that detailed report would be furnished after scrutiny of record.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends recovery of loss and released call deposit from the persons responsible for non-recovery of subsequent loss and release of forfeited call deposit.

AIR Para No. 01 (2020-21)

3.5.2.3 Non-recovery of loss from the movable and immovable property of the defaulting contractor – Rs 2.620 million

According to the decision taken by the Tehsil Council in its meeting held on 9th August 2017, call deposit of Rs 1,000,000 was forfeited due to failure of the highest bidder for cattle fair Munda for the financial year 2017-18 to deposit security and advance and decided to recover the subsequent loss from the movable and immovable property of the contractor as he used delaying tactics in depositing advance and execution of agreement.

According to condition No.13 of terms and conditions for 2017-18, circulated to all TMOs vide Khyber Pakhtunkhwa, Local Government & Rural Development Department (Local Council Board) letter No.AO-II/LCB/6-11/2017 dated 20.02.2017, the successful bidder shall within 7 days of his acceptance of bid shall executed an agreement and shall produce guarantee of two local notable residents having property equivalent to the contract amount. In case the contractor does not deposit advances or does not enter in to agreement with in the specified period the bid shall be cancelled while the earnest money shall be forfeited in favour of the concerned local council.

Office of the Tehsil Municipal Officer, TMA Munda District Dir Lower, auctioned the contract of Cattle Fair Munda for the financial year 2017-18 in 2nd auction on 29th May 2017 and highest & reasonable bid of Rs 13,120,000 offered by M/S Aftab-Ur-Rahman was accepted & approved by the Tehsil Council duly vetted by the provincial Government vide letter No. AO-II/LCB/920/2017 dated

6.7.2017. TMO issued notices to the contractor for deposit of advances and execution of agreement but he neither deposited advances nor executed agreement. The Tehsil Council in its meeting held on 9th August 2017 forfeited his call deposit of Rs 1,000,000 and decided to recover the resulting loss of contractor from the movable and immovable property of the contractor. Collection was shown made departmentally and income of Rs 10,500,000 was made due to which loss of Rs 2,620,000 (Rs 13,120,000 – 10,500,000) was occurred which was required to be recovered from the properties of the defaulting contractor which was not done.

Deficit in realization of revenues as a result of departmental collection was not recovered in violation of rules which resulted in loss to the TMA.

When pointed out in December 2021, management stated that in response to the first advertisement highest bid of M/S LalaZada for Rs 11,400,000 was received and rejected by the Tehsil Council. The contract was advertised again and highest bid of Rs 13,120,000 of M/S Aftab-Ur-Rahman was received but during the auction process M/S Lal Zada placed a notice for the stoppage of auction process. Management reply was incomplete and not convincing as highest bid of Rs 13,120,000 was duly accepted & approved by the Tehsil Council and vetted by the provincial Government. The successful bidder deposited security but did not deposit advances and not entered into agreement with the TMA. The bidder failed to fulfill contractual obligations due to which huge loss sustained by the TMA which was required to be recovered from his movable and immovable properties in the light of terms and conditions of the contracts framed by the by the provincial Government referred to above.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends recovery of subsequent loss from the properties of the contractor or persons responsible for non-pursuing the recovery despite lapses of more than three years.

AIR Para No. 02 (2020-21)

3.5.2.4 Non recovery of long outstanding revenues from the contractors of bus stand and cattle fair – Rs 7.447 million

According to serial No. 6 of the policy guidelines issued by Local Council Board, Khyber Pakhtunkhwa vide letter No.AO-II/LCB/6-11/2019 dated 10.03.2020, first installment shall be paid on last date of the month to which it relates. In case of late deposit 2% penalty per day shall be imposed on contractor/Firm for late deposit of the monthly installment. If the contractor fails to clear dues by 10th of each month to which monthly installment relates, the contract may be cancelled and his security and advances deposited by the contractor shall be forfeited.

Office of the Tehsil Municipal Officer, TMA Munda District Dir Lower, did not recover outstanding contractual amount of revenue amounting to Rs.7,447,170 from the contractors of Bus Stand and Cattle Fair for the financial years 2016-17, 2017-18 and 2020-21 as per detail given below:

S.No	Name of contractor	Financial year	Name of contractor	Amount (Rs)
01	Bus stand Munda	2016-17	M/S Shah Zeb	3,123,810
02	Bus stand Munda	2017-18	M/S Shah Salim	2,764,000
03	Cattle Fair Munda	2017-18	M/S Lal Zada	850,000
04	Bus stand Munda	2020-21	M/S Rahmatullah	456,560
05	Cattle Fair Munda	2020-21	M/S Aftab-Ur- Rahman	252,800
Total				7,447,170

Non recovery of installments occurred due to violation of agreement deed which resulted in loss to TMA.

When pointed out in December 2021, management stated that detailed report would be furnished after scrutiny of record.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

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

AIR Para No. 04 (2020-21)

3.5.2.5 Non recovery of 2% penalty for late deposit of monthly installments - Rs 2.009 million

According to serial No. 6 of the policy guidelines issued by Local Council Board KP vide letter No.AO-II/LCB/6-11/2019 dated 10.03.2020, first installment shall be paid on last date of the month to which it relates. In case of late deposit 2% penalty per day shall be imposed on contractor/Firm for late deposit of the monthly installment. If the contractor fails to clear dues by 10th of each month to which monthly installment relates, the contract may be cancelled and his security and advances deposited by the contractor shall be forfeited.

Office of the Tehsil Municipal Officer, TMA Munda District Dir Lower, did not recover penalty for Rs 2,009,046 @ 2% penalty per day from the contractors of Bus Stand and Cattle Fair on account of late deposit of monthly installments during financial year 2020-21. Abstract is as under and detail at annexure.

S.No	Name of contract	Principal amount (Rs)	Penalty (Rs)
01	Bus Stand Munda	7,901,000	1,580,000
02	Cattle Fair Munda	4,816,000	429,046
Total		12,717,000	2,009,046

Non recovery of penalty occurred due to violation of rules which resulted in loss to TMA.

When pointed out in December 2021, management stated that this office issued notices to the contractors for deposit of monthly installments. Management reply was not complete and relevant. As per terms and conditions referred to above, penalty for late deposit of monthly installments was required to be imposed and recovered.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

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

AIR Para No. 05 (2020-21)

3.5.2.6 Non collection of outstanding water charges –Rs 3.771 million

According to Para 26 of GFR Vol-I, it is the duty of departmental controlling officer to see that all sums due to government are regularly and promptly assessed, realized and duly credited in the public account.

Office of the Tehsil Municipal Officer, TMA Timergara did not recover water user charges amounting to Rs 3,771,820 during the Financial Year 2020-21.

Audit observed non recovery of water charges due to weak internal control, which resulted in loss to the Government.

When pointed out in October 2021, efforts will be made to recover the outstanding amount from the defaulters consumers and progress will be shown to audit. No progress was intimated till finalization of this report.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit suggests recovery of water charges from the concerned.

AIR Para No. 01 (2020-21)

3.5.2.7 Non recovery from the contractor of General Bus Stand – Rs11.324 million

According to Para 26 of GFR Vol-I, it is the duty of departmental controlling officer to see that all sums due to Government are regularly and promptly assessed, realized and duly credited in the public account.

Office of the Tehsil Municipal Officer, TMA Timergara did not recover amounting to Rs 11,324,000 on account of contract of GBS for financial year 2020-21. The contractors deposited Rs 124,676,000 and the remaining amount of Rs 11,324,000 was outstanding so far. Detail is as under:

S.No	Particular	Bid Cost (Rs)	Recovery made (Rs)	Outstanding (Rs)
02	GBS	136,000,000	124,676,000	11,324,000
	Total	136,000,000	124,676,000	11,324,000

Audit observed that less recovery occurred due to violation of agreement which resulted in loss to the entity.

When pointed out in October 2021, the concerned has got/ obtained stay order from the court of civil Judge Timergara. Necessary steps will be taken as and when the case is decided. No progress was intimated till finalization of this report.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends recovery of outstanding amount from the contractor and deposit in the account of TMA under intimation to audit.

AIR Para No. 02(2020-21)

3.5.3 Others, including cases of accidents, negligence etc.

3.5.3.1 Irregular expenditure without Technical Sanction –Rs 8.122 million

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

Office of the Tehsil Municipal Officer, TMA Balambat incurred an expenditure of Rs 8,122,866 on various developmental schemes during 2020-21 without obtaining technical sanction from the competent authority as detail as per Annexure-9.

The irregularity occurred due to weak internal control, which resulted in violation of government rules.

When pointed out in November 2021, management stated that the scheme is in running condition and Technical Sanction will be obtained from the competent authority as soon as possible and record will be shown to audit.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends obtaining Technical Sanction from the competent forum and action against the person(s) authorizing execution /payment without technical sanction.

AIR Para No. 02 (2020-21)

3.5.3.2 Unauthorized remission in contractual amount of revenue – Rs 2.740 million

According to condition No.23 of terms and conditions for 2017-18, circulated to all TMOs vide Khyber Pakhtunkhwa, Local Government & Rural Development Department (Local Council Board) letter No.AO-II/LCB/6-11/2017 dated 20.02.2017, no clause for remission shall be provided in the agreement or in the auction notices. Remission could however, be considered in case of wide

spread civil disturbance provided it disrupts the normal trade in big way. Small local strikes will not be taken into consideration for remission. No remission on account of rain shall be allowed in any way.

Office of the Tehsil Municipal Officer, TMA Munda auctioned the contracts of Bus Stand Munda for the financial years 2016-17 and 2017-18 and awarded to the highest bidders M/S Shah Zeb and M/S Shah Salim respectively. An amount of Rs 8,627,810 was outstanding against the contractors. The Tehsil Council granted remission of Rs 2,740,000 in its meeting held on 13th April 2017 and 11th January 2018 with the condition that the contractors will deposit the remaining outstanding amount of Rs 5,887,810 which was still outstanding against them while unauthorized remission of Rs 2,740,000 was granted. Audit held that under the relevant terms & conditions, the remission was unauthorized due to which loss sustained by the Council/TMA. Detail of remission is as under:

S.No	Name of contract	Financial Year	Total amount outstanding (Rs)	Remission granted (Rs)	Net amount outstanding (Rs)	Name of contractor
01	Bus Stand Munda	2016-17	4,863,810	1,740,000	3,123,810	M/S Shah Zeb
02	Bus Stand Munda	2017-18	3,764,000	1,000,000	2,764,000	M/S Shah Salim
Total			8,627,810	2,740,000	5,887,810	

Remission granted and non-recovery occurred due to violation of rules which resulted in loss to the TMA.

When pointed out in December 2021, management stated that detailed report would be furnished after scrutiny of record.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends fixing responsibility for granting unauthorized remission and recovery and deposit in the account of the TMA. Remissions other than this may also be recovered from the concerned or persons responsible under intimation to audit.

AIR Para No. 06 (2020-21)

3.5.3.3 Unauthorized non developmental expenditure from developmental funds – Rs 3.396 million

According to release orders of 30% Tehsil Annual Development shares, the amount shall be utilized only for the execution of developmental schemes in accordance with the guidelines issued by the planning & Development Department and observance of all codal formalities as required under the Rules.

Office of the Tehsil Municipal Officer, TMA Munda District Dir Lower, incurred non developmental expenditure of Rs 3,396,173 from the developmental funds of 30% ADP for the financial year 2020-21 without any justification. Detail is as under:

S.No	Receipts from provincial Government	Amount (Rs)	Nature of Payments	Amount (Rs)
01	Octroi	2,784,000	Salaries	1,473,120
02	Grant from provincial Government	2,000,000	Pension	3,859,516
03	30% ADP for 2020-21	14,768,000	Audit fee	1,551,153
			2% LCB share	1,096,384
			Capacity building	200,000
Total		19,552,000	Total	8,180,173
Less: receipts of Octroi and operational grant				4,784,000
Net non-developmental expenditure from 30% ADP funds				3,396,173

Unauthorized expenditure occurred in violation of PFC allocation which resulted in misclassification and decrease in developmental expenditure.

When pointed out in December 2021, management stated that provincial Government issued notification for financially weak TMAs for expenditure on salary, POL and other utility bills. Management reply was not convincing as neither the TMA was financially weak to meet its salary and non-salary expenditure within its own resources, Octroi share and grant from provincial Government nor the provincial Government issued such notification for incurring expenditure on non-developmental activities from the tied grant of Developmental funds. As per release order of 30% Developmental share it was clearly mentioned that the funds will only be utilized on developmental schemes.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends fixing responsibility besides regularization from the competent authority.

AIR Para No.17 (2020-21)

3.5.3.4 Excess expenditure over and above budgetary allocations – Rs10.740 million

According to Rule 35 of TMA budget rules, (1) before the commencement of the next financial year, each Nazim shall, present the budget for consideration and approval of the respective local council and (9) at any time before the expiry of the financial year to which budget relates, a revised budget for the year may, if necessary, be prepared and sanctioned and such revised budget shall, so far as may be, be subject to the provisions of this section. According to Para 106 of GFR, incurrence of excess expenditure over allotment is prohibited.

Office of the Tehsil Municipal Officer, TMA Munda District Dir Lower, incurred expenditure of Rs 23,920,534 on thirteen heads of non-salary heads against the budget provision of Rs 13,180,000 during financial year 2020-21 due to which excess expenditure of Rs 10,740,534 was incurred as per detail given at the annexure-10

Excess expenditure occurred due to violation of rules which resulted in loss to the TMA.

When pointed out in December 2021, management stated that due to previous liability of charged expenditure this office cleared all the charged expenditure. All the excess expenditure were regularized in revised budget. Management reply was not convincing as payments without authenticated & approved budget the expenditure/payments was unauthorized and a number of payments other than charged expenditure were made as evident from the annexure. Moreover, regularization/coverage of incurred excess expenditure on one year during next financial year has no meaning as per budget rules.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends fixing responsibility on the persons at fault under intimation to audit.

AIR Para No. 18 (2020-21)

3.5.3.5 Unauthorized expenditure without Technical Sanction – Rs.13.135 million

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

Office of the TMO Samarbagh incurred expenditure of Rs 13,135,457 on account of developmental Schemes during 2020-21 without obtaining technical sanction of the competent authority. Detail is given at annexure-11

The irregularity occurred due to weak financial controls which resulted in risk of substandard quality of work and economy of payment.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

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

AIR Para No. 01 (2020-21)

3.5.3.6 Irregular expenditure without Technical Sanction – Rs 20.505 million

According to Para 32 of CPWD Code, no work shall be executed without Administrative Approval/Technical Sanction and Budget allotment. Further, according to Para 56 of CPWD Code, if subsequent to the grant of technical sanction, material structural alterations are contemplated, orders of the original

sanctioning authority should be obtained, even though no additional expenditure may be involved by the alterations.

Office of the Tehsil Municipal Officer Adenzai Dir Lower incurred an expenditure of Rs 20,505,000 against various developmental schemes during 2020-21. On scrutiny of record, it was observed that Technical Sanction was not obtained from the competent authority before commencement of work. Thus, the expenditure made was held irregular. Detail is given at annexure-12

Audit observed that the irregular expenditure occurred due to weak financial control, which resulted in violation of Government Rules.

When pointed out in September 2021, management stated that Technical Sanction will be obtained from the competent authority and will be shown to audit.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit suggests obtaining technical sanctions from the competent forum and action against the person(s) at fault authorizing execution/payment without technical sanction.

AIR Para No. 01 (2020-21)

3.5.3.7 Non transfer of Pension Contributions - Rs 2.300 million

According to Rule 5 of the Khyber Pakhtunkhwa Local Councils Servants (Pension), Rules 1980, for every Local Council, to which these rules have been extended, there shall be maintained a Pension Fund, to the credit where of shall be placed: -

- (a) the amounts contributed by the local council and
- (b) Such contribution per month for every servant of the Local Council as would have been payable by the local council.

Office of the Tehsil Municipal Officer, TMA Adenzai did not transfer Rs 2,300,000 on account of pension contributions to Pension Account during financial year 2019-20.

When pointed out in September 2020, management stated that pension contribution prior to 2020-21 has been transferred to the concerned. Moreover, due to weak financial position/ budget of the TMA Adenzai the same could not transfer. The same would be transferred shortly as and when the budgets become sound. However, no progress was shown till the finalization of this report.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends transferring pension contributions to pension account of the TMA.

AIR Para No. 02 (2020-21)

3.5.3.8 Unjustified payment on account of developmental work– Rs.3.302 million

According to Deputy Commissioner letter No.544-52/Develop/Physical Verification/P&D/Dir L dated 10.07.2020, the execution Agency shall submit final bill of the scheme(s) to Additional deputy Commissioner Finance and Planning dir lower, for further necessary action and release the final bill to the contractor after physical verification report of the F&P wing of this office.

Office of the TMO Adenzai paid Rs 3,302,927 on account of developmental scheme in the Schemes “DWSS Asbanr” without obtaining Physical verification report/ completion certificate of the Finance and Planning department. Thus, audit holds that the payment made to the contractors was irregular and needs justification.

Audit observed that wasteful expenditure occurred due to weak internal control, which resulted in loss to government.

When pointed out in September 2020, management stated that physical verification of the scheme is under process with ADC Finance and planning being competent/ authorized officer. The same will be communicated to audit as and when received from the authority concerned.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit suggests for corrective action.

AIR Para No. 08 (2020-21)

3.5.3.9 Irregular expenditure without Technical Sanction –Rs 17.421 million

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

Office of the Tehsil Municipal Officer, TMA Lalqila incurred an expenditure of Rs 17,421,177 on various developmental schemes during 2020-21 without obtaining technical sanction from the competent authority as detail as per Annexure-13.

The irregularity occurred due to weak internal control, which resulted in violation of government rules.

When pointed out in November 2021, management stated that technical sanction would be obtained from the competent authority and will be shown to audit. However, no progress was shown till the finalization of this report.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends obtaining Technical Sanction from the competent forum and action against the person(s) authorizing execution /payment without technical sanction.

AIR Para No. 3(2020-21)

3.5.3.10 Irregular payment without Agreements - Rs 6.409 million

According to para 2.58 (4th) of B&R Code, a set of “condition of contract” to be complied with by the person whose tender may be accepted. Moreover, according to para 2.60 of B&R Code, in works of great magnitude the contract deed should be specially prepared by the Government Law Officers, but for ordinary contracts, usual stereotyped forms will generally suffice.

Office of the TMO Lalqilla Dir Lower paid Rs 6,409,700 to different Government Contractors during the financial year 2020-21. The amount paid was held irregular as no Contract Agreements were executed with the contractors. as detail as per Annexure-14.

Audit observed that irregular expenditure without agreements occurred due to weak internal controls, which resulted in violation of rules.

When pointed out in November 2021, management stated that sign will be obtained from the contractor and will be shown to audit.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

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

AIR Para No. 6(2020-21)

3.5.3.11 Unauthentic payment on account of land acquisition- Rs 2.3 million

According to Para 290 of CTR, 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.

According to Rule 283 (I) of the CTR Vol- I, acquaintance roll on Form TR 28 be maintained in support of payments.

Office of the TMO Timergara paid Rs 2,300,000 to Deputy Commissioner Dir lower on account of land compensation (Purchase for Grave Yard in Ouch) for onward disbursement to the land owners, however actual payee receipts/acquaintance rolls of the land owners were not available to verify the payment.

When pointed out in October 2021, APR duly signed by the competent authority would be shown to audit. No progress was intimated till finalization of this report.

The irregularity was reported to the Principal Accounting Officer for convening DAC meeting in the month of December, 2021. However, DAC meeting could not be convened till finalization of this report.

Audit recommends proper acknowledgement of the paid amount duly verified by the competent authority be submitted to audit.

AIR Para No. 03 (2020-21)

CHAPTER-4

AD LGE &RDD

4.1 Introduction

Assistant Director Local Government, Election and Rural Development Department in District Dir Lower has 198 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 Dir Lower.

According to section 29 of the Khyber Pakhtunkhwa Local Government Act 2013 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 neighbourhood councils
- iii. Matters related to local taxes, grants, budget of village and neighbourhood 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 neighbourhood councils
- vii. Review, evaluation and assessment of local government system, processes and procedures in the district particularly at the village and neighbourhood 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 includes:

- i. Monitoring and supervision of the performance of functionaries of all government offices located in the area of the respective village council or neighbourhood council, including education, health, public health

- engineering, agriculture, livestock, police and revenue, and hold them accountable by making inquiries and reports to the Tehsil municipal administration, district government or, as the case may be, the Government for consideration and action;
- 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 centres.
 - 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.

Audit Profile of LGE&RDD Dir Lower

(Rs. in million)

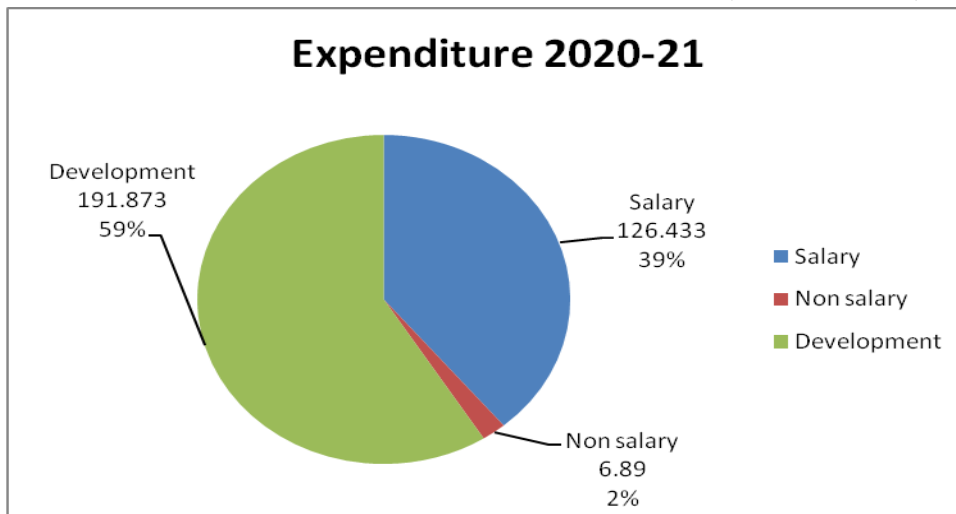
Sr No	Description	Total Nos	Audited	Expenditure audited FY 2020-21	Revenue /Receipts audited FY 2020-21
1	Formations	01	01	325.196	Nil

4.2 Comments on Budget and Accounts (Variance Analysis)

(Rs. in million)

AD LGE&RDD				
2020-21	Budget	Actual Expenditure/ Receipts	Excess/(Saving)	%age
Salary	129.923	126.433	(3.49)	3%
Non salary	7.121	6.89	(0.231)	3%
Development	332.73	191.873	(140.857)	42%
Total	469.774	325.196	(144.578)	31%

(Rs. in million)



4.3 Classified Summary of Audit Observations

Audit observations amounting to Rs.396.785 million were raised in this audit report. This amount also includes recoverable of Rs.7.894 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs.)
1	Irregularities	
B	Procurement related irregularities	
C	Management of Accounts with Commercial Banks	318.018
2	Value for money and service delivery issues	5.355
3	Others, including cases of accidents, negligence etc.	73.412
Total		396.785

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

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

Sr. No.	Audit Year	VAC/NAC meeting
1.	2002-03	N/A
2.	2003-04	N/A
3.	2004-05	N/A
4.	2005-06	N/A
5.	2006-07	N/A
6.	2007-08	N/A
7.	2008-09	N/A
8.	2009-10	N/A
9	2010-11	N/A
10	2011-12	N/A
11	2012-13	N/A
12	2013-14	Not Convened
13	2016-17	Not Convened
14	2017-18	Not Convened
15	2018-19	Not Convened
16	2019-20	Not Convened
17	2020-21	Not Convened

4.5 AUDIT PARAS

4.5.1 Irregularities

A. Management of Accounts with Commercial Banks

4.5.1.1 Unauthorized Placement of funds in current bank account Rs.93.026 million

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

Office of the Assistant Director LG & RDD Dir Lower retained Rs 93,026,292 on account of District ADP in designated Bank Account No.4137278370 Current Account NBP during 2020-21. Further the account was not converted into PLS mode as per direction of the Finance Department in violation of Government instructions.

S#	Particulars of Fund Received	Deposited in Bank Account No.	Amount (Rs)
1	Unknown Fund	NBP Timergara A/C No.4039776375 Current Account	2,539,152
2	Developmental Fund for Uplift of Rural Roads	NBP Timergara A/C No.4039775143 Current Account	90,487,140
Total			93,026,292

Irregularity occurred due to violation of Government orders which resulted in loss to Government.

When pointed out in October 2021, management stated that the issue already take up with NBP for conversion of current account into PLS and progress will be shown to audit. No progress was intimated till finalization of this report.

Request for convening the DAC meeting was made in December, 2021, which could not be convened till finalization of this report.

Audit recommends immediate conversion of current account into Profit & Loss Sharing account.

AIR Para No. 01 (2020-21)

4.5.1.2 Unauthorized transfer of Government fund to commercial bank Rs 224.992 million

According to Government of Khyber Pakhtunkhwa Finance Department letter No.2/3(F/L)FD/2007-08/Vol-IX dated 10th February 2014 that no funds shall be placed in any commercial bank from the PLAs or Assignment Accounts without prior approval of the Finance Department as contained in Para-6 & 7 of GFR Volume-I. Furthermore, profit earned on Government fund shall be deposited into Government Treasury under relevant head of account immediately and not later than a week declared by the commercial bank.

Office of the Assistant Director LG & RDD Dir Lower transferred developmental fund amounting to Rs 224,992,000 to commercial Bank during 2020-21 in lump sum from Government treasury which was unauthorized and was kept in the designated bank account.

Audit held that the Government funds were illegally retained in the designated bank account.

When pointed out in October 2021, management stated that due to non availability of assignment / PLA accounts not exist for the office. Reply is not convincing transfer of fund in lump sum is violation of rules.

Request for convening the DAC meeting was made in December, 2021, which could not be convened till finalization of this report.

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

AIR Para No. 05(2020-21)

4.5.2 Value for money and service delivery issues

4.5.2.1 Non deposit of profit earned on Government funds into Government treasury Rs 1.851 million

According to Para 1 and 2 of Finance Department Khyber Pakhtunkhwa letter No. 2/3-(F/L)/FD/2007-08/Vol-IX dated 10th February 2014, Khyber Pakhtunkhwa Finance Department has from time to time allowed sanctioned Bank accounts in the commercial bank for various Departments/Autonomous/Semi- Autonomous Bodies/Corporations in Khyber Pakhtunkhwa for particular and specific purposes. Such accounts may be converted to PLS mode and the profit earned be deposited in Government Treasury under relevant head of account immediately and not later than a week when declared by the concerned bank.

Office of the Assistant Director LG & RDD Dir Lower earned profit of Rs 1,851,810 during financial year 2020-21. The amount of profit earned was retained in designated bank account and was not deposited into Government treasury.

Non deposit of profit occurred due to weak financial control which resulted in understatement in Government receipts during the year.

When pointed out in October 2021, management stated that the profit amount will be deposited into Government treasury and challan will be shown to audit.

Request for convening the DAC meeting was made in December, 2021, which could not be convened till finalization of this report.

Audit recommends immediate deposit of profit into Government treasury under intimation to audit along with documentary proofs.

AIR Para No.02(2020-21)

4.5.2.2 Non deposit of deducted stamp duty – Rs 1.572 million

In terms of Assistant Secretary (Stamps), Board of Revenue Khyber Pakhtunkhwa letter No.15796-889/stamps-240 Peshawar dated 29.06.2002, Schedule-1, Section 3 (Stamp Duty), Article No.5, stamp duty at the following rates should be deducted on execution of works.

S.No	Limit of estimated cost	Stamp duty (Rs)
01	Upto Rs 50,000	650
02	From Rs 50,001 to Rs.500,000	1,250
03	From Rs 500,001 to Rs.1,000,000	1,850
04	From Rs 1,000,001 to Rs.5,000,000	6,250
05	Above Rs 5,000,000	18,750

Office of the Assistant Director LG&RDD Dir Lower deducted Rs 1,572,122 on account of stamp duty from the contractor during financial year 2020-21 but not deposited into Government treasury due to which Government sustained loss.

Audit observed that non deposit of stamp duty occurred due to violation of rules which resulted in loss to the Government.

When pointed out in October 2021, management stated that the amount will be deposited into Government treasury and challan will be shown to audit.

Request for convening the DAC meeting was made in December, 2021, which could not be convened till finalization of this report.

Audit recommends depositing the deducted stamp duty into Government treasury under intimation to audit.

AIR Para No. 03(2020-21)

4.5.2.3 Non deduction of Professional tax – Rs 1.932 million

According to Appendix-II Section III of Finance Account-IV of 2004 reproduced in the estimates of receipts for 2008-09 Vol-II Government of Khyber Pakhtunkhwa, Finance Department, Professional Tax from suppliers/contractors & firms should be deducted from their work at the following rates:

Value	Professional tax (Rs)
a) When exceeding Rs.10,000/- but not exceeding Rs.0.500 million	Rs 5,000
b) When exceeding Rs.0.500 million but not exceeding Rs.1.000 million.	Rs.10,000
c) When exceeding Rs.1.500 million but not exceeding Rs.2.500 million.	Rs.15,000
d) When exceeding Rs.2.500 million but not exceeding Rs.10.000 million.	Rs.30,000
e) When exceeding Rs.10.000 million but not exceeding Rs.25.000 million.	Rs.45,000
f) When exceeding Rs.25.000 million but not exceeding Rs.50.000 million.	Rs.60,000
g) When exceeding Rs.50.000 million and above.	Rs.100,000

Office of the Assistant Director LG&RDD Dir lower did not deduct Rs 1,932,800 on account of professional tax from the contractor bills during 2020-21 which resulted in loss to government.

Audit observed that non deduction of Professional tax was occurred due to weak financial control, which resulted in loss to Government.

When pointed out in October 2021, management stated that the amount will be deposited into Government treasury and challan will be shown to audit.

Request for convening the DAC meeting was made in December, 2021, which could not be convened till finalization of this report.

Audit suggests recovered the mount from the concerned contractors and depositing into government treasury.

AIR Para No. 07(2020-21)

4.5.3 Others, including cases of accidents, negligence etc.

4.5.3.1 Irregular expenditure without Technical Sanction –Rs 43.254 million

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

Office of the Assistant Director LG&RDD Dir Lower incurred an expenditure of Rs 43,254,819 on various developmental schemes during 2020-21 without obtaining technical sanction from the competent authority as detail as per Annexure-14.

The irregularity occurred due to weak internal control, which resulted in violation of government rules.

When pointed out in October 2021, management stated that the Technical Sanction will be obtained from the competent authority and will be shown to audit.

Request for convening the DAC meeting was made in December, 2021, which could not be convened till finalization of this report.

Audit recommends obtaining Technical Sanction from the competent forum and action against the person(s) authorizing execution /payment without technical sanction.

AIR Para No. 4(2020-21)

4.5.3.2 Blockage of Government money amounting to Rs 2.539 million

Para-12 of GFR Vol-I provides that a controlling officer must see that the funds allotted to spending units are expended in the public interest and upon the objects for which the money was provided.

Office of the Assistant Director Local Government Dir Lower retained amounting to Rs 2,539,152 since long unspent and unutilized which resulted into blockage of government money.

Audit observed that blockage of Government money was occurred due to weak financial control.

When pointed out in October 2021, management stated that the amount will be deposited into Government treasury and challan will be shown to audit.

Request for convening the DAC meeting was made in December, 2021, which could not be convened till finalization of this report.

Audit recommends justification.

AIR Para No. 10(2020-21)

4.5.3.3 Unjustified payment on account of developmental work– Rs.5.301 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 Assistant Director Local Government Dir Lower awarded developmental work Const Construction/Improvement of Road Leads to Peto Near Dist Jail Timergara to contractor and paid Rs 5,301,45 on account of item of work Asphalt wiring course without work done on bitumen prime coat during 2020-21. Audit was of the view that payment made on Asphalt wiring cause without Bitumen Prime coat is unjustified and irregular.

Audit observed that wasteful expenditure occurred due to weak internal control, which resulted in loss to government.

When pointed out in October 2021, management stated that the item has already been executed on site and all the detail will be provided in TS and final bill after completion of project.

Request for convening the DAC meeting was made in December, 2021, which could not be convened till finalization of this report.

Audit suggests for corrective action.

AIR Para No. 12(2020-21)

4.5.3.4 Unauthorized payment without approval of the competent authority –Rs 3.82 million

According to para 2 and 3 of the administrative approval expenditure should strictly be made on the items / activities / works mentioned in the approved PC-I/BOQ and would not exceed the allocation for any particular activities/ items and para 7 of AA requires that change in scope/ location of work should not be made without prior approval of the competent authority.

Office of the AD LGE&RDD Dir Lower paid Rs 3,821,520 to the contractor on account of item of work Dense Graded Hot Bitmac (Mobile Asphalt Mixer) 2" Thick @ 16488.86 in 2nd running bill in the scheme “Construction/Improvement of Main Colony Road Balambat UC Urban Timergara” which was not approve in the PC-I. Scrutiny of record revealed that the local office paid in 1st running bill Asphaltic Base Course (Asphalt Batch Plant Hot Mixed) @ 810 on basis of fake measurement. Thus, expenditure was held unjustified. Detail is given below:

1st Running bill

S.No	Item of work	Paid Qty	Rate	Amount (Rs)
1	Asphaltic Base Course (Asphalt Batch Plant Hot Mixed)	1728.62	810	1,400,182
2	Bituminous Tack Coat	1728.62	189.12	326,917
	Total			1,727,099

2nd Running Bill

S. No	Item of work	Paid Qty	as per PC-I	diff	Rate	Amount (Rs)
1	Dense Graded Hot Bitmac (Mobile Asphalt Mixer) 2" Thick	231.82	-	231.82	16,484.86	3,821,520

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

When pointed out in October 2021, management stated that the items were changed as per site requirement and will be covered in final approved technical sanction which will be shown to audit and progress will be shown to audit.

Request for convening the DAC meeting was made in December, 2021, which could not be convened till finalization of this report.

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

AIR Para No. 13(2020-21)

4.5.3.5 Irregular payment due to non conducting lab tests - Rs 11.898 million

As per condition No-5 of the Finance Department letter No RO(Tech) F.D 2-3/2004 dated 02.08.2004, the material of base and sub base course shall be carried from government approved and nearest quarry and shortest route shall be used/ adopted for carriage.

Office of the Assistant Director LG&RDD Dir Lower incurred an expenditure of Rs 11,898,515 on developmental works but the department did not conduct required lab tests Violation of rules resulted in irregular.

S.No	Work Name	Estimated Cost (M)	Total (Rs)
01	Construction/Improvement of Main Colony Road Balambat UC Urban Timergara	10.54	5,596,365
02	Construction of Rcc road from Main Bazar Taimur plaza to bypass Temergara.	8.36	2,302,150
03	Construction of PCC road at Tora Tiga Timergara.	12.73	4,000,000
Total			11,898,515

Audit observed that irregular expenditure was occurred due to weak internal controls, which resulted in violation of rules.

When pointed out in October 2021, management stated that the require lab test will be provided to audit. Latter has already been issued to contractors and concern laboratory for conduction of relevant lab test.

Request for convening the DAC meeting was made in December, 2021, which could not be convened till finalization of this report.

Audit suggests investigation besides recovery from the person(s) at fault under intimation to audit.

AIR Para No. 14 (2020-21)

4.5.3.6 Irregular advance payment on account of Developmental schemes –Rs 1.00 million

According to Para 228 of CPWA Code advance to contractors are as a rule prohibited, and no payments are made except for work actually done.

Office of the Assistant Director Local Government Dir Lower paid Rs 1,000,000 vide cheque No 96103061 dated 21.4.21 to Civil Engineering Department Peshawar consultancy Peshawar on account of Design of Beautification shame in advance during 2020-21.

When pointed out in October 2021, management stated that the payment was mde to university of engineering & Technilogy Peshawar in beautification scheme. The design was already provided by UET but some changes occurred after discussion in DDC. The UET has provided drawing and design after changes occurred and will be shown to audit.

Request for convening the DAC meeting was made in December, 2021, which could not be convened till finalization of this report.

Audit recommends justification.

AIR Para No. 15(2020-21)

4.5.3.7 Unauthorized execution of work due to deviation from approved PC-I – Rs 5.600 million

According to work order issued to the contractor vide No.2017/Uplift Rural Roads (RDD)/2015-16 dated 18/04/2016 condition No.2 that the work should be completed according to its specification of quality and quantity approved in PC-I/Cost Estimate.

Office of the Assistant Director LG & RDD Dir Lower paid Rs 5,600,137 in excess to the contractor on account of work “Construction/Improvement of Road Leads to Peto Near Dist Jail Timergara”. Due excess execution of quantity over and above the BOQ during 2020-21. Detail is given below:

S. No	Work Name	Paid Qty	as per PC-I	diff	Rate	Excess
1	Excavation in shingle or gravel formation & rock not requiring blast, undressed, 50m lead: Dry	4500	50.63	4,449	222	988,961
2	Random rubble masonry in foundn & plinth in cement, sand mortar	637.52	16.88	621	7,133	4,427,267
3	PCC 1:4:8	33.63	3	31	6,004	183,908
Total						5,600,137

Audi observed that unauthorized execution of work and overpayment was occurred due to weak internal control which resulted in loss to government.

When pointed out in October 2021, management stated that the items were changed as per site requirement and will be covered in final approved technical sanction which will be shown to audit and progress will be shown to audit.

Request for convening the DAC meeting was made in December, 2021, which could not be convened till finalization of this report.

Audit suggests investigation and action against the persons at fault under intimation to audit.

AIR Para No. 11(2020-21)

ANNEXURES

Annexures-1

Detail of MFDAC Paras

Rs in million

S. No	Caption of Para	Amount
DC		
1	Illegal occupation of government residential buildings for private schools without rent	0
2	Irregular payment on account of ARA 2019	0.018
3	Non recovery of HRA on account of Government accommodation	0.008
4	Non-conversion of current account to PLS mode	0
Health		
5	Non deduction of Income tax	0.795
6	Non-conversion of current account to PLS mode	0
7	Non deposit of Government receipts	0.431
8	Overpayment of HPA to Doctors posted in urban area	0.36
9	Unauthorized payment of doctor share	0.155
10	Unauthentic payment of HPA & Conveyance allowances during the period of Study Leave	0.525
11	Unauthentic payment of HPA during the period of Promotional training	0.216
12	Overpayment of Rural Compensatory Allowance in Urban Areas- Rs	0.056
13	Fake issue of medicines	0.441
DO (M)		
14	Difference in closing balance of bank accounts and cash book of Red Crescent	0.094
15	Non reconciliation of Rs 490,528/- on account Scout & Red Crescent	0.49
16	Irregular retention of PTC funds in designated bank account	0.055
DO (F)		
	Excess payment on account of Conditional Grant amounting to	2.58
17	Irregular /unauthentic expenditure on account of play areas	0.36
18	Non deposit of outstanding girls guide fund	0
TMA's		
19	Non deduction of Government taxes	0.125
20	Non deposit of Professional tax	0.227
21	Non deposit of deducted stamp duty and DPR funds	0.186

22	Non recovery of principal amount of contracts	0.585
23	Non recovery of principal amount of contracts	0.066
24	Non deposit of stamp duty	0.425
25	Non deposit of DPR	0.38
26	Non deposit of Professional tax	0.847
27	Irregular award of work due to less recovery of additional security amounting to	3.062
28	Overpayment due to allowing higher rate	0.303
29	Irregular award of contracts for	5.828
30	Unauthorized expenditure without pre-audit	2.176
31	Non-execution of developmental schemes	7.4
32	Non-deduction of stamp duty	0.276
33	Unauthorized expenditure on repair of transformers	3.12
34	Non deduction of Professional tax	0.424
35	Non deposit of DPR	0.118
	AD local Government	
376	Unjustified payment on steel without execution of RCC	0.337
	Total	32.869

Annexure-2
Para # 2.5.1.1

Detail of unauthentic payment of HPA during the period of Promotional training

P#	Name	HPA	Conveyance	Total	Months	G. Total (Rs)
392897	Mr Fawad Hussain	10,000	2,856	12,856	48	617,088
577229	Aziz Ali Shah	10,000	2,856	12,856	48	617,088
758452	Mr SHAHZAD	10,000	2,856	12,856	6	77,136
Total						1,234,176

Over Payment of HPA Conveyance Allowance During the Period of Leave DHO Dir Lower 2020-21

S.No	Personal No	Name	Designation	BPS	Leave in Days	Overpayment during leave period		
						HPA	CA	Total
1	925877	Dr Saeed Ullah	Medical Officer	17	31 Days	62,000	5,000	67,000
2	656774	Dr Ahmad Ali Shah	Dental Surgoen	18	30 Days	62,000	5,000	67,000
3	836230	Dr Khudija Rahman	WMO	17	45 Days	108,000	7,499	115,499
4	933381	Dr Shahzia	WMO	17	46 Days	109,006	7,570	116,576
5	842220	Dr Saeeda Ahmad	WMO	17	45 Days	108,000	7,499	115,499
6	842220	Dr Saeeda Ahmad	WMO	17	45 Days	108,000	7,499	115,499
7		Dr Parveen	WMO	17	13 Days	31,200	2,166	33,366
8	925878	Dr Ubaid Ullah	Medical Officer	17	40 Days	81,867	6,602	88,469
9	265081	Alia Begum	Clinical Tech (MCH)	12	45 Days	14,999	-	14,999
10	266870	Zainab Begum	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283
11	451729	Sabra	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283
12	759469	Dilraz	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283
13	451729	Sabra	Clinical Tech (MCH)	12	60 Days	19,999	5,712	25,711
14	685592	Mushtaq Begum	Clinical Tech (MCH)	12	90 Days	29,998	8,568	38,566
15	507802	Nabia Bibi	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283
16	759469	Dilraz	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283

17	265081	Alia Begum	Clinical Tech (MCH)	12	15 Days	5,000	1,428	6,428
18	937247	Sadaqat Begum	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283
19	266870	Zainab Begum	Clinical Tech (MCH)	12	90 Days	29,998	8,568	38,566
20	269849	Janat Khatoon	Clinical Tech (MCH)	12	90 Days	29,998	8,568	38,566
21	264583	Saeeda Bibi	Clinical Tech (MCH)	12	14 Days	4,666	1,332	5,998
22	572840	Kaloom	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283
23	685567	Reshma	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283
24	269614	Azra Yasmin	Clinical Tech (MCH)	12	30 Days	10,000	2,856	12,856
25	572840	Kaloom	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283
26	661137	Saima Yaqoob	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283
27	289703	Zakia Bano	Clinical Tech (MCH)	12	20 Days	6,666	1,332	7,998
28	289703	Zakia Bano	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283
29	289703	Zakia Bano	Clinical Tech (MCH)	12	16 Days	5,333	1,523	6,856
30	661137	Saima Yaqoob	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283
31	572840	Kaloom	Clinical Tech (MCH)	12	45 Days	14,999	4,284	19,283
32	258314	Ayub Hussain	Clinical Tech(MP)	12	14 Days	4,666	1,332	5,998
33	684443	Muhammad Kashif	Clinical Tech(MP)	12	90 Days	30,000	8,568	38,568
34	849389	Saeed Muhammad	Clinical Tech	12	60 Days	20,000	5,712	25,712
35		Shagufta	Clinical Tech MP/EPI	12	14Days	4,666	1,332	5,998
36	267676	Alamgir Khan	Clinical Tech (MP)	12	15 Days	5,000	1,428	6,428
37	260844	Abudr Rahman	Clinical Tech (MP)	12	40 Days	13,333	3,808	17,141
38	267676	Alamgir Khan	Clinical Tech (MP)	12	15 Days	5,000	1,428	6,428
39	754707	Nisar Ahmad	Clinical Tech (MP)	12	20 Days	6,666	1,904	8,570
40	849389	Saeed Muhammad	Clinical Tech (MP)	12	15 Days	5,000	1,428	6,428
41	577232	Malak Sajjad Ahmad	Clinical Tech (MP)	12	25 Days	8,333	2,380	10,713
42	268903	Nasir Ahmad	Clinical Tech (MP)	12	19 Days	6,333	1,808	8,141

43	258500	Muhammad Iqbal	Clinical Tech (MP)	12	30 Days	10,000	2,856	12,856
44	707816	Saima	Charge Nurse	16	45 Days	15,000	7,500	22,500
45	436653	Almaree	Charge Nurse	16	45 Days	15,000	7,500	22,500
46	825150	Rawasia	Charge Nurse	16	15 Days	5,000	2,500	7,500
47	711591	Maryam Bibi	Charge Nurse	16	45 Days	15,000	7,500	22,500
48	839713	Gul Begum	Charge Nurse	16	45 Days	15,000	7,500	22,500
49	773772	Nazima	Charge Nurse	16	45 Days	15,000	7,500	22,500
			Total					1,439,112

Annexure-3
Para # 2.5.1.2

Detail of overpayment on account of Conveyance Allowance and HRA

S No	Name	Place of Posting	Personal No	HRA	Conveyance Allowance	5%	Total	Period of accommodation	Total per year (Rs)
1	Bacha Haram Dai	Otala		1,503	1932		3,435	12 months	41,220
2	Maryam Qasim	BHU Sari Kandow			2856		2,856	12 months	34,272
3	Ihsan Ullah	BHU Sari Kandow			1785		1,785	12 months	21,420
4	Nizakat LHV	Nasapa	264578	1,961	2856		4,817	12 months	57,804
5	Badshah wazir HT	Nasapa	263384	1,306	2856		4,162	12 months	49,944
6	Behramuddin Chowkidar	Nasapa	580634	1,413	1785		3,198	12 months	38,376
7	Mushtaq begam LHV	Pengal		1,961	2856		4,817	12 months	57,804
8	SABILA BIBI	lajbook		1,306	2856		4,162	12 months	49,944
9	usman driver	cat D Munda		1,544	1932		3,476	12 months	41,712
10	DR SANAULLAH	RHC Ouch	263487	5,810	5000	3783	14,593	12 months	175,116
11	MUHAMMAD ZAHIR d	RHC Ouch	266688	1,961	2856		4,817	12 months	57,804
12	DAWOOD KHAN	RHC Ouch		1,458	1785		3,243	12 months	38,916
13	ZEENAT BIBI	RHC Ouch		1,458	1785		3,243	12 months	38,916
14	MUHAMMAD QASIM	Cat D Talash	849160	1,961	2856		4,817	12 months	57,804
15	Adnan Khan	THQ Samar Bagh		1,413	1785		3,198	4 months	12,792
16	SHABANA SHAHID	THQ Samar Bagh		2,727	5000	1250	8,977	18 months	161,577
17	Sabira Bibi	THQ Samar Bagh		2,727	5000	1250	8,977	18 months	35,906
18	Refat Begum	BHU Haya serai		1,961	2856		4,817	12 months	115,608
19	BIBI NAUSHAD	mayar	257873			2165.5	2,166	12 months	51,972
Total									1,138,907

Annexure-4
Para #2.5.1.09

Detail of Non-Supply/ late supply of Medicines

S.No	order date	Name of firm/company	Name of medicine	Total quantity	Rate (Rs)	Amount (Rs)	supply date	Penalty (Rs)
1	28.5.2021	Stanley	Tab metronidazole	140000	1.58	221,200	13.8.2021	6,636
2	28.5.2021	Stanley	Tab Mefinamic Acid	290532	2.35	682,750	13.8.2021	20,483
3	28.5.2021	Stanley	Syp Alaendazole	10000	19.5	195,000	13.8.2021	5,850
4	28.5.2021	Stanley	Ciproflozacin	50000	5.5	275,000	13.8.2021	8,250
5	28.5.2021	Stanley	Syp FS	10000	36.5	365,000	13.8.2021	10,950
6	28.5.2021	Stanley	Dimenhydrinate	10000	24	240,000	13.8.2021	7,200
7	28.5.2021	Stanley	Acefyllin	20000	35	700,000	13.8.2021	21,000
8		FujiFilm	12x15	40	8335	333,400	Non supply	10,002
9		FujiFilm	10x12	40	5550	222,000	Non supply	6,660
10		FujiFilm	8x10	40	3750	150,000	Non supply	4,500
11		FujiFilm	Auto Develop	20	8820	176,400	Non supply	5,292
12		GSK	Syp Amoxil 125mg	60000	48	2,880,000	Non supply	86,400
Total						6,440,750		193,223

Annexure-5
Para # 2.5.1.11

Unauthorized withdrawal of medical bills of previous years

S.No	Name of company	Names of medicines	Quantity	Rate (Rs)	Amount (Rs)
1	Glaxo Smith	Tab Septran DS	62300	4.36	271,628
2	Glaxo Smith	sus Sept DS	9610	43.70	419,957
3		Cap Amox	64400	4.5	289,800
4		Polyfax exy	10000	22.3	223,000
5		Ventoline	10000	35.13	351,300
6		Susp Zentel	10000	19	190,000
7	Searle	Tab Nuberol	500000	0.95	475,000
8	Zafa	Domperidone	5000	33.28	166,400
9	Zafa	Tab Domperidone	50000	0.66	33,000
10	Asian Contiental	Cardlottle 50mg	300000	1.47	441,000
11					87,460
Total					2,948,545

Annexure-6
Para # 2.5.1.12

unauthentic purchase of medicines without observing MCC rules

Page #	S.No	Name of firm/company	Name of medicine	Total quantity	Rate (Rs)	Amount (Rs)
392	1	Brooks Pharma	Phodine Solution	2,000	365	729,000
396	2	Brooks Pharma	Acuron 3ML	500	120	60,000
398	3	Brooks Pharma	Sensocain 5mg	500	21	10,535
400	4	Brooks Pharma	Sensocain spinal	500	34	16,855
402	5	Brooks Pharma	Neo Pyrolate Inj	500	77	38,250
404	6	Brooks Pharma	Pyrolate Inj	500	16	8,170
406	7	Brooks Pharma	pyodine Surgical Scrub	2,000	388	776,000
30	8	Hashir Surgical	2 way foleys catheter 00%	1,000	340	340,000
36	9	Hashir Surgical	2 way foley catheter silicon	1,000	125	125,000
42	10	Hashir Surgical	uring bag with let 200ml	1,000	58	58,000
265	11	MKB Pharma	Trijex susp 120 mg	20,000	30	598,200
370	12	Benson pharma	Tab Mebendazole 100mg	25,000	2	42,500
374	13	Benson pharma	Susp cephradine 250mg	5,000	109	545,000
378	14	Benson pharma	Tab faotidine 40mg	50,000	1	72,500
384	15	Benson pharma	Sysp cefurazine 125mg	789	135	106,515
278	16	Fynk Pharmaceuticals	Inj Drotaverine HCL 40mg	20,000	8	159,000
282	17	Fynk Pharmaceuticals	Inj Ketamine 50mg	3,000	21	63,000
286	18	Fynk Pharmaceuticals	Inj tramadol 1ml	30,000	11	330,000
290	19	Fynk Pharmaceuticals	Suyp Levocetirizine	10,000	24	240,000
294	20	Fynk Pharmaceuticals	inj Cefotazime 250mg	20,000	30	600,000
298	21	Fynk Pharmaceuticals	Syp Irom polymaltose	20,000	26	520,000
210	22	saffron	Provate 15g Cream	10,669	37	399,981
1	23	Amson	Inj Snake Venom anti seri	20	1,487	29,744
2	24		int Tetanus toxoid	2,000	41	82,800
150	25	Mega pharama	Zosper 5mg	200,000	1	288,000
155	26		X-Clor	5,000	198	990,000
140	27	Fynk Pharmaceuticals	Inj Diclofenac	100,000	7	700,000
200	28	Heal Pharma	Hedazole 200mg	20,000	30	597,000
13	29	Novo Bordisk Phar	Miztard 30 HM	2,000	405	810,000
304	30	Nabi Qasim	Allergex syrup	20,000	29	584,000
308	31	Nabi Qasim	Miniquin syr	10,000	33	327,000

314	32	Nabi Qasim	Folitab tabl	400,000	0	192,000
180	33	Heal Pharma	ORS	40,000	7	286,000
185	34	Heal Pharma	Sys Ibupofen	10,000	29	289,100
190	35	Heal Pharma	Tab Melazicam	100,000	2	213,000
195	36	Heal Pharma	Cap Fluconazole	10,000	12	118,500
175	37	Shaigan pharma	Permethrine lotion	10,000	62	620,000
46	38	Paktex	sterlize Dressing Pade	200,000	3	664,000
68	39	Stanley	Tab metronidazole	150,000	2	237,000
76	40	Stanley	Tab Mefinamic Acid	290,532	2	682,750
84	41	Stanley	Syp Alaendazole	10,000	20	195,000
90	42	Stanley	Ciproflozacin	50,000	6	275,000
96	43	Stanley	Syp FS	10,000	37	365,000
100	44	Stanley	Dimenhydrinate	10,000	24	240,000
108	45	Stanley	Acefyllin	20,000	35	700,000
115	46	Viedilink inter	Black braided slik	5,000	35	174,950
120	47	Viedilink inter	silk 1 40mg	5,000	35	174,950
125	48	Viedilink inter	Polypropylene 3/0	5,000	83	416,450
130	49	Viedilink inter	Polypropylene 2/0	5,000	83	416,450
135	50	Viedilink inter	PGA 2 Vicryl 40mm	2,000	166	332,980
235	51	Unisa	IV Set	30,000	16	476,700
240	52	Unisa	Inf Dextrose	5,000	46	229,450
245	53		inf Deztrorse water 5%	5,000	46	229,450
250	54		Inf Ringer Lactate	5,000	35	174,450
255	55		Inf Ringer Lactate	5,000	49	246,250
268	56	Karim industries	cotton wool 200mg	15,912	106	1,678,716
388	57	Wilshire	zavene Injection 500mg	15,000	18	268,350
13	58	Novo Bordisk Phar	Mixtard	1,000	405	405,000
73	59	sante	Santochlor opht	1,190	42	49,980
324	60	ICI	Hy cortisone In 250mg	10,000	68	678,000
145	61	Rahman Rainbow	Guze Cloth Roll	2,000	870	1,740,000
170	62	Geofman	Dexamedrone Injection	4,000	184	735,000
160	63	Asian continental	Kolac syrup	5,000	129	645,000
166	64	Asian continental	Traxacid 250mg	5,000	16	77,500
230	65	Unisa	Dispoabale 5cc	100,000	5	514,000
13	66	Standard supply	Stryninine HCL	332	367	121,731
14	67	NIH	ARV	100	644	64,390

	68		Anti sanck	15	1,543	23,151
			Total			25,197,299

Annexure-7
Para # 2.5.3.7

Doubtful purchase due to unjustified retention and non-issue of medicines

S. No	Name of firm/ company	Name of medicine	Total quantity	Rate (Rs)	Amount (Rs)	Quantity issued	Quantity in	Rate (Rs)	Amount of unissued medicines (Rs)	Page No. of stock register
							bala			
							nce till 9.2018			
1	Stanley	Tab metronidazole	140000	1.58	221200	0	140000	1.58	221,200	407
2	Stanley	Tab Mefinamic Acid	290532	2.35	682750		290532	2.35	682,750	411
3	Stanley	Syp Alaendazole	10000	19.5	195000		10000	19.5	195,000	416
4	Stanley	Ciproflozacin	50000	5.5	275000		50000	5.5	275,000	419
5	Stanley	Syp FS	10000	36.5	365000		10000	36.5	365,000	423
6	Stanley	Dimenhydrinate	10000	24	240000		10000	24	240,000	426
7	Stanley	Acefyllin	20000	35	700000		20000	35	700,000	429
8	Dyson Research	Tab Onsetron 8mg	3000	84	252000		3000	84	252,000	394
9	Hashir Surgical	IV Cannula 18G	5000	65.5	327500		5000	65.5	327,500	58
10	Hashir Surgical	IV Cannula 24Gb	5000	67.5	337500		5000	67.5	337,500	74
11	Kaizen	Tinibact Tabl	50000	5.15	257500		50000	5.15	257,500	464
12	Medilink International	Silk 2/0 30mm	5985	34.99	209415		5985	34.99	209,415	117
13	Medilink International	silk 1 40mm	5000	34.99	174950		5000	34.99	174,950	119
14	Medilink International	polypropylene	5000	83.29	416450		5000	83.29	416,450	123
15	Medilink International	Ploypropylene	5000	83.29	416450		5000	83.29	416,450	127
16	Medilink International	PGA 2	2000	166.49	332980		2000	166.49	332,980	132
17	GeofMan	Dexamedrone Injection	2000	183.75	367500		2000	183.75	367,500	468
18	GeofMan	Genom	1200	109.5	1314000		1200	109.5	1,314,000	472
19	GeofMan	Tocinox	100	397.5	39750		100	397.5	39,750	426
20	Zafa	Syp Yes 2 Zinc	20000	27	540000		20000	27	540,000	222

21	Zafa	Tab Atenolol 100mg	3000 00	1.2 1	3630 00		3000 00	1.2 1	363,0 00	478
22	Zafa	Syp Zaftolin	3000 0	19. 24	5772 00		3000 0	19. 24	577,2 00	482
23	Zafa	Tab S.T Mom 200mg	2295 8	6.4 9	1489 97		2295 8	6.4 9	148,9 97	248
24	Abbott	Tab Ascarbic Acid 500m	5000	107 .41	5370 50		5000	107 .41	537,0 50	196
25	FujiFilm	12x15	40	833 5	3334 00		40	833 5	333,4 00	273
26	FujiFilm	10x12	40	555 0	2220 00		40	555 0	222,0 00	274
27	FujiFilm	8x10	40	375 0	1500 00		40	375 0	150,0 00	275
28	FujiFilm	Auto Develop	20	882 0	1764 00		20	882 0	176,4 00	276
29	Vikor	Cate Gate	1500	140	2100 00		1500	140	210,0 00	220
30	Vikor	Cate Gate	1500	140	2100 00		1500	140	210,0 00	225
31	Cotton Craft	Sterilized dressing	2000 00	8.4 9	1698 000		2000 00	8.4 9	1,698, 000	60
32	Heal Pharmac	Metronidazole	6000 0	29. 85	1791 000		6000 0	29. 85	1,791, 000	212
33	Unisa pvt limi	D Syinge 5cc	2000 00	5.1 4	1028 000		2000 00	5.1 4	1,028, 000	227
34	Unisa pvt limi	D Syinge 3cc	3000 00	5.1 4	1542 000		3000 00	5.1 4	1,542, 000	242
35	FujiFilm	12x15	40	833 5	3334 00		40	833 5	333,4 00	273
36	FujiFilm	10x12	40	555 0	2220 00		40	555 0	222,0 00	274
37	FujiFilm	8x10	40	375 0	1500 00		40	375 0	150,0 00	275
38	FujiFilm	Auto Develop	20	882 0	1764 00		20	882 0	176,4 00	277
39	Karim indust	Cotton Bandage 15cmx4m BPC	1777 1	39. 39	6999 99		1777 1	39. 39	700,0 00	283
40	Brooks	Pyodine surgincal Scrub	2000	388	7760 00	200	1800	388	698,4 00	396
41	Frontier Dext	sterle water for inj	2100 0	5.8 5	1228 50		2100 0	5.8 5	122,8 50	434
42	Frontier Dext	Metronaidazole inf	9000	25. 86	2327 40		9000	25. 86	232,7 40	438
43	Frontier Dext	lefofloxacin	9000	36. 78	3310 20		9000	36. 78	331,0 20	442
44	Frontier Dext	ciprofloxacine	9000	32. 18	2896 20		9000	32. 18	289,6 20	446
45	Frontier Dext	Normal saline 0.9%	4000	29. 31	1172 40		4000	29. 31	117,2 40	456
46	Frontier Dext	Pringer,s Lactate solution	4000	30. 46	1218 40		4000	30. 46	121,8 40	460

47	Asian Continental	Tab Metfomin 500mg	1500 00	1.2 5	1875 00		1500 00	1.2 5	187,5 00	492
48	GSK	CaP Amoxil 500mg	3000 00	4.7	1410 000		3000 00	4.7	1,410, 000	485
49	GSK	Syp Amoxil 125mg	6000 0	48	2880 000		6000 0	48	2,880, 000	488
50	GSK	Tab Septran DS	2000 00	4.6 1	9220 00		2000 00	4.6 1	922,0 00	490
51	GSK	Susp Septran DS	3000	44	1320 00		3000	44	132,0 00	492
52	Frontier Dext	letofloxacin	9000	36. 78	3310 20		9000	36. 78	331,0 20	37
53	Frontier Dext	letofloxacin	9000	36. 78	3310 20		9000	36. 78	331,0 20	43
54	GSK	Cap ampiclox 500 mg	1000 0	5.4 5	5450 0		1000 0	5.4 5	54,50 0	No entry
55	GSK	Syp Amoxil 125mg	5000	48	2400 00		5000	48	240,0 00	No entry
56	GSK	Syp Amoxil 250 mg	5000	78. 5	3925 00		5000	78. 5	392,5 00	No entry
57	GSK	Betnesol -N Drops	2500	33. 01	8252 5		2500	33. 01	82,52 5	No entry
58	GSK	CaP Amoxil 500mg	2500 0	4.7	1175 00		2500 0	4.7	117,5 00	No entry
59	GSK	Tab Ventolin 4 MG	1248 0	1.1 2	1397 7.6		1248 0	1.1 2	13,97 8	No entry
60	GSK	Cap Velosef 500 mg	1249 2	11. 5	1436 58		1249 2	11. 5	143,6 58	No entry
61	Hopital services	ARV	1832	740	1355 680		1832	740	13556 80	63
Total									28,74 1,383	

Annexure-8
Para # 3.5.1.6

Detail of non-deposit of additional earnest money

S.No	File No.	Name of scheme	E. cost (Rs in million)	Tender cost (Rs in million)	2% earnest money (Rs)	8% additional earnest money (Rs)
01	5	PCC Road Muhallah Kokra V/C Barkalay	1	0.6589	20,000	80,000
02	13	PCC Road Jabagaie V/C Shalfalam	0.5	0.3535	10,000	40,000
03	14	Pcc Road Shalfam Payen V/C Shalfalam	0.5	0.34695	10,000	40,000
04	15	PCC Road Shalkanai bala,Solai kandao V/C Shalkanai	0.5	0.37395	10,000	40,000
05	16	PCC Road Mansoor Abad	0.6	0.41694	12,000	48,000
06	20	PCC Road V/C Kozkalay	0.6	0.41694	12,000	48,000
07	21	PCC Road Meera, karajol bela V/C Kozkalay	1	0.671	20,000	80,000
08	23	RCC Culvert /PCC Road khwarr, V/C Namseer	0.6	0.45534	12,000	48,000
09	24	PCC Road Muhalla Alam Khan, Muhammad Badshah V/C Namseer	0.5	0.34685	10,000	40,000
10	25	PCC Road muhalla Kafil, Naeem V/C Namseer	0.6	0.40494	12,000	48,000
11	26	PCC Road near Janazgah V/C Namseer	0.6	0.40686	12,000	48,000
12	44	PCC Road Ado khwar V/C Safary Doab	0.5	0.45	10,000	40,000
13	50	PCC Road Speno Khawro V/C Toormang	0.8	0.55672	16,000	64,000
14	52	PCC Road paloso V/C Toormang	0.8	0.58952	16,000	64,000
15	64	PCC Road Ghoz Paty V/C Kandaono	0.8	0.61896	16,000	64,000
16	68	PCC Road muhalla Fathemuahmmad Mango V/C Sia Gaonai	0.5	0.43775	10,000	40,000
Total			10.4	7.50512	208,000	832,000

Annexure-9
Para # 3.5.3.1

Irregular expenditure without Technical Sanction

S.No	Name of Scheme	E/Cost	Expenditure (Rs)
1	Const of PCC Road at VC Hayaserai uC Hayaserai	2,000,000	909,297
2	PCC Road at VC Watangay uc Munjai	1,500,000	649,625
3	PCC Road at VC Moranai	2,000,000	791,446
4	PCC road at VC Anwer Abad	2,000,000	544,650
5	PCC Road at VC Andherai UC Koto	2,000,000	995,957
6	PCC Road VC Biyarai UC Lajbook	3,000,000	2,038,498
7	PCC Road VC Sherkhaney UC Hayaserai	3,000,000	2,193,393
	Total	15,500,000	8,122,866

Annexure-10
Para #3.5.3.4

Detail of excess expenditure

S. No	Head of account	Budget (Rs)	Expenditure (Rs)	Excess (Rs)
01	Pension Contribution	2000000	3859516	-1859516
02	Payment to Govtt: Deptt: for service rendered (Audit Fee) LFA Deptt: /Bank commission	700000	2226119	-1526119
03	Contingent paid Staff	2500000	3465704	-965704
04	Rent / Share of land owners of stands / cattle fair / Dumping Ground	1930000	2451824	-521824
05	Traveling Allowance	200000	259748	-59748
06	POL charges (liabilities + Current)	1200000	1535809	-335809
07	Other sanitation / Removal of encroachments	1000000	1458425	-458425
08	Hire of Vehicle for Sanitation Purpose	150000	352800	-202800
09	Exhibitions, Fairs & other National celebration	100000	182220	-82220
10	Un-foreseen Expenses / COVID 19	400000	3169000	-2769000
11	PFC 30 % 2020-21	2500000	4332249	-1832249
12	Transports	300000	379500	-79500
13	Machinery / Equipment Furniture	200000	247620	-47620
Total		13180000	23920534	-10740534

Annexure-11
Para #3.5.3.5

TS Detail

S.NO	NAME OF SCHEME	E/Cost	Expenditure (RS)
1	PCC ROAD Badamo Bagh VC Kambat.	2,000,000	715,500
2	PCC ROAD KANDAW VC DINGARAI	1,000,000	358,390
3	PCC ROAD BARCHAM DINGARAI	1,000,000	394,500
4	PCC ROAD LIKORE VC Lickore	1,000,000	488,800
5	PCC ROAD BANDAI SHAH PAYEEN VC Bokrai	1,500,000	556,600
6	PCC ROAD GHADAI At VC Tangi bala	1,000,000	558,400
7	DWSS at Drangal Jaouzo Sharbani UC Drangal	1,000,000	310,500
8	PCC Road Lawanda VC Sharbani	1,100,000	384,600
9	BORING OF WELL SHAHI	6,000,000	2,137,900
10	PCC ROAD/CONSTRUCTION OF ROAD IJARA VC DINJARAI	1,000,000	559,200
11	PCC ROAD/CONSTRUCTION OF ROAD MORASHAH	2,000,000	318,200
12	PCC ROAD PRATA VC Kullalan	1,100,000	593,400
13	Purchase of Transfermar Sub Division Jandool	10,000,000	3,120,700
14	PCC Road at Ilow Band Main Banda	5,000,000	2,638,767
	Total		13,135,457

Annexure-12
Para #3.5.3.6

Detail of TS

S.NO	SCHEME NAME	E/Cost	Expenditure
1	Widening and Improvement Construction of Shingle road zeyam Ragbanai Dob Bando Shanai Shatoot road UC Asbanr	4.10	1.603
2	Construction and Widening of Asmani shah Khushal Patay road UC Asbanr	3.80	1.475
3	ImprovementConstruction of Shorshing Asso road UC Asbanr	4.10	1.572
4	Construction of Shingle road Jalatai Manzai Shorshing road UC Asbanr	3.80	1.374
5	ImprovementConstruction of road Yagotal Shanglo road UC Khanpur	4.00	0.900
6	Construction Of PCC Pavt Of Streets Road At Osakai Bar Koz Gishkot Khanbaba Qwatera UC Kotigram	2.20	1.300
7	Improvement Construction of road Dop Kamal Road UC Tazagram	4.00	3.022
8	Improvement Construction of Shingle PCC road at Gulabad Tindodag Bypass.	3.60	1.602
9	Purchase of Standby Transformers Along With Trolleys For PK-14	4.60	3.558
10	Construction of Overhead Water Tanks Bore Well UC Chakdara	2.97	0.700
11	Construction of Water Tanks Bore Well Spring improvement at UC Badwan	3.00	0.628
12	Construction Of PCC Pavt Of Streets Road At Nigram Sabar Shah Khadagzai Bala Payeen Serai UC Khadagzai	2.00	1.349
13	Construction of Overhead Water Tanks Bore Well UC Ouch	2.90	1.423
	Total	45.07	20.505

Annexure-13
Para#3.5.3.9

Detail of TS

S.No	Name of scheme	Approved Cost (Rs)	Expenditure (Rs)
1	PCC ROAD MUSLIM KHWAR U/C KOTKAY	1,000,000	430,400
2	PCC ROAD MAYARO BANDA U/C KOTKAY	1,000,000	798,000
3	PCCC ROAD DABONO V/C GUMBATI U/C KOTKAY	1,500,000	374,000
4	PCC ROAD GUMBATY U/C KOTKAY	1,500,000	583,000
5	DWSS BARGANDO V/C GUMATI U/C KOTKAY	1,000,000	447,000
6	PCC ROAD SHANDI INZAR ATTO U/C KOTKAY	1,000,000	353,000
7	PCC ROAD SANGAR SHAH V/C ATTO U/C KOTKAY	900,000	409,000
8	PCC ROAD ZARO SHAH V/C ATOO U/C KOTKAY	800,000	477,000
9	PCC ROAD SHADASS V/C ATOO U/C KOTKAY	800,000	477,000
10	PCC ROAD ATTO U/C KOTKAY	1,000,000	510,000
11	BORING WELL BERAGAM V/C MAIDAN BANDAI U/C ZAMDARA	1,000,000	465,000
12	CONSTRUCTION OF ROAD BAGH BANDAI U/C ZADARA	1,500,000	418,700
13	PAVEMENT OF STREET MIRGAM PAYEEN U/C ZAMDARA	1,000,000	558,000
14	DWSS LAL QILLA, MANYAL, BARKHANY, NAMAZKOT, SAPRY, U/C LALQILLA	1,000,000	477,000
15	PCC ROAD INZARGAI UC LALQILLA UC LALQILLA	4,000,000	2,759,700
16	DWSS ODIGRAM VC SAFARI UC LALQILLA	1,000,000	453,000
17	DWSS BISHGRAM MARKHANI GUMBA BANDA DALGRAM UC BISHGRAM	1,000,000	533,000
18	PCC ROAD KHZANA VC KARGA KHAZANA UC BISHGRAM	1,000,000	501,000
19	PCC ROAD MISHWANO VC KARGHA KHAZANA UC BISHGRAM	1,000,000	594,000
20	PCC ROAD SHADA WAND KALY CHAM VC MARKHANI UC BISHGRAM	1,000,000	517,200
21	PCC ROAD MUHLA JABAGAI UC GALL	600,000	305,000
22	PCC ROAD ATRAPO UC GALL	700,000	122,600
23	Pcc Road Lalo Masjid Abad Vc Nambatai Uc Gall	1,300,000	850400
24	PCC Road Dapoor Balo khan uc Zamdara	2,000,000	1,211,000
25	PCC Road Maramai vc Chinarkot	1,600,000	987,000
26	PCC Rod Kotkay VC kotkay	1,600,000	905,177

27	PCC Road Takatak VC Atto	1,600,000	905,000
Total		32,100,001	17,421,177

Annexure-14
Para #3.5.3.10

Detail of agreement

S.No	Name of scheme	Approved Cost	Expenditure (Rs)
1	` DWSS LAL QILLA, MANYAL, BARKHANY, NAMAZKOT, SAPRY, U/C LALQILLA	1,000,000	477,000
2	DWSS BARGANDO V/C GUMATI U/C KOTKAY	1,000,000	447,000
3	DWSS ZAMDARA, MIRGAM, SHAGAI, DAPOOR BALO KHAN, BIRAGAM, U/C ZAMDARA	1,000,000	525,000
4	DWSS ODIGRAM VC SAFARI UC LALQILLA	1,000,000	453,000
5	PCC ROAD SHAHI KOTO V/C CHINAR KOT U/C KOTKAY	1,500,000	915,000
6	DWSS BISHGRAM MARKHANI GUMBA BANDA DALGRAM UC BISHGRAM	1,000,000	533,000
7	PCC ROAD ABUBAKAR MASJID NAMBATY UC GALL	500,000	300,000
8	PCC ROAD INZARGAI UC LALQILLA UC LALQILLA	4,000,000	2,759,700
	Total	11,000,000	6,409,700

Annexure-14
Para #4.5.3.1

Detail of TS

S.No	Work Name	Estimated Cost (M)	Expenditure (Rs)
1	Construction/Improvement of Main Colony Road Balambat UC Urban Timergara	10.54	5,596,365
2	Construction/Improvement of Timergara Khwar Road UC Urban Timergara	16.73	5,608,321
3	Construction/Improvement of Adda to Bypass Road Timergara	4.18	2,500,000
4	Construction/Improvement of Road Leads to Peto Near Dist Jail Timergara	18.4	10,335,444
5	CONSTRUCTION OF RCC ROAD FROM MAIN BAZAR TAIMUR PLAZA TO BYPASS TEMERGARA.	8.36	2,302,150
6	CONSTRUCTION OF PCC ROAD AT TORA TIGA TIMERGARA.	12.73	4,000,000
7	Construction and Improvement of PCC Road VC Tangai UC Khungi	6	5,500,000
8	PCC/ Street at Karam khel shera vc Malakand payeen	7.4	3,332,714
9	Construction of Road from Bakanrra to Ghwarrgu	5.38	2,159,882
10	Pcc Road at Sarai Bala UC Noora Khel	4.00	1,919,943
	Total	93.72	43,254,819