

AUDIT REPORT

AUDIT YEAR 2022 - 23

**ON THE ACCOUNTS OF
LOCAL GOVERNMENTS
DISTRICT LAKKI MARWAT**



AUDITOR GENERAL OF PAKISTAN

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

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

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



CONTENTS

ACRONYMS | I

PREFACE | II

SUMMARY | III


CHAPTERS

| | | |
|----|----------------------------------|----|
| 01 | PUBLIC FINANCIAL MANAGEMENT | 1 |
| 02 | DISTRICT GOVERNMENT | 10 |
| 03 | TEHSIL MUNICIPAL ADMINISTRATIONS | 58 |
| 04 | AD, LGE&RDD | 76 |



ABBREVIATIONS AND ACRONYMS

| | |
|--------------|--|
| AIR | Audit and Inspection Report |
| AA | Administrative Approval |
| AD LGE & RDD | Assistant Director Local Government Elections & Rural Development Department |
| ADP | Annual Developmental Program |
| AG | Accountant General |
| APPM | Accounting Policy and Procedure Manual |
| BHUs | Basic Health Units |
| DAC | Departmental Accounts Committee |
| DC | Deputy Commissioner |
| DEO | District Education officer |
| DHO | District Health Officer |
| DO | District Officer |
| INTOSAI | International Organization of Supreme Audit Institutions |
| KPPRA | Khyber Pakhtunkhwa Procurement Regularity Authority |
| LGA | Local Government Act |
| MFDAC | Memorandum for Departmental Accounts Committee |
| M&R | Maintenance and Repair |
| PAC | Public Accounts Committee |
| PAO | Principal Accounting Officer |
| PLA | Personal Ledger Account |
| RDA | Regional Directorate of Audit |
| TAC | Tehsil Accounts Committee |
| TMA | Town Municipal Administration |
| TS | Technical Sanction |
| VCs/NCs | Village Councils and Neighborhood Councils |
| WSS | Water Supply Scheme |
| ZAC | Zila Accounts Committee |





PREFACE

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

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

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

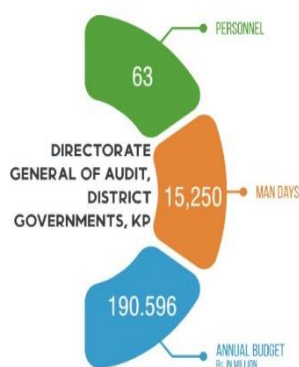
Some of the observations included in this report were finalized in the light of written replies of the departments whereas in most cases the departments did not submit written replies till the finalization of this report. DAC meetings were not convened despite reminders.

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

Islamabad
Dated:

(Muhammad Ajmal Gondal)
Auditor General of Pakistan

SUMMARY



The Directorate General of Audit District Governments, Khyber Pakhtunkhwa carried out the audit of Local Governments in 35 Districts of Khyber Pakhtunkhwa. Regional Directorate of Audit (RDA) Peshawar on behalf of the Directorate General of Audit District Governments, Khyber Pakhtunkhwa carried out the audit of Local Government of 03 Districts namely; Bannu, Lakki Marwat and North Waziristan.

This Directorate General of Audit has a human resource of 63 officers and staff with a total of 15,250 man-days. The annual budget amounting to Rs 190.596 million was allocated to the office during FY 2022-23. The office is mandated to conduct regularity audit, financial attest audit, performance audit and special studies.

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

The Local Government has the following three Tiers:

- i. District Government;
- ii. Town Municipal Administrations;
- iii. Village and Neighborhood Councils.

The District Government comprises one Principal Accounting Officer (PAO) i.e. Deputy Commissioner for the District Government, who is officer in charge of 11 devolved departments including AD Local Government Election & Rural Development Department (AD LGE & RDD). The Town Municipal Administrations have one PAO i.e. Town Municipal Officer for each administration. There are three Tehsil Municipal Administrations in district Lakki Marwat. The Village and Neighborhood Councils have AD LGE & RDD as their Principal Accounting Officer. There are 96 VCs/NCs in district Lakki Marwat.

A. SCOPE OF AUDIT

This office is mandated to conduct audit of 113 formations working under 5 PAOs. Total expenditure and receipts of these formations were Rs. 6,665.18 million and Rs. 315.935 million, respectively for the financial year 2021-22.

Audit coverage relating to expenditure for the current audit year comprises 07 formations of 5 PAOs having a total expenditure of Rs.6787.397 million for the financial year 2021-22. In terms of percentage, the audit coverage for expenditure is 95.9 % of auditable expenditure.

Audit coverage relating to receipt for the current audit year comprises 3 formations of 3 PAOs (3 TMAs) having a total receipt of Rs. 235.813 million for the financial year 2021-22. In terms of percentage, the audit coverage for receipt is 100% of auditable receipt.

This audit report also includes audit observation resulting from the audit of expenditure of Rs.291.7 million for the financial year 2020-21 pertaining to 4 formation of 01 PAO.

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



B. RECOVERIES AT THE INSTANCE OF AUDIT

As a result of audit, a recovery of Rs. 45.375 million was pointed out in this report. No recovery was affected till the finalization of this report.



C. 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

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

- i. A recovery of Rs. 45.375 million was pointed out.
- ii. Unauthorized payments through DDOs were reduced.
- iii. Some offices converted their bank accounts from current to profit and loss sharing (PLS) mode.
- iv. Bank profit deposited into Government Treasury.

E. COMMENTS ON INTERNAL CONTROL

Internal control is designed to address risk and to provide reasonable assurance that in pursuit of entity's mission, its objectives are being achieved.

iv Comments on five components of internal control are given below:

- The organizational structure followed in the local Government Offices was according to the LGA 2019.
- No activity i.e. risks identification, risk evaluation and appropriate responses were carried out in the local government.
- Accounts were not submitted by TMAs concerned to the AG. 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 .

| | | |
|----|---|---|
| 01 | Non-compilation/consolidation Of Accounts Of Local Government- Rs. 498.133 Million.² | Recommendation: <ul style="list-style-type: none">• TMAs accounts need to be consolidated at DAO level.• Cheques are required to be issued to the suppliers/ vendors instead of DDOs as per APPM• Disciplinary actions need to be taken to stop the practice of violation of the rules and regulations in spending the public money.• Recoveries on account of overpayment of various allowances need to be made by the departments.• Departments need to strengthen internal controls i.e. financial, managerial, operational, administrative and accounting controls etc. to ensure that lapses of this kind reported in this audit report are pre-empted and fair value for money is obtained from public spending Bank profit need to be deposited into• Government Treasury under proper heads of accounts and.• The DAC meetings should be held more frequently. |
| 02 | Unauthorized Cheque Payments To DDOS Instead Of Vendors- Rs. 521.356 Million.³ | |
| 03 | Unverified Payment On Account Of Arrears Of Pay And Allowances- Rs. 103.954.⁴ | |
| 04 | Non-production Of Record Was Noticed In One Case Amounting To- Rs. 4.904 Million⁵. | |
| 05 | Fraud, Embezzlement And Misappropriation Were Noticed In Six Cases Amounting To- Rs. 29.381 Million⁶. | |
| 06 | Irregularities Were Noticed In Forty Cases Amounting To-rs. 539.934 Million⁷. | |
| 07 | Value For Money And Service Delivery Issues Were Noticed In Eleven Cases Amounting To-rs. 274.601 Million⁸. | |
| 08 | Others, Including Cases Of Accidents, Negligence Etc. Were Noticed In Fourteen Cases Amounting To-rs. 219.31⁹.million | |





CHAPTER-01

PUBLIC FINANCIAL MANAGEMENT



CHAPTER-1

Public Financial Management

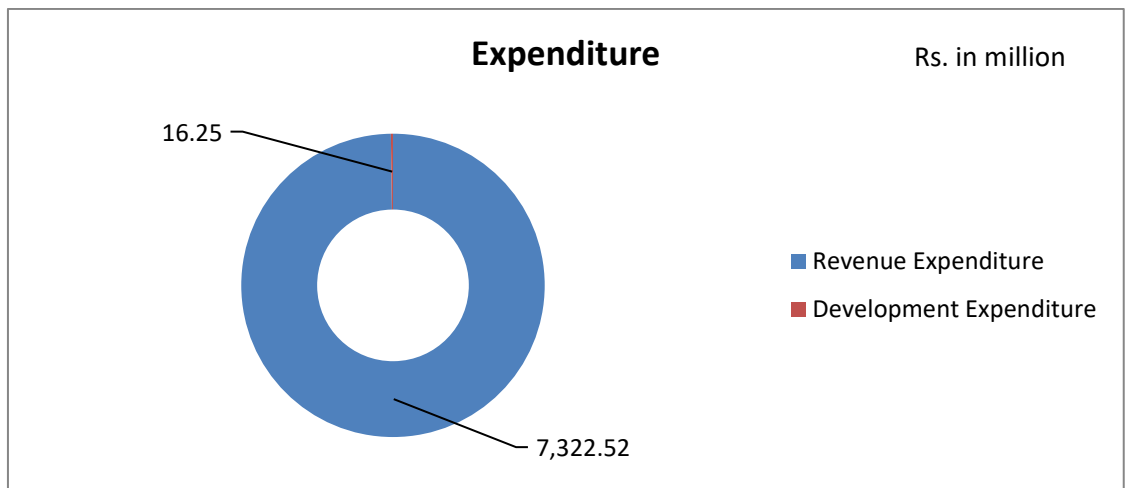
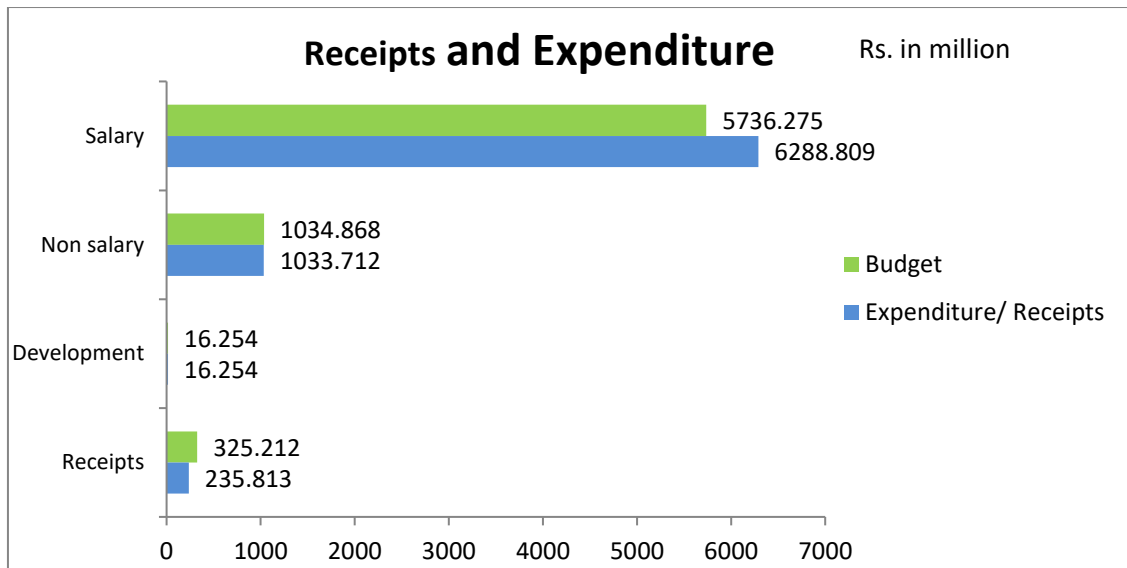
1.1 Sectorial Analysis

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

In District Lakki Marwat, funds amounting to Rs. 6787.397 million were allocated to 113 formations working under 05 PAOs. Out of which, expenditure of Rs. 7338.775 million was made resulting into excess expenditure of Rs. 551.378 million. Receipts of Rs. 235.813 million were collected through these formations (TMAs) during the financial year 2021-22. Audit coverage relating to expenditure for the current audit year comprises of 07 formations of 5 PAOs having a total expenditure of Rs. 7042.021 million for the financial year 2021-22. In terms of percentage, the audit coverage for expenditure is 95.9 % of the auditable expenditure. Similarly, audit coverage for receipts is 100%.

(Rs in million)

| 2021-22 | Budget | Expenditure/ Receipts | Excess/(Saving) | Expenditure Audited | %age |
|----------------|-----------------|--------------------------|-----------------|------------------------|------------|
| Salary | 5736.275 | 6288.809 | 552.534 | 7042.021 | 95.9 |
| Non-Salary | 1034.868 | 1033.712 | 1.156 | | |
| Developmental | 16.254 | 16.254 | 0 | | |
| Total | 6787.397 | 7338.775 | 551.378 | 7042.021 | 95.9 |
| Receipt | 325.212 | 235.813 | (89.399) | 235.813 | 100 |



According to Section 36(3) of Local Government (Amendment) Act, 2019, the District Accounts Officer was required to consolidate accounts of Local Government on quarterly and annual basis. However, District Accounts Officer, Lakki Marwat did not reflect Rs. 498.133 million into the consolidated financial statement of Local Government, Lakki Marwat, which resulted into qualified opinion on the accounts of Local Government Lakki Marwat.

District Government, Lakki Marwat was found lagging behind in many areas envisioned as integral component of the Local Government in the Khyber Pakhtunkhwa Local Government (Amendment) Act 2019. The District

Government could not establish & maintain Public Fund account as required under section 30 of Local Government (Amendment) Act, 2019. Similarly, it also failed to prepare, present and approve the budget estimates of receipts from district council for District Government, Lakki Marwat as required under section 34 of Local Government (Amendment) Act, 2019. The receipts collected as taxes/fees/rents under section 42 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019 were also not credited to the District Fund. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, Lakki Marwat 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 the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, as internal auditors were not posted in the District and Tehsil Councils. In addition, Asset management by District Government was yet another area it could not address `as required under section 38 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019.

The Local government provided services in the following sectors.

Education

The education sector is one of the major sectors devolved at district level. Statistics show that there are 876 Primary, 100 Middle, 84 Secondary and 16 Higher Secondary Schools in District Lakki Marwat. The estimated Teacher Student Ratio is 1:43 at Primary, 1:68 at Middle, 1:52 at Secondary and 1:38 at Higher Secondary Schools. District Lakki Marwat literacy rate is 32% the Gross Enrollment Rate (GER) is 74%, and the Net Enrollment Rate (NER) is 64% at the Primary level. On budgetary front, District Education office, Lakki Marwat succeeded in spending 90.74% of District ADP and 99.10% of Non-salary budgets.

District Education Offices in Lakki Marwat enrolled 160,468 kids during 2021-22; wherein, DEO (Male) and DEO (Female) enrolled 90,658 and 69,810 children respectively. Similarly, annual average of teacher's attendance rate and student attendance rate as per independent Monitoring Unit (IMU) data were approximately 93% & 88% respectively. Furthermore, 89% schools in District

Lakki Marwat were provided with all basic facilities like classrooms, water supply, group latrine, boundary walls and electrification. However, administrative visits of DEO, DDEO and SDEOs were only 67% against the assigned targets.

Health

Health is another important sector of District Lakki Marwat with a total of 93 health facilities spread across the district, among which 48 BHUs, 27 CDs, 11 MCHs and 5 RHCs and 2 THQs hospitals with the total catchment area population of approximately 276,686 as per survey carried out by Health department in 2016-17.

The Department of Health has established an “Independent Monitoring Unit” for continuous monitoring of the performance of health facilities through its field-based Data Collection Assistants and District Monitoring Officers. Health 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, 7,660 babies were born with 4,100 and 3,560 in primary and secondary health facilities respectively. Out of them, 381 infant and 42 maternal deaths were recorded. Lab investigations and diagnostic facilities were also fully utilized as 263,542 lab tests, 786 X-rays, 41,368 ultrasounds, 738 CT Scans and 47,732 ECGs were done in both primary and secondary health facilities in District Lakki Marwat. Figures of immunization from EPI register were also very impressive as 55,652 pregnant women received TT-2 vaccines, 77,277 kids under 12 months received full immunization, 71,166 children under 12 months received 1st measles vaccines and 89,253 kids under 12 received 3rd pentavalent vaccine. 33,514 families were provided family planning services as evident from FP register. Human resource data from facility records revealed that these health facilities were amply provided with medical officers and paramedics as only very few positions were found vacant. As these facilities were frequently visited by patients so they also generated good revenue from OPD services, indoor patients’ 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. Panahgah(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. Panahgah(s) were established in major cities/Divisional Districts based on need assessment in 1st phase.

There is one (1) Welfare Home for beggars/orphans 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 Lakki Marwat no baggers were benefited from this facility. Rehabilitation center for drug addicts has 15 beds. 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 Municipal Administrations, District Lakki Marwat did not fulfill some primary requirements envisioned as integral component of the Local Government in the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019. The Local Government could not establish & maintain Tehsil Public Fund Account as required under the section 30 of Local Government (Amendment) Act, 2019. Similarly, the Tehsil Account Officers were not appointed in TMAs. 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 Local Government (Amendment) Act, 2019. Financial Statements, Finance Account and

Appropriation Accounts of the TMAs were not prepared accordingly. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, Lakki Marwat 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 Local Government (Amendment) Act, 2019, as internal auditors were not posted in the TMAs to support the Council. In addition, Asset management by Tehsil councils was yet another area it could not address as required under section 38 of the Local Government (Amendment) Act, 2019.

1.2 AUDIT PARAS (Financial Attest Audit)

1.2.1 Non-compilation /consolidation of accounts of Local Government- Rs.498.133 million

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

During certification audit of the accounts of the DAO Lakki Marwat for the financial year 2021-22, audit observed incompleteness and incorrect presentation of the financial statements as the DAO failed to consolidate into the quarterly and annual accounts of the district, the Government and local resources, as required under section-36(3) of the Local Government (Amendment) Act, 2019. Receipts of Rs. 235.813 million and expenditure of Rs.262.32 million respectively, of the TMAs are also not reflected in accounts. Same is the case with the receipts and expenditure of the VCs/NCs the figures of which were not available at the time of audit.

Provision of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019 by Local government in District Lakki Marwat were not complied with.

Due to non-consolidation of accounts of TMAs and VCs/NCs the financial statements of local Government remained incomplete which led to qualification of audit opinion. The similar observation was also pointed out during the financial years 2019-20 and 2020-21 amounting to Rs.318.809 million and Rs. 1491.381 million respectively. However, no corrective measures were taken.

As per decision of DAC meeting held in September 2022, Para stands till correction of these omissions.

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

1.2.2 Unauthorized cheques payments to DDOs instead of vendors - Rs. 521.356 million

According to Para 2.3.2.8 of the directions of APPM, the accounting system shall improve controls to minimize the risk of fraud and corruption. This objective shall be addressed by issue of payment through direct bank transfer and cheques (to employees/ vendor concerned) instead of payment through DDOs. Furthermore, Finance Department letter No BO (W&M)/6-5/2019-20 dated 19/02/2020 provide that in order to streamline management in the public account and observe fiscal discipline, it has been decided to stop forthwith all payment through opencheques or cash payments.

District Accounts Officer, Lakki Marwat paid Rs.521,356,658 to various DDOs instead of issuance of crossed cheques to Vendors/Payees Accounts.

The lapse occurred due to weak internal control, which resulted in unauthorized issuance of cheques to DDOs instead of vendors. The similar observation was also pointed out during the financial years 2019-20 and 2020-21 amounting to Rs.79.794 million and Rs. 553.312 million respectively. However, no corrective measures were taken.

In CHM held on 3-11-2022, the Para was referred for verification of record. However, no record was produced by the DAO, Lakki Marwat for verification till finalization of this Report.

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

1.2.3 Unverified payment on account of arrears of pay and allowances- Rs. 103.954 million

According to Para 296 of CTR read with Para 75(2) of KP City & District Govt. Budget Rules 2016, the controlling officer shall be responsible for seeing that the expenditure included in the bills, are of obvious necessity and are at fair and reasonable rates. Sanction and the requisite vouchers are all received and in order. The calculation is correct and the grants have not been exceeded over

allotment.

During certification Audit of Lakki Marwat for the year 2021-22 while analyzing HR data it was noticed that arrears of pay and allowances of Rs.103,954,000 was paid. However, local office could not produce supporting documents for verification to audit.

The lapse occurred due to weak internal controls, which resulted into unverified expenditure. The similar observation was also pointed out during the financial years 2019-20 and 2020-21 amounting to Rs.167.314 million and Rs. 135.142 million respectively. However, no corrective measures were taken.

When reported in September, 2022, the management replied that record will be provided to Audit for verification.

In CHM held on 3-11-2022, the Para was referred for verification of record. However, no record was produced by the DAO, Lakki Marwat for verification till finalization of this Report.

Audit recommends that the matter may be investigated besides fixing responsibility against the officers/officials responsible.



CHAPTER-02

DISTRICT GOVERNMENT



CHAPTER-2

District Government Lakki Marwat

2.1. Introduction

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

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

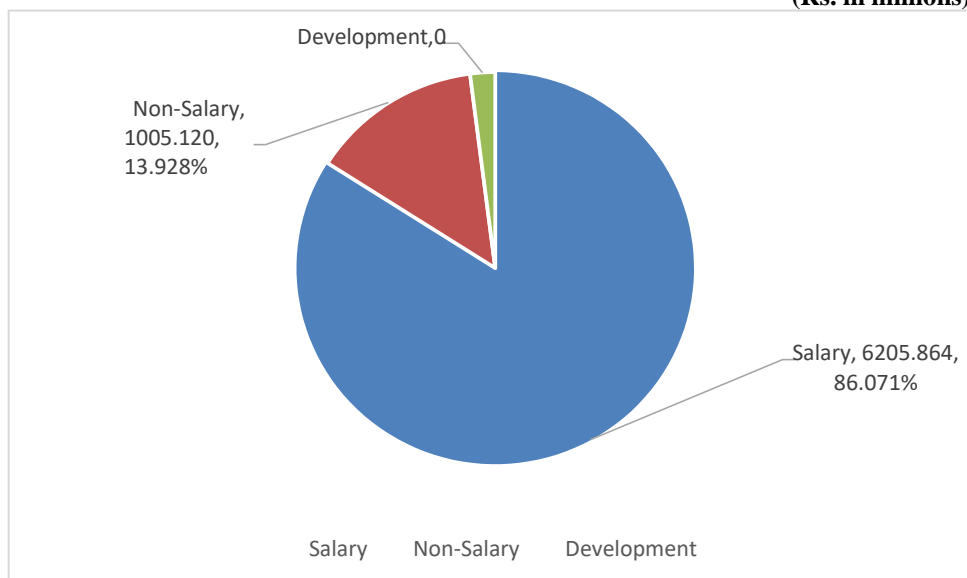
- The authority of district government shall comprise the operation, management and control of offices of the departments which are devolved to it; provided that district government shall exercise such authority in accordance with general policy of Government.
- Every order in district government shall be expressed to be made in the name of the district government and shall be executed by a duly authorized officer.
- 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 District Government Lakki Marwat:

| Description | Nos. | Audited | (Rs. in millions) | |
|---------------------------|------|---------|---------------------------------------|--|
| | | | Expenditure audited during FY 2021-22 | Revenue /Receipts audited during FY2021-22 |
| No. of Formations Planned | 10 | 04 | 6938.194 | - |

B. Comments on Budget and Accounts (Variance Analysis)**(Rs. in millions)**

| District Government, Lakki Marwat | | | | |
|--|------------------|---------------------------|------------------------|-------------|
| Particulars | Budget | Actual Expenditure | Excess/(Saving) | %age |
| Salary | 5,657.5 | 6,205.864 | 548.364 | 9.7 |
| Non-Salary | 1,005.177 | 1,005.120 | (.057) | 1 |
| Development | 0 | 0 | - | 0 |
| Total | 6,662.677 | 7,210.84 | 548.307 | |

EXPENDITURE 2021-22**(Rs. in millions)**

The excess expenditure of Rs. 548.307 million indicate lack of control of District Government Departments over expenditure. Furthermore, the salary component was 86% of the total expenditure whereas non-salary was only 14 % of the total expenditure and development expenditure was nil. Less development expenditure by the District Government was due to insufficient release and lack of interest of the Provincial Government towards development at District level. As a result, less development activity, job opportunities were not adequately provided to the larger population. Business operations were not increased and ultimately standard of living of the people was not improved and role of the District Government could not be seen in the development functions as required under Rules of Business 2015.

2.2 Table: Classified summary of audit observations

Audit observations amounting to Rs. 820.679 million were raised as result of this audit. This amount also included recoverable amount of Rs.15.224 million as pointed out by the Audit. Summary of the audit observations classified by nature is as under:

Table: Classified summary of audit observations
(Rs in million)

| S. No. | Classification | Amount |
|--------------|---|----------------|
| 1. | Non production of record | 4.904 |
| 2. | Irregularities | - |
| A | HR/Employees related irregularities | 51.214 |
| B | Procurement related irregularities | 384.344 |
| 3. | Value for money and service delivery issues | 250.691 |
| 4. | Others, including cases of accidents, negligence etc. | 129.526 |
| Total | | 820.679 |

2.3 Comments on the status of compliance with Zila Accounts Committeedirectives

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

| Sr. No. | Audit Year | ZAC meeting |
|---------|------------|--|
| 1. | 2002-03 | Not Convened |
| 2. | 2003-04 | Not Convened |
| 3. | 2005-06 | Not Convened |
| 4. | 2006-07 | Not Convened |
| 5. | 2007-08 | Not Convened |
| 6. | 2008-09 | Not Convened |
| 7. | 2009-10 | Not Convened |
| 8. | 2010-11 | Not Convened |
| 9 | 2011-12 | Not Convened |
| 10 | 2012-13 | Not convened |
| 11 | 2019-14 | Not Convened |
| 11 | 2014-15 | D. Govt did not exist Audit Report was no prepared |
| 12 | 2015-16 | D. Govt did not exist Audit Report was no |

| | | prepared |
|----|---------|--------------|
| 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 |
| 18 | 2021-22 | Not Convened |

2.4 AUDIT PARAS

2.4.1 Non-production of record

2.4.1 Non-production of record of -Rs.4.904 million

According to Section-14 (3) of the Auditor General's Ordinance, 2001, no such information nor any books of accounts or any other document, to which the Auditor-General has the statutory right of access, be withheld from Audit.

District Director Agriculture (Extension), Lakki Marwat did not produce the record pertaining to Account-I amounting to Rs.4,904,994 received from Provincial Government during 2020-21 as per detail given below. Moreover, record of Model Farm Service Centre was also not produced despite repeated requests.

(Amount in Rs)

| S.No. | Name of ADP/PSDP | Expenditure (Rs.) |
|--------------|--|-------------------|
| 1 | National Oil Seeds Productivity Enhancement in KP | 100,000 |
| 2 | Wheat Productivity Enhancement Project in KP. | 2,639,994 |
| 3 | National Oilseeds Productivity Enhancement Project in KP | 2,165,000 |
| Total | | 4,904,994 |

Lapse occurred due to non-production of record resulting in unverified expenditure.

When reported in February 2022, management replied that the record is with Agriculture Officer who has been admitted in Hospital due to road accident. Moreover, DG Agriculture (Extension) had directed local office to not produce record pertaining to MFSC to Audit. The reply is not satisfactory as local office had to make alternate arrangement to facilitate Audit if dealing officer was not available.

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

Audit recommends production of record besides inquiry and action against the person(s) at fault. **AIR Para No.1 (2020-21)**

2.4.2 Irregularities

A. HR/Employees related irregularities

2.4.1.1 Irregular Payments on account of arrears to front line polio workers Rs. 8.362 million

Government of KPK Finance Department letter No. BO(W&M)/6-5/2019-20 Dated Peshawar the 19th February, 2020, all the Principal Accounting Officers and DDOs are advised to stop henceforth all cash and open cheques payments.

According to Deputy Commissioner Lakki Marwat Finance & Planning letter No. 09/DC/ADC/F&P/BE/LM dated 25-08-2021, the payment to polio workers will only be made through bank accounts.

District Health officer Lakki Marwat incurred expenditure on account of pending payments to front-line polio workers amounting to Rs 8,362,500, during the financial year 2021-22. Audit observed the following irregularities;

1. Payments were made through DDO in cash instead of transferring the amount to the bank.
2. Actual Payee Receipts were not available on record.

The irregularity occurred due to non-adherence to government rules, instructions and administrative controls, which resulted into irregular payments.

When reported in August 2022, the management replied that all frontline polio workers have paid through cross cheque and all record is available. Reply is not tenable as all payments were made to the Union Council Polio Eradication Campaign (UPEC) chairmen.

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

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

AIR Para No.08 (2021-22)

2.4.1.2 Irregular Payments on account of Covid-19 Vaccination Campaign Rs.7.00 million

According to Para 2.3.2.8 of APPM read with Rule 157 of FTR volume-1

and Finance Department letter No BO (W&M)/ 6-5/2/19-20 Dated 19/02/2020, payments should be made to vendor/ suppliers through cross Cheques i.e. Payee Account Only and in order to streamline the management controls and observe fiscal discipline, payments through open cheques or cash payments should be stopped.

District Health officer Lakki Marwat incurred expenditure on account of payment to daily wagers for Covid-19 Vaccination campaign amounting to Rs.7,000,000 during the financial year 2021-22. Audit observed the following irregularities;

1. Payments were made through DDO in cash instead of transferring the amount to the bank or branchless accounts of polio workers.
2. The deputy commissioner in his meeting held on 14/11/2021 approved hiring of 50 vaccinators for the said campaign. However, the local office made payment to 71 vaccinators thus an over payment of Rs.1,674,000.
3. Rs. 450,000 was allocated for Purchase of 37 tablets, however, no documentary evidence was shown to audit regarding purchase of tablets.

The lapse occurred due to non-adherence to government rules, instructions and administrative controls, which resulted in irregular payments.

When reported in August 2022, management replied that all relevant record of daily wagers of Covid-19 staff is available. Rs. 2500 per day was paid and DC authorized DHO to increase or decrease the number of daily wagers for Covid-19. Reply is not tenable as relevant record in support of management reply was not shown/ produced to audit.

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

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

AIR Para No.09 (2021-22)

2.4.1.3 Irregular expenditures under PCMCs 4.531 million

According to Government of KPK Health department notification No.

SOG/HD/2-1/General Corr./2020 dated 02.11.2020; To increase focus on local issues, transparency and autonomy through increased community Participation in decision making the Primary Healthcare Management Committee (PCMC) was established with composition mentioned below.

- i. Medical Officer of BHU (Chairman)
- ii. PHC technician (Secretary)
- iii. Secretary of the concerned VC (Member)
- iv. Two (02) Community members nominated by DHO (Member)

During audit of DHO Lakki Marwat for the financial Year 2021-22, it was observed that an expenditure of Rs. 4,531,000 was incurred on petty works in the facility through Primary Health Care Management Committee (PCMC). However, post of Medical Officers (being the chairman of the PCMC) were lying vacant, which indicates that the amount allocated to the BHUs were spent without the approval of the Primary Health Care Management Committee (PCMC). Details below:

| S # | Name BHU | Amount (Rs) |
|--------------|-------------------|------------------|
| 01 | Bachkan Ahmad Zia | 1053,000 |
| 02 | Langer khel | 1053,000 |
| 03 | Admad Zia | 1454,000 |
| 04 | Kechi Kamar | 453,000 |
| 05 | Land Ahmad Khel | 518,000 |
| Total | | 4,531,000 |

The lapse occurred due to non-observing of Government rules, which resulted in irregular expenditure.

When reported in August 2022, management replied that as per TORs where the medical officer is not available then the concerned Senior Medical Technician will be the chairman. Reply is not tenable as per guidelines of PCMS only Medical Officer can be chairman of PCMC.

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

Audit recommends an inquiry into the matter for fixing of responsibility.

AIR Para No.13 (2021-22)

2.4.1.4 Irregular expenditure on account of Medical Reimbursement Charges Rs. 3.859 million

According to Government of Khyber Pakhtunkhwa Establishment and Administration Department Notification No.SO(E-1) E&AD/11-3/2010 (MRC DIK) dated 20-9-2010, it was required not to accord sanction of MRC claims of Rs.5,000 and above unless and until the claim is verified/authenticated by DG Health Services, Peshawar.

District Health Officer, Lakki Marwat incurred expenditure of Rs 3,859,874 on account of “Medical Charges” during the financial year 2021-22, without obtaining NOC from the DGHS. Moreover, evidence in support of expenditure was also not available on record.

Irregularity occurred due to internal controls, which resulted in irregular payment.

When reported in August 2022, management replied that original record is lying with the DAO office, however photocopies of the same will be provided. No such record was produced till date.

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

Audit recommends strengthening of internal controls besides action against the person(s) at fault.

AIR Para No.15 (2021-22)

2.4.1.5 Unauthorized cash payments on account of POL -Rs.4.267 million.

According to rules 75 (2) of Khyber Pakhtunkhwa District Budget Rules 2016, Each Head of Offices is responsible for enforcing financial order and strict economy at every step. He is responsible for observance of all relevant financial rules and regulations both by his own office and by subordinate disbursing officers.

District Health officer, Lakki Marwat incurred expenditure of Rs. 4,267,200 on account of fixed TA/DA (in Cash) to EPI Technician, EPI Coordinator, District Senior Vaccinator and Tehsil Senior Vaccinator during

2021-22 under object head “POL” which is unauthorized.

The lapse occurred due to non-observing of Government rules and regulations, which resulted in unauthorized cash payments.

When reported in August 2022, management replied that all payments were made from (POL) as per policy. Reply is not tenable as fixed TA/DA was paid from POL head which is unauthorized.

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

Audit recommends recovery from the officials concerned.

AIR Para No.14 (2021-22)

2.4.2.6 Un-authentic payment of “Incentive for Best Performance of School Teachers”- Rs 5.450 million

According to Rule 9(2) (f) of the Khyber Pakhtunkhwa, District Governments, Budget Rules 2016, the functions of the Drawing and Disbursing Officers are to maintain the relevant records both accounting and operational up to date and in orderly manner.

District Education Officer (Male), Lakki Marwat drew Rs. 5,400,000 and Rs. 50,000 vide Cheques No.0779499 dated 1-2-2022 & No.1228093 dated 9-6-2022 respectively from Government Treasury under head “Incentive for Best Performance of School Teachers” during 2021-22. Audit observed that the amount was shown transferred to bank accounts of 96 teachers through NBP, Lakki Marwat however selection criteria and merit list of best teachers was not available on record.

The lapse occurred due to weak Internal Controls, which resulted in un-authentic payment of funds.

When reported in July 2022, the management stated that detailed reply will be submitted after scrutiny of record.

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

Audit recommends strengthening of Internal Controls for disbursement of public money.

AIR Para No. 03 (2021-22)

2.4.2.7 Irregular expenditure on medical reimbursement charges - Rs.6.425 million

According to Clause-3(2) of Medical Attendance Rules, 2016 of Govt. of Khyber Pakhtunkhwa, Where a patient is entitled to receive free of charge medical attendance or treatment, any amount paid by him on account of such medical attendance or treatment, shall be reimbursed by Government on production of a certificate in writing by the Authorized Medical Attendant in this behalf with all necessary documents as determined, and after proper verification or authentication by the Deputy Director (Admn) of Directorate General.

District Education Officer (Male), Lakki Marwat paid Rs. 6,425,719 to 17 officials on account of medical reimbursement charges during 2021-22. It was noticed that verification of medical bills from Director General Health Services, Peshawar was not obtained. Moreover, documents including OPD Chits, doctor's prescriptions, vouchers, non-availability certificates etc. were not available on record.

The lapse occurred due to weak Internal Controls, which resulted in irregular expenditure.

When reported in July 2022, the management stated that detailed reply will be submitted after scrutiny of record.

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

Audit recommends Strengthening of Internal Controls.

AIR Para No. 06 (2021-22)

2.4.2.8 Un-authentic payment of “Incentive for Best Performance of School Teachers” - Rs6.40 million

According to Rule 9(2) (f) of the Khyber Pakhtunkhwa, District or City District Governments, Budget Rules 2016, the functions of the Drawing and Disbursing Officers are to maintenance the relevant records both accounting and operational up to date and in an orderly manner.

District Education Officer (Female), Lakki Marwat drew Rs 64,00,000, from Govt. treasury under the head “Incentive for Best Performance of School Teachers” during 2021-22. Audit observed that amount was transferred to Bank Accounts of 114 Teachers of Lakki Marwat through NBP, Lakki Marwat. But

selection criteria and merit list of best teachers was not available on record of local office.

The lapse occurred due to weak Internal Controls, which resulted into un-authentic payment of funds.

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

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

Audit recommends Strengthening of Internal Controls for disbursement of public money.

AIR Para No. 14 (2021-22)

2.4.2.9. Irregular Expenditure -Rs. 1.920 million

According to rules 75 (2) of Khyber Pakhtunkhwa District Budget Rules 2016, Each Head of Office is responsible for enforcing financial order and strict economy at every step. He is responsible for observance of all relevant financial rules and regulations both by his own office and by subordinate disbursing officers.

District Education Officer (Female), Lakki Marwat drew Rs. 1,920,000 from Government Treasury under the head “Double Shift Schools Programme” during 2021-22 and transferred the amount to the PTC Bank Accounts of following schools.

| S.No. | Name of School | Amount (Rs.) |
|--------------|------------------------|-------------------------|
| 1. | GGCMS, Land Ahmad Khel | 960,000 |
| 2. | GGPS, Nar Faqir Masoom | 960,000 |
| Total | | 1,920,000 |

Audit observed the following irregularities;

- i. GGCMS, Land Ahamd Khel was de-notified from Double Shift Schools List due to difficulties in hiring of teachers. However, a sum of Rs 640,000 was already drawn from Government Treasury.

- ii. The Head Teacher of GGPS, Nar Faqir Masoom drew Rs520,357 from PTC Account and cash payment to the existing staff for second shift classes.
- iii. The Head Teacher neither got approval from Chairperson of PTC nor was the payment verified by the Chairperson i.e DEO (F), Lakki Marwat.
- iv. The amount of Rs. 960,000 & Rs439,693 was still lying in the PTC accounts of schools concerned.

The lapse occurred due to weak internal controls, which resulted in irregular expenditure.

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

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

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

AIR Para No. 15 (2021-22)

2.4.2.10 Un-authentic payment of Financial Assistance-Rs.3.00 million

According to Rule-157 of Treasury Rules Vol-I the cheques for more than Rs.200/- drawn in favor of local bodies, firms private persons or Government servants (in respect of their personal Claims) shall be crossed "Payees A/C Only". This Rule will however not apply to Federal Govt. Servants in r/o pay and allowances up to Rs. 2000/- per month.

Finance Department Letter No: BO (W&M) /6-5/2019-20 dated 19/02/2020 states 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.

According to Para-157 of CTR Vol-I read with Finance Department and Accountant General Khyber Pakhtunkhwa letters dated 1-4-2019 & 25-3-2019, payment to Vendor/ Supplier must be made through Crossed Cheques i.e. "Payee Account Only".

District Director Live Stock, Lakki Marwat drew Rs. 3,000,000 from

Government Treasury on account of Financial Assistance to three deceased employees during FY 2020-21. However, local office could not produce proof of payment to legal heir of deceased employees through cross cheques or any other relevant documentation as nothing as such was available on record. Detail is given below.

| S.No. | Name of Deceased Employee | Amount (Rs.) |
|--------------|---|------------------|
| 1. | Late Taimour Shah Ex-Veterinary Supervisor | 1,200,000 |
| 2. | Late Faiz Ullah Shah Ex-Veterinary Supervisor | 1,200,000 |
| 3. | Late Abdul Sattar Ex-Sweeper | 600,000 |
| Total | | 3,000,000 |

The lapse occurred due to weak internal controls, which resulted in irregular payment of financial assistance.

When reported in February 2022, management stated that detail reply would be submitted after scrutiny of record. Reply is still awaited.

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

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

AIR Para No. 4 (2020-21)

B. Procurement related irregularities

2.4.2.11 Non-supply of medicines-Rs.19.864 million and Non imposition of penalty-1.390 million

Clause 22(a) of the standard contract agreement as mentioned in Para-C of the MCC guidelines circulated vide DGHS KPK letter No. 5044-5244/MCC dated 23.09.2021 states that incase of delay in supply beyond 30 days of the local and 60 days of the imported items penalty @ 01% per week upto maximum of 07% for 07 weeks, of the total quoted price shall be imposed.

District Health Officer, Lakki Marwat and Deputy District Health Officer Sub Division Bhattani drew Rs 64,000,000 for purchase of medicines for various sub-ordinates facilities during Financial Year 2021-22. But medicines worth Rs 19,864,639 were still not supplied till date of audit. Moreover, the management did not impose penalty @Rs7% amounting to Rs 1,390,524 on the suppliers.

Detail at Annexure-2.

The lapse occurred due to weak internal controls, which resulted in non-supply of medicines and non-imposition of penalty. The similar observation was also pointed out during the financial years 2019-20 and 2020-21 amounting to Rs.20.093 million and Rs. 8.927 million respectively. However, no corrective measures were taken, resultantly total non-supply of medicine of Rs 48.884 million.

When reported in August 2022, management stated that detailed reply will be submitted after scrutiny after record.

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

Audit recommends ensuring the supply of medicines besides imposition of penalty for late supply.

AIR Para No.01 & 16 (2021-22)

2.4.2.12 Wasteful expenditure on account of purchase of medicines – Rs.10.780 million

According to Section 28 A (I) of the Pakistan Medical and Dental Council (PMDC) Ordinance 1962, no person other than a registered medical practitioner shall practice medicine or dentistry.

District Health Officer, Lakki Marwat issued medicines worth Rs.10,780,776 to the below mentioned BHUs during the financial year 2021-22 where the posts of Medical Officers were vacant since long. Hence, issuance of medicines in the absence of qualified and registered medical practitioner is wasteful and risky.

| S # | Name BHU | Amount (Rs) |
|-----|-------------------|-------------------|
| 01 | Behram khel | 2,998,170 |
| 02 | Khan Khel | 1,798,536 |
| 03 | Bachkan Ahmad Zia | 2,898,353 |
| 04 | Langer khel | 3,085,717 |
| | Total | 10,780,776 |

Issuance of medicines by non-qualified practitioners occurred due to weak internal controls, which resulted in wasteful expenditure.

When reported in August 2022, management replied that all health

facilities having no medical officer the MT/LHV has the authority to prescribe medicines.

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

Audit recommends justification for issuance of medicines to the BHUs running without doctor.

AIR Para No.02 (2021-22)

2.4.2.13 Loss to Government due to placement of public funds in current bank account – Rs 7.971 million

According to Para 1 and 2 of Finance Department Khyber Pakhtunkhwa letter No. 2/3-(F/L)/FD/2007-08/Vol-IX dated 16th March 2018, Khyber Pakhtunkhwa Finance Department has allowed opening of Bank accounts in the commercial banks in Khyber Pakhtunkhwa. Such accounts may be converted to PLS mode and the profit earned be deposited in Government Treasury not later than a week when declared by the concerned bank.

District Health Office Lakki Marwat placed an amount Rs 113,872,675 in NBP Lakki Marwat during the financial year 2021-22. The account was not converted into PLS mode due to which government could not earn a profit of Rs.7,971,087.

The lapse occurred due weak internal controls, which resulted in loss to the Government.

When reported in August 2022, management replied that the current bank account will be converted into PLS account.

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

Audit recommends conversion of current bank account to PLS mode.

AIR Para No.07 (2021-22)

2.4.2.14 Irregular purchase without open tendering system - Rs 24.300 million

According to Para 6 (1) KPPRA Rules 2014 the Procuring entity shall use open competitive bidding as the principal method of procurement of goods over

the value of Rs 100,000.

Deputy Commissioner Lakki Marwat incurred expenditure on purchase of plant & machinery and Repair of building during financial year 2021-22 without adopting open tender system. Details at Annexure-3.

Similarly, a sum of Rs 7,300,000 and Rs 1,500,500 were spent on services rendered i.e. hiring of CCTV Cameras for Local election and improvement of lawn without adopting open tender system.

The lapse occurred due to weak internal controls, which resulted into irregular expenditure.

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

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

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

AIR 2021-22 Para-07,11&20

2.4.2.15 Non supply of medical equipment worth Rs- 2.000 and Non imposition of Penalty Rs. 0.140 million

Clause 22(a) of the standard contract agreement as mentioned in Para-C of the MCC guidelines circulated vide DGHS KPK letter No. 5044-5244/MCC dated 23.09.2021 states that incase of delay in supply beyond 30 days of the local and 60 days of the imported items penalty @ 01% per week upto maximum of 07% for 07 weeks, of the total quoted price shall be imposed.

Deputy District Health Officer, Sub Division Bhattani paid Rs 2,000,141 to various suppliers for supply of equipment's during 2021-22. However, supply of equipment's was not made by the suppliers till the date of audit. Moreover, the management did not impose penalty @Rs7% amounting to Rs 140,000 on the suppliers concerned. (Detail below)

| S.No | Particulars | Amount (Rs) |
|------|----------------------------|------------------|
| 01 | Ambo Beg Adult | 478,000 |
| 02 | Ambo Beg Paeds | 477,000 |
| 03 | Nebulizer Model JK-11 | 615,401 |
| 04 | Steel Almirah for Medicine | 429,740 |
| | Total | 2,000,141 |

The lapse occurred due to weak internal controls, which resulted in irregular payment.

When reported in August 2022, the management replied that recovery will be made when the actual supplies are made.

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

Audit recommends strengthening of internal controls and action against the person(s) at fault.

AIR Para No.17 (2021-22)

2.4.2.16 Irregular purchase of Furniture – Rs 125.256 million

As per Rule 2(vi) of the 2nd schedule of KPK Delegation of Financial Powers Rules 2018 the officers in Category 2 are authorized to sanction purchase of physical assets upto Rs 1,000,000 at a time and Deputy Commissioners have full powers subject to fulfillment of all codal formalities.

According to Contract Agreement (i) An amount equal to 10% of the agreement value shall be submitted as Performance Guarantee by the supplier within one month of the signing of the agreement in the shape of CDR or Bank Guarantee (ii) Payment will be made after completion of delivery and Verification (Quality & Quantity) Certificate.

District Education Officer (Male), Lakki Marwat paid Rs. 125,256,719 to M/S Burhan Trading Company for purchase of furniture during 2021-22.

Audit observed the following irregularities;

- i. Financial Sanction for incurring the expenditure was not obtained from Deputy Commissioner, Lakki Marwat.
- ii. Payment without the report of inspection committee and a local committee was constituted instead.
- iii. Performance Guarantee amounting to Rs. 12,525,671 was not obtained from the supplier.

- iv. Full payment to supplier whereas payment was subject to Supply Completion & Inspection Reports by the purchase committee.
- v. Furniture amounting to Rs.34.200 million was not supplied till date of audit.

The lapse occurred due to weak Internal Controls, which resulted in irregular purchase.

When reported in July 2022, the management stated that detailed reply will be submitted after scrutiny of record.

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

Audit recommends inquiry into the matter and fixing of responsibility.

AIR Para No. 01 (2021-22)

2.4.2.17 Irregular payment for purchase of furniture-Rs.18.246 million

As per Rule 2(vi) of the 2nd schedule of KPK Delegation of Financial Powers Rules 2018 the officers in Category 2 are authorized to sanction purchase of physical assets upto Rs 1,000,000 at a time and Deputy Commissioners have full powers subject to fulfilment of all codel formalities.

According to Supply Order dated 21-9-2021 and Contract Agreement (i) An amount equal to 10% of the agreement value shall be submitted as Performance Guarantee by the supplier within one month of the signing of the agreement in the shape of CDR or Bank Guarantee (ii) Payment will be made after completion of delivery and Verification (Quality & Quantity) Certificate.

District Education Officer (Female), Lakki Marwat paid Rs. 18,246,060 to M/S Burhan Trading Company for purchase of furniture during 2021-22.

Audit observed the following irregularities;

- i. Financial Sanction for incurring the expenditure was not obtained from Deputy Commissioner, Lakki Marwat.
- ii. Performance Guarantee amounting to Rs. 1,824,606 was not obtained from the supplier.

- iii. Full payment to supplier whereas payment was subject to Supply Completion & Inspection Reports.
- iv. Furniture amounting to Rs.8.949 million was not supplied till date of audit.

The lapse occurred due to weak Internal Controls, which resulted in irregular expenditure.

When reported in July 2022, the management stated that detail reply will be submitted after scrutiny of record.

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

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

AIR Para No. 11 (2021-22)

2.4.2.18 Irregular expenditure through PTCs - Rs.13.00 million

According to Para-1 of PTC Guidelines (Record Maintenance), PTC will maintain complete record of income (receipts) and expenditure (payments) and shall also submit copies thereof to the DEO concerned at closure of the financial year.

According to Clause-4 of Financial Procedure for transfer of funds to PTCs, the Executive District Officer (Schools & Literacy) of the respective District Government shall accord Administrative Sanction and Executive District Officer (F&P) shall Issue Financial Sanction for transfer of funds from the District Account -IV to the Bank Account of the Parent Teacher Councils. These funds shall be transferred/credited to Bank Account of the Councils by the respective District Accounts Offices.

District Education Officer (Male), Lakki Marwat transferred Rs. 13,000,000 to PTC Accounts of various Schools during 2021-22, as per detail given below;

| S.No. | Particulars | Amount Transferred (Rs.) | Income Tax (Rs.) | Sales Tax (Rs.) | Total Taxes (Rs.) |
|--------------|--------------------|---------------------------------|-------------------------|------------------------|--------------------------|
| 1. | CRC | 4,000,000 | 360,000 | 680,000 | 1,040,000 |

| | | | | | |
|----|---------------------|-------------------|------------------|----------------|------------------|
| 2. | Petty Repair | 9,000,000 | 675,000 | - | 675,000 |
| | Total | 13,000,000 | 1,035,000 | 680,000 | 1,715,000 |

Audit observed the following irregularities:

- i. Vouchers and other documents pertaining to expenditure incurred was not available on record.
- ii. Progress reports regarding execution and completion of works were not available on record to ascertain that the works were actually completed.
- iii. Bank Statements of PTC Accounts of Schools were not available on record to ascertain that funds were actually transferred to Bank Accounts and utilized accordingly.
- iv. The local office did not make reconciliation with the concerned Banks.
- v. Income and Sales tax Rs. 1,035,000 and Rs. 680,000 respectively were also not deducted.

The lapse occurred due to weak internal controls, which resulted in irregular expenditure.

When reported in July 2022, the management stated that detail reply will be submitted after scrutiny of record.

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

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

AIR Para No. 04 (2021-22)

2.4.2.19 Irregular expenditure through PTCs-Rs.7.330 million

According to Para-1 of PTC Guidelines (Record Maintenance), PTC will maintain complete record of income (receipts) and expenditure (payments) and shall also submit copies thereof to the DEO concerned at closure of the financial year.

According to Clause-4 of Financial Procedure for transfer of funds to PTCs, the Executive District Officer (Schools & Literacy) of the respective District Government shall accord Administrative Sanction and Executive District

Officer (F&P) shall Issue Financial Sanction for transfer of funds from the District Account -IV to the Bank Account of the Parent Teacher Councils. These funds shall be transferred/credited to Bank Account of the Councils by the respective District Accounts Offices.

District Education Officer (Female), Lakki Marwat transferred Rs 7,330,000 to PTC Accounts of various Schools during 2021-22 as per details given below.

| S.No. | Particulars | Amount Transferred (Rs.) | Income Tax (Rs.) | Sales Tax (Rs.) | Total (Rs.) |
|--------------|---------------------|--------------------------|------------------|-----------------|----------------|
| 1. | CRC | 2,312,000 | 208,080 | 393,040 | 601,120 |
| 2. | Petty Repair | 5,018,000 | 376,350 | - | 376,350 |
| Total | | 7,330,000 | 584,430 | 393,040 | 977,470 |

Audit observed the following irregularities:

- i. Vouchers and other documents pertaining to expenditure incurred were not available on record.
- ii. Progress Reports regarding execution and completion of works were not available on record to ascertain that the works were actually completed.
- iii. Bank Statements of PTC Accounts of Schools were not produced to Audit to ascertain the factual position.
- iv. Local office did not make reconciliation with the concerned Bank.
- v. Income and Sale tax amounting to Rs. 584,430 and Rs. 393,040 respectively were also not deducted.

The lapse occurred due to non-observing of Income Tax Ordinance 2001, which resulted in loss to Government.

When reported in July 2022, the management stated that detail reply will be submitted after scrutiny of record.

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

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

AIR Para No. 12 (2021-22)

2.4.2.20 Non-transparent purchase of IT equipment's – Rs 4.902 million

According to Rule-11 (2) of KPPRA Rules-2014, for all purchases, other than those being covered by the Khyber Pakhtunkhwa Procurement Rules-3 &10 shall be advertised in print media, appearing in at least one national English and one Urdu newspaper with nationwide circulation along with advertising the same either on the procuring entity or Authority Website.

According to S.No.2 (iv) of Delegation of Financial Powers Rules 2018, officer of Category-II, is empowered to accord sanction up to Rs.1,000,000 of incurring expenditure on acquiring physical assets.

According to NIT & Supply Order dated 28-12-2021, (i) Call Deposit @2% of the total value of tender cost should be accompanied with the bid and 8% additional security of the total value will be deposited in case of more than 10% below bid and the same will be released back after 90 days of the delivery.

District Education Officer (Male), Lakki Marwat purchased IT-Equipment for Rs. 4,902,462 during 2021-22. Details below:

| S.No. | Cheque No. & Date | Name of Items | Rate (Rs.) | Quantity | Amount (Rs.) |
|--------------|----------------------------|----------------------|------------|----------|------------------|
| 1. | No.1152507 dated 1-2-2022 | Lap top | 199,010 | 03 | 597,030 |
| 2. | No.1152506 dated 1-2-2022 | Lap top | 199,010 | 03 | 597,030 |
| | | HP Laser Jet Printer | 49,970 | 01 | 49,970 |
| 3. | No.1152500 dated 1-2-2022 | Desk Top Computer | 183,190 | 01 | 183,190 |
| | | Lap top | 199,010 | 01 | 199,091 |
| 4. | No.1152500 dated 1-2-2022 | Desk Top Computer | 183,190 | 01 | 183,190 |
| 5. | No.1152500 dated 1-2-2022 | HP Laser Jet Printer | 102,999 | 06 | 617,994 |
| 6. | No.1229280 dated 24-5-2022 | Lap top | 224,997 | 11 | 2,474,967 |
| Total | | | | | 4,902,462 |

Audit observed the following irregularities:

- i. Financial Sanction for incurring of expenditure was not obtained from Deputy Commissioner, Lakki Marwat.
- ii. IT-Equipment were purchased without advertisement.
- iii. Quotations were arranged by a single successful supplier i.e. M/S AURSOFT and rates quoted were approved.
- iv. The successful supplier did not deposit the 8% additional security.
- v. Laptops so purchased were neither taken on relevant Stock Register nor shown issued.
- vi. Purchase/ Technical Committee report was not available on record.
- vii. Income/Sales Tax was not deducted from the supplier.

The lapse occurred due to weak Internal Controls, which resulted in Un-transparent purchase.

When reported in July 2022, the management stated that detail reply will be submitted after scrutiny of record.

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

Audit recommends inquiry and fixing of responsibility.

AIR Para No. 02 (2021-22)

2.4.2.21 Irregular procurement of Medicine – Rs. 3.393 million

According to Para 14(1) of KPPRA Rules-2014, the procuring entity shall use open competitive bidding as the principal method of procurement for the procurement of goods over the value of Rs.100,000.

District Director Live Stock, Lakki Marwat purchased medicines amounting to Rs. 3,393,670 during FY 2020-21 as per details given below.

| S.No. | Name of Supplier | Cheque No. & Date | Amount (Rs.) |
|--------------|---|------------------------------|---------------------|
| 1. | M/S Sarhad Traders, Peshawar | No.13338307 dated 20-8-19 | 500,000 |
| 2. | M/S Sarhad Traders, Peshawar | No.1007121 dated 29-9-20 | 499,800 |
| 3. | M/S Sarhad Traders, Peshawar. | No.1006951 dated 28-5-21 | 199,680 |
| 4. | M/S PACE Pharma (Pvt.) Ltd. Rawalpindi. | No.1006914 dated 27-5-21 | 598,670 |
| 5. | M/S PACE Pharma (Pvt.) Ltd. | No.1007602 dated 03-6-21 | 597,630 |

| | | | |
|--------------|--|--------------------------|------------------|
| | Rawalpindi. | | |
| 6. | M/S PACE Pharma (Pvt.) Ltd. Rawalpindi. | No.1007671 dated 08-6-21 | 997,890 |
| Total | | | 3,393,670 |

Audit observed the following irregularities.

1. The medicines were not purchased out of the List approved by the Director General Live Stock Department, Peshawar.
2. The medicines were purchased through hand collected quotations from Suppliers of Peshawar, Rawalpindi & Karachi without adopting Open Tender System.
3. Medicines worth Rs. 2.194 million were purchased from “M/S PACE Pharma, Rawalpindi”; however, all three quotations including “M/S DMG, Rawalpindi” & “S.J & G Fazul Ellahie Karachi” were written in same handwriting.
4. Phone Numbers written on Letter Pad of “M/S DMG, Rawalpindi” were same as reflected on the Letter Pad of successful supplier i.e. “M/S PACE Pharma, Rawalpindi”.
5. Neither Purchase Committee was constituted to evaluate the quotations nor the receipt of medicines verified by any Officer.

Procurement of medicines without calling tender occurred due to non-compliance of rules resulting in irregular procurement on non-economical rates.

When reported in February 2022, the management replied that detail reply would be submitted after scrutiny of record.

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

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

AIR Para No.1 (2020-21)

2.4.2.22 Irregular purchase of furniture - Rs.2.616 million

According to terms & conditions of Supply Orders dated 13-6-2022 placed by DEO (F), Lakki Marwat, 50% payment will be made to SIDB,

D.I.Khan in advance whereas remaining payment will be made after completion of supply and Inspection Report of Technical Committee.

According to decision of Peshawar High Court dated 7-12-2016, Department concerned should take care of the healthy competition between different entities for supplying of materials and would not make it precedent to deprive other competitors in the process of supply of items.

According Rule at S.No.2(iv), officer of Category-II, is empowered to accord sanction up to Rs.1,000,000 of incurring expenditure on Acquiring Physical Assets.

District Education Officer (Female), Lakki Marwat incurred expenditure amounting to Rs. 2,616,714 on purchase of furniture under ADP No.362 during 2021-22.

Audit observed the following irregularities;

- i. Financial Sanction of incurring expenditure was not obtained from DC, Lakki Marwat.
- ii. Furniture was purchased from SIDB, D.I.Khan without adopting open tender system.
- iii. Payment in advance without Supply Completion & Inspection Reports.

The Irregularity occurred due to weak Internal Controls which resulted in irregular purchase.

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

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

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

AIR Para No. 13 (2021-22)

2.4.2.23 Irregular purchase of furniture - Rs. 2.439 million

According to Rule-4(1) of KPPRA Rules-2014, the procuring entity shall use open competitive bidding as the principal method of procurement for the procurement of goods over the value of Rs100,000.

According to decision of Peshawar High Court dated 7-12-2016, Department concerned should take care of the healthy competition between different entities for supplying of materials and would not make it precedent to deprive other competitors in the process of supply of items.

According to terms & conditions of Supply Orders dated 13-6-2022 placed by DEO (Male), Lakki Marwat, 50% payment will be made to Pak German Wood Working Centre, D.I.Khan in advance whereas remaining payment will be made after completion of supply and Inspection Report of Technical Committee.

According to S.No.2 (iv) of Delegation of KPK Financial Powers Rules 2018, officer of Category-II, is empowered to accord sanction up to Rs. 1,000,000 of incurring expenditure on acquiring physical assets.

District Education Officer (Male), Lakki Marwat incurred expenditure of Rs. 2,439,382 on purchase of furniture under ADP No.362 during 2021-22.

Audit observed the following irregularities:

- i. Furniture was directly purchased from Pak German Wood Working Centre, D.I.Khan without adopting open tender Process.
- ii. Payment in advance without Supply Completion & Inspection Reports as required under terms & conditions of Supply Orders.
- iii. Financial Sanction of incurring expenditure was not obtained from Deputy Commissioner, Lakki Marwat.

The lapse occurred due to weak Internal Controls, which resulted in irregular purchase.

When reported in July 2022, the management stated that detail reply will be submitted after scrutiny of record.

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

Audit recommends Strengthening of Internal Controls and action against the person(s) at fault.

AIR Para No. 05 (2021-22)

2.4.2.24 Doubtful Purchase of Android Phones Rs.2.793 million

According to rules 75 (2) of Khyber Pakhtunkhwa District Budget Rules 2016, Each Head of Offices is responsible for enforcing financial order and strict economy at every step. He is responsible for observance of all relevant financial rules and regulations both by his own office and by subordinate disbursing officers.

District Health Officer Lakki Marwat incurred expenditure of Rs 2,793,000 on account of purchase of 70 Nos of Mobile Phones to EPI Vaccinators during the financial year 2021-22, under “Expended Programme on Immunization”.

Audit observed the following irregularities;

1. Original advertisement (3 National level Urdu/English Newspaper) and on KPPRA website was not available on record.
2. The budget was granted for tablets but instead of tablets, android phones were purchased.
3. Inspection report of inspection committee was not available on record.
4. Neither delivery challan was available on record nor any entries were made in the stock register.
5. Acquaintance roll was not maintained to verify the delivery of phones.
6. Performance guarantee/warrantee or security was not obtained from the firm to secure the supply.
7. Income tax @ 4.5% was also not deducted from the supplier.

The lapse occurred due to weak internal controls which resulted in doubtful purchase.

When reported in August 2022, the management replied that mobile for EPI vaccinator has been purchased on approved rates as communicated by DGHS from the approved supplier and it is income tax free. Reply is not tenable as the local office was required to make purchase from MCC approved supplier only.

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

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

AIR Para No.18 (2021-22)

2.4.2.25 Non supply of medical equipment worth Rs- 2.795 million and non-imposition of penalty - Rs. 0.195 million

Clause 22(a) of the standard contract agreement as mentioned in Para-C of the MCC guidelines circulated vide DGHS KPK letter No. 5044-5244/MCC dated 23.09.2021 states that incase of delay in supply beyond 30 days of the local and 60 days of the imported items penalty @ 01% per week upto maximum of 07% for 07 weeks, of the total quoted price shall be imposed.

District Health Officer, Lakki Marwat withdrew Rs 2,795,000 on account of Purchase of Medical Equipment (Agfa CR System) for THQ Hospital Sarai Naurang during Financial Year 2021-22. The supply order was issued on 25/05/2022, but the supply was not made till the date of audit. Moreover, the management did not impose penalty @7% amounting to Rs 195,650 on the suppliers concerned.

Non-supply of medicines and non-imposition of penalty occurred due to weak internal controls.

When reported in August 2022, the management replied that the supply of equipment is in pipeline.

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

Audit recommends strengthening of internal controls and imposition of penalties on supplier.

AIR Para No.19 (2021-22)

2.4.2.26 Irregular expenditure of Rs. 2.799 million.

According to rules 75 (2) of Khyber Pakhtunkhwa District Budget Rules 2016, Each Head of Offices is responsible for enforcing financial order and strict economy at every step. He is responsible for observance of all relevant financial rules and regulations both by his own office and by subordinate disbursing officers.

Medical Superintendent City Hospital, Lakki Marwat spent Rs 2,799,918

under the head “Repair of Other Building” during 2021-22. Audit observed the following irregularities:

- i. Being a category-IV officer, MS City Hospital is not entitled to accept tenders and issue work orders.
- ii. All the contracts were awarded to the Contractors who were engaged in irrelevant line of work.
- iii. All payments were made on simple AC bills, no measurement was found in any bill.
- iv. All the payments were made through DDO instead of vendor.
- v. Actual payee receipts were not found on record of local office.

The lapse occurred due to weak internal controls, which resulted in irregular expenditure.

When reported in August 2022, the management did not reply to the audit observation.

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

Audit recommends that the matter may be inquired/justified.

AIR Para No.39 (2021-22)

2.4.2.27 Non-supply of medicines worth - Rs 5.648 million and non-imposition of penalty Rs 0.395 million

Clause 22(a) of the standard contract agreement as mentioned in Para-C of the MCC guidelines circulated vide DGHS KPK letter No. 5044-5244/MCC dated 23.09.2021 states that incase of delay in supply beyond 30 days of the local and 60 days of the imported items penalty @ 01% per week upto maximum of 07% for 07 weeks, of the total quoted price shall be imposed.

Medical Superintendent City hospital Lakki Marwat incurred an expenditure of Rs 15,554,995 on account of purchase of medicines for various sub-ordinates units during Financial Year 2021-22, out of which medicines worth Rs 5,648,593 were not supplied till the date of audit i.e July, 2022. Moreover, the management did not impose penalty @ Rs7% amounting to Rs 395,401 on the suppliers concerned. Detail at Annexure – 4.

Non-supply of medicines and non-imposition of penalty occurred due to

weak internal controls which resulted in non-supply of medicines.

When reported in August 2022, the management stated that detail reply will be submitted after scrutiny of record.

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

Audit recommends investigation and action against the person(s) at fault besides completion of supply and imposition of penalty.

AIR Para No.41 (2021-22)

2.4.2.28 Irregular Purchase of Machinery Items-Rs.1.783 million

According to Rule-4(1) & 10 of KPPRA Rules-2014, the procuring entity shall use open competitive bidding as the principal method of procurement for the procurement of goods over the value of Rs100,000 and all petty purchases between Rs. 50,000 to Rs. 100,000 shall be procured by obtaining minimum of three quotations.

District Education Officer (Male), Lakki Marwat incurred expenditure amounting to Rs. 1,783,400 under head “Plant & Machinery” during 2021-22.

Audit observed the following irregularities;

- i. Open tender system was not adopted to get economical rates.
- ii. All the items including 20 Nos. Solar Panels, 4 Nos. UPS and 4 Nos. Batteries were purchased without mentioning any specifications.
- iii. The items so purchased were neither entered in relevant Stock Register nor shown issued to any section.
- iv. Acknowledgment receipts were not available on record.

The lapse occurred due to weak Internal Controls, which resulted in irregular purchase.

When reported in July 2022, the management stated that detail reply will be submitted after scrutiny of record.

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

Audit recommends strengthening of Internal Controls and action against the person(s) at fault.

AIR Para No. 01 (2021-22)

**2.4.2.29 Illegal deposit/ retention of funds in designated Bank Account
- Rs113.872 million**

According to Para 290 of Central Treasury Rules, “no money should be drawn from Treasury unless required for immediate disbursement. It is not permissible to draw money from treasury in anticipation of demand or to prevent lapse of budget grant”.

District Health Officer, Lakki Marwat for financial year 2021-22, retained a sum of Rs. 113,872,675 in the designated Bank Account as on 30.06.2022 which is violation of above-mentioned rules.

The lapse occurred due to weak Internal Controls, which resulted in illegal retention of funds.

When reported in August 2022, the management did not reply to the audit observation.

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

Audit recommends inquiry and action against the person(s) responsible.

AIR Para No.57 (2021-22)

**2.4.2.30 Irregular cash payment from Designated Bank Accounts-
Rs.10.437million**

According to Rule-77 of Treasury Rules, (a) every officer receiving money on behalf of Government should maintain a Cash Book in Form T. R.4 and (b) All money transactions should be entered in the Cash Book as soon as they occur.

During audit of District Health Officer, Lakki Marwat for year 2021-22, it was observed that BHUs and RHCs drew Rs. 10,437,000 in cash from Primary Health Care Management Committees Bank Accounts. However, neither

cashbook was maintained nor purpose of drawl of funds was recorded. (Detail at Annexure- 5).

The lapse occurred due to weak internal controls, which resulted in irregular drawl of government funds.

When reported in August 2022, the management replied that all PCMCs have designated bank accounts, hence they do not need to maintain cash book. Reply is not tenable as maintenance of cashbook is mandatory as per Treasury Rules.

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

Audit recommends inquiry to ascertain the factual position.

AIR Para No.06 (2021-22)

2.4.3 Value for Money and Service Delivery Issues

2.4.3.1 Irregular Purchase of furniture Rs. 5.009 million and less deduction of taxes – Rs. 0.906 million

According to rules 75 (2) of Khyber Pakhtunkhwa District Budget Rules 2016, Each Head of Office is responsible for enforcing financial order and strict economy at every step. He is responsible for observance of all relevant financial rules and regulations both by his own office and by subordinate disbursing officers.

District Health Officer, Lakki Marwat paid an amount of Rs. 5,008,800 to IZ enterprises, Peshawar for supply of furniture during financial year 2021-22. Details at Annexure – 6.

Audit observed the following irregularities;

1. The supply of furniture was not completed till the date of Audit (19-07-2022) though advance payment.
2. Income tax was deducted @ 4.5% instead of 9% which resulted in less deduction of Rs. 225,396.
3. Sales tax @ 1/5th of 17% was deducted instead of 17% which resulted in less deduction of Rs. 681,197.
4. Actual Payee Receipts were not available on record.
5. Payments were made through DDO instead of vendors.

The irregularity occurred due to weak internal controls.

When reported in August 2022, the management replied that all supplies were made and payment through bank draft /vendor. Reply is not tenable as no documentary evidence was provided to audit to authenticate the payments.

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

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

AIR Para No.11 (2021-22)

2.4.3.2 Non-release of funds of girls' stipend and District ADP-Rs.92.159 million.

According to Para 105 of GFR Vol-I it is an important financial principle that money indisputably payable should not, as far as possible, be left unpaid, and that money paid should under no circumstances be kept out of accounts a day longer than is absolutely necessary even though the payment is not covered by proper sanction.

Deputy Commissioner Lakki Marwat did not release funds of Rs. 62,178,460 for provision of stipend to primary & secondary girls' students, allocated vide Finance Department letter No. BO(PFC-II) FD /1-5/2021-22/N/Salary dated June 4th 2022, which deprived the girls students of their stipend.

Similarly, District ADP amounting to Rs 29,981,118 allocated for ongoing schemes in the district was also not released during 2021-22 which needs justification.

The lapse occurred due to weak internal controls which resulted into non-release of funds.

When reported in July 2022, management replied that due to inactiveness of SAP system for new claims in start to mid of June, the amount of budget was lapsed and is placed as opening balance in current financial year 2022-23. The reply was not convincing as the local office was required to release the fund in the current financial year.

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

Audit recommends inquiry and action against the person at fault.

AIR 2021-22 Para-01&02

2.4.3.3 Un-verified payment of stipend to girl's students - Rs.95.528 million

According to E & SE Department, KP, Peshawar letter No.DPC/E&SE/Stipend/2021-11 dated 10-3-2022, only girl students with 80%

attendance of the school days will get stipend; the eligible girl's students must be present in the school to receive the stipend from the Postman. The Head of the schools will only identify the students and endorse the payment to her; and the disbursement must be completed of all the installments before 15th. Of April, 2022

District Education Officer (Female), Lakki Marwat paid Rs. 95,528,700 to Senior Post Master, GPO, Lakki Marwat for onward payments to Girls Students of Lakki Marwat as Stipend during 2021-22.

| S.No. | Cheque No. & Date | Particulars | Amount (Rs.) |
|--------------|-----------------------------|---|-------------------|
| 1. | No.1152803 dated 28-03-2022 | 1st. Installment to 23,510 Students of Katchi, Ist. & 6 th . Class @ Rs.1,800 | 42,318,000 |
| | | 1s. Installment to 1,347 Students of 9 th . Class @ Rs.4,500 | 6,061,500 |
| 2. | No.1229477 dated 02-6-2022 | 2 nd . Installment to 22,384 Students of Katchi, Ist. & 6 th . Class @ Rs.1,800 | 40,291,200 |
| | | 2 nd . Installment to 1,524 Students of 9 th . Class @ Rs.4,500 | 6,858,000 |
| Total | | | 95,528,700 |

Audit observed the following irregularities;

- (i) Record pertaining to enrollment of Girls Students and 80% attendance were not available on record.
- (ii) The acknowledgment of payments received by the Girls Students dully endorsed/ verified by the Heads of Schools was not available on record to ascertain the factual position
- (iii) The local office did not make any reconciliation with the GPO.

The lapse occurred due to weak internal controls, which resulted in unverified payment.

When reported in July 2022, the management replied that record from all the schools have been received and ready for verification please. Reply was not tenable as record was not produced to audit till finalization of this report.

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

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

AIR Para No. 10 (2021-22)

2.4.3.4 Irregular payment of honoraria to Aima - Rs. 31.50 million

According to Government of KPK Auqaf, Hajj, Religious & Minority Affairs Department, Notification No. SO(AUQAF-I)3-1/2017 Dated 15-01-2018, the “Sub Divisional Scrutiny Committee” will ensure that the recipient of financial assistance must have passed examination equivalent to Metric/SSC from a registered Madrassa.

Government of KPK Finance Department letter No.BO(W&M)/6-5/2019-20 Dated 19/02/2020, addressed to all Principal Accounting Officers and DDOs advised them to stop henceforth all cash payments and open Cheques payments.

Deputy Commissioner Lakki Marwat paid financial assistance/honoraria of Rs. 31,500,000 to Aima of Jamia Masjid during the financial year 2021-22, however, it was observed that money was drawn from Government through DDO Cheques instead of direct payment to vendors. Moreover, the educational credentials/ domiciles were also not available on the record to authenticate the expenditure and eligibility of the Imams of Jamia Masjid.

The lapse occurred due to non-compliance of government rules which resulted in irregular payment.

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

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

Audit recommends investigation and appropriate action against the persons at fault.

(AIR 2021-22 Para N0.03)

2.4.3.5 Illegal occupation of state land – Rs 24.189 million.

Para 286 of GFR Vol-I provides that no land belonging to Government may be sold or made over to a local authority, private party or institution for public, religious, educational or any other purpose, except with the previous sanction of government.

Para 23 of the General Financial Rules Volume I requires that every Government Officer should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Deputy Commissioner Lakki Marwat office record revealed that 772 Kanal and 05 Marlas of irrigated /barani state land amounting to Rs. 24,189,430 (as per valuation table) was illegally occupied by the private persons since long but local office failed to retrieve the state land during 2021-22. Details at Annexure-7.

The lapse occurred due to weak internal controls which resulted in illegal occupation of state land.

When reported in July 2022, the management stated that detailed reply will be submitted after scrutiny of relevant record.

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

Audit recommends inquiry besides making necessary steps to vacate the state lands from illegal occupants.

AIR Para-04 (2021-22)

2.4.3.6 Doubtful payment to teachers for purchase of Tablets PCs – Rs.1.400 million

According to Government of Khyber Pakhtunkhwa Elementary & Secondary Education Department letter No.MO-III/ESRU/S&SED/Tablet PCs Policy/2020 dated 29-6-2020, (i) the Department will make upfront reimbursement of 50% cost of Tablet PCs through Crossed Cheques via DEO offices up to maximum of Rs.15,000 to the newly inducted teachers on production of actual purchase receipt issued in his/her name; (ii) Certification by the DEO Office concerned that the Tablet PC purchased by the teacher to the minimum specification notified by the Department; (iii) List of teachers with father name, Copy of CNIC, contact number, designation and date of appointment, Copy of Crossed Cheque and Acknowledgement receipt duly signed by the teacher concerned should be available on record. District Education

Officer (Female), Lakki Marwat drew funds worth Rs. 1,410,000 from Government treasury under “Tablets PC Policy for Teachers” during 2021-22.

Audit observed the following irregularities:

Actual Purchase Receipt of Tablet PCs purchased by the teachers was not available on record to ascertain the factual position.

A sum of Rs.1,138,550 out of Rs.1,410,000 was shown paid/ reimbursed to 81 number Teachers whereas Rs.271,450 was lying in the Designated Bank Account.

(ii) Acknowledgement receipts duly signed by the Teachers concerned were not available on record to authenticate the payment.

The lapse occurred due to weak internal controls, which resulted in doubtful payment.

When reported in July 2022, the management stated that detailed reply will be submitted after scrutiny of record.

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

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

AIR Para No. 16 (2021-22)

2.4.4 Others, including cases of accidents, negligence etc.

2.4.4.1 Irregular payment to WUAs for water courses-60.329 million

According to Para No.6.6.3 PC-1 of National Program for Improvement of Water Courses, District Rate Assessment Committee will be constituted to decide the rates of construction materials used for improvement of Water Courses.

According to Para 6.2.4.3 (F), (j) & (k) of PC-1 of National Program for Improvement of Water Courses, the cases will be submitted to the Field Engineers of Third-Party Validation (TPV) Consultant by the District Director/District officer (OFWM) for design verification. The TPV consultant will arrange spot-checking of Water Courses for quality assurance and will submit recommendations for transfer of fund to WUAs. Prior to recommending the final payment, the TPV consultants will submit Final Completion Report (FCR) to DG OFWM/Project Director for updating the Data Base.

District Officer Water Management, Lakki Marwat paid Rs. 60,329,221 to different WUAs for construction of Water Courses during FYs 2019-20 & 2020-21. Audit observed the following irregularities.

- i. Rates were not approved from District Rate Assessment Committee as required under PC-I of Programme.
- ii. The design of Water Courses was neither verified from the Third-Party Validation (TPV) Consultant nor were any spot checking made.
- iii. Final payment to WUAs without submitting the Final Completion Report (FRC) by the TPV Consultants.
- iv. Date of starting/completion of scheme were not added in all the work orders.
- v. Geo tag pictures were not taken before and after completion of scheme.

The lapse occurred due to weak internal controls, which resulted in irregular payment to WUAs for Water Courses.

When reported in February 2022, the management replied that detail reply would be submitted after scrutiny of record. However, no such reply was received

so far.

PAO was request for convene the DAC meeting in March 2022, which could not be convened till finalization of this report.

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

AIR Para No.1 (2020-21)

**2.4.4.2 Unauthentic expenditure on account of relief fund –
Rs.800.00 million**

Khyber Pakhtunkhwa Relief Rehabilitation & Settlement Department Notification No. SO (Estt) RR&SD/3-10/2015/PDMA/Vol-VIII dated 12.06.2019 stipulates that before making payments the following should be ensured:

1. CNIC of deceased/owner, next of kin/legal heirs.
2. Death Certificate duly signed by concerned medical officer and village/neighborhood council Secretary.
3. Pictorial evidence collected during visit of the assessment committee.
4. Copy of ownership documents i.e. registered sale deed/allotment letter/fard/intiqal or certificate by the concerned Revenue Staff etc.

Deputy Commissioner, Lakki Marwat paid Rs. 18,800,000 to the flood affectees during the year 2021-22. Payment without observing the above-mentioned criteria.

The lapse occurred due to weak internal controls, which resulted in unauthentic expenditure.

When reported in July 2022, the management stated that detailed reply will be submitted after scrutiny of record.

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

Audit recommends investigation into the matter besides action against the person(s) at fault.

AIR 2021-22 Para-06

2.4.4.3 Irregular Cash payment from Bank Account-Rs. 17.667 million.

According to Rule-77 of Treasury Rules, (a) every officer receiving money on behalf of Government should maintain a Cash Book in Form T. R.4 and (b) All money transactions should be entered in the Cash Book as soon as they occur.

During audit of District Director Agriculture (Extension), Lakki Marwat for FYs 2019-20 & 2020-21, it was noticed that Cash Payment/ Debit Transactions amounting to Rs.5,500,395 were reflected in the statement of Designated Bank Account No.4110763663 but neither the purpose of drawal of Cash Payment was recorded in Cash Book nor the acknowledgement of payments were available on record. Detail is given at Annexure-8.

The lapse occurred due to weak financial control, which results in irregular cash payment from designated Bank Account.

When reported in February, 2022, the management replied that detail reply would be submitted after scrutiny of record. No reply was furnished till date.

PAO was request for convene the DAC meeting in March 2022, which could not be convened till finalization of this report.

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

AIR Para No.2 (2020-21)

2.4.4.4 Non deposit of receipts of arms license fee - Rs 10.424 million

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

Rule 644 of CTR all kind of transaction should be reconciled with treasury / district accounts office.

Deputy Commissioner Lakki Marwat realized receipts of Rs. 10,424,400 from arm license during the financial year 2021-22, however, the receipts were retained in the bank account of A2Z Company (ABL-001002912640014) instead

of crediting into Government treasury. Moreover, no reconciliation was carried out with the bank to authenticate the actual amount of receipts.

The lapse occurred due to weak internal controls which resulted into non-reconciliation of receipts of arms license fee.

When pointed out in July, 2022, the management replied that reconciliation will be carried out with the bank.

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

Audit recommends immediate reconciliation with the bank and deposit of Receipts into Government treasury.

AIR 2021-22 Para-08

2.4.4.5 Irregular payment to WUAs – Rs. 7.860 million

According to Para No. 6.12 of PC-1 of National Program for Improvement of Water courses in Pakistan Phase-II the requisite funds for intervention under the proposed project will be made directly to the joint account of respective WUAs in three (3) installments on the recommendation of the TPV Consultants after the verification of activity made at District level.

DO Water Management Lakki Marwat paid Rs. 7,860,000 during FYs 2019-20 & 2020-21, on account of improvement of water courses through WUAs. The local office paid the amount for improvement of watercourse in lump sum (single installment) instead of 03 installments. It was also noticed that payment without the recommendation of consultants after the verification. Detail is given at Annexure-9.

The lapse occurred due to weak internal controls, which resulted in irregular lump sum payments.

When reported in February 2022 the management stated that the payment has been made on work done to WUAs in compliance with financial rules and regulations. The reply is evasive, as the payments must have been made in three installments as per terms and conditions of PC-1.

PAO was request of convene the DAC meeting in March 2022, however meeting of DAC could not be convened till finalization of this report.

Audit recommends regularization of expenditure besides inquiry to fix the responsibility at the person(s) at fault.

AIR Para No. 1 (2020-21)

2.4.4.6 Suspected misappropriation of Government funds – Rs 7.00 million

According to rules 75 (2) of Khyber Pakhtunkhwa District Budget Rules 2016, each head of office is responsible for enforcing financial order and strict economy at every step. He is responsible for observance of all relevant financial rules and regulations both by his own office and by subordinate disbursing officers.

Para 23 of the General Financial Rules Volume I requires that every Government Officer should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Deputy Commissioner, Lakki Marwat paid funds worth Rs. 7,009,600 to District Police Officer (DPO) Lakki Marwat for various purposes (detailed below) during financial year 2021-22. But no record including vouchers, actual payee receipts, expenditure statement along with utilization certificate was available till date of audit to support the expenditure incurred due to which chances of misappropriation of funds cannot be ruled out.

| S.No | Particulars | Amount in Rs |
|-------------|---|---------------------|
| 01 | Solution of traffic Management in District Lakki Marwat | 1,025,000 |
| 02 | Purchase of traffic Material District Lakki Marwat | 675,000 |
| 03 | Re-Furnish of jarga hall | 500,000 |
| 04 | Special/Petty Repair in residence of DPO | 1,621,300 |
| 05 | Repair of toilets and sewerage system in police line | 1700,000 |
| 06 | Special/Petty Repair in residence of DPO | 1,488,300 |
| | Total | 7,009,600 |

The lapse occurred due to weak internal controls which resulted into suspected misappropriation of Government funds.

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

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

Audit recommends to conduct an inquiry into the matter for fixing the responsibility besides action against the person(s) at fault.

AIR Para-12 (2021-22)

2.4.4.7 Irregular drawl of funds through DDOs instead of payment to Vendors –Rs. 1.863 million

According to Para-157 of CTR Vol-I read with Finance Department and Accountant General Khyber Pakhtunkhwa letters dated 1-4-2019 & 25-3-2019, payment to Vendor/ Supplier must be made through Crossed Cheques i.e. “Payee Account Only”.

According to Rule-157 of Treasury Rules Vol-I the Cheques for more than Rs 200/- drawn in favor of local bodies, firms private persons or Government servants (in respect of their personal Claims) shall be crossed “Payees A/C Only”. This Rule will however not apply to Federal Govt. Servants in r/o pay and allowances up to Rs. 2000/- per month.

District Director Agriculture Extension, Lakki Marwat drew Rs 1,863,271 from treasury to DDO account instead of direct payment to vendors/suppliers/contractors/ payee accounts through Cross Cheques during the FY 2020-21. Moreover, neither cash books were maintained by local offices nor actual payee receipts were available on record. Detail is given at Annexure-10.

The lapse occurred due to weak internal control, which resulted in irregular payment through DDOs.

When reported in February, 2022, the management replied that that after consultation of record proper reply will be submitted. Reply is still awaited.

PAO was request for convene the DAC meeting in March 2022, however meeting of DAC could not be convened till finalization of this report.

Audit recommends that DDO payment must be stopped forthwith and regularization of expenditure besides fixing responsibility against the person(s) at fault.

AIR Para No.4 (2020-21)

2.4.4.8 Irregular expenditure on rent of buildings-Rs.1.132 million

According to rule at S.No.2 (e) of Khyber Pakhtunkhwa Delegation of Financial Power Rules-2018, rent of Office Building is subject to (i) the rent does not exceed the rent assessed by the Excise & Taxation Department for the purpose of Urban Immovable Property Tax or the rent to be paid is made on the basis of Property Tax (ii) Assessment made by the Communication & Works Department (iii) No Objection Certificate from C&W Department for Non-availability of office accommodation. Moreover Section 155 of Income Tax Ordinance 2001 explain that on rent of property between Rs.200,001 to Rs.600,000, income tax on property @ 5% may be deducted.

District Population Welfare Officer, Lakki Marwat paid rent amounting to Rs.1,132,440 on account of rent of rent of CVDs, CVCs & office buildings during FYs 2019-20 & 2020-21 as per detail given in Annexure-11.

Audit noticed following irregularities.

1. Agreement made with the owners were not available on the record.
2. Rent Assessment Certificate showing total covered area and maps of buildings were not available on record.
3. Actual Payee receipts of rent paid to the Owners were also not found attached.
4. The proof of payment of Urban Immovable Property Tax to Excise & Taxation Department was not produced.
5. NOC from C&W Department for Non-availability of office accommodation was not produced.
6. The pre-audit Cheques were issued in favor of DDO instead of Vendors/Owners of the buildings and cash payment was shown made to owners of rented buildings in Cash Book.

The lapse occurred due to weak internal and financial controls, which resulted in irregular expenditure on rent of building.

When reported in February 2022, the management replied that that after consultation of record proper reply will be submitted. Reply is still awaited.

PAO was request for convene the DAC meeting on in March 2022, however meeting of DAC could not be convened till finalization of this report.

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

AIR Para No.4 (2020-21)

2.4.4.9 Irregular retention of scholarship funds – Rs 1.200 million

According to Rule 75 (2) of Khyber Pakhtunkhwa District Budget Rules 2016, each head of office is responsible for enforcing financial order and strict economy at every step and for observance of all relevant financial rules and regulations both by his own office and by subordinate disbursing officers.

As per Para 14 of GFR Vol-I, delay in payment of money indisputably due by Govt is contrary to all rules and budgetary principles and should be avoided.

Deputy Commissioner Lakki Marwat drew funds of Rs. 2,000,000 from Government treasury under Rahmat Ul Lil Alameen Scholarship Programme vide cheque No. 1229479 Dated 02.06.2022 during the year 2021-22 however, out of the total amount of funds, only Rs 800,000 was disbursed among the students and the remaining amount of Rs. 1,200,000 was kept in the designated bank account, depriving students from scholarship which needs immediate disbursement.

The lapse occurred due to weak internal controls which resulted in irregular retention of funds depriving students from scholarship.

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

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

Audit recommends immediate disbursement of scholarship funds among the eligible candidates.

AIR-Para-22 (2021-22)

2.4.4.10 Non-deposit of bank profit into government treasury – Rs.1.431 million

According to Finance Department Khyber Pakhtunkhwa Peshawar letter No. 2/3-(F/L) /FD/2007-08/Vol-IX dated 16.03.2018 read with even No. dated 10.02.2014, the interest / profit amounts accrued/earned on the funds placed in Government Banks (PLS mode) may be deposited into Government Treasury.

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

Deputy Commissioner Lakki Marwat earned bank profit of Rs. 1,431,354 on the sums laying in their designated bank account during the financial year 2021-22 however the same was not deposited into Government treasury.

The lapse occurred due to weak internal controls which resulted into non-deposit of bank profit into government treasury.

When pointed out in July, 2022, the management replied that the profit will be deposited into Govt. treasury however; no progress was shown to audit till finalization of this report.

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

Audit recommends deposit of profit into Government treasury.

AIR-Para-23 (2021-22)

2.4.4.11 Loss to Government due to non-deduction of taxes - Rs 1.82 million

According to Section-153(1) (a) of Income Tax Ordinance read with Finance Bill 2021-22, for payment of supply of goods, if not exempted, will subject to 4% for filer and 8% for non-filer in case of company and for individual rate of tax is 4.5% for filer and 9% for non-filer.

Section 36 of sales tax Act 1990, requires that sales tax @ 17% and 1/5 of 17% may be deducted from registered and un-registered firms respectively on the

supplies they make.

Deputy Commissioner, Lakki Marwat drew Rs. 7,000,000 under the object head "Others" for onward payment to DPO Lakki Marwat during financial year 2021-22 however, income tax @ 9% and Sale tax @ 17% amounting to Rs 630,000 and Rs 1,190,000 respectively were not deducted.

The lapse occurred due to weak internal controls which resulted into loss of revenue to Government.

When reported in July, 2022, the management replied that the quarter concerned will be requested to submit the deposit challan/vouchers showing the deduction of sales tax and income tax.

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

Audit recommends recovery of taxes and its deposit into Government treasury besides fixing of responsibility and action against the person(s) at fault.

AIR Para-24 (2021-22)



CHAPTER-03

TEHSIL MUNICIPAL ADMINISTRATIONS



CHAPTER 3

Tehsil Municipal Administrations

3.1 Introduction

A. Lakki Marwat consists of three (03) Tehsils i.e. Lakki Marwat, Sarai Naurang and Bhetanni. The office of a Tehsil Municipal Administration is managed by the Tehsil Municipal Officer. He is assisted by a Tehsil Officer (Finance), a Tehsil Officer (Regulation) and a Tehsil Officer (Infrastructure).

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

- (a) Monitoring and supervising the performance of functionaries of Government offices located in the Tehsil,
- (b) Land management in the Tehsil, provision of municipal services, execution and management of development plans for improvement of municipal services and infrastructure.
- (c) Enforcing municipal laws, rules and bye-laws, Preventing and removing encroachments, regulate affixing of sign-boards and advertisements;
- (d) Financial management of the Tehsil such as, Preparation of budget and Annual Municipal Development Programmes, collection of revenue such as taxes, penalties, fines etc. manage municipal properties, assets and funds;
- (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 Lakki Marwat

(Rs in million)

| S. No. | Description | Total Nos. | Audited | Expenditure audited FY 2021-22 | Revenue / Receipts audited FY 2021-22 |
|--------|------------------|------------|---------|--------------------------------|---------------------------------------|
| 1 | Total Formations | 03 | 03 | 436.136 | 315.935 |

B. Comments on Budget and Accounts (Variance Analysis)

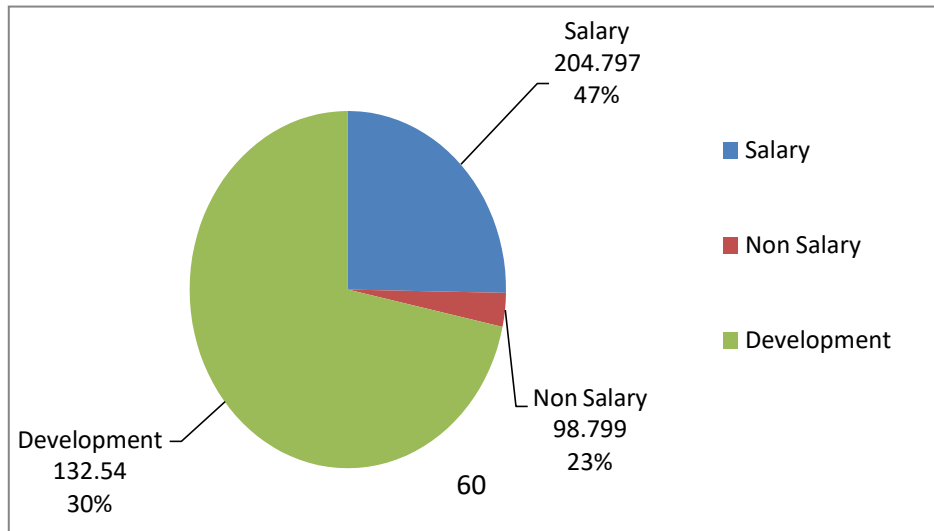
(Rs in million)

| Description | Budget | Expenditure | Excess/(Saving) | %age |
|-----------------|----------------|----------------|------------------|---------|
| Salary | 256.868 | 204.797 | (52.071) | (20.27) |
| Non salary | 102.717 | 98.799 | (3.918) | (3.81) |
| Development | 216.566 | 132.54 | (84.026) | (38.79) |
| Total | 576.151 | 436.136 | (140.015) | |
| Receipts | | 315.935 | | |

The savings of Rs. 140.015 million indicate inefficiency in the capacity of TMAs to utilize the amount allocated.

EXPENDITURE 2021-22

(Rs in million)



The savings of Rs.140.015 million indicate weakness in the capacity of Tehsil Municipal Administrations to utilize the allocated budget. Furthermore, the savings in salary and non-salary components were 20.27% and 3.81% respectively which shows over estimation of budget. Whereas, the savings of 38.79% in development budget shows inefficiency in utilization of fund on the part of the management.

3.2 Classified Summary of Audit Observations

Audit observations amounting to Rs. 65.539 million were raised as result of this audit. This amount also included the recoverable amount of Rs. 28.011 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rs. in million)

| S.No. | Classification | Amount |
|--------------|---|---------------|
| 1 | Fraud, Embezzlement and misappropriation | 29.381 |
| 2 | Irregularities | - |
| A | HR/Employees related irregularities | 7.1 |
| B | Procurement related irregularities | 5.138 |
| 3 | Value for money and service delivery issues | 23.92 |
| Total | | 65.539 |

3.3 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 are given below:

| Sr. No. | Audit Year | TAC meeting |
|---------|------------|-------------|
| 1. | 2002-03 | N/A |
| 2. | 2003-04 | N/A |
| 3. | 2005-06 | N/A |
| 4. | 2006-07 | N/A |
| 5. | 2007-08 | N/A |
| 6. | 2008-09 | N/A |
| 7. | 2009-10 | N/A |
| 8. | 2010-11 | N/A |
| 9 | 2011-12 | N/A |

| | | |
|----|---------|--------------|
| 10 | 2012-13 | Not convened |
| 11 | 2019-14 | Not Convened |
| 12 | 2016-17 | Not Convened |
| 13 | 2017-18 | Not Convened |
| 14 | 2018-19 | Not Convened |
| 15 | 2019-20 | Not Convened |
| 16 | 2020-21 | Not Convened |
| 17 | 2021-22 | Not Convened |

3.4 AUDIT PARAS

3.4.1 Fraud, Embezzlement and Misappropriation

3.4.1.1 Loss due to less recovery -Rs 2.352 million

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

Para 06 of the of notification No. AO-II/LCB/6-11/2019 dated 10.03.2020 policy guide line for LG and RDD “2% penalty per day will be liable on the contractor for the late deposit of monthly installment.

TMO Lakki Marwat did not recover Rs 2,352,090 on account of auctioned amount from the contractor during the year 2021-22. (Detailed below):

| S.No | Name of Contractor. | Contract Amount-Rs | Recovered-Rs | Out standing | Income tax 10% | Total Amount Rs. |
|--------------|----------------------------|---------------------------|---------------------|---------------------|-----------------------|-------------------------|
| 1 | Bus stand Lakki Marwat | 8,500,000 | 7,515,000 | 985000 | 850000 | 1835000 |
| 2. | Sign Borad Lakki Marwat | 620000 | 164910 | 455090 | 62000 | 517090 |
| Total | | | | | | 2,352,090 |

Less recovery of receipts occurred due to weak internal controls, which resulted in loss to Government.

When pointed out in October 2022, management replied that recovery will be made. Reply is not tenable as no documentary evidence of recovery was provided.

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

Audit recommends recovery of the outstanding immediately.

AIR Para No.01 (2021-22)

3.4.1.2 Non deposit of taxes of Rs 1. 378 million

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

and paid into government treasury.

Sales Tax and Income Tax at prescribed rate from the suppliers shall be deducted as per Sales Tax Act 1990 and Income Tax Ordinance.

TMO Lakki Marwat deducted Income tax and sale tax Rs 1,378,033 on account of purchase of miscellaneous items and developmental works from the vendors during the financial year 2021-22. However, the amount of income tax and sale tax was not deposited in government treasury.

Non deposit of taxes was occurred due to weak internal controls, which result in loss of revenue to Government.

When pointed out in October 2022, management replied that tax amount will be deposited in to their concerned head of account. Reply is not tenable as no documentary evidence of recovery was provided.

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

Audit recommend recovery of the amount.

AIR Para No.07 (2021-22)

3.4.1.3 Loss to TMA due to non-auction of contract Rs. 14.432 million

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

TMO Sari Nurang have not auction the contract for the financial year 2021-22 which resulted in loss to TMA Sari Nurang of Rs. 14,432,000. (Detail below):

| S.no | Name of contract | Bid Amount 19.20 | 20 % increase as per rules | Total amount to be recovered/Bid Amount in 2021-22 | Actual Bid 2021-22 | Loss to Government amount in Rs. |
|--------------|--------------------------|------------------|----------------------------|--|--------------------|----------------------------------|
| 1 | 2 | 3 | 4 | 5=3+4 | 6 | 8=5+7-6 |
| 1 | Cattle Fair Saria Nurang | 31500000 | 6,300,000 | 37800000 | 23377000 | 14,423,000 |
| Total | | | | | | 14,432,000 |

The lapse occurred due to weak internal controls which resulted in loss to TMA.

When pointed out in November 2022, management replied that recovery is in process and will be intimated to audit. Reply is not tenable as no documentary evidence was provide to audit.

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

Audit recommend recovery of the amount besides action against the persons at fault.

AIR Para No.03 (21-22)

3.4.1.4 Unauthorized expenditure without pre-audit - Rs 1.723 million

According to Local Government Department Government of Khyber Pakhtunkhwa letter No.AO/LCB/4(I)06/ 2009-10 dated 4.9.2010 no payment shall be made by the local councils unless the bill is pre audit by the staff of Local Fund Audit Department. Furthermore, according to Section (2) Clause (d) of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, the director local fund Audit shall pre-audit all the payments from the respective fund of tehsil Municipal Administration, village or neighborhood councils, as the case may be, before approving the disbursement of money, in the manner as may be prescribed

Tehsil Municipal Administration Lakki Marwat incurred expenditure of Rs 1,723,015 on account of various object heads during the financial year 2021-22, without pre audit from local fund audit.

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

When pointed out in October 2022, management stated that detail reply will be submitted after consultation of record.

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

Audit recommend action against the person at fault.

AIR Para No.06 (2021-22)

3.4.1.5 Less deduction of taxes amounting Rs. 1.721 million

As per Finance Act 2018 read with income tax ordinance 2001, Section 153 (1)(a) the withholding agent is required to deduct income tax at the rate 9% from the supplier of goods and 10% on the supply of the services (other than compiles non filer) of Goods.

TMO Lakki Marwat being the withholding agent has not deducted the Income Tax amounting Rs. 1,472,760 and DRP of Rs 239,705 from the suppliers of goods and services during the financial year 2021-22.

The lapse occurred due to non-compliance of Income Tax Ordinance 2001, which resulted in loss to Government.

When pointed out in October 2022, management replied that tax amount will be deposited in to the relevant head of account. Reply is not tenable as no documentary evidence of recovery was provided.

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

Audit recommend recovery of the amount.

AIR Para No.08 (2021-22)

3.4.1.6 Unjustified payment of Rent Rs 7.775 million

According to rule at S.No.2 (e) of Khyber Pakhtunkhwa Delegation of Financial Power Rules-2018, rent of Office Building is subject to (i) the rent does not exceed the rent assessed by the Excise & Taxation Department for the purpose of Urban Immovable Property Tax or the rent to be paid is made on the basis of Property Tax (ii) Assessment made by the Communication & Works Department (iii) No Objection Certificate from C&W Department for Non-availability of office accommodation.

Tehsil Municipal Administration Sarai Naurang, incurred expenditure of Rs. 7,775,400 on account of rent during the financial year 2021-22. Audit observed that TMO is paying 20% of the Bid amount under head of

rent which is increasing every year with the increase of bid amount.

| S.no | Description | period | Bid Amount | Amount in Rs |
|------|------------------------------|---------|------------|--------------|
| 1 | Rent Larry Adda Saria Nurang | 2021-22 | 15,500,000 | 3,100,000 |
| 2 | Cattle Fair Saria Nurang | 2021-22 | 23,377,000 | 4,675,400 |
| | Total | | | 7,775,400 |

Audit observed following irregularities:

1. Owner ship of document of land was not available to ascertain the area of land.
2. Rent assessment certificate of concerned authorities was not available in TMA.
3. Income tax on Rent was not deducted nor provided for verification.
4. Fixation of rent with Bid amount is unjustified as per above provision of law.

The lapse occurred due to non-compliance of Income Tax Ordinance 2001 and Government rules, which resulted in unauthorized expenditure.

When pointed out in November 2022, management replied that TMA has paid 20% of bid amount as per rule and a copy will be produced to audit. Reply is not tenable as no documentary evidence was provide to audit.

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

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

AIR Para No.06 (21-22)

3.4.2 Irregularities

A. HR/Employees related irregularities

3.4.2.1 Irregular expenditure on account of payment to daily wages employees Rs. 5.495 million.

GFR rule-205 state that “Subject as hereinafter provided in this rule, a government officer interested with the payment of money shall obtain for every payment he makes, including repayment of sums previously lodged with government, a voucher setting forth full classification and identification in the accounts. Every voucher must bear, or have attached to it, an acknowledgment of the payment signed by the person by whom or in whose behalf the claim is put forward. The acknowledgement shall be taken at the time of payments”.

Tehsil Municipal Administration, Lakki Marwat incurred expenditure of Rs.5, 495,019 on account of salaries to the daily wages employees.

Audit observed the following irregularities:

- i. Attendance registers of the daily wage employees were available on record.
- ii. Actual payee receipts were not available on record.
- iii. No acquaintance role was found/ attached of the daily wages employees.
- iv. CNICs of the daily wage employees are also not available.
- v. Procedure/criteria of daily wage employee’s appointment were also available on record.
- vi. The daily wages were paid consistently throughout the year without any break.
- vii. In the months of 08,11,12/2021, the amount was drawn twice.

The lapse occurred due to weak internal controls which resulted in irregular expenditure.

When pointed out in October 2022, management stated that detail reply will be submitted after consultation of record.

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

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

AIR Para No.16 (2021-22)

3.4.2.2 Irregular expenditure on account of payment to daily wages employees Rs.1.605 million.

GFR rule-205 state that “Subject as hereinafter provided in this rule, a government officer interested with the payment of money shall obtain for every payment he makes, including repayment of sums previously lodged with government, a voucher setting forth full classification and identification in the accounts. Every voucher must bear, or have attached to it, an acknowledgment of the payment signed by the person by whom or in whose behalf the claim is put forward. The acknowledgement shall be taken at the time of payments”.

Tehsil Municipal Administration, Bettani, incurred expenditure of Rs.1,604,800 on account of salaries to the daily wages employees during the financial year 2021-22. Audit observed the following irregularities:

- i. Attendance registers of the daily wage employees were not available on record.
- ii. Actual payee receipts were not available on record.
- iii. No acquaintance role was found/ attached of the daily wages employees.
- iv. CNICs of the daily wage employees are also not available.
- v. Procedure/criteria of daily wage employee’s appointment were also not available on record.

The lapse was occurred due to weak internal controls, which resulted in irregular expenditure.

When pointed out in October 2022, management stated that the TMA is agreed with audit observation and detailed reply will be submitted after consultation of record.

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

Audit recommends necessary justification and action against the person at fault.

B. Procurement related irregularities**3.4.2.3 Irregular expenditure on account of installation of pressure pumps-Rs 5.138 million**

According to Para 10 (iii) & (iv) of GFR, no authority should exercise its powers of sanctioning expenditure to pass an order which will be directly or indirectly to its own advantage & public money should be not be utilized for the benefit of particular person or section of the community.

TMO Lakki Marwat incurred expenditure of Rs 5,138,255 for installation of pressure pumps in various locations of Tehsil Lakki Marwat during the financial year 2021-22. (Detailed below):

| S.No | Name of Scheme | Amount in Rs. |
|--------------|--|------------------|
| 1 | Installation of Solar Pressure Pump in the area of TMA Lakki | 5,138,255 |
| Total | | 5,138,255 |

Audit observed the following irregularities:

- i. The expenditure was incurred on installation of pressure pumps in the home of various individuals instead of community of the area.
- ii. Exact location of pressure pumps were neither mentioned in Administrative Approval nor in Technical Sanction.
- iii. The MB and office record was also silent about the location of the pressure pumps.
- iv. The installation of pressure pumps were not acknowledged by the community.
- v. Proper handing/taking to any Government Department for operation & maintenance was not made.
- vi. Any Government Department has not taken the same on their stock register.

The lapse occurred due to weak internal controls which resulted in irregular expenditure.

When pointed out in October 2022, management stated that detailed reply will submit soon.

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

Audit recommends inquiry for fixing the responsibility against the person at fault.

AIR Para No.21 (2021-22)

3.4.3.2 Value for Money and Service Delivery Issues

3.4.3.1 Loss to TMA due to Non-Auction of Contract Rs. 8.604 million

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

Section 236(A) of the income tax ordinance 2001 impose 10% of the income on any person making the sale by public auction /tender of any property or goods. (On the successful bidder)

TMO Lakki Marwat has not auctioned the following contracts for financial year 2021-22 which resulted in loss to TMA Lakki Marwat of Rs. 8,604,076. (Detailed below):

(Amount in Rs)

| S.No | Name of contract | 2020-21 recovered amount Actual | 20 % increase as per rules | Total amount to be recovered/Bid Amount in 2021-22 | Actual Recovered amount | Income tax on bid Amount | Loss to Government |
|--------------|----------------------------|---------------------------------|----------------------------|--|-------------------------|--------------------------|--------------------|
| 1 | 2 | 3 | 4 | 5=3+4 | 6 | 7=10% of 5 | 8=5+7-6 |
| 2 | Cattle market Lakki Marwat | 10,201,412 | 2040282 | 12,241,694 | 7645530 | 122417 | 4718581 |
| 3 | Sign Borad | 267,500 | 53,500 | 321,000 | 164,910 | 32100 | 188190 |
| 4 | Entry Fee Lakki Marwat | 3,137,360 | 627,472 | 3,764,832 | 451,410 | 37648 | 3689905 |
| 5 | Slaughter house | 120000 | 24000 | 144000 | 14400 | 151000 | 7400 |
| Total | | | | | | | 8,604,076 |

The lapse occurred due to weak administrative and financial controls, which resulted in loss to Government.

When pointed out in October 2022, management replied that recovery will be made. Reply is not tenable as no documentary evidence of recovery was provided.

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

Audit recommends inquiry in the matter for fixing the responsibility.

AIR Para No.02 (2021-22)

3.4.3.2 Non-recovery Outstanding Rent of Shops Rs. 2.963 million

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

TMO Lakki Marwat, has not collected the rent of shop amounting Rs 2,963,956 for financial year 2021-22 as tabulated below:

(Amount in Rs)

| Collection as per Cash Book 2021-22 | Collection during 2020-21 | Shortfall |
|--|----------------------------------|------------------|
| 3,086,044 | 5,500,000 | 2,413,956 |
| Add 10%increase | 550000 | 550,000 |
| | Total | 2,963,956 |

Less recovery of receipts occurred due to weak administrative and financial controls, which resulted in loss to TMA.

When pointed out in October 2022, management replied that recovery will be made. Reply is not tenable as no documentary evidence of recovery was provided.

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

Audit recommend recovery of outstanding amount.

AIR Para No.03 (2021-22)

3.4.3.3 Non recovery of outstanding rent against allotted shops of Rs.2.497 million

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

TMO Serai Naurang for the financial year 2021-22, could not recover the rent of shop for amounting Rs. 2,497,583.

Non recovery of the rent occurred due to weak internal controls which resulted in loss to TMA.

When pointed out in November 2022, management replied that recovery is in process and will be intimated to audit. Reply is not tenable as no documentary evidence was provide to audit.

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

Audit recommend recovery of the amount besides action against the persons at fault.

AIR Para No.08 (2021-22)

3.4.3.4 Unjustified payment of Rent for amounting Rs 1.360 million

According to rule at S.No.2 (e) of Khyber Pakhtunkhwa Delegation of Financial Power Rules-2018, rent of Office Building is subject to (i) the rent does not exceed the rent assessed by the Excise & Taxation Department for the purpose of Urban Immovable Property Tax or the rent to be paid is made on the basis of Property Tax (ii) Assessment made by the Communication & Works Department (iii) No Objection Certificate from C&W Department for Non-availability of office accommodation.

Tehsil Municipal Administration Lakki Marwat, incurred expenditure of Rs. 1,360,000 on account of rent of bus stand during the financial year 2021-22. Audit observed that the TMO, TMA Lakki Marwat is paying 16 % of the Bid amount under head of rent which is increasing every year with the increase of bid amount.

| S.no | Description | Period | Bid Amount | Amount in Rs |
|------|-------------------|---------|------------|--------------|
| 1 | Rent of Bus stand | 2021-22 | 8500000 | 1,360,000 |
| | Total | | | 1,360,000 |

Audit observed the following irregularities:

1. Rent assessment certificate of concerned authorities was not available in TMA.
2. Income tax for amounting Rs 15000 was short deducted from the paid bill.
3. Fixation of rent with Bid amount is unjustified as per above provision of law.

The lapse occurred due to weak internal controls, which resulted in unjustified payment.

When pointed out in October 2021, management replied that the matter is noted and correction will be intimated to audit soon. Reply is not tenable as no progress was intimated to audit till finalization of this report.

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

Audit recommends inquiry and action against the person at fault.

AIR Para No.19 (2021-22)

3.4.3.5 Loss due to less recovery of departmental dues –R 8.496 million

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

Para 06 of the notification No. AO-II/LCB/6-11/2019 dated 10.03.2020 policy guide line for LG and RDD “2% penalty per day will be liable on the contractor for the late deposit of monthly installment.

TMO Saria Nurang did not recover Rs 8,496,700 on account of auctioned contracts from the contractors during the financial year 2021-22. (Detail below):

| S.No | Name of Contractor. | Contract Amount-Rs | Recovered-Rs | Out standing | Income tax 10% | Total Amount in Rs |
|------|----------------------------------|--------------------|--------------|--------------|----------------|--------------------|
| 1 | Conservancy fee | 4,650,000 | 2,660,000 | 1,990,000 | 465,000 | 2,455,000 |
| 2 | Cattel Fair Market Saira Nurange | 23,377,000 | 23,377,000 | - | 2,337,700 | 2,337,700 |
| 3. | Larry Adda SN | 15,500,000 | 15,500,000 | - | 1,550,000 | 1,550,000 |

| | | | | | | |
|--------------|------------------------|-----------|-----------|---|-----------|------------------|
| 4 | Bus stop Gandhi Chowak | 2,154,000 | 2,154,000 | - | 2,154,000 | 2,154,000 |
| Total | | | | | | 8,496,700 |

Less recovery of receipts occurred due to weak internal controls, which resulted in loss to TMA.

When pointed out in November 2022, management replied that recovery is in process and will be intimated to audit. Reply is not tenable as no documentary evidence was provide to audit.

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

Audit recommend recovery of the amount beside action against the person at fault.

AIR Para No.01 (2021-22)



CHAPTER-04

ASSISTANT DIRECTOR LGE & RDD



CHAPTER 4

Assistant Director LGE &RDD

4.1 Introduction

A. Assistant Director Local Government, Election and Rural Development Department in District Lakki Marwat has 96 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 Lakki Marwat.

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

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

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

Functions and Powers of the Village or Neighborhood Councils include:

- i. Monitoring and supervision of the performance of functionaries of all government offices located in the area of the respective village council or neighborhood council, including education, health, public health engineering, agriculture, livestock, police and revenue, and hold them accountable by making inquiries and reports to the Tehsil municipal administration, district government or, as the case may be, the Government for consideration and action;
- ii. Providing effective forum for out of court amicable settlement of disputes and, for this purpose, constitute panels of members as conciliators;
- iii. Registration of births, deaths and marriages;
- iv. Implementation and monitoring of village level development works;
- v. Improving water supply sources, maintain water supply distribution system and take measures to prevent contamination of water;
- vi. Maintenance of village level infrastructure, footpaths, tracks, streets, playgrounds, graveyards, funeral places, Eid Gah, Parks, public open spaces and Community 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 Tehsil Government.

Audit Profile of AD LG & RDD Lakki Marwat:

(Rs. in million)

| S. No. | Description | Total | Audited | Expenditure audited FY 2021-22 | Revenue /Receipts audited FY 2021-22 |
|--------|-------------|-------|---------|-----------------------------------|--|
| 1 | Formation | 01 | 01 | 117.991 | 0 |

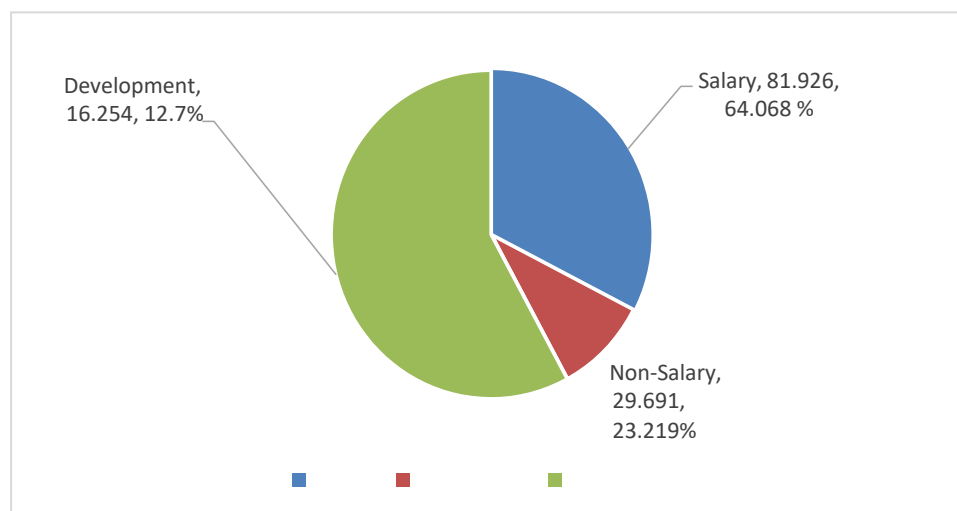
B. Comments on Budget and Expenditure (Variance Analysis)

(Rs. in million)

| AD LGE&RDD | | | | |
|--------------|----------------|----------------|-----------------|-------|
| 2021-22 | Budget | Expenditure | Excess/(Saving) | %age |
| Salary | 104.891 | 81.926 | (22.965) | 28.03 |
| Non-Salary | 29.691 | 29.691 | 0 | 0 |
| Development | 16.254 | 16.254 | 0 | 0 |
| Total | 134.582 | 127.871 | (22.965) | |

EXPENDITURE 2021-22

(Rs in million)



The saving of Rs 22.965 million indicate inefficiency in the capacity of local Government department to utilize the amount allocated.

4.2 Classified Summary of Audit Observations

Audit observations amounting to Rs. 181.922 million were raised in this audit report. This amount also includes recovery of Rs. 2.143 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

(Rs. in million)

| Sr. No. | Classification | Amount |
|--------------|--|----------------|
| 1. | Irregularities | - |
| A | HR/Employees Related Irregularities | 7.77 |
| B | Procurement Related Irregularities | 84.368 |
| 2. | Others, Including Cases of Accidents, Negligence etc | 89.784 |
| Total | | 181.922 |

4.3 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:

| S. No. | Audit Year | VAC/NAC meeting |
|--------|------------|-----------------|
| 1. | 2002-03 | N/A |
| 2. | 2003-04 | N/A |
| 3. | 2005-06 | N/A |
| 4. | 2006-07 | N/A |
| 5. | 2007-08 | N/A |
| 6. | 2008-09 | N/A |
| 7. | 2009-10 | N/A |
| 8. | 2010-11 | N/A |
| 9. | 2011-12 | N/A |
| 10. | 2012-13 | N/A |
| 11. | 2019-14 | Not Convened |
| 12. | 2016-17 | Not Convened |
| 13. | 2017-18 | Not Convened |
| 14. | 2018-19 | Not Convened |
| 15. | 2019-20 | Not Convened |
| 16. | 2020-21 | Not Convened |
| 17. | 2021-22 | Not Convened |

4.4 AUDIT PARAS

4.4.1 Irregularities

A. HR/Employees Related Irregularities

4.4.1.1 Un-authorized payment through DDO of Rs 6.309 million

Government of KPK Finance department letter No. BO(W&M)/6-5/2019-20 Dated Peshawar the 19th February, 2020, all the Principal Accounting officers and DDOs are advised to stop henceforth all cash payments and open cheques payments.

District Council Lakki Marwat paid Rs. 6,309,176 on account of monthly pay during the financial year 2021-22, however the payment through DDO instead of Bank Accounts.

The lapse occurred due to weak internal controls, which resulted in unauthorized payment. The same observation was also pointed out during the financial year 2019-20 amounting to Rs.6.626 million. However, no corrective

measures were taken, resultantly total unauthorized expenditure of Rs. 12.935 million up to date.

When pointed out in October 2022, management stated that detail reply would be submitted later on.

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

Audit recommends stoppage of DDO Payment henceforth besides action against the person at fault.

AIR Para-02 (2021-22)

4.4.1.2 Unauthorized expenditure on account of Monthly Pension out of District Account IV for Rs. 1.461 million

According to rule 74 (1) (a) of Khyber Pakhtunkhwa District or City District Government Budget Rules 2016 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 and according to rule (4) (a) The Head of Offices shall be responsible for all matters relating to the budget for the offices under his administrative control.

Government of KPK Finance department letter No. BO(W&M)/6-5/2019-20 Dated Peshawar the 19th February, 2020, all the Principal Accounting officers and DDOs are advised to stop henceforth all cash payments and open cheques payments.

District Council Lakki Marwat incurred expenditure of Rs. 1,461,076 on account of monthly Pension out of District account IV. Further the payment through DDO instead of through Bank account.

The lapse occurred due to weak internal controls, which resulted in unauthorized expenditure

When pointed out in October 2022, management stated that detail reply will be submitted later on.

PAO was requested to convene DAC meeting in October 2022, which

could not be convened till finalization of this Report.

Audit recommends inquiry into matter to ascertain the factual position.

AIR Para-03 (2021-22)

B. Procurement Related Irregularities

4.4.1.3 Irregular Expenditure on account of transport Rs. 1.522 million.

According to Para 6 (1) KPPRA Rules 2014 the Procuring entity shall use open competitive bidding as the principal method of procurement of goods over the value of Rs 100,000.

AD LGE & RDD Lakki Marwat incurred expenditure amounting to Rs 1,522,740 during 2021-22 under object head “A09501 transport”. However, the open tender process was not adopted which is against the above referred rule.

The lapse occurred due to weak internal controls, which resulted in irregular expenditure.

When pointed out in October 2022, management stated that detailed reply will be submitted later on.

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

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

AIR Para-04 (2021-22)

4.4.1.4 Un-authorized acquisition of Land-Rs 37.600 million

According to Rule No 10 of the KP Land Acquisition Rules 2020 the cost of land through private negotiations, cost of land, and determination of compensation in private negotiations shall be approved by the committee consisting of (a) Collector of District as Chairman (b) ADC General as Member/Secretary (c) Concerned revenue Officer as Member (d) Representative of Acquiring Deptt as Member and (e) Any Co-Opted person as Member.

According to Rule No 20 of the KP Land Acquisition Rules 2020 the collector shall, after approval by the committee under Rule 10, notify a qaumi commission of elders comprising of members upto twenty in number, from

amongst the notables of the area where the land is proposed to be acquired, provided that where the person is the owner, or has any interest, in the proposed land, he shall not be included in the qaumi commission as member.

AD LGE & RDD Lakki Marwat acquired land for Taxi stand, Community center and Family Park in Shadi Khel during 2021-22 for Rs 37,600,000 (Detail below).

(Amount in Rs)

| S.No | Name of Scheme | Area of Land | Rate per Kanal | Total Cost |
|--------------|--|--------------|----------------|-------------------|
| 1 | Construction of Taxi Stand at shadi Khel | 10 Kanal | 1600,000 | 16,000,000 |
| 2 | Construction of Community Centre Shadi Khel | 4 Kanal | 1,000,000 | 4000,000 |
| 3 | Construction of Family Park in Shadi Khel | 15 Kanal | 800,000 | 12,000,000 |
| 4 | Add compulsory acquisition charges, qaumi commission charges, stamp duty | | | 5,600,000 |
| Total | | | | 37,600,000 |

Audit observed the following irregularities.

1. No committee was formed for land acquisition under rule 10 above
2. List of land owners was not available on record.
3. Copy of fard e malkiyat was not available on record.
4. The cost of land paid was Rs 1600000 per kanal, Rs 1,000,000 per kanal and Rs 800,000 per kanal, which is very high rate keeping in view the location of the area and approval of committee under rule 10 was also not obtained.
5. Mutation of land in favor of Govt was also not available on record.
6. Cost of land determined by the revenue officer was not available on record.
7. Approval of the cost of land from the committee under rule 10 obtained which is the most important step.
8. List of owners was not published in any newspaper.
9. Disbursement of the cost of land to the land owners was not available on record.

The lapse occurred due to non-observance of rules and regulations, which

resulted in unauthorized expenditure.

When pointed out in October 2022, management stated that detail reply will be submitted later on.

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

Audit recommends high level inquiry and fixing of responsibility against the persons at fault.

AIR Para No. 20 (2021-22)

4.4.1.5 Unauthorized expenditure on account of installation of Drinking Water Supply Scheme in deviation to administrative approval worth-4.918 million

As per Administrative approval vide No.682/DC/AD LG & RDD/SDGs/AA/LM dated 31.05.2019, the Deputy Commissioner Lakki Marwat approves M&R of /drinking water Supply schemes/rehabilitation & civil work at District Lakki Marwat.

Assistant Director LGE & RDD Lakki Marwat incurred expenditure of Rs. 4,918,111 on account of installation of Drinking Water Supply Scheme at District Lakki Marwat out of funds allocated for maintenance & repair of DWSS in deviation to the administrative approval.

The lapse occurred due to non-observance of rules and regulations, which resulted in unauthorized expenditure.

When pointed out in October 2022, management stated that detail reply will be submitted later on.

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

Audit recommends inquiry into matter besides action against the person at fault.

AIR Para No. 6 (2021-22)

4.4.1.6 Loss on account of Compulsory Acquisition Charges-Rs 4.800 million

According to Section 18(1) of Land Acquisition Act 1894, 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 be 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.

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 fifteen per centum on such market-value, in consideration of the compulsory nature of the acquisition, if the acquisition has been made for a public purpose and a sum of twenty-five per centum on such market-value if the acquisition has been made for a Company”.

During Audit of AD LGE & RDD Lakki Marwat for the financial year 2021-22, it was noticed that Rs. 80,000,000 was allocated Under ADP No “210624 Uplift and Beautification of Urban Centers / Bazars in Newly Merged Districts” to the local office out of which Rs. 37,600,000 was drawn by the Deputy Commissioner Lakki Marwat on account of land acquisition at village Shadi khel Sub Divison Bhattani for construction of Taxi Stand, Community Center and family Park. However, Rs 4,800,000 as 15% compulsory acquisition charges were included in the land award issued by the Deputy Commissioner/ Collector, who is not authorized to allow such charges.

(Amount in Rs)

| S.No | Particulars | Cost of Land | 15% Compulsory Acquisition Charges |
|-------------|----------------------------------|---------------------|---|
| 01 | Establishment of Family Park | 12,000,000 | 1,800,000 |
| 02 | Construction of Community Center | 4,000,000 | 600,000 |
| 03 | Construction of Taxi Stand | 16,000,000 | 2,400,000 |
| | Total | | 4,800,000 |

Irregularity occurred due to non-observance of rules and regulations, which resulted in loss to Government.

When pointed out in October 2022, management stated that detail reply will be submitted later on.

PAO was requested to convene DAC meeting in October 2022, which

could not be convened till finalization of this Report.

Audit recommends refund of 15% Compulsory Acquisition charges.

AIR Para No. 9 (2021-22)

4.4.1.7 Suspected Misappropriation of Government Funds Rs. 35.528 million

According to rule 74 (1) (a) of Khyber Pakhtunkhwa District or City District Government Budget Rules 2016 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 and according to rule (4) (a) The Head of Offices shall be responsible for all matters relating to the budget for the offices under his administrative control.

During Audit of AD LGE & RDD Lakki Marwat for the financial year 2021-22, it was noticed that Rs. 80,000,000 was allocated Under ADP No “210624 Uplift and Beautification of Urban Centers / Bazars in Newly Merged Districts” to the local office, however funds of Rs. 35,528,000 were drawn by the Deputy Commissioner Lakki Marwat from the government treasury vide cheque No 2426009 dated 22.06.2022 (as per SAP R/3 data). The cheque was issued in the name of Deputy Commissioner Lakki Marwat which indicates that the amount was credited into the designated bank account of Deputy Commissioner Lakki Marwat. Further disbursement of the funds were neither known to the local office nor any evidence was shown to audit due to which chances of misappropriation of funds cannot be ruled out.

The lapse occurred due to weak internal controls, which resulted in misappropriation of government funds

When pointed out in October 2022, management stated that detail reply will be submitted later on.

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

Audit recommends a high-level inquiry into the matter besides action against the person at fault.

AIR Para No. 11 (2021-22)

4.4.2 Others, including Cases of Accidents, Negligence etc.

4.4.2.1 Overpayment of Rs 2.143 million

Rule 18(c)(v)(d) of the KP Procurement Rules 2014 provides that a procurement agency shall only engage in alternate method if the following conditions exist, namely there may be more than one variation orders as long as the total value of all the variation orders remains within 15 percent of the original contract.

AD LGE & RDD Lakki Marwat paid Rs 14,701,752 for the work “Construction of Tribal Jirga Hall in Gandi Khan Khel Lakki Marwat during 2021-22. It was observed that the cost of the scheme was Rs 10 million. The bid cost of the scheme was Rs 6,800,000. Maximum amount that can be paid to the contractor was Rs 7,854,000 including enhancement of 15% but Rs 9,997,188 was paid to the contractor resulting in overpayment of Rs 2,143,188.

(Amount in Rs)

| Name of Scheme | Payment made Including 15% enhancement | Payment admissible | Overpayment |
|---|---|---------------------------|--------------------|
| Construction of Tribal Jirga Hall in Gandi Khan Khel Lakki Marwat | 9,997,188 | 7,854,000 | 2,143,188 |

The lapse occurred due to weak non-observance of rules and regulations, which resulted in overpayment.

When pointed out in October 2022, management stated that detail reply will be submitted later on.

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

Audit recommends action against the person at fault.

AIR Para No. 14(2021-22)

4.4.2.2 Unauthorized expenditure of Rs 73.201 million

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

AD LGE & RDD Lakki Marwat executed various schemes during 2021-22, however the schemes were not got technically sanctioned from the competent authority.

The lapse occurred due to non-observance of rules and regulations, which resulted in execution of work without obtaining technical sanction. The similar observation was also pointed out during the financial years 2018-19 and 2019-20 amounting to Rs.23.866 million and Rs. 57.845 million respectively. However, no corrective measures were taken, resulting in unauthorized expenditure of Rs.154.912 million

When pointed out in October 2022, management stated that detail reply will be submitted later on.

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

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

AIR Para No. 8 & 15 (2021-22)

4.4.2.3 Irregular Expenditure-Rs 14.44 million

Para 2. 39 of the B&R code states that for water supply projects the nature and quantity of the existing supply should be given.

According to Para-10 (iii) & (iv) of GFR Vol-I, Public Money should not be utilized for the benefit of a particular person or section of the community.

Assistant Director, Local Government and Rural Development Department, Lakki Marwat incurred expenditure of Rs 14,449,698 on the installation of Pressure pumps in various locations of the district. (Detailed below) **(Amount in Rs)**

| S.No | Name of scheme | Cost |
|------|---|------------|
| 1 | Installation of Pressure pumps in PK93 | 2,000,000 |
| 2 | Solarization of Agriculture tube well Baistkhel | 2,000,000 |
| 3 | Installation of pressure pumps abdul khaman koroona | 635,914 |
| 4 | Installation of pressure pumps mirzali koroona | 635,914 |
| 5 | Installation of solar gravity scheme kotka thor raghzai sd bhittani | 692,870 |
| 6 | Various development works in pk 93 lakki marwat | 8,485,000 |
| | Total | 14,449,698 |

It was observed that;

1. The pressure pumps were installed in the homes instead for the community.
2. No tests of water quality were conducted.
3. Pressure pumps were installed at various locations but the depths of all the dug wells was shown to be the same which is impossible as water table varies from place to place.
4. It is not mentioned in MBs, technical Sanction, administrative approval, DDC Minutes or bills of contractors as where the pressure pumps were installed, only a name of village or area has been mentioned due to which it is not possible to locate the dug well at site.
5. Handing taking certificate from an agency of Government for operation & maintenance was also not available.
6. It was also not mentioned that which Govt Department has taken the schemes on its stock/asset register.

The lapse occurred due to non-observing of Government rules and regulations, which resulted in irregular expenditure.

When pointed out in October 2022, management stated that detail reply will be submitted later on.

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

Audit recommends inquiry into the matter besides action against the person at fault.

AIR Para No. 18 (2021-22)

ANNEXURES

Annex-1

Detail of MFDAC Paras

(Amount in Rs.)

| S.No | AIR No | Caption of Para | Amount |
|---|--------|--|---------|
| 1 | 9 | Irregular and wasteful expenditure on account of POL | 792,602 |
| 2 | 10 | Doubtful expenditure on account of POL | 500,655 |
| 3 | 11 | Irregular & unjustified expenditure on purchase of Furniture | 314,439 |
| 4 | 12 | Irregular expenditure on repair of vehicles | 360,000 |
| 5 | 13 | Irregular Expenditure under head Fair & Exhibition | 399,350 |
| 6 | 14 | Irregular expenditure on Purchase of Stationery | 199,400 |
| 7 | 15 | Non-surrendering of 05 Nos. condemns vehicles to Administrative Department | - |
| District Health Officer Lakki Marwat | | | |
| 8 | 3 | Advance payment on account of purchase of bedding and clothing | 599,260 |
| 9 | 7 | Loss to Government due to non-imposition of penalty | 624,912 |
| 10 | 9 | Irregular expenditure on repair of machinery and equipment | 480,450 |
| 11 | 15 | Loss to Government due to non-deduction of sales tax | 502,381 |
| District Education Officer Male Lakki Marwat | | | |
| 12 | 2 | Irregular Purchase of Furniture without adopting Open Tender System | 942,000 |
| 13 | 8 | Doubtful expenditure on account of repair of transport | 690,300 |
| 14 | 9 | Irregular expenditure on POL of vehicles due to non-maintenance of Log Books | 715,000 |
| 15 | 10 | Non production of record of recruitment during financial year 2020-21 | - |
| 16 | 11 | Irregular expenditure under head office stationery | 438,000 |
| 17 | 12 | Irregular expenditure on account of TA/DA | 803,000 |
| District Education Officer Female Lakki Marwat | | | |
| 18 | 16 | Overpayment on account of POL charges | 128,211 |

| | | | |
|------------------------------------|----|---|---------|
| 19 | 19 | Cash drawl of funds from bank account | 602,000 |
| 20 | 20 | Irregular expenditure on repair of DEO (F) office building | 661,000 |
| 21 | 21 | Doubtful expenditure on account of POL | 121,968 |
| 22 | 22 | Non production of record of recruitment during financial year 2020-21 | - |
| AD LGE&RDD Lakki Marwat | | | |
| 23 | 1 | Doubtful/un-justified Payment | 570,000 |
| 24 | 2 | Irregular expenditure on account Repair of Vehicles | 56,000 |
| 25 | 3 | Irregular Expenditure. | 557,000 |
| 26 | 4 | Doubtful Expenditure | 250,000 |
| 27 | 5 | Short dedication of taxes | 290,000 |
| 28 | 7 | Irregular/ miss appropriation and Doubtful Expenditure | 500,000 |
| 29 | 9 | Doubtful Expenditure of account refreshment Rs.0.613 million | 613,000 |
| 30 | 12 | Irregular/Doubtful Expenditure 0.416 million | 416,000 |
| 31 | 15 | Loss to Government Due Non-Deposit of Bank Profits into Government Treasury | 32,881 |
| 32 | 16 | Irregular/Doubtful Expenditure | 150,000 |
| 33 | 17 | Loss to Government Due Non-Deposit of Bank Profits into Government Treasury | 771,000 |
| 34 | 20 | Unauthorized payment in deviation to work order and BOQ | 177,000 |
| 35 | 23 | Un-transparent award of work | 654,000 |
| 36 | 24 | Irregular Expenditure | 229,000 |
| 37 | 30 | Irregular expenditure on account non-schedule items | 380,000 |
| TMA Lakki Marwat | | | |
| 38 | 7 | Loss due to non-fore-feature of security and advance | 657,603 |
| 39 | 9 | Loss due non recovery of revenue | 895,765 |
| 40 | 10 | Loss due non imposition of penalty | 780,233 |
| 41 | 12 | Loss due to non-deposit of 15% advance and 5% security | 829,500 |
| TMA Bhattani | | | |
| 42 | 1 | Non deposit of income tax | 73,000 |
| 43 | 2 | Irregular expenditure on account of POL | 404,000 |
| 44 | 3 | short deduction of taxes | 230,00 |
| 45 | 4 | Irregular expenditure | 16,600 |

| | | | |
|--------------------------|----|---|---------|
| 46 | 5 | Loss to Government Due non maintenance of PLS account | 15,500 |
| 47 | 9 | Irregular payment of pay and allowance | 855,000 |
| TMA Serai Naurang | | | |
| 48 | 1 | Unauthorized drawl of Additional Charge Allowance | 100,700 |
| 49 | 2 | Loss to TMA due to return of TMA Profit (2% property tax) | 212,408 |
| 50 | 4 | Un-authorized payment through DDO | 242,000 |
| 51 | 5 | Un-authorized payment of honoraria | 170,000 |
| 52 | 6 | Irregular release of earnest money and additional security | 244,500 |
| 53 | 8 | Non deposit of profit earned on PLS account fund into Government treasury | 138,812 |
| 54 | 9 | Non-credit of Income/Sales Tax deducted into Govt treasury | 837,187 |
| 55 | 11 | Fictitious payment under head Advertisement charges | 185,756 |
| 56 | 12 | Loss to federal government due to non-recovery of income tax | 448,000 |
| 57 | 14 | Double drawl under head printing of banners | 6,000 |
| 58 | 15 | Loss to TMA | 148,000 |
| 59 | 17 | Non-deduction of Sale Tax from contractors | 320,416 |
| 60 | 19 | Overpayment due to claim of un-approved item | 134,000 |
| 61 | 20 | Non-deduction of professional Tax | 110,000 |
| 62 | 24 | Un-verified credits into designated bank account | 676,000 |
| 63 | 25 | Loss due to non-deduction of DRP | 40,356 |
| 64 | 28 | Non-recovery of departmental dues | 382,214 |
| 65 | 30 | Unauthorized payment | 54,665 |
| 66 | 31 | Non-recovery of water charges | 277,830 |
| 67 | 32 | Doubtful payment of income tax | 508,351 |

Annexure – 2
Para 2.5.2.11

Detail of Medicine not supplied

| S.No | Name of firm | Amount in Rs. |
|-------------|------------------------|----------------------|
| 01 | ICI Pakistan | 399,375 |
| 02 | Nove Nordisk | 400,000 |
| 03 | Zafa Pharma | 82,500 |
| 04 | Zafa Pharma | 572,100 |
| 05 | MKB Pharma | 375,400 |
| 06 | Nabi Qasim Industry | 603,740 |
| 07 | Hashir Surgical | 132,000 |
| 08 | Frontier Dextrose | 187,400 |
| 09 | GSK | 380,000 |
| 10 | Frontier Dextrose | 689,310 |
| 11 | Heal Pharma | 731,000 |
| 12 | Silver Surgical | 575,040 |
| 13 | Stanley Pharma | 1,148,000 |
| 14 | Relizon Pharma | 75,000 |
| 15 | Nabi Qasim industry | 1,080,000 |
| 16 | IBL Health care | 99,984 |
| 17 | Stallion Pharma | 544,000 |
| 18 | Zafa Pharma | 173,000 |
| 19 | Nabi Qasim Industry | 81,000 |
| 20 | Hashir Surgical | 862,800 |
| 21 | Zafa Pharma | 434,000 |
| 22 | Pharmasol Pharma | 251,700 |
| 23 | MKB Pharma | 372,500 |
| 24 | IBL Health Care | 480,000 |
| 25 | MKB Pharma | 510,055 |
| 26 | Shaigan Pharma | 69,800 |
| 27 | MTI Medcial | 57,500 |
| 28 | Silver Surgical | 419,300 |
| 29 | Novamed | 360,000 |
| 30 | MKB Pharma | 416,880 |
| 31 | Medilink international | 91,500 |
| 32 | MKB Pharma | 381,987 |
| 33 | Pharmasol Pharma | 39,980 |
| 34 | Hashir Surgical | 252,700 |
| 35 | Shaigan Pharma | 188,460 |
| 36 | Brooks Pharma | 380,250 |
| 37 | Astellas Pharma | 379,162 |
| 38 | Astellas Pharma | 69,966 |
| 39 | Stanelay Pharma | 79,980 |
| 40 | Stanelay Pharma | 387,575 |
| 41 | Stanelay Pharma | 388,600 |

| | | |
|--|----------------------------------|-------------------|
| 42 | Stanelay Pharma | 379,900 |
| 43 | Stanelay Pharma | 382,500 |
| 44 | Stanelay Pharma | 127,281 |
| 45 | IBL Health Care | 379,992 |
| 46 | GSK | 382,000 |
| 47 | GSK | 287,210 |
| | Total | 16,152,927 |
| Detail of Medicine not supplied to DDHO Sub division Bhattani | | |
| 01 | Stanley Pharma Peshawar | 546,200 |
| 02 | Heal pharma Peshwar | 261,500 |
| 03 | Novamed Pharma Lahore | 135,000 |
| 04 | Benson Pharma Rawalpindi | 42,900 |
| 05 | Shaigan Pharma Rawalpindi | 52,350 |
| 06 | Brooks Pharma Karachi | 39,000 |
| 07 | Amson Vaccine & pharma Islamabad | 298,800 |
| 08 | Astellla Pharma Peshwar | 286,160 |
| 09 | Pak Tax industries | 45,460 |
| 10 | Barrat Hodgson | 35,880 |
| 11 | Vikor Health Care lesbla | 63,200 |
| 12 | Bio lab: pvt ltd | 100,110 |
| 13 | Catton Carfat lahore | 9,700 |
| 14 | Arson Pharma Lahore | 46,500 |
| 15 | Frontier Dextrose | 123,380 |
| 16 | Unisa Pharma Peshawar | 9,780 |
| 17 | Nabi Qasim industries | 97,730 |
| 18 | Geofmen Pharma Karachi | 59,480 |
| 19 | Rock Pharma Nowshera | 79,800 |
| 20 | Astco Labs Karachi | 27,000 |
| 21 | Karim Industries Lahore | 78,000 |
| 22 | Hashir Surgical | 136,350 |
| 23 | Pharmasol Pvt Ltd Lahore | 94,900 |
| 24 | Silver Sug: Karachi | 161,730 |
| 25 | IBL Health Care Ltd Karachi | 144,000 |
| 26 | Zafa Pharma Karachi | 288,682 |
| 27 | GSK Pakistan | 348,120 |
| | Total | 3,711,712 |

Annexure – 3
Para No 2.5.2.14

Detail of purchase of Plant & Machinery

| S.No | Object Head | Particulars | Amount in Rs |
|--------------|---------------------------|--|---------------------|
| 01 | Plant & Machinery A-09601 | 15 KVA Solar Plant | 2,290,000 |
| 02 | -do- | 05 KVA Solar Plant | 800,000 |
| 03 | -do- | 05 KVA Solar Plant | 850,000 |
| 04 | -do- | Shifting of Solar Penal Stand | 600,000 |
| 05 | -do- | 5.5 KVA Hybrid Solar Plant | 504,000 |
| 06 | -do- | CCTV Camera set | 680,000 |
| 07 | -do- | Sprinkler irrigation system | 509,565 |
| 08 | -do- | P&I of E-teg system | 744,000 |
| 09 | -do- | 03 KVA Solar Plant for E-teg system | 545,000 |
| 10 | Other Building A-13303 | Restoration & Replacement of Electricity system in DC office | 1,348,918 |
| 11 | -do- | Rehabilitation of DC office Block-1 | 1,450,000 |
| 12 | -do- | Rising of boundary wall at DC office | 1,215,000 |
| 13 | -do- | Repair work of rooms at DC office & Plastering work at DC office | 1,250,000 |
| 14 | -do- | Construction of Lawn side wall | 1,521,000 |
| 15 | -do- | Repair Work at DC office | 1,192,673 |
| Total | | | 15,500,156 |

Annexure – 4
Para No 2.5.2.27

Detail Showing Non supply of medicine

| S.No | Name of Supplier | Amount in Rs |
|-------------|--|---------------------|
| 01 | M/S Silver Surigical Complex PVT Ltd Karachi | 419,300 |
| 02 | M/S Nisa Impex Islamabad | 129,900 |
| 03 | M/S Silver Surigical Complex PVT Ltd Karachi | 720,000 |
| 04 | M/S Astellas Pharma | 542,585 |
| 05 | M/S Karim Industries Lahore | 1,542,400 |
| 06 | M/S Karim Industries Lahore | 309,600 |
| 07 | M/S MTI Medical Lahore | 115,000 |
| 08 | M/S Medircraft Pharma Peshawar | 39,000 |
| 09 | Surge Laboratries Shiekhupura | 46,200 |
| 10 | M/S Pharmasol Pvt. Ltd Lahore | 137,910 |
| 11 | M/S Pharmasol Pvt. Ltd Lahore | 58,730 |
| 12 | Paktex industries Pvt Ltd Kamike | 127,600 |
| 13 | Berret Hodgson Pakistan | 21,030 |
| 14 | Forntier Dextrose Ltd haripur | 1,239,038 |
| 15 | Vikor Health Care Pvt Ltd | 122,800 |
| 16 | Arsons Enterprises | 77,500 |

| | | |
|--|--------------|------------------|
| | Total | 5,648,593 |
|--|--------------|------------------|

Annexure 5

Para No 2.5.2.30

Statement showing detail of drawl of funds by BHUs

| S. No. | Name of Facility | Date of Drawl | Cheque No. | Amount (Rs.) |
|---------------|-------------------------|----------------------|-------------------|---------------------|
| 1 | BHU JhangKhel | 23/07/2021 | 42167271 | 50000 |
| | | 29/07/2021 | 42167272 | 50000 |
| | | 03/08/2021 | 42167274 | 50000 |
| | | 04/08/2021 | 42167273 | 50000 |
| | | 06/08/2021 | 42167275 | 50000 |
| | | 09/08/2021 | 42167276 | 50000 |
| | | 17/08/2021 | 42167277 | 50000 |
| | | 23/08/2021 | 42167278 | 50000 |
| | | 24/08/2021 | 42167280 | 50000 |
| | | 18/02/2022 | 4267284 | 50000 |
| | | 22/02/2022 | 42167285 | 50000 |
| | | 23/02/2022 | 42167281 | 50000 |
| | | 28/02/2022 | 42167288 | 50000 |
| | | 02/03/2022 | 42167286 | 50000 |
| | | 09/03/2022 | 42167290 | 50000 |
| | | 10/03/2022 | 42167291 | 50000 |
| 11/03/2022 | 42167292 | 50000 | | |
| 2 | BHU SulemanKhel | 04/02/2022 | 42561456 | 300000 |
| | | 16/02/2022 | 42561459 | 300000 |
| | | 25/02/2022 | 42561461 | 300000 |
| | | 28/02/2022 | 42561464 | 50000 |
| | | 04/03/2022 | 42561463 | 300000 |
| | | 25/03/2022 | 42561465 | 75000 |
| 3 | BHU GhazniKhel | 15/07/2021 | 42167472 | 50000 |
| | | 29/07/2021 | 42167473 | 50000 |
| | | 29/07/2021 | 42167474 | 50000 |
| | | 03/08/2021 | 42167465 | 50000 |
| | | 03/08/2021 | 42167476 | 50000 |
| | | 06/08/2021 | 42167477 | 300000 |
| | | 25/08/2021 | 42167478 | 200000 |
| | | 01/09/2021 | 42167479 | 50000 |
| | | 14/02/2022 | 42167481 | 50000 |
| | | 14/02/2022 | 42167480 | 50000 |
| | | 17/02/2022 | 42167483 | 50000 |
| | | 17/02/2022 | 42167485 | 50000 |
| | | 21/02/2022 | 42167484 | 50000 |
| | | 21/02/2022 | 42167486 | 50000 |

| | | | | |
|------------|----------------|------------|---------------|------------|
| | | 01/03/2022 | 42167489 | 50000 |
| | | 01/03/2022 | 42167487 | 50000 |
| | | 16/03/2022 | 42167490 | 50000 |
| 4 | BHU Khan Khel | 02/08/2021 | 1945228 | 50000 |
| | | 05/07/2021 | 1945227 | 50000 |
| | | 06/07/2021 | 1945229 | 50000 |
| | | 12/07/2021 | 1945230 | 50000 |
| | | 16/07/2021 | 1945231 | 50000 |
| | | 27/07/2021 | 1945232 | 50000 |
| | | 05/08/2021 | 1945233 | 50000 |
| | | 12/08/2021 | 1945234 | 45000 |
| | | 10/02/2022 | 1945238 | 50000 |
| | | 10/02/2022 | 1945242 | 50000 |
| | | 10/02/2022 | 1945239 | 50000 |
| | | 10/02/2022 | - | 50000 |
| | | 10/02/2022 | 1945240 | 50000 |
| | | 10/02/2022 | 1945237 | 50000 |
| | | 15/02/2022 | 1945243 | 100000 |
| | | 18/02/2022 | 1945234 | 50000 |
| | | 25/02/2022 | 1945245 | 100000 |
| | | 04/03/2022 | 1945246 | 52000 |
| | | 5 | BHU NawarKhel | 15/07/2021 |
| 26/07/2021 | 42164537 | | | 49000 |
| 05/08/2021 | 42164538 | | | 49000 |
| 09/08/2021 | 42164539 | | | 49000 |
| 16/08/2021 | 42164540 | | | 49000 |
| 23/08/2021 | 42164541 | | | 49000 |
| 23/08/2021 | 42164542 | | | 49000 |
| 24/08/2021 | 42164543 | | | 49000 |
| 24/08/2021 | 42164544 | | | 49000 |
| 16/02/2022 | 42247757 | | | 49000 |
| 16/02/2022 | 42247756 | | | 49000 |
| 16/02/2022 | 42247758 | | | 49000 |
| 18/02/2022 | 42247759 | | | 49000 |
| 18/03/2022 | 42247761 | | | 49000 |
| 21/03/2022 | 42247760 | | | 49000 |
| 22/03/2022 | 42247762 | | | 49000 |
| 22/03/2022 | 42247763 | | | 49000 |
| 25/03/2022 | 42247764 | | | 49000 |
| 25/03/2022 | 42247765 | | | 49000 |
| 6 | RHC ShahabKhel | 31/01/2022 | 42167671 | 50000 |
| | | 01/02/2022 | 42167672 | 50000 |
| | | 03/02/2022 | 42167678 | 50000 |
| | | 04/02/2022 | 42167673 | 50000 |
| | | 08/02/2022 | 42167677 | 50000 |

| | | | | |
|------------|----------------|------------|----------|--------|
| | | 09/02/2022 | 42167690 | 50000 |
| | | 10/02/2022 | 42167683 | 50000 |
| | | 11/02/2022 | 42167674 | 50000 |
| | | 17/02/2022 | 42167679 | 50000 |
| | | 18/02/2022 | 42167686 | 100000 |
| | | 15/04/2022 | 42167689 | 50000 |
| | | 27/05/2022 | 42167691 | 50000 |
| 7 | BHU KachiQamar | 26/07/2021 | 42248058 | 49000 |
| | | 27/07/2021 | 42248059 | 49000 |
| | | 28/07/2021 | 42248060 | 49000 |
| | | 29/07/2021 | 42248063 | 49000 |
| | | 27/08/2021 | 42248062 | 49000 |
| | | 30/08/2021 | 42248061 | 49000 |
| | | 30/08/2021 | 42248064 | 49000 |
| | | 14/09/2021 | 42248057 | 49000 |
| | | 09/02/2022 | 42248071 | 50000 |
| | | 09/02/2022 | 42248068 | 50000 |
| | | 09/02/2022 | 42248069 | 50000 |
| | | 09/02/2022 | 42248070 | 50000 |
| | | 07/03/2022 | 42248072 | 50000 |
| | | 11/03/2022 | 42248076 | 50000 |
| 8 | BHU BeguKhel | 14/07/2021 | 42167371 | 49000 |
| | | 15/07/2021 | 42167372 | 49000 |
| | | 06/08/2021 | 42167373 | 50000 |
| | | 16/08/2021 | 42167374 | 50000 |
| | | 25/08/2021 | 42167375 | 50000 |
| | | 31/08/2021 | 42167377 | 50000 |
| | | 13/09/2021 | 42167376 | 50000 |
| | | 04/10/2021 | 42167379 | 50000 |
| | | 01/03/2022 | 42167386 | 49000 |
| | | 01/03/2022 | 42167384 | 50000 |
| | | 08/03/2022 | 42167383 | 50000 |
| | | 18/03/2022 | 42167387 | 50000 |
| | | 29/03/2022 | 42167388 | 50000 |
| | | 12/04/2022 | 42167389 | 50000 |
| | | 13/04/2022 | 42167390 | 50000 |
| | | 29/04/2022 | 42167391 | 50000 |
| 29/04/2022 | 42167392 | 57000 | | |
| 9 | PHC management | 15/07/2021 | 42587131 | 49000 |
| | | 16/07/2021 | 42587132 | 49000 |
| | | 19/07/2021 | 42587133 | 48000 |
| | | 26/07/2021 | 42587134 | 49000 |
| | | 28/07/2021 | 42587135 | 48000 |
| | | 02/08/2021 | 42587136 | 49000 |
| | | 09/08/2021 | 42587137 | 49000 |

| | | | | |
|--------------|-------------|------------|----------|-------------------|
| | | 11/08/2021 | 42587138 | 48000 |
| | | 20/08/2021 | 42587140 | 49000 |
| | | 01/02/2022 | 42587142 | 200000 |
| | | 09/02/2022 | 42587143 | 200000 |
| | | 14/02/2022 | 42587144 | 150000 |
| 10 | BHU Gandhi | 30/06/2021 | 42561806 | 50000 |
| | | 05/07/2021 | 42561807 | 50000 |
| | | 08/07/2021 | 42561808 | 50000 |
| | | 12/07/2021 | 42561811 | 50000 |
| | | 19/07/2021 | 42561810 | 50000 |
| | | 26/07/2021 | 42561812 | 50000 |
| | | 03/08/2021 | 42561809 | 50000 |
| | | 09/08/2021 | 42561813 | 50000 |
| | | 11/08/2021 | 42561814 | 50000 |
| | | 26/01/2022 | 42561816 | 50000 |
| | | 27/01/2022 | 42561817 | 50000 |
| | | 10/02/2022 | 42561820 | 50000 |
| | | 11/02/2022 | 42561822 | 50000 |
| | | 11/02/2022 | 42561821 | 50000 |
| | | 15/02/2022 | 42561823 | 50000 |
| | | 18/02/2022 | 42561825 | 50000 |
| | | 18/02/2022 | 42561824 | 50000 |
| | | 22/02/2022 | 42561826 | 50000 |
| | | 22/02/2022 | 42561827 | 50000 |
| | | 01/03/2022 | 42561828 | 50000 |
| 11 | BHU Ahmadzi | 15/07/2021 | 41946926 | 50000 |
| | | 15/08/2021 | 41946927 | 50000 |
| | | 09/08/2021 | 41946928 | 50000 |
| | | 13/08/2021 | 41946929 | 50000 |
| | | 17/08/2021 | 41946930 | 50000 |
| | | 24/08/2021 | 41946932 | 50000 |
| | | 24/08/2021 | 41946931 | 50000 |
| | | 31/08/2021 | 41946934 | 50000 |
| | | 31/08/2021 | 41946933 | 50000 |
| | | 31/01/2022 | 41946936 | 50000 |
| | | 10/02/2022 | 41946937 | 100000 |
| | | 21/02/2022 | 41946938 | 100000 |
| | | 15/03/2022 | 41946939 | 100000 |
| | | 25/03/2022 | 41946940 | 100000 |
| Total | | | | 10,437,000 |

**Annexure – 6
Para No 2.5.3.1**

Detail of furniture

| Sr.No. | DDO Code | Head Of Account | Amount in Rs |
|--------------|----------|-----------------|------------------|
| 1 | LK-6107 | A09701 | 497,750 |
| 2 | Lk-6218 | A09701 | 299,600 |
| 3 | LK6688 | A09701 | 497,650 |
| 4 | LK6689 | A09701 | 199,650 |
| 5 | LK6690 | A09701 | 149,800 |
| 6 | LK6691 | A09701 | 499,600 |
| 7 | LK6692 | A09701 | 298,850 |
| 8 | LK6693 | A09701 | 219,800 |
| 9 | LK6721 | A09701 | 499,400 |
| 10 | LK6722 | A09701 | 499,400 |
| 11 | LK6723 | A09701 | 499,600 |
| 12 | LK6724 | A09701 | 499,600 |
| 13 | LK6725 | A09701 | 497,000 |
| Total | | | 5,157,700 |

**Annexure –7
Para No 2.5.3.5**

Detail of state land illegally occupied by the private persons

| S.No | Mouza | Name of Occupants | Area | | Rate Per Marla as per Valuation Table | Total Cost in Rs. |
|------|-------------------|----------------------------------|-------|-------|---------------------------------------|-------------------|
| | | | Kanal | Marla | | |
| 01 | Titter Khel | Abdur Rahim | 04 | 18 | 1756 | 172,088 |
| 02 | Bega Tajazia | Hashim Khan | 01 | 01 | 1597 | 33,537 |
| | | Hamid Ullah | 01 | 17 | | 59,089 |
| | | Misal Khan s/o Muhammad Ali | 70 | 17 | | 2,262,949 |
| | | Hashim Khan etc s/o M Ayaz Khan | 01 | 03 | | 36,731 |
| | | Hashir Inam Ullah s/o inam Ullah | 23 | 04 | | 741,008 |
| 03 | Jabu Khel | Qayum Khan s/o Hakim Khan | 37 | 07 | 990 | 739,530 |
| | | Mushak Alam etc | 31 | 02 | | 615,780 |
| | | | | | | |
| 04 | Langer Khel Pacca | Hassan khan | 16 | 09 | 959 | 318,388 |
| 05 | Matora | Karim Khan s/o Zar | 22 | 12 | 978 | 442,056 |

| | | | | | | |
|----|----------------------------|---------------------------------|------------|------------|------|-------------------|
| | | wair khan | | | | |
| | | Maludad khan s/o Ghulam Hussain | 01 | 00 | | 19,560 |
| | | Atta Ullah s/o Youqab | 03 | 08 | | 66,504 |
| 06 | Nar Akber Khan Takhti khel | Basr Ullah jan s/o ghulam tawar | 06 | 12 | 2344 | 309,408 |
| | | Ajmal Khan s/o Muhammad Nawaz | 61 | 19 | | 2,904,216 |
| 07 | Chandu Khel | Mir Payio s/o Shadi Khan | 100 | 00 | 2276 | 4,552,000 |
| 08 | Shakh Quli Khan | Ajmal Khan | 05 | 17 | 3010 | 352,170 |
| | | Mir Ajab s/o Mir Zaman | 02 | 06 | | 138,460 |
| | | Mir Zali Khan s/o Noor Khan | 02 | 11 | | 153,510 |
| 09 | Garzia | Nwab khan s/o Mir Zalam | 21 | 09 | 1337 | 573,573 |
| | | Samoon Khan s/o Mir Qalam | 01 | 05 | | 33,425 |
| | | Sarki Zara | 23 | 07 | | 624,379 |
| | | Akhter Zaman | 04 | 07 | | 116,319 |
| | | Abdur Rahim khan | 09 | 14 | | 159,378 |
| | | Shah Nawaz s/o Mian Khan | 03 | 02 | | 82,894 |
| | | Said Mir Khan | 65 | 00 | | 1,738,100 |
| | | Latif Khan | 66 | 00 | | 1,764,840 |
| | | Gula Khan | 35 | 10 | | 949,270 |
| | | Gul Mir Khan s/o Said mir khan | 67 | 13 | | 1,808,961 |
| | | Ihsan khan s/o sakhi mar jan | 09 | 00 | | 240,660 |
| | | Khan saad | 20 | 07 | | 544,159 |
| | | Umer Gul | 15 | 00 | | 401,100 |
| | | Muhammad Jan | 02 | 07 | | 62,839 |
| | | Yousaf Khan etc | 28 | 17 | | 771,449 |
| 10 | Baragi | Mst Mira etc | 09 | 03 | 1337 | 244,671 |
| 11 | Walai | Rustam Khan | 05 | 17 | 1337 | 156,429 |
| | | Total | 768 | 281 | | 24,189,430 |

Annexure-8**Para No.2.5.4.3****Statement showing irregular drawal of funds from Designated Bank Account**

| S. No. | Cheque No. | Date | Amount (Rs.) |
|--------------|------------|------------|-------------------|
| 1 | 8076290 | 23/07/2019 | 302,000 |
| 2 | 8076297 | 19/12/2019 | 257,565 |
| 3 | 8076299 | 17/01/2020 | 805,968 |
| 4 | 8076298 | 17/01/2020 | 873,132 |
| 5 | 8076300 | 18/01/2020 | 579,000 |
| 6 | 8076301 | 20/01/2020 | 262,000 |
| 7 | 8076303 | 15/04/2020 | 396,214 |
| 8 | 8076304 | 14/05/2020 | 900,000 |
| 9 | 8076305 | 19/05/2020 | 400,000 |
| 10 | 8076308 | 04/06/2020 | 3,095,000 |
| 11 | 8076310 | 23/06/2020 | 1,171,046 |
| 12 | 8076311 | 30/06/2020 | 222,600 |
| 13 | 8076315 | 18/11/2020 | 3,250,000 |
| 14 | 8076319 | 02/12/2020 | 935,740 |
| 15 | 8076323 | 01/02/2021 | 434,498 |
| 16 | 8076321 | 01/02/2021 | 1,200,000 |
| 17 | 8076325 | 10/02/2021 | 252,994 |
| 18 | 8076326 | 10/03/2021 | 299,795 |
| 19 | 8076328 | 17/06/2021 | 1,173,500 |
| 20 | 8076329 | 23/06/2021 | 856,600 |
| Total | | | 17,667,652 |

Annexure-9**Para No. 2.5.4.5****Detail showing lump sum payment to WUAs**

| S.No | Name of Scheme | Amount Paid (Rs.) |
|------|---------------------------------|----------------------|
| 1 | Muhammad Ijaz Water Tank | 420,000 |
| 2 | Waheed Ullah Water Tank | 420,000 |
| 3 | Taj Ali Khan Water Storage Tank | 420,000 |
| 4 | Farhat Ullah TW W/C | 794,960 |
| 5 | Asmat Ullah TW W/C | 825,000 |
| 6 | Fateh Ullah TW W/C | 823,799 |
| 7 | Shah Alam TW/ W/C | 821,786 |
| 8 | Rashid Ahmad Khan TW W/C | 813,929 |
| 9 | yousaf Khan TW W/C | 803,225 |
| 10 | Saad Ullah TW W/C | 846,241 |
| 11 | Qasim Khan TW W/C | 871,060 |

| | |
|--------------|------------------|
| Total | 7,860,000 |
|--------------|------------------|

Annexure-10
Para No.2.5.4.7

Statement showing detail of payment through DDO

| S.No. | Cheque No. | Date | Amount (Rs.) |
|--------------|------------|------------|------------------|
| 1 | 1006756 | 29.04.2021 | 78,700.00 |
| 2 | 1007156 | 12.10.2020 | 29,277.00 |
| 3 | 1007184 | 20.10.2020 | 106,325.00 |
| 4 | 1007220 | 26.10.2020 | 49,083.00 |
| 5 | 1007388 | 27.11.2020 | 22,887.00 |
| 6 | 1007877 | 15.06.2021 | 317,250.00 |
| 7 | 1007976 | 19.06.2021 | 741,724.00 |
| 8 | 1008046 | 30.12.2020 | 24,031.00 |
| 9 | 1008473 | 05.03.2021 | 60,900.00 |
| 10 | 1151621 | 25.06.2021 | 4,500.00 |
| 11 | 1151731 | 25.06.2021 | 295,450.00 |
| 12 | 1008176 | 26.01.2021 | 101,401.00 |
| 13 | 1008199 | 29.01.2021 | 21,743.00 |
| 14 | 1008203 | 29.01.2021 | 10,000.00 |
| Total | | | 1,863,271 |

Annexure-11
Para No.2.5.4.8

Statement showing detail of rent of CVDs/ CVCs & office building

| S.No. | Particulars | Period | FY | Cheque No. & Date | Rent Paid (Rs.) |
|--------------|---|------------------------|----------------|-----------------------------|----------------------------|
| 1. | Rent of Office Building @ Rs.17,850/month | 1-7-2019 to 30-6-2020 | 2019-20 | No.13338314 dated 22-6-2020 | 214,200 |
| 2. | Rent of 9 CVCs @ Rs.660/month | 1-7-2019 to 31-01-2020 | | | 41,580 |
| 3. | Rent of 18 CVDs @ Rs.1,320/month | 1-7-2019 to 30-11-2019 | | | 118,800 |
| 4. | Rent of 18 CVDs @ Rs.1,320/month | 1-12-2019 to 30-6-2020 | 2020-21 | No.13338315 dated 1-10-2020 | 166,320 |
| 5. | Rent of 9 CVCs @ Rs.660/month | 1-2-2019 to 30-6-2020 | | No.13338315 dated 1-10-2020 | 29,700 |
| 6. | Rent of 6 CVDs @ Rs.1,320/month | 1-7-2020 to 30-6-2021 | | No,1007537 dated 01-6-2021 | 95,040 |
| 7. | Rent of 16 CVDs @ Rs.1,320/month | 1-7-2020 to 30-6-2021 | | | 253,440 |
| 8. | Rent of 8 CVCs @ Rs.660/month | 1-7-2020 to 30-6-2021 | | | 63,360 |
| 9. | Rent of Office Building @ Rs.25,000/month | 1-7-2020 to 31-12-2020 | | | No,1007670 dated 08-6-2021 |
| Total | | | | | 1,132,440 |

